

FIRST REGULAR SESSION

# HOUSE BILL NO. 1243

## 100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MESSENGER.

2366H.011

DANA RADEMAN MILLER, Chief Clerk

### AN ACT

To repeal sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.020, 135.110, 135.225, 135.235, 135.279, 135.305, 135.313, 135.327, 135.352, 135.403, 135.460, 135.481, 135.490, 135.503, 135.535, 135.545, 135.550, 135.679, 135.686, 135.700, 135.766, 135.967, 135.968, 135.1150, 135.1180, 143.081, 143.119, 143.471, 148.064, 148.620, 148.655, 148.657, 173.796, 191.1056, 192.2015, 208.770, 253.550, 320.093, 348.302, 348.430, 348.432, 348.505, 375.774, 376.745, 376.975, 447.708, 620.495, 620.650, 620.809, 620.1039, 620.1881, and 620.2020, RSMo, and to enact in lieu thereof fifty-seven new sections relating to tax credits.

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

Section A. Sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.020, 135.110, 135.225, 135.235, 135.279, 135.305, 135.313, 135.327, 135.352, 135.403, 135.460, 135.481, 135.490, 135.503, 135.535, 135.545, 135.550, 135.679, 135.686, 135.700, 135.766, 135.967, 135.968, 135.1150, 135.1180, 143.081, 143.119, 143.471, 148.064, 148.620, 148.655, 148.657, 173.796, 191.1056, 192.2015, 208.770, 253.550, 320.093, 348.302, 348.430, 348.432, 348.505, 375.774, 376.745, 376.975, 447.708, 620.495, 620.650, 620.809, 620.1039, 620.1881, and 620.2020, RSMo, are repealed and fifty-seven new sections enacted in lieu thereof, to be known as sections 32.115, 99.1205, 100.286, 100.297, 100.850, 135.020, 135.110, 135.225, 135.235, 135.279, 135.305, 135.313, 135.327, 135.352, 135.403, 135.460, 135.481, 135.490, 135.503, 135.535, 135.545, 135.550, 135.679, 135.686, 135.700, 135.766, 135.967, 135.968, 135.1150, 135.1180, 143.081, 143.119, 143.471, 148.064, 148.620, 148.655, 148.657, 173.796, 191.1056, 192.2015, 208.770, 253.550, 320.093, 348.302, 348.430, 348.432, 348.505, 375.774, 376.745, 376.975, 447.708, 620.495, 620.650, 620.809, 620.1039, 620.1881, and 620.2020, to read as follows:

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.

32.115. 1. The department of revenue shall grant a tax credit, to be applied in the following order until used, against:

- (1) The annual tax on gross premium receipts of insurance companies in chapter 148;
- (2) The tax on banks determined ~~[pursuant to]~~ **under** subdivision (2) of subsection 2 of section 148.030;
- (3) The tax on banks determined in subdivision (1) of subsection 2 of section 148.030;
- (4) The tax on other financial institutions in chapter 148;
- (5) The corporation franchise tax in chapter 147;
- (6) The state income tax in chapter 143; and
- (7) The annual tax on gross receipts of express companies in chapter 153.

2. For proposals approved ~~[pursuant to]~~ **under** section 32.110:

(1) The amount of the tax credit shall not exceed fifty percent of the total amount contributed during the ~~[taxable]~~ **tax** year by the business firm or, in the case of a financial institution, where applicable, during the relevant income period in programs approved ~~[pursuant to]~~ **under** section 32.110;

(2) Except as provided in subsection 2 or 5 of this section, a tax credit of up to seventy percent may be allowed for contributions to programs where activities fall within the scope of special program priorities as defined with the approval of the governor in regulations promulgated by the director of the department of economic development;

(3) Except as provided in subsection 2 or 5 of this section, the tax credit allowed for contributions to programs located in any community shall be equal to seventy percent of the total amount contributed where such community is a city, town or village which has fifteen thousand or less inhabitants as of the last decennial census and is located in a county which is either located in:

- (a) An area that is not part of a standard metropolitan statistical area;
- (b) A standard metropolitan statistical area but such county has only one city, town or village which has more than fifteen thousand inhabitants; or
- (c) A standard metropolitan statistical area and a substantial number of persons in such county derive their income from agriculture.

Such community may also be in an unincorporated area in such county as provided in subdivision (1), (2) or (3) of this subsection. Except in no case shall the total economic benefit of the combined federal and state tax savings to the taxpayer exceed the amount contributed by the taxpayer during the tax year;

(4) Such tax credit allocation, equal to seventy percent of the total amount contributed, shall not exceed four million dollars in fiscal year 1999 and six million dollars in fiscal year 2000

37 and any subsequent fiscal year. When the maximum dollar limit on the seventy percent tax credit  
38 allocation is committed, the tax credit allocation for such programs shall then be equal to fifty  
39 percent credit of the total amount contributed. Regulations establishing special program  
40 priorities are to be promulgated during the first month of each fiscal year and at such times  
41 during the year as the public interest dictates. Such credit shall not exceed two hundred and fifty  
42 thousand dollars annually except as provided in subdivision (5) of this subsection. No tax credit  
43 shall be approved for any bank, bank and trust company, insurance company, trust company,  
44 national bank, savings association, or building and loan association for activities that are a part  
45 of its normal course of business. Any tax credit not used in the period the contribution was made  
46 may be carried over the next five succeeding calendar or fiscal years until the full credit has been  
47 claimed. Except as otherwise provided for proposals approved ~~[pursuant to]~~ **under** section  
48 32.111, 32.112 or 32.117, in no event shall the total amount of all other tax credits allowed  
49 ~~[pursuant to]~~ **under** sections 32.100 to 32.125 exceed thirty-two million dollars in any one fiscal  
50 year, of which six million shall be credits allowed ~~[pursuant to]~~ **under** section 135.460. If six  
51 million dollars in credits are not approved, then the remaining credits may be used for programs  
52 approved ~~[pursuant to]~~ **under** sections 32.100 to 32.125;

53 (5) The credit may exceed two hundred fifty thousand dollars annually and shall not be  
54 limited if community services, crime prevention, education, job training, physical revitalization  
55 or economic development, as defined by section 32.105, is rendered in an area defined by federal  
56 or state law as an impoverished, economically distressed, or blighted area or as a neighborhood  
57 experiencing problems endangering its existence as a viable and stable neighborhood, or if the  
58 community services, crime prevention, education, job training, physical revitalization or  
59 economic development is limited to impoverished persons.

60 3. For proposals approved ~~[pursuant to]~~ **under** section 32.111:

61 (1) The amount of the tax credit shall not exceed fifty-five percent of the total amount  
62 invested in affordable housing assistance activities or market rate housing in distressed  
63 communities as defined in section 135.530 by a business firm. Whenever such investment is  
64 made in the form of an equity investment or a loan, as opposed to a donation alone, tax credits  
65 may be claimed only where the loan or equity investment is accompanied by a donation which  
66 is eligible for federal income tax charitable deduction, and where the total value of the tax credits  
67 herein plus the value of the federal income tax charitable deduction is less than or equal to the  
68 value of the donation. Any tax credit not used in the period for which the credit was approved  
69 may be carried over the next ten succeeding calendar or fiscal years until the full credit has been  
70 allowed. If the affordable housing units or market rate housing units in distressed communities  
71 for which a tax is claimed are within a larger structure, parts of which are not the subject of a tax  
72 credit claim, then expenditures applicable to the entire structure shall be reduced on a prorated

73 basis in proportion to the ratio of the number of square feet devoted to the affordable housing  
74 units or market rate housing units in distressed communities, for purposes of determining the  
75 amount of the tax credit. The total amount of tax credit granted for programs approved ~~[pursuant~~  
76 ~~to]~~ **under** section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed two million  
77 dollars, to be increased by no more than two million dollars each succeeding fiscal year, until the  
78 total tax credits that may be approved reaches ten million dollars in any fiscal year;

79 (2) For any year during the compliance period indicated in the land use restriction  
80 agreement, the owner of the affordable housing rental units for which a credit is being claimed  
81 shall certify to the commission that all tenants renting claimed units are income eligible for  
82 affordable housing units and that the rentals for each claimed unit are in compliance with the  
83 provisions of sections 32.100 to 32.125. The commission is authorized, in its discretion, to audit  
84 the records and accounts of the owner to verify such certification;

85 (3) In the case of owner-occupied affordable housing units, the qualifying owner  
86 occupant shall, before the end of the first year in which credits are claimed, certify to the  
87 commission that the occupant is income eligible during the preceding two years, and at the time  
88 of the initial purchase contract, but not thereafter. The qualifying owner occupant shall further  
89 certify to the commission, before the end of the first year in which credits are claimed, that  
90 during the compliance period indicated in the land use restriction agreement, the cost of the  
91 affordable housing unit to the occupant for the claimed unit can reasonably be projected to be  
92 in compliance with the provisions of sections 32.100 to 32.125. Any succeeding owner occupant  
93 acquiring the affordable housing unit during the compliance period indicated in the land use  
94 restriction agreement shall make the same certification;

95 (4) If at any time during the compliance period the commission determines a project for  
96 which a proposal has been approved is not in compliance with the applicable provisions of  
97 sections 32.100 to 32.125 or rules promulgated therefor, the commission may within one  
98 hundred fifty days of notice to the owner either seek injunctive enforcement action against the  
99 owner, or seek legal damages against the owner representing the value of the tax credits, or  
100 foreclose on the lien in the land use restriction agreement, selling the project at a public sale, and  
101 paying to the owner the proceeds of the sale, less the costs of the sale and less the value of all tax  
102 credits allowed herein. The commission shall remit to the director of revenue the portion of the  
103 legal damages collected or the sale proceeds representing the value of the tax credits. However,  
104 except in the event of intentional fraud by the taxpayer, the proposal's certificate of eligibility for  
105 tax credits shall not be revoked.

106 4. For proposals approved ~~[pursuant to]~~ **under** section 32.112, the amount of the tax  
107 credit shall not exceed fifty-five percent of the total amount contributed to a neighborhood  
108 organization by business firms. Any tax credit not used in the period for which the credit was

109 approved may be carried over the next ten succeeding calendar or fiscal years until the full credit  
110 has been allowed. The total amount of tax credit granted for programs approved ~~[pursuant to]~~  
111 **under** section 32.112 shall not exceed one million dollars for each fiscal year.

112 5. The total amount of tax credits used for market rate housing in distressed communities  
113 ~~[pursuant to]~~ **under** sections 32.100 to 32.125 shall not exceed thirty percent of the total amount  
114 of all tax credits authorized ~~[pursuant to]~~ **under** sections 32.111 and 32.112.

115 **6. Under section 23.253 of the Missouri sunset act:**

116 **(1) The provisions of the Neighborhood Assistance Act, under sections 32.100 to**  
117 **32.125, shall automatically sunset on December thirty-first six years after the effective date**  
118 **of this section unless reauthorized by an act of the general assembly;**

119 **(2) If such programs are reauthorized, the programs authorized under the**  
120 **Neighborhood Assistance Act shall automatically sunset on December thirty-first six years**  
121 **after the effective date of the reauthorization of this section;**

122 **(3) The Neighborhood Assistance Act shall terminate on September first of the**  
123 **calendar year immediately following the calendar year in which the programs authorized**  
124 **under the act are sunset; and**

125 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
126 **before this section is sunset.**

99.1205. 1. This section shall be known and may be cited as the "Distressed Areas Land  
2 Assemblage Tax Credit Act".

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

4 (1) "Acquisition costs", the purchase price for the eligible parcel, costs of environmental  
5 assessments, closing costs, real estate brokerage fees, reasonable demolition costs of vacant  
6 structures, and reasonable maintenance costs incurred to maintain an acquired eligible parcel for  
7 a period of five years after the acquisition of such eligible parcel. Acquisition costs shall not  
8 include costs for title insurance and survey, attorney's fees, relocation costs, fines, or bills from  
9 a municipality;

10 (2) "Applicant", any person, firm, partnership, trust, limited liability company, or  
11 corporation which has:

12 (a) Incurred, within an eligible project area, acquisition costs for the acquisition of land  
13 sufficient to satisfy the requirements under subdivision (8) of this subsection; and

14 (b) Been appointed or selected, pursuant to a redevelopment agreement by a municipal  
15 authority, as a redeveloper or similar designation, under an economic incentive law, to redevelop  
16 an urban renewal area or a redevelopment area that includes all of an eligible project area or  
17 whose redevelopment plan or redevelopment area, which encompasses all of an eligible project  
18 area, has been approved or adopted under an economic incentive law. In addition to being

19 designated the redeveloper, the applicant shall have been designated to receive economic  
20 incentives only after the municipal authority has considered the amount of the tax credits in  
21 adopting such economic incentives as provided in subsection 8 of this section. The  
22 redevelopment agreement shall provide that:

23       a. The funds generated through the use or sale of the tax credits issued under this section  
24 shall be used to redevelop the eligible project area;

25       b. No more than seventy-five percent of the urban renewal area identified in the urban  
26 renewal plan or the redevelopment area identified in the redevelopment plan may be redeveloped  
27 by the applicant; and

28       c. The remainder of the urban renewal area or the redevelopment area shall be  
29 redeveloped by co-redevelopers or redevelopers to whom the applicant has assigned its  
30 redevelopment rights and obligations under the urban renewal plan or the redevelopment plan;

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

32       (4) "Condemnation proceedings", any action taken by, or on behalf of, an applicant to  
33 initiate an action in a court of competent jurisdiction to use the power of eminent domain to  
34 acquire a parcel within the eligible project area. Condemnation proceedings shall include any  
35 and all actions taken after the submission of a notice of intended acquisition to an owner of a  
36 parcel within the eligible project area by a municipal authority or any other person or entity under  
37 section 523.250;

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

39       (6) "Economic incentive laws", any provision of Missouri law ~~[pursuant to]~~ **under** which  
40 economic incentives are provided to redevelopers of a parcel or parcels to redevelop the land,  
41 such as tax abatement or payments in lieu of taxes, or redevelopment plans or redevelopment  
42 projects approved or adopted which include the use of economic incentives to redevelop the land.  
43 Economic incentive laws include, but are not limited to, the land clearance for redevelopment  
44 authority law under sections 99.300 to 99.660, the real property tax increment allocation  
45 redevelopment act under sections 99.800 to 99.865, the Missouri downtown and rural economic  
46 stimulus act under sections 99.915 to 99.1060, and the downtown revitalization preservation  
47 program under sections 99.1080 to 99.1092;

48       (7) "Eligible parcel", a parcel:

49       (a) Which is located within an eligible project area;

50       (b) Which is to be redeveloped;

51       (c) On which the applicant has not commenced construction prior to November 28,  
52 2007;

53 (d) Which has been acquired without the commencement of any condemnation  
54 proceedings with respect to such parcel brought by or on behalf of the applicant. Any parcel  
55 acquired by the applicant from a municipal authority shall not constitute an eligible parcel; and

56 (e) On which all outstanding taxes, fines, and bills levied by municipal governments that  
57 were levied by the municipality during the time period that the applicant held title to the eligible  
58 parcel have been paid in full;

59 (8) "Eligible project area", an area which shall have satisfied the following requirements:

60 (a) The eligible project area shall consist of at least seventy-five acres and may include  
61 parcels within its boundaries that do not constitute an eligible parcel;

62 (b) At least eighty percent of the eligible project area shall be located within a Missouri  
63 qualified census tract area, as designated by the United States Department of Housing and Urban  
64 Development under 26 U.S.C. Section 42, or within a distressed community as that term is  
65 defined in section 135.530;

66 (c) The eligible parcels acquired by the applicant within the eligible project area shall  
67 total at least fifty acres, which may consist of contiguous and noncontiguous parcels;

68 (d) The average number of parcels per acre in an eligible project area shall be four or  
69 more;

70 (e) Less than five percent of the acreage within the boundaries of the eligible project area  
71 shall consist of owner-occupied residences which the applicant has identified for acquisition  
72 under the urban renewal plan or the redevelopment plan pursuant to which the applicant was  
73 appointed or selected as the redeveloper or by which the person or entity was qualified as an  
74 applicant under this section on the date of the approval or adoption of such plan;

75 (9) "Interest costs", interest, loan fees, and closing costs. Interest costs shall not include  
76 attorney's fees;

77 (10) "Maintenance costs", costs of boarding up and securing vacant structures, costs of  
78 removing trash, and costs of cutting grass and weeds;

79 (11) "Municipal authority", any city, town, village, county, public body corporate and  
80 politic, political subdivision, or land trust of this state established and authorized to own land  
81 within the state;

82 (12) "Municipality", any city, town, village, or county;

83 (13) "Parcel", a single lot or tract of land, and the improvements thereon, owned by, or  
84 recorded as the property of, one or more persons or entities;

85 (14) "Redeveloped", the process of undertaking and carrying out a redevelopment plan  
86 or urban renewal plan pursuant to which the conditions which provided the basis for an eligible  
87 project area to be included in a redevelopment plan or urban renewal plan are to be reduced or  
88 eliminated by redevelopment or rehabilitation; and

89           (15) "Redevelopment agreement", the redevelopment agreement or similar agreement  
90 into which the applicant entered with a municipal authority and which is the agreement for the  
91 implementation of the urban renewal plan or redevelopment plan pursuant to which the applicant  
92 was appointed or selected as the redeveloper or by which the person or entity was qualified as  
93 an applicant under this section; and such appointment or selection shall have been approved by  
94 an ordinance of the governing body of the municipality, or municipalities, or in the case of any  
95 city not within a county, the board of aldermen, in which the eligible project area is located. The  
96 redevelopment agreement shall include a time line for redevelopment of the eligible project area.  
97 The redevelopment agreement shall state that the named developer shall be subject to the  
98 provisions of chapter 290.

99           3. Any applicant shall be entitled to a tax credit against the taxes imposed under chapters  
100 143, 147, and 148, except for sections 143.191 to 143.265, in an amount equal to fifty percent  
101 of the acquisition costs, and one hundred percent of the interest costs incurred for a period of five  
102 years after the acquisition of an eligible parcel. No tax credits shall be issued under this section  
103 until after January 1, 2008.

104           4. If the amount of such tax credit exceeds the total tax liability for the year in which the  
105 applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be  
106 carried forward for credit against the taxes imposed under chapters 143, 147, and 148 for the  
107 succeeding six years, or until the full credit is used, whichever occurs first. The applicant shall  
108 not be entitled to a tax credit for taxes imposed under sections 143.191 to 143.265. Applicants  
109 entitled to receive such tax credits may transfer, sell, or assign the tax credits. Tax credits  
110 granted to a partnership, a limited liability company taxed as a partnership, or multiple owners  
111 of property shall be passed through to the partners, members, or owners respectively pro rata or  
112 pursuant to an executed agreement among the partners, members, or owners documenting an  
113 alternate distribution method.

114           5. A purchaser, transferee, or assignee of the tax credits authorized under this section  
115 may use acquired tax credits to offset up to one hundred percent of the tax liabilities otherwise  
116 imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265. A seller,  
117 transferor, or assignor shall perfect such transfer by notifying the department in writing within  
118 thirty calendar days following the effective date of the transfer and shall provide any information  
119 as may be required by the department to administer and carry out the provisions of this section.

120           6. To claim tax credits authorized under this section, an applicant shall submit to the  
121 department an application for a certificate. An applicant shall identify the boundaries of the  
122 eligible project area in the application. The department shall verify that the applicant has  
123 submitted a valid application in the form and format required by the department. The department  
124 shall verify that the municipal authority held the requisite hearings and gave the requisite notices



for such hearings in accordance with the applicable economic incentive act, and municipal ordinances. On an annual basis, an applicant may file for the tax credit for the acquisition costs, and for the tax credit for the interest costs, subject to the limitations of this section. If an applicant applying for the tax credit meets the criteria required under this section, the department shall issue a certificate in the appropriate amount. If an applicant receives a tax credit for maintenance costs as a part of the applicant's acquisition costs, the department shall post on its internet website the amount and type of maintenance costs and a description of the redevelopment project for which the applicant received a tax credit within thirty days after the department issues the certificate to the applicant.

7. The total aggregate amount of tax credits authorized under this section shall not exceed ninety-five million dollars. At no time shall the annual amount of the tax credits issued under this section exceed twenty million dollars. If the tax credits that are to be issued under this section exceed, in any year, the twenty million dollar limitation, the department shall either:

(1) Issue tax credits to the applicant in the amount of twenty million dollars, if there is only one applicant entitled to receive tax credits in that year; or

(2) Issue the tax credits on a pro rata basis to all applicants entitled to receive tax credits in that year. Any amount of tax credits, which an applicant is, or applicants are, entitled to receive on an annual basis and are not issued due to the twenty million dollar limitation, shall be carried forward for the benefit of the applicant or applicants to subsequent years.

No tax credits provided under this section shall be authorized after August 28, 2013. Any tax credits which have been authorized on or before August 28, 2013, but not issued, may be issued, subject to the limitations provided under this subsection, until all such authorized tax credits have been issued.

8. Upon issuance of any tax credits ~~[pursuant to]~~ **under** this section, the department shall report to the municipal authority the applicant's name and address, the parcel numbers of the eligible parcels for which the tax credits were issued, the itemized acquisition costs and interest costs for which tax credits were issued, and the total value of the tax credits issued. The municipal authority and the state shall not consider the amount of the tax credits as an applicant's cost, but shall include the tax credits in any sources and uses and cost benefit analysis reviewed or created for the purpose of awarding other economic incentives. The amount of the tax credits shall not be considered an applicant's cost in the evaluation of the amount of any award of any other economic incentives, but shall be considered in measuring the reasonableness of the rate of return to the applicant with respect to such award of other economic incentives. The municipal authority shall provide the report to any relevant commission, board, or entity responsible for the evaluation and recommendation or approval of other economic incentives to

161 assist in the redevelopment of the eligible project area. Tax credits authorized under this section  
162 shall constitute redevelopment tax credits, as such term is defined under section 135.800, and  
163 shall be subject to all provisions applicable to redevelopment tax credits provided under sections  
164 135.800 to 135.830.

165 9. The department may promulgate rules to implement the provisions of this section.  
166 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
167 authority delegated in this section shall become effective only if it complies with and is subject  
168 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
169 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
170 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
171 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
172 or adopted after August 28, 2007, shall be invalid and void.

173 **10. Under section 23.253 of the Missouri sunset act:**

174 **(1) The provisions of the Distressed Areas Land Assemblage Tax Credit Act shall**  
175 **automatically sunset on December thirty-first six years after the effective date of this**  
176 **section unless reauthorized by an act of the general assembly;**

177 **(2) If such program is reauthorized, the program authorized under this section**  
178 **shall automatically sunset on December thirty-first six years after the effective date of the**  
179 **reauthorization of this section;**

180 **(3) This section shall terminate on September first of the calendar year immediately**  
181 **following the calendar year in which the program authorized under this section is sunset;**  
182 **and**

183 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
184 **before this section is sunset.**

100.286. 1. Within the discretion of the board, the development and reserve fund, the  
2 infrastructure development fund or the export finance fund may be pledged to secure the payment  
3 of any bonds or notes issued by the board, or to secure the payment of any loan made by the  
4 board or a participating lender which loan:

5 (1) Is requested to finance any project or export trade activity;

6 (2) Is requested by a borrower who is demonstrated to be financially responsible;

7 (3) Can reasonably be expected to provide a benefit to the economy of this state;

8 (4) Is otherwise secured by a mortgage or deed of trust on real or personal property or  
9 other security satisfactory to the board; provided that loans to finance export trade activities may  
10 be secured by export accounts receivable or inventories of exportable goods satisfactory to the  
11 board;

12 (5) Does not exceed five million dollars;

13           (6) Does not have a term longer than five years if such loan is made to finance export  
14 trade activities; and

15           (7) Is, when used to finance export trade activities, made to small or medium size  
16 businesses or agricultural businesses, as may be defined by the board.

17           2. The board shall prescribe standards for the evaluation of the financial condition,  
18 business history, and qualifications of each borrower and the terms and conditions of loans which  
19 may be secured, and may require each application to include a financial report and evaluation  
20 by an independent certified public accounting firm, in addition to such examination and  
21 evaluation as may be conducted by any participating lender.

22           3. Each application for a loan secured by the development and reserve fund, the  
23 infrastructure development fund or the export finance fund shall be reviewed in the first instance  
24 by any participating lender to whom the application was submitted. If satisfied that the standards  
25 prescribed by the board are met and that the loan is otherwise eligible to be secured by the  
26 development and reserve fund, the infrastructure development fund or the export finance fund,  
27 the participating lender shall certify the same and forward the application for final approval to  
28 the board.

29           4. The securing of any loans by the development and reserve fund, the infrastructure  
30 development fund or the export finance fund shall be conditioned upon approval of the  
31 application by the board, and receipt of an annual reserve participation fee, as prescribed by the  
32 board, submitted by or on behalf of the borrower.

33           5. The securing of any loan by the export finance fund for export trade activities shall  
34 be conditioned upon the board's compliance with any applicable treaties and international  
35 agreements, such as the general agreement on tariffs and trade and the subsidies code, to which  
36 the United States is then a party.

37           6. Any taxpayer, including any charitable organization that is exempt from federal  
38 income tax and whose Missouri unrelated business taxable income, if any, would be subject to  
39 the state income tax imposed under chapter 143, may, subject to the limitations provided under  
40 subsection 8 of this section, receive a tax credit against any tax otherwise due under the  
41 provisions of chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261,  
42 chapter 147, or chapter 148, in the amount of fifty percent of any amount contributed in money  
43 or property by the taxpayer to the development and reserve fund, the infrastructure development  
44 fund or the export finance fund during the taxpayer's tax year, provided, however, the total tax  
45 credits awarded in any calendar year beginning after January 1, 1994, shall not be the greater of  
46 ten million dollars or five percent of the average growth in general revenue receipts in the  
47 preceding three fiscal years. This limit may be exceeded only upon joint agreement by the  
48 commissioner of administration, the director of the department of economic development, and

49 the director of the department of revenue that such action is essential to ensure retention or  
50 attraction of investment in Missouri. If the board receives, as a contribution, real property, the  
51 contributor at such contributor's own expense shall have two independent appraisals conducted  
52 by appraisers certified by the Master Appraisal Institute. Both appraisals shall be submitted to  
53 the board, and the tax credit certified by the board to the contributor shall be based upon the  
54 value of the lower of the two appraisals. The board shall not certify the tax credit until the  
55 property is deeded to the board. Such credit shall not apply to reserve participation fees paid by  
56 borrowers under sections 100.250 to 100.297. The portion of earned tax credits which exceeds  
57 the taxpayer's tax liability may be carried forward for up to five years.

58 7. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign,  
59 exchange, convey or otherwise transfer tax credits allowed in subsection 6 of this section under  
60 the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer,  
61 hereinafter the assignor for the purpose of this subsection, may sell, assign, exchange or  
62 otherwise transfer earned tax credits:

63 (1) For no less than seventy-five percent of the par value of such credits; and

64 (2) In an amount not to exceed one hundred percent of annual earned credits.

65

66 The taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection,  
67 may use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise  
68 imposed by chapter 143, excluding withholding tax imposed by sections 143.191 to 143.261,  
69 chapter 147, or chapter 148. Unused credits in the hands of the assignee may be carried forward  
70 for up to five years, provided all such credits shall be claimed within ten years following the tax  
71 years in which the contribution was made. The assignor shall enter into a written agreement with  
72 the assignee establishing the terms and conditions of the agreement and shall perfect such  
73 transfer by notifying the board in writing within thirty calendar days following the effective day  
74 of the transfer and shall provide any information as may be required by the board to administer  
75 and carry out the provisions of this section. Notwithstanding any other provision of law to the  
76 contrary, the amount received by the assignor of such tax credit shall be taxable as income of the  
77 assignor, and the excess of the par value of such credit over the amount paid by the assignee for  
78 such credit shall be taxable as income of the assignee.

79 8. Provisions of subsections 1 to 7 of this section to the contrary notwithstanding, no  
80 more than ten million dollars in tax credits provided under this section, may be authorized or  
81 approved annually. The limitation on tax credit authorization and approval provided under this  
82 subsection may be exceeded only upon mutual agreement, evidenced by a signed and properly  
83 notarized letter, by the commissioner of the office of administration, the director of the  
84 department of economic development, and the director of the department of revenue that such

85 action is essential to ensure retention or attraction of investment in Missouri provided, however,  
86 that in no case shall more than twenty-five million dollars in tax credits be authorized or  
87 approved during such year. Taxpayers shall file, with the board, an application for tax credits  
88 authorized under this section on a form provided by the board. The provisions of this subsection  
89 shall not be construed to limit or in any way impair the ability of the board to authorize tax  
90 credits for issuance for projects authorized or approved, by a vote of the board, on or before the  
91 thirtieth day following the effective date of this act, or a taxpayer's ability to redeem such tax  
92 credits.

93 **9. Under section 23.253 of the Missouri sunset act:**

94 **(1) The provisions authorizing a tax credit under subsection 6 of this section shall**  
95 **automatically sunset on December thirty-first three years after the effective date of this**  
96 **section unless reauthorized by an act of the general assembly;**

97 **(2) If such credit is reauthorized, the credit authorized under this section shall**  
98 **automatically sunset on December thirty-first six years after the effective date of the**  
99 **reauthorization of this section;**

100 **(3) The tax credit provisions shall terminate on September first of the calendar year**  
101 **immediately following the calendar year in which the credit authorized under this section**  
102 **is sunset; and**

103 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
104 **before this section is sunset.**

100.297. 1. The board may authorize a tax credit, as described in this section, to the  
2 owner of any revenue bonds or notes issued by the board ~~[pursuant to]~~ **under** the provisions of  
3 sections 100.250 to 100.297, for infrastructure facilities as defined in subdivision (9) of section  
4 100.255, if, prior to the issuance of such bonds or notes, the board determines that:

5 (1) The availability of such tax credit is a material inducement to the undertaking of the  
6 project in the state of Missouri and to the sale of the bonds or notes;

7 (2) The loan with respect to the project is adequately secured by a first deed of trust or  
8 mortgage or comparable lien, or other security satisfactory to the board.

9 2. Upon making the determinations specified in subsection 1 of this section, the board  
10 may declare that each owner of an issue of revenue bonds or notes shall be entitled, in lieu of any  
11 other deduction with respect to such bonds or notes, to a tax credit against any tax otherwise due  
12 by such owner ~~[pursuant to]~~ **under** the provisions of chapter 143, excluding withholding tax  
13 imposed ~~[by]~~ **under** sections 143.191 to 143.261, chapter 147, or chapter 148, in the amount of  
14 one hundred percent of the unpaid principal of and unpaid interest on such bonds or notes held  
15 by such owner in the ~~[taxable]~~ **tax** year of such owner following the calendar year of the default  
16 of the loan by the borrower with respect to the project. The occurrence of a default shall be

17 governed by documents authorizing the issuance of the bonds. The tax credit allowed ~~[pursuant~~  
18 ~~to]~~ **under** this section shall be available to the original owners of the bonds or notes or any  
19 subsequent owner or owners thereof. Once an owner is entitled to a claim, any such tax credits  
20 shall be transferable as provided in subsection 7 of section 100.286. Notwithstanding any  
21 provision of Missouri law to the contrary, any portion of the tax credit to which any owner of a  
22 revenue bond or note is entitled ~~[pursuant to]~~ **under** this section which exceeds the total income  
23 tax liability of such owner of a revenue bond or note shall be carried forward and allowed as a  
24 credit against any future taxes imposed on such owner within the next ten years ~~[pursuant to]~~  
25 **under** the provisions of chapter 143, excluding withholding tax imposed ~~[by]~~ **under** sections  
26 143.191 to 143.261, chapter 147, or chapter 148. The eligibility of the owner of any revenue  
27 bond or note issued ~~[pursuant to]~~ **under** the provisions of sections 100.250 to 100.297 for the  
28 tax credit provided by this section shall be expressly stated on the face of each such bond or note.  
29 The tax credit allowed ~~[pursuant to]~~ **under** this section shall also be available to any financial  
30 institution or guarantor which executes any credit facility as security for bonds issued ~~[pursuant~~  
31 ~~to]~~ **under** this section to the same extent as if such financial institution or guarantor was an  
32 owner of the bonds or notes, provided however, in such case the tax credits provided ~~[by]~~ **under**  
33 this section shall be available immediately following any default of the loan by the borrower with  
34 respect to the project. In addition to reimbursing the financial institution or guarantor for claims  
35 relating to unpaid principal and interest, such claim may include payment of any unpaid fees  
36 imposed by such financial institution or guarantor for use of the credit facility.

37 3. The aggregate principal amount of revenue bonds or notes outstanding at any time  
38 with respect to which the tax credit provided in this section shall be available shall not exceed  
39 fifty million dollars.

40 **4. Under section 23.253 of the Missouri sunset act:**

41 **(1) The provisions of the new program authorized under this section shall**  
42 **automatically sunset on December thirty-first six years after the effective date of this**  
43 **section unless reauthorized by an act of the general assembly;**

44 **(2) If such program is reauthorized, the program authorized under this section**  
45 **shall automatically sunset on December thirty-first six years after the effective date of the**  
46 **reauthorization of this section;**

47 **(3) This section shall terminate on September first of the calendar year immediately**  
48 **following the calendar year in which the program authorized under this section is sunset;**  
49 **and**

50 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
51 **before this section is sunset.**

100.850. 1. The approved company shall remit to the board a job development  
2 assessment fee, not to exceed five percent of the gross wages of each eligible employee whose  
3 job was created as a result of the economic development project, or not to exceed ten percent if  
4 the economic development project is located within a distressed community as defined in section  
5 135.530, for the purpose of retiring bonds which fund the economic development project.

6 2. Any approved company remitting an assessment as provided in subsection 1 of this  
7 section shall make its payroll books and records available to the board at such reasonable times  
8 as the board shall request and shall file with the board documentation respecting the assessment  
9 as the board may require.

10 3. Any assessment remitted ~~pursuant to~~ **under** subsection 1 of this section shall cease  
11 on the date the bonds are retired.

12 4. Any approved company which has paid an assessment for debt reduction shall be  
13 allowed a tax credit equal to the amount of the assessment. The tax credit may be claimed  
14 against taxes otherwise imposed by chapters 143 and 148, except withholding taxes imposed  
15 under the provisions of sections 143.191 to 143.265, which were incurred during the tax period  
16 in which the assessment was made.

17 5. In no event shall the aggregate amount of tax credits authorized by subsection 4 of this  
18 section exceed twenty-five million dollars annually. Of such amount, nine hundred fifty  
19 thousand dollars shall be reserved for an approved project for a world headquarters of a business  
20 whose primary function is tax return preparation that is located in any home rule city with more  
21 than four hundred thousand inhabitants and located in more than one county, which amount  
22 reserved shall end in the year of the final maturity of the certificates issued for such approved  
23 project.

24 6. The director of revenue shall issue a refund to the approved company to the extent that  
25 the amount of credits allowed in subsection 4 of this section exceeds the amount of the approved  
26 company's income tax.

27 **7. Under section 23.253 of the Missouri sunset act:**

28 **(1) The provisions of the tax credit authorized under subsection 4 of this section**  
29 **shall automatically sunset on December thirty-first six years after the effective date of this**  
30 **section unless reauthorized by an act of the general assembly;**

31 **(2) If such credit is reauthorized, the credit authorized under subsection 4 of this**  
32 **section shall automatically sunset on December thirty-first six years after the effective date**  
33 **of the reauthorization of this section;**

34 **(3) The provisions of the tax credit authorized under subsection 4 of this section**  
35 **shall terminate on September first of the calendar year immediately following the calendar**  
36 **year in which the credit authorized under this section is sunset; and**

37           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
38 **before this section is sunset.**

135.020. 1. A credit for property taxes shall be allowed for the amount provided in  
2 section 135.030. If the amount allowable as a credit exceeds the income tax reduced by other  
3 credits, then the excess shall be considered an overpayment of the income tax.

4           **2. Under section 23.253 of the Missouri sunset act:**

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

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

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

14           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
15 **before this section is sunset.**

135.110. 1. Any taxpayer who shall establish a new business facility shall be allowed  
2 a credit, each year for ten years, in an amount determined ~~[pursuant to]~~ **under** subsection 2 or  
3 3 of this section, whichever is applicable, against the tax imposed by chapter 143, excluding  
4 withholding tax imposed by sections 143.191 to 143.265, or an insurance company which shall  
5 establish a new business facility by satisfying the requirements in subdivision (7) of section  
6 135.100 shall be allowed a credit against the tax otherwise imposed by chapter 148, and in the  
7 case of an insurance company exempt from the thirty percent employee requirement of section  
8 135.230, against any obligation imposed ~~[pursuant to]~~ **under** section 375.916, except that no  
9 taxpayer shall be entitled to multiple ten-year periods for subsequent expansions at the same  
10 facility, except as otherwise provided in this section. For the purpose of this section, the term  
11 "facility" shall mean, and be limited to, the facility or facilities which are located on the same site  
12 in which the new business facility is located, and in which the business conducted at such facility  
13 or facilities is directly related to the business conducted at the new business facility.  
14 Notwithstanding the provisions of this subsection, a taxpayer may be entitled to an additional  
15 ten-year period if a new business facility is expanded in the eighth, ninth or tenth year of the  
16 current ten-year period or in subsequent years following the expiration of the ten-year period, if  
17 the number of new business facility employees attributed to such expansion is at least  
18 twenty-five and the amount of new business facility investment attributed to such expansion is  
19 at least one million dollars. Credits may not be carried forward but shall be claimed for the



20 ~~[taxable]~~ tax year during which commencement of commercial operations occurs at such new  
21 business facility, and for each of the nine succeeding ~~[taxable]~~ tax years. A letter of intent, as  
22 provided for in section 135.258, must be filed with the department of economic development no  
23 later than fifteen days prior to the commencement of commercial operations at the new business  
24 facility. The initial application for claiming tax credits must be made in the taxpayer's tax period  
25 immediately following the tax period in which commencement of commercial operations began  
26 at the new business facility. This provision shall have effect on all initial applications filed on  
27 or after August 28, 1992. No credit shall be allowed ~~[pursuant to]~~ **under** this section unless the  
28 number of new business facility employees engaged or maintained in employment at the new  
29 business facility for the ~~[taxable]~~ tax year for which the credit is claimed equals or exceeds two;  
30 except that the number of new business facility employees engaged or maintained in employment  
31 by a revenue-producing enterprise other than a revenue-producing enterprise defined in  
32 paragraphs (a) to (g) and (i) to (l) of subdivision ~~[(11)]~~ **(12)** of section 135.100 which establishes  
33 an office as defined ~~[in]~~ **under** subdivision ~~[(8)]~~ **(9)** of section 135.100 shall equal or exceed  
34 twenty-five.

35         2. For tax periods beginning after August 28, 1991, in the case of a taxpayer operating  
36 an existing business facility, the credit allowed by subsection 1 of this section shall offset the  
37 greater of:

38         (1) Some portion of the income tax otherwise imposed ~~[by]~~ **under** chapter 143,  
39 excluding withholding tax imposed ~~[by]~~ **under** sections 143.191 to 143.265, or in the case of an  
40 insurance company, the tax on the direct premiums, as defined in chapter 148, and in the case  
41 of an insurance company exempt from the thirty percent employee requirement of section  
42 135.230, against any obligation imposed ~~[pursuant to]~~ **under** section 375.916 with respect to  
43 such taxpayer's new business facility income for the ~~[taxable]~~ tax year for which such credit is  
44 allowed; or

45         (2) Up to fifty percent or, in the case of an economic development project located within  
46 a distressed community as defined in section 135.530, seventy-five percent of the business  
47 income tax otherwise imposed ~~[by]~~ **under** chapter 143, excluding withholding tax imposed ~~[by]~~  
48 **under** sections 143.191 to 143.265, or in the case of an insurance company, the tax on the direct  
49 premiums, as defined ~~[in]~~ **under** chapter 148, and in the case of an insurance company exempt  
50 from the thirty percent employee requirement of section 135.230, against any obligation imposed  
51 ~~[pursuant to]~~ **under** section 375.916 if the business operates no other facilities in Missouri. In  
52 the case of an existing business facility operating more than one facility in Missouri, the credit  
53 allowed in subsection 1 of this section shall offset up to the greater of the portion prescribed in  
54 subdivision (1) of this subsection or twenty-five percent or, in the case of an economic  
55 development project located within a distressed community as defined in section 135.530,

thirty-five percent of the business' tax, except that no taxpayer operating more than one facility in Missouri shall be allowed to offset more than twenty-five percent or, in the case of an economic development project located within a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's business income tax in any tax period under the method prescribed in this subdivision. Such credit shall be an amount equal to the sum of one hundred dollars or, in the case of an economic development project located within a distressed community as defined in section 135.530, one hundred fifty dollars for each new business facility employee plus one hundred dollars or, in the case of an economic development project located within a distressed community as defined in section 135.530, one hundred fifty dollars for each one hundred thousand dollars, or major fraction thereof (which shall be deemed to be fifty-one percent or more) in new business facility investment. For the purpose of this section, tax credits earned by a taxpayer, who establishes a new business facility because it satisfies the requirements of paragraph (c) of subdivision (4) of section 135.100, shall offset the greater of the portion prescribed in subdivision (1) of this subsection or up to fifty percent or, in the case of an economic development project located within a distressed community as defined in section 135.530, seventy-five percent of the business' tax provided the business operates no other facilities in Missouri. In the case of a business operating more than one facility in Missouri, the credit allowed in subsection 1 of this section shall offset up to the greater of the portion prescribed in subdivision (1) of this subsection or twenty-five percent or, in the case of an economic development project located within a distressed community as defined in section 135.530, thirty-five percent of the business' tax, except that no taxpayer operating more than one facility in Missouri shall be allowed to offset more than twenty-five percent or, in the case of an economic development project located within a distressed community as defined in section 135.530, thirty-five percent of the taxpayer's business income tax in any tax period under the method prescribed in this subdivision.

3. For tax periods beginning after August 28, 1991, in the case of a taxpayer not operating an existing business facility, the credit allowed ~~[by]~~ **under** subsection 1 of this section shall offset the greater of:

(1) Some portion of the income tax otherwise imposed ~~[by]~~ **under** chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, or in the case of an insurance company, the tax on the direct premiums, as defined in chapter 148, and in the case of an insurance company exempt from the thirty percent employee requirement of section 135.230, against any obligation imposed ~~[pursuant to]~~ **under** section 375.916 with respect to such taxpayer's new business facility income for the ~~[taxable]~~ **tax** year for which such credit is allowed; or

91           (2) Up to one hundred percent of the business income tax otherwise imposed ~~[by]~~ **under**  
92 chapter 143, excluding withholding tax imposed ~~[by]~~ **under** sections 143.191 to 143.265, or in  
93 the case of an insurance company, the tax on the direct premiums, as defined in chapter 148, and  
94 in the case of an insurance company exempt from the thirty percent employee requirement of  
95 section 135.230, against any obligation imposed ~~[pursuant to]~~ **under** section 375.916 if the  
96 business has no other facilities operating in Missouri. In the case of a taxpayer not operating an  
97 existing business and operating more than one facility in Missouri, the credit allowed by  
98 subsection 1 of this section shall offset up to the greater of the portion prescribed in subdivision  
99 (1) of this subsection or twenty-five percent or, in the case of an economic development project  
100 located within a distressed community as defined in section 135.530, thirty-five percent of the  
101 business' tax, except that no taxpayer operating more than one facility in Missouri shall be  
102 allowed to offset more than twenty-five percent or, in the case of an economic development  
103 project located within a distressed community as defined in section 135.530, thirty-five percent  
104 of the taxpayer's business income tax in any tax period under the method prescribed in this  
105 subdivision. Such credit shall be an amount equal to the sum of seventy-five dollars or, in the  
106 case of an economic development project located within a distressed community as defined in  
107 section 135.530, one hundred twenty-five dollars for each new business facility employee plus  
108 seventy-five dollars or, in the case of an economic development project located within a  
109 distressed community as defined in section 135.530, one hundred twenty-five dollars for each  
110 one hundred thousand dollars, or major fraction thereof (which shall be deemed to be fifty-one  
111 percent or more) in new business facility investment.

112           4. The number of new business facility employees during any ~~[taxable]~~ **tax** year shall be  
113 determined by dividing by twelve the sum of the number of individuals employed on the last  
114 business day of each month of such ~~[taxable]~~ **tax** year. If the new business facility is in operation  
115 for less than the entire ~~[taxable]~~ **tax** year, the number of new business facility employees shall  
116 be determined by dividing the sum of the number of individuals employed on the last business  
117 day of each full calendar month during the portion of such ~~[taxable]~~ **tax** year during which the  
118 new business facility was in operation by the number of full calendar months during such period.  
119 For the purpose of computing the credit allowed by this section in the case of a facility which  
120 qualifies as a new business facility because it qualifies as a separate facility ~~[pursuant to]~~ **under**  
121 subsection 6 of this section, and, in the case of a new business facility which satisfies the  
122 requirements of paragraph (c) of subdivision ~~[(4)]~~ **(5)** of section 135.100, or subdivision ~~[(10)]~~  
123 **(11)** of section 135.100, the number of new business facility employees at such facility shall be  
124 reduced by the average number of individuals employed, computed as provided in this  
125 subsection, at the facility during the ~~[taxable]~~ **tax** year immediately preceding the ~~[taxable]~~ **tax**  
126 year in which such expansion, acquisition, or replacement occurred and shall further be reduced

by the number of individuals employed by the taxpayer or related taxpayer that was subsequently transferred to the new business facility from another Missouri facility and for which credits authorized in this section are not being earned, whether such credits are earned because of an expansion, acquisition, relocation or the establishment of a new facility.

5. For the purpose of computing the credit allowed by this section in the case of a facility which qualifies as a new business facility because it qualifies as a separate facility ~~[pursuant to]~~ **under** subsection 6 of this section, and, in the case of a new business facility which satisfies the requirements of paragraph (c) of subdivision ~~[(4)]~~ **(5)** of section 135.100 or subdivision ~~[(10)]~~ **(11)** of section 135.100, the amount of the taxpayer's new business facility investment in such facility shall be reduced by the average amount, computed as provided in subdivision ~~[(7)]~~ **(8)** of section 135.100 for new business facility investment, of the investment of the taxpayer, or related taxpayer immediately preceding such expansion or replacement or at the time of acquisition. Furthermore, the amount of the taxpayer's new business facility investment shall also be reduced by the amount of investment employed by the taxpayer or related taxpayer which was subsequently transferred to the new business facility from another Missouri facility and for which credits authorized in this section are not being earned, whether such credits are earned because of an expansion, acquisition, relocation or the establishment of a new facility.

6. If a facility, which does not constitute a new business facility, is expanded by the taxpayer, the expansion shall be considered a separate facility eligible for the credit allowed by this section if:

(1) The taxpayer's new business facility investment in the expansion during the tax period in which the credits allowed in this section are claimed exceeds one hundred thousand dollars, or, if less, one hundred percent of the investment in the original facility prior to expansion and if the number of new business facility employees engaged or maintained in employment at the expansion facility for the ~~[taxable]~~ **tax** year for which credit is claimed equals or exceeds two, except that the number of new business facility employees engaged or maintained in employment at the expansion facility for the ~~[taxable]~~ **tax** year for which the credit is claimed equals or exceeds twenty-five if an office as defined in subdivision ~~[(8)]~~ **(9)** of section 135.100 is established by a revenue-producing enterprise other than a revenue-producing enterprise defined in paragraphs (a) to (g) and (i) to (l) of subdivision ~~[(11)]~~ **(12)** of section 135.100 and the total number of employees at the facility after the expansion is at least two greater than the total number of employees before the expansion, except that the total number of employees at the facility after the expansion is at least greater than the number of employees before the expansion by twenty-five, if an office as defined in subdivision ~~[(8)]~~ **(9)** of section 135.100 is established by a revenue-producing enterprise other than a revenue-producing

162 enterprise defined in paragraphs (a) to (g) and (i) to (l) of subdivision ~~[(11)]~~ **(12)** of section  
163 135.100; and

164 (2) The expansion otherwise constitutes a new business facility. The taxpayer's  
165 investment in the expansion and in the original facility prior to expansion shall be determined  
166 in the manner provided in subdivision ~~[(7)]~~ **(8)** of section 135.100.

167 7. No credit shall be allowed ~~[pursuant to]~~ **under** this section to a public utility, as such  
168 term is defined in section 386.020. Notwithstanding any provision of this subsection to the  
169 contrary, motor carriers, barge lines or railroads engaged in transporting property for hire, or any  
170 interexchange telecommunications company or local exchange telecommunications company  
171 that establishes a new business facility shall be eligible to qualify for credits allowed in this  
172 section.

173 8. For the purposes of the credit described in this section, in the case of a corporation  
174 described in section 143.471 or partnership, in computing Missouri's tax liability, this credit shall  
175 be allowed to the following:

176 (1) The shareholders of the corporation described in section 143.471;

177 (2) The partners of the partnership. This credit shall be apportioned to the entities  
178 described in subdivisions (1) and (2) of this subsection in proportion to their share of ownership  
179 on the last day of the taxpayer's tax period.

180 9. Notwithstanding any provision of law to the contrary, any employee-owned  
181 engineering firm classified as SIC 8711, architectural firm as classified SIC 8712, or accounting  
182 firm classified SIC 8721 establishing a new business facility because it qualifies as a  
183 headquarters as defined in subsection 10 of this section, shall be allowed the credits described  
184 in subsection 11 of this section under the same terms and conditions prescribed in sections  
185 135.100 to 135.150; provided:

186 (1) Such facility maintains an average of at least five hundred new business facility  
187 employees as defined in subdivision (5) of section 135.100 during the taxpayer's tax period in  
188 which such credits are being claimed; and

189 (2) Such facility maintains an average of at least twenty million dollars in new business  
190 facility investment as defined in subdivision (7) of section 135.100 during the taxpayer's tax  
191 period in which such credits are being claimed.

192 10. For the purpose of the credits allowed in subsection 9 of this section:

193 (1) "Employee-owned" means the business employees own directly or indirectly,  
194 including through an employee stock ownership plan or trust at least:

195 (a) Seventy-five percent of the total business stock, if the taxpayer is a corporation  
196 described in section 143.441; or

(b) One hundred percent of the interest in the business if the taxpayer is a corporation described in section 143.471, a partnership, or a limited liability company; and

(2) "Headquarters" means:

(a) The administrative management of at least three integrated facilities operated by the taxpayer or related taxpayer; and

(b) The taxpayer's business has been headquartered in this state for more than fifty years.

11. The tax credits allowed in subsection 9 of this section shall be the greater of:

(1) Four hundred dollars for each new business facility employee as computed in subsection 4 of this section and four percent of new business facility investment as computed in subsection 5 of this section; or

(2) Five hundred dollars for each new business facility employee as computed in subsection 4 of this section, and five hundred dollars of each one hundred thousand dollars of new business facility investment as computed in subsection 5 of this section.

12. For the purpose of the credit described in subsection 9 of this section, in the case of a small corporation described in section 143.471, or a partnership, or a limited liability company, the credits allowed in subsection 9 of this section shall be apportioned in proportion to the share of ownership of each shareholder, partner or stockholder on the last day of the taxpayer's tax period for which such credits are being claimed.

13. For the purpose of the credit described in subsection 9 of this section, tax credits earned, to the extent such credits exceed the taxpayer's Missouri tax on taxable business income, shall constitute an overpayment of taxes and in such case, be refunded to the taxpayer provided such refunds are used by the taxpayer to purchase specified facility items. For the purpose of the refund as authorized in this subsection, "specified facility items" means equipment, computers, computer software, copiers, tenant finishing, furniture and fixtures installed and in use at the new business facility during the taxpayer's ~~taxable~~ tax year. The taxpayer shall perfect such refund by attesting in writing to the director, subject to the penalties of perjury, the requirements prescribed in this subsection have been met and submitting any other information the director may require.

14. Notwithstanding any provision of law to the contrary, any taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits allowed ~~in~~ **under** subsection 9 of this section under the terms and conditions prescribed in subdivisions (1) and (2) of this subsection. Such taxpayer, referred to as the assignor for the purpose of this subsection, may sell, assign, exchange or otherwise transfer earned tax credits:

(1) For no less than seventy-five percent of the par value of such credits; and

(2) In an amount not to exceed one hundred percent of such earned credits. The taxpayer acquiring the earned credits referred to as the assignee for the purpose of this subsection may use

the acquired credits to offset up to one hundred percent of the tax liabilities otherwise imposed ~~[by]~~ **under** chapter 143, excluding withholding tax imposed ~~[by]~~ **under** sections 143.191 to 143.261, or chapter 148, or in the case of an insurance company exempt from the thirty percent employee requirement of section 135.230, against any obligation imposed ~~[pursuant to]~~ **under** section 375.916. Unused credits in the hands of the assignee may be carried forward for up to five tax periods, provided all such credits shall be claimed within ten tax periods following the tax period in which commencement of commercial operations occurred at the new business facility. The assignor shall enter into a written agreement with the assignee establishing the terms and conditions of the agreement and shall perfect such transfer by notifying the director in writing within thirty calendar days following the effective date of the transfer and shall provide any information as may be required by the director to administer and carry out the provisions of this subsection. Notwithstanding any other provision of law to the contrary, the amount received by the assignor of such tax credit shall be taxable as income of the assignor, and the difference between the amount paid by the assignee and the par value of the credits shall be taxable as income of the assignee.

**15. Under section 23.253 of the Missouri sunset act:**

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

**(2) If such program is reauthorized, the program authorized under this section shall automatically sunset on December thirty-first six years after the effective date of the reauthorization of this section;**

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

**(4) Nothing in this subsection shall prohibit the redemption of tax credits issued before this section is sunset.**

135.225. 1. The credits otherwise provided ~~[by]~~ **under** sections 135.100 to 135.150 shall upon proper application be granted to any taxpayer who shall establish and operate a new business facility located within an enterprise zone, except one designated ~~[pursuant to]~~ **under** subsection 5 of section 135.230, on the same terms and conditions specified in those sections, except that:

**(1) The credit otherwise allowed for each new business facility employee employed within an enterprise zone shall be four hundred dollars;**

**(2) An additional credit of four hundred dollars shall be granted for each twelve-month period that a new business facility employee is a resident of an enterprise zone;**

10 (3) An additional credit of four hundred dollars shall be granted for each twelve-month  
11 period that the person employed as a new business facility employee is a person who, at the time  
12 of such employment by the new business facility, met the criteria as set forth in section 135.240;

13 (4) The credit otherwise allowed for new business facility investment shall be equal to  
14 the sum of ten percent of the first ten thousand dollars of such qualifying investment, plus five  
15 percent of the next ninety thousand dollars of such qualifying investment, plus two percent of  
16 all remaining qualifying investments within an enterprise zone;

17 (5) In the case of a small corporation described in section 143.471 or a partnership, the  
18 credits granted by this section shall be apportioned in proportion to the share of ownership of the  
19 taxpayer on the last day of the taxpayer's tax period for which such tax credits are being claimed,  
20 to the following:

21 (a) The shareholders of a small corporation described in section 143.471;

22 (b) The partners in a partnership;

23 (6) In the case of financial institutions described ~~[pursuant to the provisions of]~~ **under**  
24 chapter 148, the credits allowed in subdivisions (1), (2), (3) and (4) of this subsection and the  
25 credit allowed in section 135.235 may be used to offset the tax imposed ~~[by]~~ **under** chapter 148  
26 and, in the case of an insurance company exempt from the thirty-percent employee requirement  
27 of section 135.230, any obligations imposed ~~[pursuant to]~~ **under** section 375.916 subject to the  
28 same method of apportionment as prescribed for taxes imposed ~~[by]~~ **under** chapter 143 and as  
29 provided ~~[in]~~ **under** subdivision (6) of section 135.100 and subsections 2 and 3 of section  
30 135.110;

31 (7) If a facility within an enterprise zone, which does not constitute a new business  
32 facility, is expanded or improved by the taxpayer within the enterprise zone, the expansion or  
33 improvement shall be considered a separate facility eligible for the credits allowed ~~[in]~~ **under**  
34 this section and section 135.235, and the exemption allowed ~~[in]~~ **under** section 135.220, if:

35 (a) The new business facility investment in the expansion or improvement during the tax  
36 period in which such credits and the exemption are claimed exceeds one hundred thousand  
37 dollars or, if less than one hundred thousand dollars, is twenty-five percent of the investment in  
38 the original facility prior to expansion or improvement; and

39 (b) The expansion or improvement otherwise constitutes a new business facility; and

40 (c) The number of new business facility employees engaged or maintained in  
41 employment at the expanded or improved facility for the ~~[taxable]~~ **tax** year for which the credit  
42 is claimed equals or exceeds two and the total number of employees at the facility after  
43 expansion or improvement is at least two greater than the total number of employees before  
44 expansion or improvement. The taxpayer's investment in the expansion or improvement and in



45 the original facility prior to expansion or improvement shall be determined in the manner  
46 provided in subdivision (7) of section 135.100;

47 (8) For the purpose of sections 135.200 to 135.256, an office as defined in subdivision  
48 (8) of section 135.100, when established, must create and maintain at least two new business  
49 facility employees as defined in subdivision (5) of section 135.100;

50 (9) In the case where a person employed by the new business facility is a resident of the  
51 enterprise zone for less than a twelve-month period, or in the case where a person employed as  
52 a new business facility employee is a person who, at the time of such employment by the new  
53 business facility, met the criteria as set forth in section 135.240, is employed for less than a  
54 twelve-month period, the credits allowed by subdivisions (2) and (3) of this subsection shall be  
55 determined by multiplying four hundred dollars by a fraction, the numerator of which is the  
56 number of calendar days during the taxpayer's tax year for which such credits are claimed, in  
57 which the person met the requirements prescribed in subdivision (2) or (3) of this subsection, and  
58 the denominator of which is three hundred and sixty-five, except that such credit shall not exceed  
59 four hundred dollars per employee in any one ~~taxable~~ tax year;

60 (10) The deferment of tax credit authorized in section 135.120 shall not be available to  
61 taxpayers establishing a new business facility in an enterprise zone;

62 (11) The allowance for additional ten-year periods to certain new business facilities as  
63 prescribed in subsection 1 of section 135.110 shall not be available to taxpayers expanding a new  
64 business facility in an enterprise zone, except that any taxpayer who has been eligible to earn  
65 enterprise zone tax benefits for ten tax periods, or until the expiration of the fifteen-year period  
66 as prescribed in subsection 1 of section 135.230, or for the maximum period otherwise allowed  
67 by law, may qualify for the tax credits allowed in section 135.110 if otherwise eligible, ~~[pursuant~~  
68 ~~to]~~ **under** the same terms and conditions prescribed in sections 135.100 to 135.150;

69 (12) Taxpayers who establish a new business facility by operating a revenue-producing  
70 enterprise as defined in paragraph (d) of subdivision (6) of section 135.200 shall not be required  
71 to create and maintain new business facility employees.

72 2. The tax credits described in subdivisions (1), (2), (3) and (4) of subsection 1 of this  
73 section, the training credit allowed in section 135.235, and the income exemption allowed in  
74 section 135.220, shall be allowed to any taxpayer, under the same terms and conditions specified  
75 in such sections, who establishes a new business facility in an enterprise zone designated  
76 ~~[pursuant to]~~ **under** subsection 5 of section 135.230, except that all such tax benefits shall be  
77 removed not later than seven years after the enterprise zone is designated as such.

78 3. Notwithstanding any provision of law to the contrary, any taxpayer who establishes  
79 a new business facility in an enterprise zone, may elect to forfeit the tax credits otherwise  
80 allowed in section 135.235 and this section and the exemptions otherwise allowed in sections

81 135.215 and 135.220 and the refund otherwise allowed in section 135.245, and in lieu thereof,  
82 claim the tax credits allowed in section 135.110, ~~[pursuant to]~~ **under** the same terms and  
83 conditions prescribed in sections 135.100 to 135.150. To perfect the election, the taxpayer shall  
84 attach written notification of such election to the taxpayer's initial application for claiming tax  
85 credits. The election shall be irreversible once perfected.

86 4. The right to receive the income exemption described in section 135.220, the tax  
87 credits described in subsection 1 of this section and the training credit allowed in section 135.235  
88 shall vest in the taxpayer upon commencement of operations of the revenue-producing  
89 enterprise, but such vested right shall be waived by the taxpayer for any given year in which the  
90 terms and conditions of sections 135.100 to 135.268 are not met. Representations made by the  
91 department and relied upon in good faith by the taxpayer shall be binding upon the state of  
92 Missouri insofar as they are consistent with the provisions of this chapter. The provisions of this  
93 subsection shall apply to all revenue-producing enterprises which are eligible for incentives  
94 ~~[pursuant to]~~ **under** this subsection and which commenced operation on or after January 1, 1996,  
95 to the extent such incentives do not exceed the fifteen-year limitation ~~[pursuant to]~~ **under**  
96 subsection 1 of section 135.230 or the seven-year limitation ~~[pursuant to]~~ **under** subsection 5  
97 of section 135.230. The provisions of this subsection shall apply to all revenue-producing  
98 enterprises which are eligible for the incentives set forth in this subsection, and which began  
99 operation after January 1, 1996, to the extent such incentives do not exceed the fifteen-year  
100 limitation set forth in subsection 1 of section 135.230, or the seven-year limit set forth in  
101 subsection 5 of section 135.230.

102 **5. Under section 23.253 of the Missouri sunset act:**

103 **(1) The provisions of the new program authorized under this section shall**  
104 **automatically sunset on December thirty-first six years after the effective date of this**  
105 **section unless reauthorized by an act of the general assembly;**

106 **(2) If such program is reauthorized, the program authorized under this section**  
107 **shall automatically sunset on December thirty-first six years after the effective date of the**  
108 **reauthorization of this section;**

109 **(3) This section shall terminate on September first of the calendar year immediately**  
110 **following the calendar year in which the program authorized under this section is sunset;**  
111 **and**

112 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
113 **before this section is sunset.**

135.235. 1. To the extent that expenses incurred by a new business facility in an  
2 enterprise zone for the training of persons employed in the operation of the new business facility  
3 is not covered by an existing federal, state or local program, such new business facility shall be

4 eligible for a full tax credit equal to eighty percent of that portion of such training expenses  
5 which are in excess of four hundred dollars for each trainee who is a resident of the enterprise  
6 zone or who was at the time of such employment at the new business facility unemployable or  
7 difficult to employ as defined in section 135.240, provided such credit shall not exceed four  
8 hundred dollars for each employee trained. In the case of a small corporation described in  
9 section 143.471 or a partnership, all credits allowed by this section shall be apportioned in  
10 proportion to the share of ownership of the business to the following:

- 11 (1) The shareholders of the corporation described in section 143.471; or
- 12 (2) The partners in a partnership.

13 **2. Under section 23.253 of the Missouri sunset act:**

14 **(1) The provisions of the new program authorized under this section shall**  
15 **automatically sunset on December thirty-first six years after the effective date of this**  
16 **section unless reauthorized by an act of the general assembly;**

17 **(2) If such program is reauthorized, the program authorized under this section**  
18 **shall automatically sunset on December thirty-first six years after the effective date of the**  
19 **reauthorization of this section;**

20 **(3) This section shall terminate on September first of the calendar year immediately**  
21 **following the calendar year in which the program authorized under this section is sunset;**  
22 **and**

23 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
24 **before this section is sunset.**

135.279. 1. Any taxpayer that operates an approved retained business facility in an  
2 enterprise zone may be allowed a credit, each year for ten years, in an amount determined  
3 ~~[pursuant to]~~ **under** subsection 2 or 3 of this section, whichever is applicable, against the tax  
4 imposed ~~[by]~~ **under** chapter 143, excluding withholding tax imposed ~~[by]~~ **under** sections  
5 143.191 to 143.265, as follows:

6 (1) The credit allowed for each retained business facility employee shall be four hundred  
7 dollars, except that for each retained business facility employee that exceeds the level of  
8 employment set forth in paragraph (b) of subdivision (7) of section 135.276, the credit shall be  
9 five hundred dollars. Transfers from another facility operated by the taxpayer in the state will  
10 not count as retained business facility employees;

11 (2) An additional credit of four hundred dollars shall be granted for each twelve-month  
12 period that a retained business facility employee is a resident of an enterprise zone;

13 (3) An additional credit of four hundred dollars shall be granted for each twelve-month  
14 period that the person employed as a retained business facility employee is a person who, at the

15 time of such employment by the new business facility, met the criteria as set forth in section  
16 135.240;

17 (4) To the extent that expenses incurred by a retained business facility in an enterprise  
18 zone for the training of persons employed in the operation of the retained business facility is not  
19 covered by an existing federal, state, or local program, such retained business facility shall be  
20 eligible for a full tax credit equal to eighty percent of that portion of such training expenses  
21 which are in excess of four hundred dollars for each trainee who is a resident of an enterprise  
22 zone or who was at the time of such employment at the retained business facility unemployable  
23 or difficult to employ as defined in section 135.240, provided such credit shall not exceed four  
24 hundred dollars for each employee trained;

25 (5) The credit allowed for retained business facility investment shall be equal to the sum  
26 of ten percent of the first ten thousand dollars of such qualifying investment, plus five percent  
27 of the next ninety thousand dollars of such qualifying investment, plus two percent of all  
28 remaining qualifying investments within an enterprise zone. The taxpayer's retained business  
29 facility investment shall be reduced by the amount of investment made by the taxpayer or related  
30 taxpayer which was subsequently transferred to the retained business facility from another  
31 Missouri facility and for which credits authorized in this section are not being earned.

32 2. The credits allowed by subsection 1 of this section shall offset the greater of:

33 (1) Some portion of the income tax otherwise imposed by chapter 143, excluding  
34 withholding tax imposed by sections 143.191 to 143.265, with respect to such taxpayer's retained  
35 business facility income for the ~~taxable~~ tax year for which such credit is allowed; or

36 (2) If the taxpayer operates no other facility in Missouri, the credits allowed in  
37 subsection 1 of this section shall offset up to fifty percent or, in the case of an economic  
38 development project located within a distressed community as defined in section 135.530,  
39 seventy-five percent of the business income tax otherwise imposed by chapter 143, excluding  
40 withholding tax imposed by sections 143.191 to 143.265, if the business operates no other  
41 facilities in Missouri;

42 (3) If the taxpayer operates more than one facility in Missouri, the credits allowed in  
43 subsection 1 of this section shall offset up to the greater of the portion prescribed in subdivision  
44 (1) of this subsection or twenty-five percent or, in the case of an economic development project  
45 located within a distressed community as defined in section 135.530, thirty-five percent of the  
46 business' tax, except that no taxpayer operating more than one facility in Missouri shall be  
47 allowed to offset more than twenty-five percent or, in the case of an economic development  
48 project located within a distressed community as defined in section 135.530, thirty-five percent  
49 of the taxpayer's business income tax in any tax period under the method prescribed in this  
50 subdivision.

51           3. In the case where a person employed by the retained business facility is a resident of  
52 the enterprise zone for less than a twelve-month period, or in the case where a person employed  
53 as a retained business facility employee is a person who, at the time of such employment by the  
54 retained business facility, met the criteria as set forth in section 135.240, is employed for less  
55 than a twelve-month period, the credits allowed by subdivisions (2) and (3) of subsection 1 of  
56 this section shall be determined by multiplying the dollar amount of the credit by a fraction, the  
57 numerator of which is the number of calendar days during the taxpayer's tax year for which such  
58 credits are claimed, in which the person met the requirements prescribed in subdivision (2) or  
59 (3) of this subsection, and the denominator of which is three hundred sixty-five.

60           4. Notwithstanding any provision of law to the contrary, any taxpayer who claims the  
61 exemption and credits allowed in sections 135.276 to 135.283 shall not be eligible to receive the  
62 exemption allowed in section 135.220, the credits allowed in sections 135.225 and 135.235, and  
63 the refund authorized by section 135.245 or the tax credits allowed in section 135.110. The  
64 taxpayer must elect among the options. To perfect the election, the taxpayer shall attach written  
65 notification of such election to the taxpayer's initial application for claiming tax credits. The  
66 election shall be irreversible once perfected.

67           5. A taxpayer shall not receive the income exemption described in section 135.276 and  
68 the tax credits described in subsection 1 of this section for any year in which the terms and  
69 conditions of sections 135.276 to 135.283 are not met. Such incentives shall not exceed the  
70 fifteen-year limitation ~~[pursuant to]~~ **under** subsection 1 of section 135.230 or the seven-year  
71 limitation ~~[pursuant to]~~ **under** subsection 5 of section 135.230.

72           6. The initial application for claiming tax credits must be made in the taxpayer's tax  
73 period immediately following the tax period in which commencement of commercial operations  
74 began at the new business facility.

75           7. Credits may not be carried forward but shall be claimed for the ~~[taxable]~~ **tax** year  
76 during which continuation of commercial operations occurs at such retained business facility,  
77 and for each of the nine succeeding ~~[taxable]~~ **tax** years.

78           **8. Under section 23.253 of the Missouri sunset act:**

79           **(1) The provisions of the new program authorized under this section shall**  
80 **automatically sunset on December thirty-first six years after the effective date of this**  
81 **section unless reauthorized by an act of the general assembly;**

82           **(2) If such program is reauthorized, the program authorized under this section**  
83 **shall automatically sunset on December thirty-first six years after the effective date of the**  
84 **reauthorization of this section;**

85           **(3) This section shall terminate on September first of the calendar year immediately**  
86 **following the calendar year in which the program authorized under this section is sunset;**  
87 **and**

88           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
89 **before this section is sunset.**

135.305. 1. A Missouri wood energy producer shall be eligible for a tax credit on taxes  
2 otherwise due under chapter 143, except sections 143.191 to 143.261, as a production incentive  
3 to produce processed wood products in a qualified wood-producing facility using Missouri forest  
4 product residue. The tax credit to the wood energy producer shall be five dollars per ton of  
5 processed material. The credit may be claimed for a period of five years and is to be a tax credit  
6 against the tax otherwise due. No new tax credits, provided for under sections 135.300 to  
7 135.311, shall be authorized after June 30, 2020. In no event shall the aggregate amount of all  
8 tax credits allowed under sections 135.300 to 135.311 exceed six million dollars in any given  
9 fiscal year. There shall be no tax credits authorized under sections 135.300 to 135.311 unless  
10 an appropriation is made for such tax credits.

11           **2. Under section 23.253 of the Missouri sunset act:**

12           **(1) The provisions of the program authorized under this section shall automatically**  
13 **sunset on December thirty-first six years after the effective date of this section unless**  
14 **reauthorized by an act of the general assembly;**

15           **(2) If such program is reauthorized, the program authorized under this section**  
16 **shall automatically sunset on December thirty-first six years after the effective date of the**  
17 **reauthorization of this section;**

18           **(3) This section shall terminate on September first of the calendar year immediately**  
19 **following the calendar year in which the program authorized under this section is sunset;**  
20 **and**

21           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
22 **before this section is sunset.**

135.313. 1. Any person, firm or corporation who engages in the business of producing  
2 charcoal or charcoal products in the state of Missouri shall be eligible for a tax credit on income  
3 taxes otherwise due ~~pursuant to~~ **under** chapter 143, except sections 143.191 to 143.261, as an  
4 incentive to implement safe and efficient environmental controls. The tax credit shall be equal  
5 to fifty percent of the purchase price of the best available control technology equipment  
6 connected with the production of charcoal in the state of Missouri or, if the taxpayer  
7 manufactures such equipment, fifty percent of the manufacturing cost of the equipment, to and  
8 including the year the equipment is put into service. The credit may be claimed for a period of

9 eight years beginning with the 1998 calendar year and is to be a tax credit against the tax  
10 otherwise due.

11 2. Any amount of credit which exceeds the tax due shall not be refunded but may be  
12 carried over to any subsequent taxable year, not to exceed seven years.

13 3. The charcoal producer may elect to assign to a third party the approved tax credit.  
14 Certification of assignment and other appropriate forms must be filed with the Missouri  
15 department of revenue and the department of economic development.

16 4. When applying for a tax credit, the charcoal producer specified in subsection 1 of this  
17 section shall make application for the credit to the division of environmental quality of the  
18 department of natural resources. The application shall identify the specific best available control  
19 technology equipment and the purchase price, or manufacturing cost of such equipment. The  
20 director of the department of natural resources is authorized to require permits to construct prior  
21 to the installation of best available control technology equipment and other information which  
22 he or she deems appropriate.

23 5. The director of the department of natural resources in conjunction with the department  
24 of economic development shall certify to the department of revenue that the best available  
25 control technology equipment meets the requirements to obtain a tax credit as specified in this  
26 section.

27 **6. Under section 23.253 of the Missouri sunset act:**

28 **(1) The provisions of the program authorized under this section shall automatically**  
29 **sunset on December thirty-first six years after the effective date of this section unless**  
30 **reauthorized by an act of the general assembly;**

31 **(2) If such program is reauthorized, the program authorized under this section**  
32 **shall automatically sunset on December thirty-first six years after the effective date of the**  
33 **reauthorization of this section;**

34 **(3) This section shall terminate on September first of the calendar year immediately**  
35 **following the calendar year in which the program authorized under this section is sunset;**  
36 **and**

37 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
38 **before this section is sunset.**

135.327. 1. Any person residing in this state who legally adopts a special needs child  
2 on or after January 1, 1988, and before January 1, 2000, shall be eligible to receive a tax credit  
3 of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may  
4 be applied to taxes due under chapter 143. Any business entity providing funds to an employee  
5 to enable that employee to legally adopt a special needs child shall be eligible to receive a tax  
6 credit of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted

7 that may be applied to taxes due under such business entity's state tax liability, except that only  
8 one ten thousand dollar credit is available for each special needs child that is adopted.

9       2. Any person residing in this state who proceeds in good faith with the adoption of a  
10 special needs child on or after January 1, 2000, shall be eligible to receive a tax credit of up to  
11 ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to  
12 taxes due under chapter 143; provided, however, that beginning on March 29, 2013, the tax  
13 credits shall only be allocated for the adoption of special needs children who are residents or  
14 wards of residents of this state at the time the adoption is initiated. Any business entity  
15 providing funds to an employee to enable that employee to proceed in good faith with the  
16 adoption of a special needs child shall be eligible to receive a tax credit of up to ten thousand  
17 dollars for nonrecurring adoption expenses for each child that may be applied to taxes due under  
18 such business entity's state tax liability, except that only one ten thousand dollar credit is  
19 available for each special needs child that is adopted.

20       3. Individuals and business entities may claim a tax credit for their total nonrecurring  
21 adoption expenses in each year that the expenses are incurred. A claim for fifty percent of the  
22 credit shall be allowed when the child is placed in the home. A claim for the remaining fifty  
23 percent shall be allowed when the adoption is final. The total of these tax credits shall not  
24 exceed the maximum limit of ten thousand dollars per child. The cumulative amount of tax  
25 credits which may be claimed by taxpayers claiming the credit for nonrecurring adoption  
26 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million dollars. The  
27 cumulative amount of tax credits that may be claimed by taxpayers claiming the credit for  
28 nonrecurring adoption expenses shall not be more than two million dollars but may be increased  
29 by appropriation in any fiscal year beginning on or after July 1, 2004. For all fiscal years  
30 beginning on or after July 1, 2006, applications to claim the adoption tax credit for special needs  
31 children who are residents or wards of residents of this state at the time the adoption is initiated  
32 shall be filed between July first and April fifteenth of each fiscal year.

33       4. Notwithstanding any provision of law to the contrary, any individual or business entity  
34 may assign, transfer or sell tax credits allowed in this section. Any sale of tax credits claimed  
35 ~~pursuant to~~ **under** this section shall be at a discount rate of seventy-five percent or greater of  
36 the amount sold.

37       **5. Under section 23.253 of the Missouri sunset act:**

38       **(1) The provisions of the new program authorized under this section shall**  
39 **automatically sunset on December thirty-first six years after the effective date of this**  
40 **section unless reauthorized by an act of the general assembly;**



41           **(2) If such program is reauthorized, the program authorized under this section**  
42 **shall automatically sunset on December thirty-first six years after the effective date of the**  
43 **reauthorization of this section;**

44           **(3) This section shall terminate on September first of the calendar year immediately**  
45 **following the calendar year in which the program authorized under this section is sunset;**  
46 **and**

47           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
48 **before this section is sunset.**

135.352. 1. A taxpayer owning an interest in a qualified Missouri project shall, subject  
2 to the limitations provided under the provisions of subsection 3 of this section, be allowed a state  
3 tax credit, whether or not allowed a federal tax credit, to be termed the Missouri low-income  
4 housing tax credit, if the commission issues an eligibility statement for that project.

5           2. For qualified Missouri projects placed in service after January 1, 1997, the Missouri  
6 low-income housing tax credit available to a project shall be such amount as the commission  
7 shall determine is necessary to ensure the feasibility of the project, up to an amount equal to the  
8 federal low-income housing tax credit for a qualified Missouri project, for a federal tax period,  
9 and such amount shall be subtracted from the amount of state tax otherwise due for the same tax  
10 period.

11           3. No more than six million dollars in tax credits shall be authorized each fiscal year for  
12 projects financed through tax-exempt bond issuance.

13           4. The Missouri low-income housing tax credit shall be taken against the taxes and in  
14 the order specified ~~[pursuant to]~~ **under** section 32.115. The credit authorized by this section  
15 shall not be refundable. Any amount of credit that exceeds the tax due for a taxpayer's ~~[taxable]~~  
16 **tax** year may be carried back to any of the taxpayer's three prior ~~[taxable]~~ **tax** years or carried  
17 forward to any of the taxpayer's five subsequent ~~[taxable]~~ **tax** years.

18           5. All or any portion of Missouri tax credits issued in accordance with the provisions of  
19 sections 135.350 to 135.362 may be allocated to parties who are eligible ~~[pursuant to the~~  
20 ~~provisions of]~~ **under** subsection 1 of this section. Beginning January 1, 1995, for qualified  
21 projects which began on or after January 1, 1994, an owner of a qualified Missouri project shall  
22 certify to the director the amount of credit allocated to each taxpayer. The owner of the project  
23 shall provide to the director appropriate information so that the low-income housing tax credit  
24 can be properly allocated.

25           6. In the event that recapture of Missouri low-income housing tax credits is required  
26 ~~[pursuant to]~~ **under** subsection 2 of section 135.355, any statement submitted to the director as  
27 provided in this section shall include the proportion of the state credit required to be recaptured,

28 the identity of each taxpayer subject to the recapture and the amount of credit previously  
29 allocated to such taxpayer.

30 7. The director of the department may promulgate rules and regulations necessary to  
31 administer the provisions of this section. No rule or portion of a rule promulgated ~~[pursuant to]~~  
32 **under** the authority of this section shall become effective unless it has been promulgated  
33 pursuant to the provisions of section 536.024.

34 **8. Under section 23.253 of the Missouri sunset act:**

35 **(1) The provisions of the new program authorized under this section shall**  
36 **automatically sunset on December thirty-first six years after the effective date of this**  
37 **section unless reauthorized by an act of the general assembly;**

38 **(2) If such program is reauthorized, the program authorized under this section**  
39 **shall automatically sunset on December thirty-first six years after the effective date of the**  
40 **reauthorization of this section;**

41 **(3) This section shall terminate on September first of the calendar year immediately**  
42 **following the calendar year in which the program authorized under this section is sunset;**  
43 **and**

44 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
45 **before this section is sunset.**

135.403. 1. Any investor who makes a qualified investment in a Missouri small business  
2 shall be entitled to receive a tax credit equal to forty percent of the amount of the investment or,  
3 in the case of a qualified investment in a Missouri small business in a distressed community as  
4 defined by section 135.530, a credit equal to sixty percent of the amount of the investment, and  
5 any investor who makes a qualified investment in a community bank or a community  
6 development corporation shall be entitled to receive a tax credit equal to fifty percent of the  
7 amount of the investment if the investment is made in a community bank or community  
8 development corporation for direct investment. The total amount of tax credits available for  
9 qualified investments in Missouri small businesses shall not exceed thirteen million dollars and  
10 at least four million dollars of the amount authorized by this section and certified by the  
11 department of economic development shall be for investment in Missouri small businesses in  
12 distressed communities. Authorization for all or any part of this four-million-dollar amount shall  
13 in no way restrict the eligibility of Missouri small businesses in distressed communities, as  
14 defined in section 135.530, for the remaining amounts authorized within this section. No more  
15 than twenty percent of the tax credits available each year for investments in community banks  
16 or community development corporations for direct investment shall be certified for any one  
17 project, as defined in section 135.400. The tax credit shall be evidenced by a tax credit  
18 certificate in accordance with the provisions of sections 135.400 to 135.430 and may be used to

19 satisfy the state tax liability of the owner of the certificate that becomes due in the tax year in  
20 which the qualified investment is made, or in any of the ten tax years thereafter. When the  
21 qualified small business is in a distressed community, as defined in section 135.530, the tax  
22 credit may also be used to satisfy the state tax liability of the owner of the certificate that was due  
23 during each of the previous three years in addition to the year in which the investment is made  
24 and any of the ten years thereafter. No investor may receive a tax credit ~~[pursuant to]~~ **under**  
25 sections 135.400 to 135.430 unless that person presents a tax credit certificate to the department  
26 of revenue for payment of such state tax liability. The department of revenue shall grant tax  
27 credits in the same order as established ~~[by]~~ **under** subsection 1 of section 32.115. Subject to  
28 the provisions of sections 135.400 to 135.430, certificates of tax credit issued in accordance with  
29 these sections may be transferred, sold or assigned by notarized endorsement thereof which  
30 names the transferee.

31       2. Five hundred thousand dollars in tax credits shall be available annually from the total  
32 amount of tax credits authorized ~~[by]~~ **under** section 32.110 and subdivision (4) of subsection 2  
33 of section 32.115 as a result of investments in community banks or community development  
34 corporations. Aggregate investments eligible for tax credits in any one Missouri small business  
35 shall not be more than one million dollars. Aggregate investments eligible for tax credits in any  
36 one Missouri small business shall not be less than five thousand dollars as of the date of issuance  
37 of the first tax credit certificate for investment in that business.

38       3. This section and section 620.1039 shall become effective January 1, 2001.

39       **4. Under section 23.253 of the Missouri sunset act:**

40       **(1) The provisions of the new program authorized under this section shall**  
41 **automatically sunset on December thirty-first six years after the effective date of this**  
42 **section unless reauthorized by an act of the general assembly;**

43       **(2) If such program is reauthorized, the program authorized under this section**  
44 **shall automatically sunset on December thirty-first six years after the effective date of the**  
45 **reauthorization of this section;**

46       **(3) This section shall terminate on September first of the calendar year immediately**  
47 **following the calendar year in which the program authorized under this section is sunset;**  
48 **and**

49       **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
50 **before this section is sunset.**

135.460. 1. This section and sections 620.1100 and 620.1103 shall be known and may  
2 be cited as the "Youth Opportunities and Violence Prevention Act".

3       2. As used in this section, the term "taxpayer" shall include corporations as defined in  
4 section 143.441 or 143.471, any charitable organization which is exempt from federal income

5 tax and whose Missouri unrelated business ~~[taxable]~~ **tax** income, if any, would be subject to the  
6 state income tax imposed under chapter 143, and individuals, individual proprietorships and  
7 partnerships.

8         3. A taxpayer shall be allowed a tax credit against the tax otherwise due ~~[pursuant to]~~  
9 **under** chapter 143, excluding withholding tax imposed ~~[by]~~ **under** sections 143.191 to 143.265,  
10 chapter 147, chapter 148, or chapter 153 in an amount equal to thirty percent for property  
11 contributions and fifty percent for monetary contributions of the amount such taxpayer  
12 contributed to the programs described in subsection 5 of this section, not to exceed two hundred  
13 thousand dollars per ~~[taxable]~~ **tax** year, per taxpayer; except as otherwise provided in subdivision  
14 (5) of subsection 5 of this section. The department of economic development shall prescribe the  
15 method for claiming the tax credits allowed in this section. No rule or portion of a rule  
16 promulgated under the authority of this section shall become effective unless it has been  
17 promulgated ~~[pursuant to]~~ **under** the provisions of chapter 536. All rulemaking authority  
18 delegated prior to June 27, 1997, is of no force and effect and repealed; however, nothing in this  
19 section shall be interpreted to repeal or affect the validity of any rule filed or adopted prior to  
20 June 27, 1997, if such rule complied with the provisions of chapter 536. The provisions of this  
21 section and chapter 536 are nonseverable and if any of the powers vested with the general  
22 assembly pursuant to chapter 536, including the ability to review, to delay the effective date, or  
23 to disapprove and annul a rule or portion of a rule, are subsequently held unconstitutional, then  
24 the purported grant of rulemaking authority and any rule so proposed and contained in the order  
25 of rulemaking shall be invalid and void.

26         4. The tax credits allowed by this section shall be claimed by the taxpayer to offset the  
27 taxes that become due in the taxpayer's tax period in which the contribution was made. Any tax  
28 credit not used in such tax period may be carried over the next five succeeding tax periods.

29         5. The tax credit allowed by this section may only be claimed for monetary or property  
30 contributions to public or private programs authorized to participate ~~[pursuant to]~~ **under** this  
31 section by the department of economic development and may be claimed for the development,  
32 establishment, implementation, operation, and expansion of the following activities and  
33 programs:

34         (1) An adopt-a-school program. Components of the adopt-a-school program shall  
35 include donations for school activities, seminars, and functions; school-business employment  
36 programs; and the donation of property and equipment of the corporation to the school;

37         (2) Expansion of programs to encourage school dropouts to reenter and complete high  
38 school or to complete a graduate equivalency degree program;

39         (3) Employment programs. Such programs shall initially, but not exclusively, target  
40 unemployed youth living in poverty and youth living in areas with a high incidence of crime;

- 41 (4) New or existing youth clubs or associations;
- 42 (5) Employment/internship/apprenticeship programs in business or trades for persons  
43 less than twenty years of age, in which case the tax credit claimed ~~[pursuant to]~~ **under** this  
44 section shall be equal to one-half of the amount paid to the intern or apprentice in that tax year,  
45 except that such credit shall not exceed ten thousand dollars per person;
- 46 (6) Mentor and role model programs;
- 47 (7) Drug and alcohol abuse prevention training programs for youth;
- 48 (8) Donation of property or equipment of the taxpayer to schools, including schools  
49 which primarily educate children who have been expelled from other schools, or donation of the  
50 same to municipalities, or not-for-profit corporations or other not-for-profit organizations which  
51 offer programs dedicated to youth violence prevention as authorized by the department;
- 52 (9) Not-for-profit, private or public youth activity centers;
- 53 (10) Nonviolent conflict resolution and mediation programs; **and**
- 54 (11) Youth outreach and counseling programs.
- 55 6. Any program authorized in subsection 5 of this section shall, at least annually, submit  
56 a report to the department of economic development outlining the purpose and objectives of such  
57 program, the number of youth served, the specific activities provided pursuant to such program,  
58 the duration of such program and recorded youth attendance where applicable.
- 59 7. The department of economic development shall, at least annually submit a report to  
60 the Missouri general assembly listing the organizations participating, services offered and the  
61 number of youth served as the result of the implementation of this section.
- 62 8. The tax credit allowed by this section shall apply to all ~~[taxable]~~ **tax** years beginning  
63 after December 31, 1995.
- 64 9. For the purposes of the credits described in this section, in the case of a corporation  
65 described in section 143.471, partnership, limited liability company described in section 347.015,  
66 cooperative, marketing enterprise, or partnership, in computing Missouri's tax liability, such  
67 credits shall be allowed to the following:
- 68 (1) The shareholders of the corporation described in section 143.471;
- 69 (2) The partners of the partnership;
- 70 (3) The members of the limited liability company; and
- 71 (4) Individual members of the cooperative or marketing enterprise.
- 72
- 73 Such credits shall be apportioned to the entities described in subdivisions (1) and (2) of this  
74 subsection in proportion to their share of ownership on the last day of the taxpayer's tax period.
- 75 **10. Under section 23.253 of the Missouri sunset act:**

76           **(1) The provisions of the new program authorized under this section shall**  
77 **automatically sunset on December thirty-first six years after the effective date of this**  
78 **section unless reauthorized by an act of the general assembly;**

79           **(2) If such program is reauthorized, the program authorized under this section**  
80 **shall automatically sunset on December thirty-first six years after the effective date of the**  
81 **reauthorization of this section;**

82           **(3) This section shall terminate on September first of the calendar year immediately**  
83 **following the calendar year in which the program authorized under this section is sunset;**  
84 **and**

85           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
86 **before this section is sunset.**

          135.481. 1. (1) Any taxpayer who incurs eligible costs for a new residence located in  
2 a distressed community or within a census block group as described in subdivision (10) of  
3 section 135.478, or for a multiple unit condominium described in subdivision (2) of this  
4 subsection, shall receive a tax credit equal to fifteen percent of such costs against his or her tax  
5 liability. The tax credit shall not exceed forty thousand dollars per new residence in any ten-year  
6 period.

7           (2) For the purposes of this section, a "multiple unit condominium" is one that is  
8 intended to be owner occupied, which is constructed on property subject to an industrial  
9 development contract as defined in section 100.310 and which lies within an area with a city  
10 zoning classification of urban redevelopment district established after January 1, 2000, and  
11 before December 31, 2001, and which is constructed in connection with the qualified  
12 rehabilitation of a structure more than ninety years old eligible for the historic structures  
13 rehabilitation tax credit described in sections 253.545 to 253.559, and is under way by January  
14 1, 2000, and completed by January 1, 2002.

15           2. Any taxpayer who incurs eligible costs for a new residence located within a census  
16 block as described in subdivision (6) of section 135.478 shall receive a tax credit equal to fifteen  
17 percent of such costs against his or her tax liability. The tax credit shall not exceed twenty-five  
18 thousand dollars per new residence in any ten-year period.

19           3. Any taxpayer who is not performing substantial rehabilitation and who incurs eligible  
20 costs for rehabilitation of an eligible residence or a qualifying residence shall receive a tax credit  
21 equal to twenty-five percent of such costs against his or her tax liability. The minimum eligible  
22 costs for rehabilitation of an eligible residence shall be ten thousand dollars. The minimum  
23 eligible costs for rehabilitation of a qualifying residence shall be five thousand dollars. The tax  
24 credit shall not exceed twenty-five thousand dollars in any ten-year period.

25           4. Any taxpayer who incurs eligible costs for substantial rehabilitation of a qualifying  
26 residence shall receive a tax credit equal to thirty-five percent of such costs against his or her tax  
27 liability. The minimum eligible costs for substantial rehabilitation of a qualifying residence shall  
28 be ten thousand dollars. The tax credit shall not exceed seventy thousand dollars in any ten-year  
29 period.

30           5. A taxpayer shall be eligible to receive tax credits for new construction or rehabilitation  
31 ~~[pursuant to]~~ **under** only one subsection of this section.

32           6. No tax credit shall be issued ~~[pursuant to]~~ **under** this section for any structure which  
33 is in violation of any municipal or county property, maintenance or zoning code.

34           7. No tax credit shall be issued ~~[pursuant to]~~ **under** sections 135.475 to 135.487 for the  
35 construction or rehabilitation of rental property.

36           **8. Under section 23.253 of the Missouri sunset act:**

37           **(1) The provisions of the new program authorized under this section shall**  
38 **automatically sunset on December thirty-first six years after the effective date of this**  
39 **section unless reauthorized by an act of the general assembly;**

40           **(2) If such program is reauthorized, the program authorized under this section**  
41 **shall automatically sunset on December thirty-first six years after the effective date of the**  
42 **reauthorization of this section;**

43           **(3) This section shall terminate on September first of the calendar year immediately**  
44 **following the calendar year in which the program authorized under this section is sunset;**  
45 **and**

46           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
47 **before this section is sunset.**

135.490. 1. In order to encourage and foster community improvement, an eligible small  
2 business, as defined in Section 44 of the Internal Revenue Code, shall be allowed a credit not to  
3 exceed five thousand dollars against the tax otherwise due ~~[pursuant to]~~ **under** chapter 143, not  
4 including sections 143.191 to 143.265, in an amount equal to fifty percent of all eligible access  
5 expenditures exceeding the monetary cap provided by Section 44 of the Internal Revenue Code.  
6 For purposes of this section, "eligible access expenditures" means amounts paid or incurred by  
7 the taxpayer in order to comply with applicable access requirements provided by the Americans  
8 With Disabilities Act of 1990, as further defined in Section 44 of the Internal Revenue Code and  
9 federal rulings interpreting Section 44 of the Internal Revenue Code.

10           2. The tax credit allowed by this section shall be claimed by the taxpayer at the time such  
11 taxpayer files a return. Any amount of tax credit which exceeds the tax due shall be carried over  
12 to any subsequent ~~[taxable]~~ **tax** year, but shall not be refunded and shall not be transferable.

13           3. The director of the department of economic development and the director of the  
14 department of revenue shall jointly administer the tax credit authorized by this section. Both the  
15 director of the department of economic development and the director of the department of  
16 revenue are authorized to promulgate rules and regulations necessary to administer the provisions  
17 of this section. No rule or portion of a rule promulgated pursuant to the authority of this section  
18 shall become effective unless it has been promulgated pursuant to the provisions of chapter 536.

19           4. The provisions of this section shall become effective on January 1, 2000, and shall  
20 apply to all ~~[taxable]~~ tax years beginning after December 31, 1999.

21           **5. Under section 23.253 of the Missouri sunset act:**

22           **(1) The provisions of the new program authorized under this section shall**  
23 **automatically sunset on December thirty-first six years after the effective date of this**  
24 **section unless reauthorized by an act of the general assembly;**

25           **(2) If such program is reauthorized, the program authorized under this section**  
26 **shall automatically sunset on December thirty-first six years after the effective date of the**  
27 **reauthorization of this section;**

28           **(3) This section shall terminate on September first of the calendar year immediately**  
29 **following the calendar year in which the program authorized under this section is sunset;**  
30 **and**

31           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
32 **before this section is sunset.**

135.503. 1. Any investor that makes an investment of certified capital shall, in the year  
2 of investment, earn a vested credit against state premium tax liability equal to the applicable  
3 percentage of the investor's investment of certified capital. An investor shall be entitled to take  
4 up to ten percent of the vested credit in any ~~[taxable]~~ tax year of the investor. Any time after  
5 three years after August 28, 1996, the director, with the approval of the commissioner of  
6 administration, may reduce the applicable percentage on a prospective basis. Any such reduction  
7 in the applicable percentage by the director shall not have any effect on credits against state  
8 premium tax liability which have been claimed or will be claimed by any investor with respect  
9 to credits which have been earned and vested pursuant to an investment of certified capital prior  
10 to the effective date of any such change.

11           2. An insurance company claiming a state premium tax credit earned through an  
12 investment in a certified capital company shall not be required to pay any additional retaliatory  
13 tax levied ~~[pursuant to]~~ **under** section 375.916 as a result of claiming such credit.

14           3. The credit against state premium tax liability which is described in subsection 1 of this  
15 section may not exceed the state premium tax liability of the investor for any ~~[taxable]~~ tax year.  
16 All such credits against state premium tax liability may be carried forward indefinitely until the



17 credits are utilized. The maximum amount of certified capital in one or more certified capital  
18 companies for which earned and vested tax credits will be allowed in any year to any one  
19 investor or its affiliates shall be limited to ten million dollars.

20 4. Except as provided in subsection 5 of this section, the aggregate amount of certified  
21 capital for which earned and vested credits against state premium tax liability are allowed for all  
22 persons ~~[pursuant to]~~ **under** sections 135.500 to 135.529 shall not exceed the following amounts:  
23 for calendar year 1996, \$0.00; for calendar year 1997, an amount which would entitle all  
24 Missouri certified capital company investors to take aggregate credits of five million dollars; and  
25 for any year thereafter, an additional amount to be determined by the director but not to exceed  
26 aggregate credits of ten million dollars for any year with the approval of the commissioner of  
27 administration and reported to the general assembly as provided in subsection 2 of section  
28 33.282, provided that the amount so determined shall not impair the ability of an investor with  
29 earned and vested credits which have been allowed in previous years to take them, ~~[pursuant to]~~  
30 **under** subsection 1 of this section. During any calendar year in which the limitation described  
31 in this subsection will limit the amount of certified capital for which earned and vested credits  
32 against state premium tax liability are allowed, certified capital for which credits are allowed will  
33 be allocated in order of priority based upon the date of filing of information described in  
34 subdivision (1) of subsection 5 of section 135.516. Certified capital limited in any calendar year  
35 by the application of the provisions of this subsection shall be allowed and allocated in the  
36 immediately succeeding calendar year in the order of priority set forth in this subsection. The  
37 department shall make separate allocations of certified capital for which credits are allowed  
38 under the limitations described in this subsection and under the limitations described in  
39 subsection 5 of this section.

40 5. In addition to the maximum amount ~~[pursuant to]~~ **under** subsection 4 of this section,  
41 the aggregate amount of certified capital for which earned and vested credits against state  
42 premium tax liability are allowed for persons ~~[pursuant to]~~ **under** sections 135.500 to 135.529  
43 shall be the following: for calendar year 1999 and for any year thereafter, an amount to be  
44 determined by the director which would entitle all Missouri certified capital company investors  
45 to take aggregate credits not to exceed four million dollars for any year with the approval of the  
46 commissioner of administration and reported to the general assembly as provided in subsection  
47 2 of section 33.282, provided that the amount so determined shall not impair the ability of an  
48 investor with earned and vested credits which have been allowed in previous years or ~~[pursuant~~  
49 ~~to the provisions of]~~ **under** subsection 4 of this section to take them, ~~[pursuant to]~~ **under**  
50 subsection 1 of this section. For purposes of any requirement regarding the schedule of qualified  
51 investments for certified capital for which earned and vested credits against state premium tax  
52 liability are allowed ~~[pursuant to]~~ **under** this subsection only, the definition of a "qualified

53 Missouri business" as set forth in subdivision (14) of subsection 2 of section 135.500 means a  
54 Missouri business that is located in a distressed community as defined in section 135.530, and  
55 meets all of the requirements of subdivision (14) of subsection 2 of section 135.500. During any  
56 calendar year in which the limitation described in this subsection limits the amount of additional  
57 certified capital for which earned and vested credits against state premium tax liability are  
58 allowed, additional certified capital for which credits are allowed shall be allocated in order of  
59 priority based upon the date of filing of information described in subdivision (1) of subsection  
60 5 of section 135.516 with respect to such additional certified capital. The department shall make  
61 separate allocations of certified capital for which credits are allowed under the limitations  
62 described in this subsection and under the limitations described in subsection 4 of this section.  
63 No limitation applicable to any certified capital company with respect to certified capital for  
64 which credits are allowed ~~[pursuant to]~~ **under** subsection 4 of this section shall limit the amount  
65 of certified capital for which credits are allowed ~~[pursuant to]~~ **under** this subsection. No  
66 limitation applicable to any certified capital company with respect to certified capital for which  
67 credits are allowed ~~[pursuant to]~~ **under** this subsection shall limit the amount of certified capital  
68 for which credits are allowed ~~[pursuant to]~~ **under** subsection 4 of this section.

69         6. The department shall advise any Missouri certified capital company, in writing, within  
70 fifteen days after receiving the filing described in subdivision (1) of subsection 5 of section  
71 135.516 whether the limitations of subsection 3 of this section then in effect will be applicable  
72 with respect to the investments and credits described in such filing with the department.

73         **7. Under section 23.253 of the Missouri sunset act:**

74         **(1) The provisions of the new program authorized under this section shall**  
75 **automatically sunset on December thirty-first six years after the effective date of this**  
76 **section unless reauthorized by an act of the general assembly;**

77         **(2) If such program is reauthorized, the program authorized under this section**  
78 **shall automatically sunset on December thirty-first six years after the effective date of the**  
79 **reauthorization of this section;**

80         **(3) This section shall terminate on September first of the calendar year immediately**  
81 **following the calendar year in which the program authorized under this section is sunset;**  
82 **and**

83         **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
84 **before this section is sunset.**

135.535. 1. A corporation, limited liability corporation, partnership or sole  
2 proprietorship, which moves its operations from outside Missouri or outside a distressed  
3 community into a distressed community, or which commences operations in a distressed  
4 community on or after January 1, 1999, and in either case has more than seventy-five percent of

5 its employees at the facility in the distressed community, and which has fewer than one hundred  
6 employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical  
7 devices, scientific research, animal research, computer software design or development,  
8 computer programming, including internet, web hosting, and other information technology,  
9 wireless or wired or other telecommunications or a professional firm shall receive a forty percent  
10 credit against income taxes owed ~~[pursuant to]~~ **under** chapter 143, 147 or 148, other than taxes  
11 withheld ~~[pursuant to]~~ **under** sections 143.191 to 143.265, for each of the three years after such  
12 move, if approved by the department of economic development, which shall issue a certificate  
13 of eligibility if the department determines that the taxpayer is eligible for such credit. The  
14 maximum amount of credits per taxpayer set forth in this subsection shall not exceed one  
15 hundred twenty-five thousand dollars for each of the three years for which the credit is claimed.  
16 The department of economic development, by means of rule or regulation promulgated ~~[pursuant~~  
17 ~~to the provisions of]~~ **under** chapter 536, shall assign appropriate North American Industry  
18 Classification System numbers to the companies which are eligible for the tax credits provided  
19 for in this section. Such three-year credits shall be awarded only one time to any company which  
20 moves its operations from outside of Missouri or outside of a distressed community into a  
21 distressed community or to a company which commences operations within a distressed  
22 community. A taxpayer shall file an application for certification of the tax credits for the first  
23 year in which credits are claimed and for each of the two succeeding ~~[taxable]~~ **tax** years for  
24 which credits are claimed.

25         2. Employees of such facilities physically working and earning wages for that work  
26 within a distressed community whose employers have been approved for tax credits ~~[pursuant~~  
27 ~~to]~~ **under** subsection 1 of this section by the department of economic development for whom  
28 payroll taxes are paid shall also be eligible to receive a tax credit against individual income tax,  
29 imposed ~~[pursuant to]~~ **under** chapter 143, equal to one and one-half percent of their gross salary  
30 paid at such facility earned for each of the three years that the facility receives the tax credit  
31 provided by this section, so long as they were qualified employees of such entity. The employer  
32 shall calculate the amount of such credit and shall report the amount to the employee and the  
33 department of revenue.

34         3. A tax credit against income taxes owed ~~[pursuant to]~~ **under** chapter 143, 147 or 148,  
35 other than the taxes withheld ~~[pursuant to]~~ **under** sections 143.191 to 143.265, in lieu of the  
36 credit against income taxes as provided in subsection 1 of this section, may be taken by such an  
37 entity in a distressed community in an amount of forty percent of the amount of funds expended  
38 for computer equipment and its maintenance, medical laboratories and equipment, research  
39 laboratory equipment, manufacturing equipment, fiber optic equipment, high speed  
40 telecommunications, wiring or software development expense up to a maximum of seventy-five

41 thousand dollars in tax credits for such equipment or expense per year per entity and for each of  
42 three years after commencement in or moving operations into a distressed community.

43 4. A corporation, partnership or sole partnership, which has no more than one hundred  
44 employees for whom payroll taxes are paid, which is already located in a distressed community  
45 and which expends funds for such equipment ~~[pursuant to]~~ **under** subsection 3 of this section  
46 in an amount exceeding its average of the prior two years for such equipment, shall be eligible  
47 to receive a tax credit against income taxes owed ~~[pursuant to]~~ **under** chapters 143, 147 and 148  
48 in an amount equal to the lesser of seventy-five thousand dollars or twenty-five percent of the  
49 funds expended for such additional equipment per such entity. Tax credits allowed ~~[pursuant~~  
50 ~~to]~~ **under** this subsection or subsection 1 of this section may be carried back to any of the three  
51 prior tax years and carried forward to any of the next five tax years.

52 5. An existing corporation, partnership or sole proprietorship that is located within a  
53 distressed community and that relocates employees from another facility outside of the distressed  
54 community to its facility within the distressed community, and an existing business located  
55 within a distressed community that hires new employees for that facility may both be eligible for  
56 the tax credits allowed ~~[by]~~ **under** subsections 1 and 3 of this section. To be eligible for such  
57 tax credits, such a business, during one of its tax years, shall employ within a distressed  
58 community at least twice as many employees as were employed at the beginning of that tax year.  
59 A business hiring employees shall have no more than one hundred employees before the addition  
60 of the new employees. This subsection shall only apply to a business which is a manufacturing,  
61 biomedical, medical devices, scientific research, animal research, computer software design or  
62 development, computer programming or telecommunications business, or a professional firm.

63 6. Tax credits shall be approved for applicants meeting the requirements of this section  
64 in the order that such applications are received. Certificates of tax credits issued in accordance  
65 with this section may be transferred, sold or assigned by notarized endorsement which names the  
66 transferee.

67 7. The tax credits allowed ~~[pursuant to]~~ **under** subsections 1, 2, 3, 4 and 5 of this section  
68 shall be for an amount of no more than ten million dollars for each year beginning in 1999. The  
69 total maximum credit for all entities already located in distressed communities and claiming  
70 credits ~~[pursuant to]~~ **under** subsection 4 of this section shall be seven hundred and fifty thousand  
71 dollars. The department of economic development in approving taxpayers for the credit as  
72 provided for in subsection 6 of this section shall use information provided by the department of  
73 revenue regarding taxes paid in the previous year, or projected taxes for those entities newly  
74 established in the state, as the method of determining when this maximum will be reached and  
75 shall maintain a record of the order of approval. Any tax credit not used in the period for which  
76 the credit was approved may be carried over until the full credit has been allowed.

77           8. A Missouri employer relocating into a distressed community and having employees  
78 covered by a collective bargaining agreement at the facility from which it is relocating shall not  
79 be eligible for the credits in subsection 1, 3, 4 or 5 of this section, and its employees shall not be  
80 eligible for the credit in subsection 2 of this section if the relocation violates or terminates a  
81 collective bargaining agreement covering employees at the facility, unless the affected collective  
82 bargaining unit concurs with the move.

83           9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax  
84 credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the  
85 tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and  
86 135.245, respectively, for the same business for the same tax period.

87           **10. Under section 23.253 of the Missouri sunset act:**

88           **(1) The provisions of the new program authorized under this section shall**  
89 **automatically sunset on December thirty-first six years after the effective date of this**  
90 **section unless reauthorized by an act of the general assembly;**

91           **(2) If such program is reauthorized, the program authorized under this section**  
92 **shall automatically sunset on December thirty-first six years after the effective date of the**  
93 **reauthorization of this section;**

94           **(3) This section shall terminate on September first of the calendar year immediately**  
95 **following the calendar year in which the program authorized under this section is sunset;**  
96 **and**

97           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
98 **before this section is sunset.**

135.545. 1. A taxpayer shall be allowed a credit for taxes paid ~~[pursuant to]~~ **under**  
2 chapter 143, 147 or 148 in an amount equal to fifty percent of a qualified investment in  
3 transportation development for aviation, mass transportation, including parking facilities for  
4 users of mass transportation, railroads, ports, including parking facilities and limited access roads  
5 within ports, waterborne transportation, bicycle and pedestrian paths, or rolling stock located in  
6 a distressed community as defined in section 135.530, and which are part of a development plan  
7 approved by the appropriate local agency. If the department of economic development  
8 determines the investment has been so approved, the department shall grant the tax credit in  
9 order of date received.

10           **2.** A taxpayer may carry forward any unused tax credit for up to ten years and may carry  
11 it back for the previous three years until such credit has been fully claimed.

12           **3.** Certificates of tax credit issued in accordance with this section may be transferred,  
13 sold or assigned by notarized endorsement which names the transferee.

14           **4.** The tax credits allowed ~~[pursuant to]~~ **under** this section shall be for an amount of no  
15 more than ten million dollars for each year. This credit shall apply to returns filed for all  
16 ~~[taxable]~~ **tax** years beginning on or after January 1, 1999. Any unused portion of the tax credit  
17 authorized ~~[pursuant to]~~ **under** this section shall be available for use in the future by those  
18 entities until fully claimed.

19           **5.** For purposes of this section, a "taxpayer" shall include any charitable organization that  
20 is exempt from federal income tax and whose Missouri unrelated business taxable income, if  
21 any, would be subject to the state income tax imposed under chapter 143.

22           **6. Under section 23.253 of the Missouri sunset act:**

23           **(1) The provisions of the new program authorized under this section shall**  
24 **automatically sunset on December thirty-first six years after the effective date of this**  
25 **section unless reauthorized by an act of the general assembly;**

26           **(2) If such program is reauthorized, the program authorized under this section**  
27 **shall automatically sunset on December thirty-first six years after the effective date of the**  
28 **reauthorization of this section;**

29           **(3) This section shall terminate on September first of the calendar year immediately**  
30 **following the calendar year in which the program authorized under this section is sunset;**  
31 **and**

32           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
33 **before this section is sunset.**

135.550. 1. As used in this section, the following terms shall mean:

2           **(1) "Contribution",** a donation of cash, stock, bonds or other marketable securities, or  
3 real property;

4           **(2) "Shelter for victims of domestic violence",** a facility located in this state which meets  
5 the definition of a shelter for victims of domestic violence ~~[pursuant to]~~ **under** section 455.200  
6 and which meets the requirements of section 455.220;

7           **(3) "State tax liability",** in the case of a business taxpayer, any liability incurred by such  
8 taxpayer ~~[pursuant to the provisions of]~~ **under** chapter 143, chapter 147, chapter 148, and  
9 chapter 153, exclusive of the provisions relating to the withholding of tax as provided for in  
10 sections 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any  
11 liability incurred by such taxpayer ~~[pursuant to the provisions of]~~ **under** chapter 143;

12           **(4) "Taxpayer",** a person, firm, a partner in a firm, corporation or a shareholder in an S  
13 corporation doing business in the state of Missouri and subject to the state income tax imposed  
14 by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax  
15 imposed by the provisions of chapter 147, including any charitable organization which is exempt  
16 from federal income tax and whose Missouri unrelated business taxable income, if any, would

17 be subject to the state income tax imposed under chapter 143, or an insurance company paying  
18 an annual tax on its gross premium receipts in this state, or other financial institution paying  
19 taxes to the state of Missouri or any political subdivision of this state ~~[pursuant to]~~ **under** the  
20 provisions of chapter 148, or an express company which pays an annual tax on its gross receipts  
21 in this state ~~[pursuant to]~~ **under** chapter 153, or an individual subject to the state income tax  
22 imposed ~~[by the provisions of]~~ **under** chapter 143.

23         2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax  
24 liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a shelter  
25 for victims of domestic violence.

26         3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's  
27 state tax liability for the ~~[taxable]~~ **tax** year that the credit is claimed, and such taxpayer shall not  
28 be allowed to claim a tax credit in excess of fifty thousand dollars per ~~[taxable]~~ **tax** year.  
29 However, any tax credit that cannot be claimed in the ~~[taxable]~~ **tax** year the contribution was  
30 made may be carried over to the next four succeeding ~~[taxable]~~ **tax** years until the full credit has  
31 been claimed.

32         4. Except for any excess credit which is carried over ~~[pursuant to]~~ **under** subsection 3  
33 of this section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of  
34 such taxpayer's contribution or contributions to a shelter or shelters for victims of domestic  
35 violence in such taxpayer's ~~[taxable]~~ **tax** year has a value of at least one hundred dollars.

36         5. The director of the department of social services shall determine, at least annually,  
37 which facilities in this state may be classified as shelters for victims of domestic violence. The  
38 director of the department of social services may require of a facility seeking to be classified as  
39 a shelter for victims of domestic violence whatever information is reasonably necessary to make  
40 such a determination. The director of the department of social services shall classify a facility  
41 as a shelter for victims of domestic violence if such facility meets the definition set forth in  
42 subsection 1 of this section.

43         6. The director of the department of social services shall establish a procedure by which  
44 a taxpayer can determine if a facility has been classified as a shelter for victims of domestic  
45 violence, and by which such taxpayer can then contribute to such shelter for victims of domestic  
46 violence and claim a tax credit. Shelters for victims of domestic violence shall be permitted to  
47 decline a contribution from a taxpayer. The cumulative amount of tax credits which may be  
48 claimed by all the taxpayers contributing to shelters for victims of domestic violence in any one  
49 fiscal year shall not exceed two million dollars.

50         7. The director of the department of social services shall establish a procedure by which,  
51 from the beginning of the fiscal year until some point in time later in the fiscal year to be  
52 determined by the director of the department of social services, the cumulative amount of tax

53 credits are equally apportioned among all facilities classified as shelters for victims of domestic  
54 violence. If a shelter for victims of domestic violence fails to use all, or some percentage to be  
55 determined by the director of the department of social services, of its apportioned tax credits  
56 during this predetermined period of time, the director of the department of social services may  
57 reapportion these unused tax credits to those shelters for victims of domestic violence that have  
58 used all, or some percentage to be determined by the director of the department of social  
59 services, of their apportioned tax credits during this predetermined period of time. The director  
60 of the department of social services may establish more than one period of time and reapportion  
61 more than once during each fiscal year. To the maximum extent possible, the director of the  
62 department of social services shall establish the procedure described in this subsection in such  
63 a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative  
64 amount of tax credits available for the fiscal year.

65 8. This section shall become effective January 1, 2000, and shall apply to all tax years  
66 after December 31, 1999.

67 **9. Under section 23.253 of the Missouri sunset act:**

68 **(1) The provisions of the new program authorized under this section shall**  
69 **automatically sunset on December thirty-first six years after the effective date of this**  
70 **section unless reauthorized by an act of the general assembly;**

71 **(2) If such program is reauthorized, the program authorized under this section**  
72 **shall automatically sunset on December thirty-first six years after the effective date of the**  
73 **reauthorization of this section;**

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;**  
76 **and**

77 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
78 **before this section is sunset.**

135.679. 1. This section shall be known and may be cited as the "Qualified Beef Tax  
2 Credit Act".

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

4 (1) "Agricultural property", any real and personal property, including but not limited to  
5 buildings, structures, improvements, equipment, and livestock, that is used in or is to be used in  
6 this state by residents of this state for:

7 (a) The operation of a farm or ranch; and

8 (b) Grazing, feeding, or the care of livestock;

9 (2) "Authority", the agricultural and small business development authority established  
10 in chapter 348;



11 (3) "Backgrounded", any additional weight at the time of the first qualifying sale, before  
12 being finished, above the established baseline weight;

13 (4) "Baseline weight", the average weight in the immediate past two years of all beef  
14 animals sold that are thirty months of age or younger, categorized by sex. Baseline weight for  
15 qualified beef animals that are physically out-of-state but whose ownership is retained by a  
16 resident of this state shall be established by the average transfer weight in the immediate past two  
17 years of all beef animals that are thirty months of age or younger and that are transferred  
18 out-of-state but whose ownership is retained by a resident of this state, categorized by sex. The  
19 established baseline weight shall be effective for a period of three years. If the taxpayer is a  
20 qualifying beef animal producer with fewer than two years of production, the baseline weight  
21 shall be established by the available average weight in the immediate past year of all beef  
22 animals sold that are thirty months of age or younger, categorized by sex. If the qualifying beef  
23 animal producer has no previous production, the baseline weight shall be established by the  
24 authority;

25 (5) "Finished", the period from backgrounded to harvest;

26 (6) "Qualifying beef animal", any beef animal that is certified by the authority, that was  
27 born in this state after August 28, 2008, that was raised and backgrounded or finished in this state  
28 by the taxpayer, excluding any beef animal more than thirty months of age as verified by certified  
29 written birth records;

30 (7) "Qualifying sale", the first time a qualifying beef animal is sold in this state after the  
31 qualifying beef animal is backgrounded, and a subsequent sale if the weight of the qualifying  
32 beef animal at the time of the subsequent sale is greater than the weight of the qualifying beef  
33 animal at the time of the first qualifying sale of such beef animal;

34 (8) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding  
35 withholding tax imposed by sections 143.191 to 143.265, or otherwise due under chapter 147;

36 (9) "Taxpayer", any individual or entity who:

37 (a) Is subject to the tax imposed in chapter 143, excluding withholding tax imposed by  
38 sections 143.191 to 143.265, or the tax imposed in chapter 147;

39 (b) In the case of an individual, is a resident of this state as verified by a 911 address or  
40 in the absence of a 911 system, a physical address; and

41 (c) Owns or rents agricultural property and principal place of business is located in this  
42 state.

43 3. (1) For all tax years beginning on or after January 1, 2009, but ending on or before  
44 December 31, 2021, a taxpayer shall be allowed a tax credit for the first qualifying sale and for  
45 a subsequent qualifying sale of all qualifying beef animals.

46           (2) The tax credit amount for the first qualifying sale shall be ten cents per pound for  
47 qualifying sale weights under six hundred pounds and twenty-five cents per pound for qualifying  
48 sale weights of six hundred pounds or greater, shall be based on the backgrounded weight of all  
49 qualifying beef animals at the time of the first qualifying sale, and shall be calculated as follows:

50           (a) If the qualifying sale weight is under six hundred pounds, the qualifying sale weight  
51 minus the baseline weight multiplied by ten cents, as long as the qualifying sale weight is equal  
52 to or greater than one hundred pounds above the baseline weight; or

53           (b) If the qualifying sale weight is six hundred pounds or greater, the qualifying sale  
54 weight minus the baseline weight multiplied by twenty-five cents, as long as the qualifying sale  
55 weight is equal to or greater than one hundred pounds above the baseline weight.

56           (3) The tax credit amount for each subsequent qualifying sale shall be ten cents per  
57 pound for qualifying sale weights under six hundred pounds and twenty-five cents per pound for  
58 qualifying sale weights of six hundred pounds or greater, shall be based on the backgrounded  
59 weight of all qualifying beef animals at the time of the subsequent qualifying sale, and shall be  
60 calculated as follows:

61           (a) If the qualifying sale weight is under six hundred pounds, the qualifying sale weight  
62 minus the baseline weight multiplied by ten cents, as long as the qualifying sale weight is equal  
63 to or greater than one hundred pounds above the baseline weight; or

64           (b) If the qualifying sale weight is six hundred pounds or greater, the qualifying sale  
65 weight minus the baseline weight multiplied by twenty-five cents, as long as the qualifying sale  
66 weight is equal to or greater than one hundred pounds above the baseline weight.

67

68 The authority may waive no more than twenty-five percent of the one-hundred-pound weight  
69 gain requirement, but any such waiver shall be based on a disaster declaration issued by the U.S.  
70 Department of Agriculture.

71           4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's  
72 state tax liability for the tax year for which the credit is claimed. No tax credit claimed under  
73 this section shall be refundable. The tax credit shall be claimed in the tax year in which the  
74 qualifying sale of the qualifying beef occurred, but any amount of credit that the taxpayer is  
75 prohibited by this section from claiming in a tax year may be carried forward to any of the  
76 taxpayer's four subsequent tax years. The total amount of tax credits that any taxpayer may claim  
77 shall not exceed fifteen thousand dollars per year. No taxpayer shall be allowed to claim tax  
78 credits under this section for more than three years. The amount of tax credits that may be issued  
79 to all eligible applicants claiming tax credits authorized in this section and section 135.686 in  
80 a calendar year shall not exceed two million dollars. Tax credits shall be issued on an

81 as-received application basis until the calendar year limit is reached. Any credits not issued in  
82 any calendar year shall expire and shall not be issued in any subsequent years.

83 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the  
84 authority an application for the tax credit on a form provided by the authority and any application  
85 fee imposed by the authority. The application shall be filed with the authority at the end of each  
86 calendar year in which a qualified sale was made and for which a tax credit is claimed under this  
87 section. The application shall include any certified documentation and information required by  
88 the authority. All required information obtained by the authority shall be confidential and not  
89 disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer and  
90 the qualified sale meet all criteria required by this section and approval is granted by the  
91 authority, the authority shall issue a tax credit certificate in the appropriate amount. Tax credit  
92 certificates issued under this section may be assigned, transferred, sold, or otherwise conveyed,  
93 and the new owner of the tax credit certificate shall have the same rights in the tax credit as the  
94 original taxpayer. Whenever a tax credit certificate is assigned, transferred, sold or otherwise  
95 conveyed, a notarized endorsement shall be filed with the authority specifying the name and  
96 address of the new owner of the tax credit certificate or the value of the tax credit.

97 6. Any information provided under this section shall be confidential information, to be  
98 shared with no one except state and federal animal health officials, except as provided in  
99 subsection 5 of this section.

100 7. The authority shall, at least annually, submit a report to the Missouri general assembly  
101 reviewing the costs and benefits of the program established under this section.

102 8. The authority may promulgate rules to implement the provisions of this section. Any  
103 rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
104 authority delegated in this section shall become effective only if it complies with and is subject  
105 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
106 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
107 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
108 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
109 or adopted after August 28, 2007, shall be invalid and void.

110 9. ~~[This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298.]~~

111 **Under section 23.253 of the Missouri sunset act:**

112 **(1) The provisions of the program authorized under this section shall automatically**  
113 **sunset on December thirty-first six years after the effective date of this section unless**  
114 **reauthorized by an act of the general assembly;**

115           **(2) If such program is reauthorized, the program authorized under this section**  
116 **shall automatically sunset on December thirty-first six years after the effective date of the**  
117 **reauthorization of this section;**

118           **(3) This section shall terminate on September first of the calendar year immediately**  
119 **following the calendar year in which the program authorized under this section is sunset;**  
120 **and**

121           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
122 **before this section is sunset.**

135.686. 1. This section shall be known and may be cited as the "Meat Processing  
2 Facility Investment Tax Credit Act".

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

4           (1) "Authority", the agricultural and small business development authority established  
5 in chapter 348;

6           (2) "Meat processing facility", any commercial plant, as defined under section 265.300,  
7 at which livestock are slaughtered or at which meat or meat products are processed for sale  
8 commercially and for human consumption;

9           (3) "Meat processing modernization or expansion", constructing, improving, or acquiring  
10 buildings or facilities, or acquiring equipment for meat processing including the following, if  
11 used exclusively for meat processing and if acquired and placed in service in this state during tax  
12 years beginning on or after January 1, 2017, but ending on or before December 31, 2021:

13           (a) Building construction including livestock handling, product intake, storage, and  
14 warehouse facilities;

15           (b) Building additions;

16           (c) Upgrades to utilities including water, electric, heat, refrigeration, freezing, and waste  
17 facilities;

18           (d) Livestock intake and storage equipment;

19           (e) Processing and manufacturing equipment including cutting equipment, mixers,  
20 grinders, sausage stuffers, meat smokers, curing equipment, cooking equipment, pipes, motors,  
21 pumps, and valves;

22           (f) Packaging and handling equipment including sealing, bagging, boxing, labeling,  
23 conveying, and product movement equipment;

24           (g) Warehouse equipment including storage and curing racks;

25           (h) Waste treatment and waste management equipment including tanks, blowers,  
26 separators, dryers, digesters, and equipment that uses waste to produce energy, fuel, or industrial  
27 products;

28 (i) Computer software and hardware used for managing the claimant's meat processing  
29 operation including software and hardware related to logistics, inventory management,  
30 production plant controls, and temperature monitoring controls; and

31 (j) Construction or expansion of retail facilities or the purchase or upgrade of retail  
32 equipment for the commercial sale of meat products if the retail facility is located at the same  
33 location as the meat processing facility;

34 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding  
35 withholding tax imposed under sections 143.191 to 143.265, or otherwise due under chapter 147;

36 (5) "Taxpayer", any individual or entity who:

37 (a) Is subject to the tax imposed under chapter 143, excluding withholding tax imposed  
38 under sections 143.191 to 143.265, or the tax imposed under chapter 147;

39 (b) In the case of an individual, is a resident of this state as verified by a 911 address or,  
40 in the absence of a 911 system, a physical address; and

41 (c) Owns a meat processing facility located in this state;

42 (6) "Used exclusively", used to the exclusion of all other uses except for use not  
43 exceeding five percent of total use.

44 3. For all tax years beginning on or after January 1, 2017, but ending on or before  
45 December 31, 2021, a taxpayer shall be allowed a tax credit for meat processing modernization  
46 or expansion related to the taxpayer's meat processing facility. The tax credit amount shall be  
47 equal to twenty-five percent of the amount the taxpayer paid in the tax year for meat processing  
48 modernization or expansion.

49 4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's  
50 state tax liability for the tax year for which the credit is claimed. No tax credit claimed under  
51 this section shall be refundable. The tax credit shall be claimed in the tax year in which the meat  
52 processing modernization or expansion expenses were paid, but any amount of credit that the  
53 taxpayer is prohibited by this section from claiming in a tax year may be carried forward to any  
54 of the taxpayer's four subsequent tax years. The total amount of tax credits that any taxpayer  
55 may claim shall not exceed seventy-five thousand dollars per year. If two or more persons own  
56 and operate the meat processing facility, each person may claim a credit under this section in  
57 proportion to his or her ownership interest; except that, the aggregate amount of the credits  
58 claimed by all persons who own and operate the meat processing facility shall not exceed  
59 seventy-five thousand dollars per year. The amount of tax credits authorized in this section and  
60 section 135.679 in a calendar year shall not exceed two million dollars. Tax credits shall be  
61 issued on an as-received application basis until the calendar year limit is reached. Any credits  
62 not issued in any calendar year shall expire and shall not be issued in any subsequent year.

63           5. To claim the tax credit allowed under this section, the taxpayer shall submit to the  
64 authority an application for the tax credit on a form provided by the authority and any application  
65 fee imposed by the authority. The application shall be filed with the authority at the end of each  
66 calendar year in which a meat processing modernization or expansion project was completed and  
67 for which a tax credit is claimed under this section. The application shall include any certified  
68 documentation, proof of meat processing modernization or expansion, and any other information  
69 required by the authority. All required information obtained by the authority shall be  
70 confidential and not disclosed except by court order, subpoena, or as otherwise provided by law.  
71 If the taxpayer and the meat processing modernization or expansion meet all criteria required by  
72 this section and approval is granted by the authority, the authority shall issue a tax credit  
73 certificate in the appropriate amount. Tax credit certificates issued under this section may be  
74 assigned, transferred, sold, or otherwise conveyed, and the new owner of the tax credit certificate  
75 shall have the same rights in the tax credit as the original taxpayer. If a tax credit certificate is  
76 assigned, transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed with  
77 the authority specifying the name and address of the new owner of the tax credit certificate and  
78 the value of the tax credit.

79           6. Any information provided under this section shall be confidential information, to be  
80 shared with no one except state and federal animal health officials, except as provided in  
81 subsection 5 of this section.

82           7. The authority shall promulgate rules establishing a process for verifying that a  
83 facility's modernization or expansion for which tax credits were allowed under this section has  
84 in fact expanded the facility's production within three years of the issuance of the tax credit and  
85 if not, the authority shall promulgate through rulemaking a process by which the taxpayer shall  
86 repay the authority an amount equal to that of the tax credit allowed.

87           8. The authority shall, at least annually, submit a report to the Missouri general assembly  
88 reviewing the costs and benefits of the program established under this section.

89           9. The authority may promulgate rules to implement the provisions of this section. Any  
90 rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
91 authority delegated in this section shall become effective only if it complies with and is subject  
92 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
93 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
94 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
95 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
96 or adopted after August 28, 2016, shall be invalid and void.

97           10. ~~[This section shall not be subject to the Missouri sunset act, sections 23.250 to~~  
98 **23.298.] Under section 23.253 of the Missouri sunset act:**

99           **(1) The provisions of the program authorized under this section shall automatically**  
100 **sunset on December thirty-first six years after the effective date of this section unless**  
101 **reauthorized by an act of the general assembly;**

102           **(2) If such program is reauthorized, the program authorized under this section**  
103 **shall automatically sunset on December thirty-first six years after the effective date of the**  
104 **reauthorization of this section;**

105           **(3) This section shall terminate on September first of the calendar year immediately**  
106 **following the calendar year in which the program authorized under this section is sunset;**  
107 **and**

108           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
109 **before this section is sunset.**

135.700. 1. For all tax years beginning on or after January 1, 1999, a grape grower or  
2 wine producer shall be allowed a tax credit against the state tax liability incurred ~~[pursuant to]~~  
3 **under** chapter 143, exclusive of the provisions relating to the withholding of tax as provided in  
4 sections 143.191 to 143.265, in an amount equal to twenty-five percent of the purchase price of  
5 all new equipment and materials used directly in the growing of grapes or the production of wine  
6 in the state. Each grower or producer shall apply to the department of economic development  
7 and specify the total amount of such new equipment and materials purchased during the calendar  
8 year. The department of economic development shall certify to the department of revenue the  
9 amount of such tax credit to which a grape grower or wine producer is entitled ~~[pursuant to]~~  
10 **under** this section. The provisions of this section notwithstanding, a grower or producer may  
11 only apply for and receive the credit authorized by this section for five tax periods.

12           **2. Under section 23.253 of the Missouri sunset act:**

13           **(1) The provisions of the new program authorized under this section shall**  
14 **automatically sunset on December thirty-first six years after the effective date of this**  
15 **section unless reauthorized by an act of the general assembly;**

16           **(2) If such program is reauthorized, the program authorized under this section**  
17 **shall automatically sunset on December thirty-first six years after the effective date of the**  
18 **reauthorization of this section;**

19           **(3) This section shall terminate on September first of the calendar year immediately**  
20 **following the calendar year in which the program authorized under this section is sunset;**  
21 **and**

22           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
23 **before this section is sunset.**

135.766. 1. An eligible small business, as defined in Section 44 of the Internal Revenue  
2 Code, shall be allowed a credit against the tax otherwise due ~~[pursuant to]~~ **under** chapter 143,

3 not including sections 143.191 to 143.265, in an amount equal to any amount paid by the eligible  
4 small business to the United States Small Business Administration as a guaranty fee pursuant to  
5 obtaining Small Business Administration guaranteed financing and to programs administered by  
6 the United States Department of Agriculture for rural development or farm service agencies.

7       **2.** No tax credits provided under this section shall be authorized on or after the thirtieth  
8 day following the effective date of this act. The provisions of this subsection shall not be  
9 construed to limit or in any way impair the department's ability to issue tax credits authorized  
10 prior to the thirtieth day following the effective date of this act, or a taxpayer's ability to redeem  
11 such tax credits.

12       **3. Under section 23.253 of the Missouri sunset act:**

13       **(1) The provisions of the new program authorized under this section shall**  
14 **automatically sunset on December thirty-first six years after the effective date of this**  
15 **section unless reauthorized by an act of the general assembly;**

16       **(2) If such program is reauthorized, the program authorized under this section**  
17 **shall automatically sunset on December thirty-first six years after the effective date of the**  
18 **reauthorization of this section;**

19       **(3) This section shall terminate on September first of the calendar year immediately**  
20 **following the calendar year in which the program authorized under this section is sunset;**  
21 **and**

22       **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
23 **before this section is sunset.**

135.967. 1. A taxpayer who establishes a new business facility may, upon approval by  
2 the department, be allowed a credit, each tax year for up to ten tax years, in an amount  
3 determined as set forth in this section, against the tax imposed by chapter 143, excluding  
4 withholding tax imposed ~~[by]~~ **under** sections 143.191 to 143.265. No taxpayer shall receive  
5 multiple ten-year periods for subsequent expansions at the same facility.

6       2. Notwithstanding any provision of law to the contrary, any taxpayer who establishes  
7 a new business facility in an enhanced enterprise zone and is awarded state tax credits under this  
8 section may not also receive tax credits under sections 135.100 to 135.150, sections 135.200 to  
9 135.286, or section 135.535, and may not simultaneously receive tax credits under sections  
10 620.1875 to 620.1890 at the same facility.

11       3. No credit shall be issued ~~[pursuant to]~~ **under** this section unless:

12       (1) The number of new business facility employees engaged or maintained in  
13 employment at the new business facility for the ~~[taxable]~~ **tax** year for which the credit is claimed  
14 equals or exceeds two; and



15           (2) The new business facility investment for the ~~[taxable]~~ tax year for which the credit  
16 is claimed equals or exceeds one hundred thousand dollars.

17           4. The annual amount of credits allowed for an approved enhanced business enterprise  
18 shall be the lesser of:

19           (1) The annual amount authorized by the department for the enhanced business  
20 enterprise, which shall be limited to the projected state economic benefit, as determined by the  
21 department; or

22           (2) The sum calculated based upon the following:

23           (a) A credit of four hundred dollars for each new business facility employee employed  
24 within an enhanced enterprise zone;

25           (b) An additional credit of four hundred dollars for each new business facility employee  
26 who is a resident of an enhanced enterprise zone;

27           (c) An additional credit of four hundred dollars for each new business facility employee  
28 who is paid by the enhanced business enterprise a wage that exceeds the average wage paid  
29 within the county in which the facility is located, as determined by the department; and

30           (d) A credit equal to two percent of new business facility investment within an enhanced  
31 enterprise zone.

32           5. Prior to January 1, 2007, in no event shall the department authorize more than four  
33 million dollars annually to be issued for all enhanced business enterprises. After December 31,  
34 2006, in no event shall the department authorize more than twenty-four million dollars annually  
35 to be issued for all enhanced business enterprises.

36           6. If a facility, which does not constitute a new business facility, is expanded by the  
37 taxpayer, the expansion shall be considered eligible for the credit allowed by this section if:

38           (1) The taxpayer's new business facility investment in the expansion during the tax  
39 period in which the credits allowed in this section are claimed exceeds one hundred thousand  
40 dollars and if the number of new business facility employees engaged or maintained in  
41 employment at the expansion facility for the ~~[taxable]~~ tax year for which credit is claimed equals  
42 or exceeds two, and the total number of employees at the facility after the expansion is at least  
43 two greater than the total number of employees before the expansion; and

44           (2) The taxpayer's investment in the expansion and in the original facility prior to  
45 expansion shall be determined in the manner provided in subdivision (19) of section 135.950.

46           7. The number of new business facility employees during any ~~[taxable]~~ tax year shall be  
47 determined by dividing by twelve the sum of the number of individuals employed on the last  
48 business day of each month of such ~~[taxable]~~ tax year. If the new business facility is in operation  
49 for less than the entire ~~[taxable]~~ tax year, the number of new business facility employees shall  
50 be determined by dividing the sum of the number of individuals employed on the last business

51 day of each full calendar month during the portion of such ~~[taxable]~~ **tax** year during which the  
52 new business facility was in operation by the number of full calendar months during such period.  
53 For the purpose of computing the credit allowed by this section in the case of a facility which  
54 qualifies as a new business facility under subsection 6 of this section, and in the case of a new  
55 business facility which satisfies the requirements of paragraph (c) of subdivision (17) of section  
56 135.950, or subdivision ~~[(25)]~~ **(27)** of section 135.950, the number of new business facility  
57 employees at such facility shall be reduced by the average number of individuals employed,  
58 computed as provided in this subsection, at the facility during the ~~[taxable]~~ **tax** year immediately  
59 preceding the ~~[taxable]~~ **tax** year in which such expansion, acquisition, or replacement occurred  
60 and shall further be reduced by the number of individuals employed by the taxpayer or related  
61 taxpayer that was subsequently transferred to the new business facility from another Missouri  
62 facility and for which credits authorized in this section are not being earned, whether such credits  
63 are earned because of an expansion, acquisition, relocation, or the establishment of a new  
64 facility.

65         8. In the case where a new business facility employee who is a resident of an enhanced  
66 enterprise zone for less than a twelve-month period is employed for less than a twelve-month  
67 period, the credits allowed by paragraph (b) of subdivision (2) of subsection 4 of this section  
68 shall be determined by multiplying four hundred dollars by a fraction, the numerator of which  
69 is the number of calendar days during the taxpayer's tax year for which such credits are claimed,  
70 in which the employee was a resident of an enhanced enterprise zone, and the denominator of  
71 which is three hundred sixty-five.

72         9. For the purpose of computing the credit allowed by this section in the case of a facility  
73 which qualifies as a new business facility ~~[pursuant to]~~ **under** subsection 6 of this section, and  
74 in the case of a new business facility which satisfies the requirements of paragraph (c) of  
75 subdivision (17) of section 135.950 or subdivision ~~[(25)]~~ **(27)** of section 135.950, the amount of  
76 the taxpayer's new business facility investment in such facility shall be reduced by the average  
77 amount, computed as provided in subdivision (19) of section 135.950 for new business facility  
78 investment, of the investment of the taxpayer, or related taxpayer immediately preceding such  
79 expansion or replacement or at the time of acquisition. Furthermore, the amount of the  
80 taxpayer's new business facility investment shall also be reduced by the amount of investment  
81 employed by the taxpayer or related taxpayer which was subsequently transferred to the new  
82 business facility from another Missouri facility and for which credits authorized in this section  
83 are not being earned, whether such credits are earned because of an expansion, acquisition,  
84 relocation, or the establishment of a new facility.

85           10. For a taxpayer with flow-through tax treatment to its members, partners, or  
86 shareholders, the credit shall be allowed to members, partners, or shareholders in proportion to  
87 their share of ownership on the last day of the taxpayer's tax period.

88           11. Credits may not be carried forward but shall be claimed for the ~~[taxable]~~ tax year  
89 during which commencement of commercial operations occurs at such new business facility, and  
90 for each of the nine succeeding ~~[taxable]~~ tax years for which the credit is issued.

91           12. Certificates of tax credit authorized by this section may be transferred, sold, or  
92 assigned by filing a notarized endorsement thereof with the department that names the transferee,  
93 the amount of tax credit transferred, and the value received for the credit, as well as any other  
94 information reasonably requested by the department. The sale price cannot be less than  
95 seventy-five percent of the par value of such credits.

96           13. The director of revenue shall issue a refund to the taxpayer to the extent that the  
97 amount of credits allowed in this section exceeds the amount of the taxpayer's income tax.

98           14. Prior to the issuance of tax credits, the department shall verify through the  
99 department of revenue, or any other state department, that the tax credit applicant does not owe  
100 any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent  
101 fees or assessments levied by any state department and through the department of insurance,  
102 financial institutions and professional registration that the applicant does not owe any delinquent  
103 insurance taxes. Such delinquency shall not affect the authorization of the application for such  
104 tax credits, except that the amount of credits issued shall be reduced by the applicant's tax  
105 delinquency. If the department of revenue or the department of insurance, financial institutions  
106 and professional registration, or any other state department, concludes that a taxpayer is  
107 delinquent after June fifteenth but before July first of any year and the application of tax credits  
108 to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer  
109 shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions  
110 to tax shall be tolled. After applying all available credits toward a tax delinquency, the  
111 administering agency shall notify the appropriate department, and that department shall update  
112 the amount of outstanding delinquent tax owed by the applicant. If any credits remain after  
113 satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be  
114 issued to the applicant, subject to the restrictions of other provisions of law.

115           **15. Under section 23.253 of the Missouri sunset act:**

116           **(1) The provisions of the new program authorized under this section shall**  
117 **automatically sunset on December thirty-first six years after the effective date of this**  
118 **section unless reauthorized by an act of the general assembly;**

119           **(2) If such program is reauthorized, the program authorized under this section**  
120 **shall automatically sunset on December thirty-first six years after the effective date of the**  
121 **reauthorization of this section;**

122           **(3) This section shall terminate on September first of the calendar year immediately**  
123 **following the calendar year in which the program authorized under this section is sunset;**  
124 **and**

125           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
126 **before this section is sunset.**

135.968. 1. A taxpayer who establishes a megaproject, approved by the department,  
2 within an enhanced enterprise zone shall, in exchange for the consideration provided by new tax  
3 revenues and other economic stimuli that will be generated from the new jobs created by the  
4 megaproject, be allowed an income tax credit equal to the percentage of actual new annual  
5 payroll of the taxpayer attributable to employees directly related to the manufacturing and  
6 assembly process and administration, as provided under subsection 4 of this section. A taxpayer  
7 seeking approval of a megaproject shall submit an application to the department. The  
8 department shall not approve any megaproject after December 31, 2008. The department shall  
9 not approve any credits for megaprojects to be issued prior to January 1, 2013, and in no event  
10 shall the department authorize more than forty million dollars to be issued annually for all  
11 megaprojects. The total amount of credits issued under this section shall not exceed two hundred  
12 forty million dollars.

13           2. In considering applications for approval of megaprojects, the department may approve  
14 an application if:

15           (1) The taxpayer's project is financially sound and the taxpayer has adequately  
16 demonstrated an ability to successfully undertake and complete the megaproject. This  
17 determination shall be supported by a professional third-party market feasibility analysis  
18 conducted on behalf of the state by a firm with direct experience with the industry of the  
19 proposed megaproject, and by a professional third-party financial analysis of the taxpayer's  
20 ability to complete the project;

21           (2) The taxpayer's plan of repayment to the state of the amount of tax credits provided  
22 is reasonable and sound;

23           (3) The taxpayer's megaproject will create new jobs that were not jobs previously  
24 performed by employees of the taxpayer or a related taxpayer in Missouri;

25           (4) Local taxing entities are providing a significant level of incentives for the  
26 megaproject relative to the projected new local tax revenues created by the megaproject;

27           (5) There is at least one other state or foreign country that the taxpayer verifies is being  
28 considered for the project, and receiving megaproject tax credits is a major factor in the

29 taxpayer's decision to go forward with the project and not receiving the credit will result in the  
30 taxpayer not creating new jobs in Missouri;

31 (6) The megaproject will be located in an enhanced enterprise zone which constitutes  
32 an economic or social liability and a detriment to the public health, safety, morals, or welfare in  
33 its present condition and use;

34 (7) The completion of the megaproject will serve an essential public municipal purpose  
35 by creating a substantial number of new jobs for citizens, increasing their purchasing power,  
36 improving their living conditions, and relieving the demand for unemployment and welfare  
37 assistance thereby promoting the economic development of the enhanced enterprise zone, the  
38 municipality, and the state; and

39 (8) The creation of new jobs will assist the state in providing the services needed to  
40 protect the health, safety, and social and economic well-being of the citizens of the state.

41 3. Prior to final approval of an application, a binding contract shall be executed between  
42 the taxpayer and the department of economic development which shall include, but not be  
43 limited to:

44 (1) A repayment plan providing for cash payment to the state general revenue fund which  
45 shall result in a positive internal rate of return to the state and fully comply with the provisions  
46 of the World Trade Organization Agreement on Subsidies and Countervailing Measures. The  
47 rate of return shall be commercially reasonable and, over the life of the project, exceed one  
48 hundred and fifty percent of the state's borrowing costs based on the AAA-rated twenty-year  
49 tax-exempt bond rate average over a twenty-year borrowing period. The rate shall be verified  
50 by a professional third-party financial analysis;

51 (2) The taxpayer's obligation to construct a facility of at least one million square feet  
52 within five years from the date of approval;

53 (3) A requirement that the issuance of tax credits authorized under this section shall  
54 cease and the taxpayer shall immediately submit payment, to the state general revenue fund, in  
55 an amount equal to all credits previously issued less any amounts previously repaid, increased  
56 by an additional amount that shall provide the state a reasonable rate of return, in the event the  
57 taxpayer:

58 (a) Fails to construct a facility of at least one million square feet within five years of the  
59 date of approval;

60 (b) Fails to make a scheduled payment as required by the repayment plan; or

61 (c) Fails to compensate new jobs at rate equal to or in excess of the county average wage  
62 or fails to offer health insurance to all such new jobs and pay at least eighty percent of such  
63 premiums; and

64 (4) A requirement that the department shall suspend issuance of tax credits authorized  
65 under this section if, at any point, the total amount of tax credits issued less the total amount of  
66 repayments received equals one hundred and fifty-five million dollars.

67 4. Upon approval of an application by the department, tax credits shall be issued  
68 annually for a period not to exceed eight years from the commencement of commercial  
69 operations of the megaproject. The eight-year period for the issuance of megaproject tax credits  
70 may extend beyond the expiration of the enhanced enterprise zone. The maximum percentage  
71 of the annual payroll of the taxpayer for new jobs located at the megaproject which may be  
72 approved or issued by the department for tax credits shall not exceed:

73 (1) Eighty percent for the first three years that tax credits will be issued for the  
74 megaproject;

75 (2) Sixty percent for the next two subsequent years;

76 (3) Fifty percent for the next two subsequent years; and

77 (4) Thirty percent for the remaining year.  
78

79 In no event shall the department issue more than forty million dollars annually in megaproject  
80 tax credits to any taxpayer. In any given year, the amount of tax credits issued shall be the lesser  
81 of forty million dollars, the applicable annual payroll percentage, or the amount of tax credits  
82 remaining unissued under the two hundred forty million dollar limitation on megaproject tax  
83 credit issuance provided under subsection 1 of this section.

84 5. Tax credits issued under this section may be claimed against the tax imposed by  
85 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265. For taxpayers  
86 with flow-through tax treatment of its members, partners, or shareholders, the credit shall be  
87 allowed to members, partners, or shareholders in proportion to their share of ownership on the  
88 last day of the taxpayer's tax period. The director of revenue shall issue a refund to a taxpayer  
89 to the extent the amount of credits allowed in this section exceeds the amount of the taxpayer's  
90 income tax liability in the year redemption is authorized. An owner of tax credits issued under  
91 this section shall not be required to have any Missouri income tax liability in order to redeem  
92 such tax credits and receive a refund. The director of revenue shall prepare a form to permit the  
93 owner of such tax credits to obtain a refund.

94 6. Certificates of tax credits authorized under this section may be transferred, sold, or  
95 assigned by filing a notarized endorsement thereof with the department that names the transferee,  
96 the amount of tax credit transferred, and the value received for the credit, as well as any other  
97 information reasonably requested by the department. Upon such transfer, sale, or assignment,  
98 the transferee shall be the owner of such tax credits entitled to claim the tax credits or any  
99 refunds with respect thereto issued to the taxpayer. Tax credits may not be carried forward past

the year of issuance. Tax credits authorized by this section may not be pledged or used to secure any bonds or other indebtedness issued by the state or any political subdivision of the state. Once such tax credits have been issued, nothing shall prohibit the owner of the tax credits from pledging the tax credits to any lender or other third party.

7. Any taxpayer issued tax credits under this section shall provide an annual report to the department and the house and senate appropriations committees of the number of new jobs located at the megaproject, the new annual payroll of such new jobs, and such other information as may be required by the department to document the basis for benefits under this section. The department may withhold the approval of the annual issuance of any tax credits until it is satisfied that proper documentation has been provided, and shall reduce the tax credits to reflect any reduction in new payroll. If the department determines the average wage is below the county average wage, or the taxpayer has not maintained employee health insurance as required, the taxpayer shall not receive tax credits for that year.

8. Notwithstanding any provision of law to the contrary, any taxpayer who is awarded tax credits under this section shall not also receive tax credits under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections 620.1875 to 620.1890.

9. Any action brought in any court contesting the approval of a megaproject and the issuance of the tax credits, or any other action undertaken ~~[pursuant to]~~ **under** this section related to such megaproject, shall be filed within ninety days following approval of the megaproject by the department.

10. Records and documents relating to a proposed megaproject shall be deemed closed records until such time as the application has been approved. Provisions of this subsection to the contrary notwithstanding, records containing business plan information which may endanger the competitiveness of the business shall remain closed.

11. Notwithstanding any provision of this section to the contrary, no taxpayer who receives megaproject tax credits authorized under this section or any related taxpayer shall employ, prior to January 1, 2022, directly:

(1) Any elected public official of this state holding office as of January 1, 2008;

(2) Any director, deputy director, division director, or employee directly involved in negotiations between the department of economic development and a taxpayer relative to the megaproject who was employed as of January 1, 2008, by the department.

**12. Under section 23.253 of the Missouri sunset act:**

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

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

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

(4) Nothing in this subsection shall prohibit the redemption of tax credits issued before this section is sunset.

135.1150. 1. This section shall be known and may be cited as the "Residential Treatment Agency Tax Credit Act".

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

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

(2) "Department", the Missouri department of social services;

(3) "Eligible donation", donations received from a taxpayer by an agency that are used solely to provide direct care services to children who are residents of this state. Eligible donations may include cash, publicly traded stocks and bonds, and real estate that will be valued and documented according to rules promulgated by the department of social services. For purposes of this section, "direct care services" include but are not limited to increasing the quality of care and service for children through improved employee compensation and training;

(4) "Qualified residential treatment agency" or "agency", a residential care facility that is licensed under section 210.484, accredited by the Council on Accreditation (COA), the Joint Commission on Accreditation of Healthcare Organizations (JCAHO), or the Commission on Accreditation of Rehabilitation Facilities (CARF), and is under contract with the Missouri department of social services to provide treatment services for children who are residents or wards of residents of this state, and that receives eligible donations. Any agency that operates more than one facility or at more than one location shall be eligible for the tax credit under this section only for any eligible donation made to facilities or locations of the agency which are licensed and accredited;

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

(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~~ under chapter 143;

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



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

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

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

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

36 3. For all ~~taxable~~ tax years beginning on or after January 1, 2007, any taxpayer shall  
37 be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148, excluding  
38 withholding tax imposed ~~by~~ **under** sections 143.191 to 143.265, in an amount equal to fifty  
39 percent of the amount of an eligible donation, subject to the restrictions in this section. The  
40 amount of the tax credit claimed shall not exceed the amount of the taxpayer's state income tax  
41 liability in the tax year for which the credit is claimed. Any amount of credit that the taxpayer  
42 is prohibited by this section from claiming in a tax year shall not be refundable, but may be  
43 carried forward to any of the taxpayer's four subsequent ~~taxable~~ tax years.

44 4. To claim the credit authorized in this section, an agency may submit to the department  
45 an application for the tax credit authorized by this section on behalf of taxpayers. The  
46 department shall verify that the agency has submitted the following items accurately and  
47 completely:

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

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

52 (3) Payment from the agency equal to the value of the tax credit for which application  
53 is made.

54

55 If the agency applying for the tax credit meets all criteria required by this subsection, the  
56 department shall issue a certificate in the appropriate amount.

57 5. An agency may apply for tax credits in an aggregate amount that does not exceed the  
58 payments made by the department to the agency in the preceding twelve months.

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

64           7. The department shall promulgate rules to implement the provisions of this section.  
65 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
66 authority delegated in this section shall become effective only if it complies with and is subject  
67 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
68 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
69 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
70 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
71 or adopted after August 28, 2006, shall be invalid and void.

72           **8. Under section 23.253 of the Missouri sunset act:**

73           **(1) The provisions of the new program authorized under this section shall**  
74 **automatically sunset on December thirty-first six years after the effective date of this**  
75 **section unless reauthorized by an act of the general assembly;**

76           **(2) If such program is reauthorized, the program authorized under this section**  
77 **shall automatically sunset on December thirty-first six years after the effective date of the**  
78 **reauthorization of this section;**

79           **(3) This section shall terminate on September first of the calendar year immediately**  
80 **following the calendar year in which the program authorized under this section is sunset;**  
81 **and**

82           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
83 **before this section is sunset.**

135.1180. 1. This section shall be known and may be cited as the "Developmental  
2 Disability Care Provider Tax Credit Program".

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 social services;

6           (3) "Eligible donation", donations received by a provider from a taxpayer that are used  
7 solely to provide direct care services to persons with developmental disabilities who are residents  
8 of this state. Eligible donations may include cash, publicly traded stocks and bonds, and real  
9 estate that will be valued and documented according to rules promulgated by the department of  
10 social services. For purposes of this section, "direct care services" include, but are not limited  
11 to, increasing the quality of care and service for persons with developmental disabilities through  
12 improved employee compensation and training;

13           (4) "Qualified developmental disability care provider" or "provider", a care provider that  
14 provides assistance to persons with developmental disabilities, and is accredited by the Council  
15 on Accreditation (COA), the Joint Commission on Accreditation of Healthcare Organizations  
16 (JCAHO), or the Commission on Accreditation of Rehabilitation Facilities (CARF), or is under

17 contract with the Missouri department of social services or department of mental health to  
18 provide treatment services for such persons, and that receives eligible donations. Any provider  
19 that operates more than one facility or at more than one location shall be eligible for the tax  
20 credit under this section only for any eligible donation made to facilities or locations of the  
21 provider which are licensed or accredited;

22 (5) "Taxpayer", any of the following individuals or entities who make an eligible  
23 donation to a provider:

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

27 (b) A corporation subject to the annual corporation franchise tax imposed ~~in~~ **under**  
28 chapter 147;

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

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

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

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

37 3. For all ~~taxable~~ **tax** years beginning on or after January 1, 2012, any taxpayer shall  
38 be allowed a credit against the taxes otherwise due under chapter 143, 147, or 148 excluding  
39 withholding tax imposed ~~by~~ **under** sections 143.191 to 143.265 in an amount equal to fifty  
40 percent of the amount of an eligible donation, subject to the restrictions in this section. The  
41 amount of the tax credit claimed shall not exceed the amount of the taxpayer's state income tax  
42 liability in the tax year for which the credit is claimed. Any amount of credit that the taxpayer  
43 is prohibited by this section from claiming in a tax year shall not be refundable, but may be  
44 carried forward to any of the taxpayer's four subsequent ~~taxable~~ **tax** years.

45 4. To claim the credit authorized in this section, a provider may submit to the department  
46 an application for the tax credit authorized by this section on behalf of taxpayers. The  
47 department shall verify that the provider has submitted the following items accurately and  
48 completely:

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

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

53 (3) Payment from the provider equal to the value of the tax credit for which application  
54 is made.

55

56 If the provider applying for the tax credit meets all criteria required by this subsection, the  
57 department shall issue a certificate in the appropriate amount.

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

63 6. The department shall promulgate rules to implement the provisions of this section.  
64 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
65 authority delegated in this section shall become effective only if it complies with and is subject  
66 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
67 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
68 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
69 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
70 or adopted after August 28, 2012, shall be invalid and void.

71 **7. Under section 23.253 of the Missouri sunset act:**

72 **(1) The provisions of the new program authorized under this section shall**  
73 **automatically sunset on December thirty-first six years after the effective date of this**  
74 **section unless reauthorized by an act of the general assembly;**

75 **(2) If such program is reauthorized, the program authorized under this section**  
76 **shall automatically sunset on December thirty-first six years after the effective date of the**  
77 **reauthorization of this section;**

78 **(3) This section shall terminate on September first of the calendar year immediately**  
79 **following the calendar year in which the program authorized under this section is sunset;**  
80 **and**

81 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
82 **before this section is sunset.**

143.081. 1. A resident individual, resident estate, and resident trust shall be allowed a  
2 credit against the tax otherwise due ~~[pursuant to]~~ **under** sections 143.005 to 143.998 for the  
3 amount of any income tax imposed for the taxable year by another state of the United States (or  
4 a political subdivision thereof) or the District of Columbia on income derived from sources  
5 therein and which is also subject to tax ~~[pursuant to]~~ **under** sections 143.005 to 143.998. For  
6 purposes of this subsection, the phrase "income tax imposed" shall be that amount of tax before

7 any income tax credit allowed by such other state or the District of Columbia if the other state  
8 or the District of Columbia authorizes a reciprocal benefit for residents of this state.

9       2. The credit provided ~~[pursuant to]~~ **under** this section shall not exceed an amount which  
10 bears the same ratio to the tax otherwise due ~~[pursuant to]~~ **under** sections 143.005 to 143.998  
11 as the amount of the taxpayer's Missouri adjusted gross income derived from sources in the other  
12 taxing jurisdiction bears to the taxpayer's Missouri adjusted gross income derived from all  
13 sources. In applying the limitation of the previous sentence to an estate or trust, Missouri taxable  
14 income shall be substituted for Missouri adjusted gross income. If the tax of more than one other  
15 taxing jurisdiction is imposed on the same item of income, the credit shall not exceed the  
16 limitation that would result if the taxes of all the other jurisdictions applicable to the item were  
17 deemed to be of a single jurisdiction.

18       3. For the purposes of this section, in the case of an S corporation, each resident S  
19 shareholder shall be considered to have paid a tax imposed on the shareholder in an amount  
20 equal to the shareholder's pro rata share of any net income tax paid by the S corporation to a state  
21 which does not measure the income of shareholders on an S corporation by reference to the  
22 income of the S corporation or where a composite return and composite payments are made in  
23 such state on behalf of the S shareholders by the S corporation.

24       4. For purposes of subsection 3 of this section, in the case of an S corporation that is a  
25 bank chartered by a state, the Office of Thrift Supervision, or the comptroller of currency, each  
26 Missouri resident S shareholder of such out-of-state bank shall qualify for the shareholder's pro  
27 rata share of any net tax paid, including a bank franchise tax based on the income of the bank,  
28 by such S corporation where bank payment of taxes are made in such state on behalf of the S  
29 shareholders by the S bank to the extent of the tax paid.

30       **5. Under section 23.253 of the Missouri sunset act:**

31       **(1) The provisions of the program authorized under this section shall automatically**  
32 **sunset on December thirty-first six years after the effective date of this section unless**  
33 **reauthorized by an act of the general assembly;**

34       **(2) If such program is reauthorized, the program authorized under this section**  
35 **shall automatically sunset on December thirty-first six years after the effective date of the**  
36 **reauthorization of this section;**

37       **(3) This section shall terminate on September first of the calendar year immediately**  
38 **following the calendar year in which the program authorized under this section is sunset;**  
39 **and**

40       **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
41 **before this section is sunset.**

143.119. 1. A self-employed taxpayer, as such term is used in the federal internal revenue code, who is otherwise ineligible for the federal income tax health insurance deduction under Section 162 of the federal internal revenue code shall be entitled to a credit against the tax otherwise due under this chapter, excluding withholding tax imposed ~~[by]~~ **under** sections 143.191 to 143.265, in an amount equal to the portion of such taxpayer's federal tax liability incurred due to such taxpayer's inclusion of such payments in federal adjusted gross income. The tax credits authorized under this section shall be nontransferable. To the extent tax credit issued under this section exceeds a taxpayer's state income tax liability, such excess shall be considered an overpayment of tax and shall be refunded to the taxpayer.

2. The director of the department of revenue shall promulgate rules and regulations to administer the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.

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

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

**(2) If such program is reauthorized, the program authorized under this section shall automatically sunset on December thirty-first six years after the effective date of the reauthorization of this section;**

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

**(4) Nothing in this subsection shall prohibit the redemption of tax credits issued before this section is sunset.**

143.471. 1. An S corporation, as defined by Section 1361 (a)(1) of the Internal Revenue Code, shall not be subject to the taxes imposed ~~[by]~~ **under** section 143.071, or other sections imposing income tax on corporations.

2. A shareholder of an S corporation shall determine such shareholder's S corporation modification and pro rata share, including its character, by applying the following:

6 (1) Any modification described in sections 143.121 and 143.141 which relates to an item  
7 of S corporation income, gain, loss, or deduction shall be made in accordance with the  
8 shareholder's pro rata share, for federal income tax purposes, of the item to which the  
9 modification relates. Where a shareholder's pro rata share of any such item is not required to be  
10 taken into account separately for federal income tax purposes, the shareholder's pro rata share  
11 of such item shall be determined in accordance with his pro rata share, for federal income tax  
12 purposes, of S corporation taxable income or loss generally;

13 (2) Each item of S corporation income, gain, loss, or deduction shall have the same  
14 character for a shareholder ~~[pursuant to]~~ **under** sections 143.005 to 143.998 as it has for federal  
15 income tax purposes. Where an item is not characterized for federal income tax purposes, it shall  
16 have the same character for a shareholder as if realized directly from the source from which  
17 realized by the S corporation or incurred in the same manner as incurred by the S corporation.

18 3. A nonresident shareholder of an S corporation shall determine such shareholder's  
19 Missouri nonresident adjusted gross income and his or her nonresident shareholder modification  
20 by applying the provisions of this subsection. Items shall be determined to be from sources  
21 within this state ~~[pursuant to]~~ **under** regulations of the director of revenue in a manner consistent  
22 with the division of income provisions of section 143.451, section 143.461, or section 32.200  
23 (Multistate Tax Compact). In determining the adjusted gross income of a nonresident  
24 shareholder of any S corporation, there shall be included only that part derived from or connected  
25 with sources in this state of the shareholder's pro rata share of items of S corporation income,  
26 gain, loss or deduction entering into shareholder's federal adjusted gross income, as such part is  
27 determined ~~[pursuant to]~~ **under** regulations prescribed by the director of revenue in accordance  
28 with the general rules in section 143.181. Any modification described in subsections 2 and 3 of  
29 section 143.121 and in section 143.141, which relates to an item of S corporation income, gain,  
30 loss, or deduction shall be made in accordance with the shareholder's pro rata share, for federal  
31 income tax purposes, of the item to which the modification relates, but limited to the portion of  
32 such item derived from or connected with sources in this state.

33 4. Notwithstanding subsection 3 of this section to the contrary, for all tax years  
34 beginning on or after January 1, 2020, the items referred to in that subsection shall be determined  
35 to be from sources within this state ~~[pursuant to]~~ **under** regulations of the director of revenue in  
36 a manner consistent with the division of income provisions of section 143.455 and section  
37 143.461.

38 5. The director of revenue shall permit S corporations to file composite returns and to  
39 make composite payments of tax on behalf of its nonresident shareholders not otherwise required  
40 to file a return. If the nonresident shareholder's filing requirements result solely from one or

41 more interests in any other partnerships or subchapter S corporations, that nonresident  
42 shareholder may be included in the composite return.

43         6. If an S corporation pays or credits amounts to any of its nonresident individual  
44 shareholders as dividends or as their share of the S corporation's undistributed taxable income  
45 for the ~~[taxable]~~ tax year, the S corporation shall either timely file with the department of  
46 revenue an agreement as provided in subsection 7 of this section or withhold Missouri income  
47 tax as provided in subsection 8 of this section. An S corporation that timely files an agreement  
48 as provided in subsection 7 of this section with respect to a nonresident shareholder for a  
49 ~~[taxable]~~ tax year shall be considered to have timely filed such an agreement for each subsequent  
50 ~~[taxable]~~ tax year. An S corporation that does not timely file such an agreement for a ~~[taxable]~~  
51 tax year shall not be precluded from timely filing such an agreement for subsequent ~~[taxable]~~ tax  
52 years. An S corporation is not required to deduct and withhold Missouri income tax for a  
53 nonresident shareholder if:

54         (1) The nonresident shareholder not otherwise required to file a return agrees to have the  
55 Missouri income tax due paid as part of the S corporation's composite return;

56         (2) The nonresident shareholder not otherwise required to file a return had Missouri  
57 assignable federal adjusted gross income from the S corporation of less than twelve hundred  
58 dollars;

59         (3) The S corporation is liquidated or terminated;

60         (4) Income was generated by a transaction related to termination or liquidation; or

61         (5) No cash or other property was distributed in the current and prior ~~[taxable]~~ tax year.

62         7. The agreement referred to in subdivision (1) of subsection 6 of this section is an  
63 agreement of a nonresident shareholder of the S corporation to:

64         (1) File a return in accordance with the provisions of section 143.481 and to make timely  
65 payment of all taxes imposed on the shareholder by this state with respect to income of the S  
66 corporation; and

67         (2) Be subject to personal jurisdiction in this state for purposes of the collection of  
68 income taxes, together with related interest and penalties, imposed on the shareholder by this  
69 state with respect to the income of the S corporation.

70

71 The agreement will be considered timely filed for a ~~[taxable]~~ tax year, and for all subsequent  
72 ~~[taxable]~~ tax years, if it is filed at or before the time the annual return for such ~~[taxable]~~ tax year  
73 is required to be filed ~~[pursuant to]~~ under section 143.511.

74         8. The amount of Missouri income tax to be withheld is determined by multiplying the  
75 amount of dividends or undistributed income allocable to Missouri that is paid or credited to a  
76 nonresident shareholder during the ~~[taxable]~~ tax year by the highest rate used to determine a



77 Missouri income tax liability for an individual, except that the amount of the tax withheld may  
78 be determined based on withholding tables provided by the director of revenue if the shareholder  
79 submits a Missouri withholding allowance certificate.

80 9. An S corporation shall be entitled to recover for a shareholder on whose behalf a tax  
81 payment was made ~~[pursuant to]~~ **under** this section, if such shareholder has no tax liability.

82 10. With respect to S corporations that are banks or bank holding companies, a pro rata  
83 share of the tax credit for the tax payable ~~[pursuant to]~~ **under** chapter 148 shall be allowed  
84 against each S corporation shareholders' state income tax as follows, provided the bank otherwise  
85 complies with section 148.112:

86 (1) The credit allowed by this subsection shall be equal to the bank tax calculated  
87 ~~[pursuant to]~~ **under** chapter 148 based on bank income in 1999 and after, on a bank that makes  
88 an election ~~[pursuant to]~~ **under** 26 U.S.C. Section 1362, and such credit shall be allocated to the  
89 qualifying shareholder according to stock ownership, determined by multiplying a fraction,  
90 where the numerator is the shareholder's stock, and the denominator is the total stock issued by  
91 such bank or bank holding company;

92 (2) The tax credit authorized in this subsection shall be permitted only to the  
93 shareholders that qualify as S corporation shareholders, provided the stock at all times during the  
94 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such  
95 stock is held by the shareholder during the taxable period. The credit created by this section on  
96 a yearly basis is available to each qualifying shareholder, including shareholders filing joint  
97 returns. A bank holding company is not allowed this credit, except that, such credit shall flow  
98 through to such bank holding company's qualified shareholders, and be allocated to such  
99 shareholders under the same conditions; and

100 (3) In the event such shareholder cannot use all or part of the tax credit in the taxable  
101 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser  
102 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri  
103 taxable income.

104 11. With respect to S corporations that are associations, a pro rata share of the tax credit  
105 for the tax payable under chapter 148 shall be allowed against each S corporation shareholders'  
106 state income tax as follows, provided the association otherwise complies with section 148.655:

107 (1) The credit allowed by this subsection shall be equal to the savings and loan  
108 association tax calculated under chapter 148 based on the computations provided in section  
109 148.630 on an association that makes an election under 26 U.S.C. Section 1362, and such credit  
110 shall be allocated to the qualifying shareholder according to stock ownership, determined by  
111 multiplying a fraction, where the numerator is the shareholder's stock, and the denominator is  
112 the total stock issued by the association;

113           (2) The tax credit authorized in this subsection shall be permitted only to the  
114 shareholders that qualify as S corporation shareholders, provided the stock at all times during the  
115 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such  
116 stock is held by the shareholder during the taxable period. The credit created by this section on  
117 a yearly basis is available to each qualifying shareholder, including shareholders filing joint  
118 returns. A savings and loan association holding company is not allowed this credit, except that,  
119 such credit shall flow through to such savings and loan association holding company's qualified  
120 shareholders, and be allocated to such shareholders under the same conditions; and

121           (3) In the event such shareholder cannot use all or part of the tax credit in the taxable  
122 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser  
123 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri  
124 taxable income.

125           12. With respect to S corporations that are credit institutions, a pro rata share of the tax  
126 credit for the tax payable under chapter 148 shall be allowed against each S corporation  
127 shareholders' state income tax as follows, provided the credit institution otherwise complies with  
128 section 148.657:

129           (1) The credit allowed by this subsection shall be equal to the credit institution tax  
130 calculated under chapter 148 based on the computations provided in section 148.150 on a credit  
131 institution that makes an election under 26 U.S.C. Section 1362, and such credit shall be  
132 allocated to the qualifying shareholder according to stock ownership, determined by multiplying  
133 a fraction, where the numerator is the shareholder's stock, and the denominator is the total stock  
134 issued by such credit institution;

135           (2) The tax credit authorized in this subsection shall be permitted only to the  
136 shareholders that qualify as S corporation shareholders, provided the stock at all times during the  
137 taxable period qualifies as S corporation stock as defined in 26 U.S.C. Section 1361, and such  
138 stock is held by the shareholder during the taxable period. The credit created by this section on  
139 a yearly basis is available to each qualifying shareholder, including shareholders filing joint  
140 returns. A credit institution holding company is not allowed this credit, except that, such credit  
141 shall flow through to such credit institution holding company's qualified shareholders, and be  
142 allocated to such shareholders under the same conditions; and

143           (3) In the event such shareholder cannot use all or part of the tax credit in the taxable  
144 period of receipt, such shareholder may carry forward such tax credit for a period of the lesser  
145 of five years or until used, provided such credits are used as soon as the taxpayer has Missouri  
146 taxable income.

147           **13. Under section 23.253 of the Missouri sunset act:**

148           **(1) The provisions of the tax credit authorized under subsection 9 of this section**  
149 **shall automatically sunset on December thirty-first six years after the effective date of this**  
150 **section unless reauthorized by an act of the general assembly;**

151           **(2) If such credit is reauthorized, the credit authorized under subsection 9 of this**  
152 **section shall automatically sunset on December thirty-first six years after the effective date**  
153 **of the reauthorization of this section;**

154           **(3) The provisions of the tax credit shall terminate on September first of the**  
155 **calendar year immediately following the calendar year in which the credit authorized**  
156 **under subsection 9 of this section is sunset; and**

157           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
158 **before this section is sunset.**

148.064. 1. Notwithstanding any law to the contrary, this section shall determine the  
2 ordering and limit reductions for certain taxes and tax credits which may be used as credits  
3 against various taxes paid or payable by banking institutions. Except as adjusted in subsections  
4 2, 3 and 6 of this section, such credits shall be applied in the following order until used against:

5           (1) The tax on banks determined under subdivision (2) of subsection 2 of section  
6 148.030;

7           (2) The tax on banks determined under subdivision (1) of subsection 2 of section  
8 148.030;

9           (3) The state income tax in section 143.071.

10           2. The tax credits permitted against taxes payable ~~[pursuant to]~~ **under** subdivision (2)  
11 of subsection 2 of section 148.030 shall be utilized first and include taxes referenced in  
12 subdivisions (2) and (3) of subsection 1 of this section, which shall be determined without  
13 reduction for any tax credits identified in subsection 5 of this section which are used to reduce  
14 such taxes. Where a banking institution subject to this section joins in the filing of a  
15 consolidated state income tax return under chapter 143, the credit allowed under this section for  
16 state income taxes payable under chapter 143 shall be determined based upon the consolidated  
17 state income tax liability of the group and allocated to a banking institution, without reduction  
18 for any tax credits identified in subsection 5 of this section which are used to reduce such  
19 consolidated taxes as provided in chapter 143.

20           3. The taxes referenced in subdivisions (2) and (3) of subsection 1 of this section may  
21 be reduced by the tax credits in subsection 5 of this section without regard to any adjustments  
22 in subsection 2 of this section.

23           4. To the extent that certain tax credits which the taxpayer is entitled to claim are  
24 transferable, such transferability may include transfers among such taxpayers who are members

25 of a single consolidated income tax return, and this subsection shall not impact other tax credit  
26 transferability.

27         5. For the purpose of this section, the tax credits referred to in subsections 2 and 3 shall  
28 include tax credits available for economic development, low-income housing and neighborhood  
29 assistance which the taxpayer is entitled to claim for the year, including by way of example and  
30 not of limitation, tax credits ~~[pursuant to]~~ **under** the following sections: section 32.115, section  
31 100.286, and sections 135.110, 135.225, 135.352 and 135.403.

32         6. For tax returns filed on or after January 1, 2001, including returns based on income  
33 in the year 2000, and after, a banking institution shall be entitled to an annual tax credit equal  
34 to one-sixtieth of one percent of its outstanding shares and surplus employed in this state if the  
35 outstanding shares and surplus exceed one million dollars, determined in the same manner as in  
36 section 147.010. This tax credit shall be taken as a dollar-for-dollar credit against the bank tax  
37 provided for in subdivision (2) of subsection 2 of section 148.030; if such bank tax was already  
38 reduced to zero by other credits, then against the corporate income tax provided for in chapter  
39 143.

40         7. In the event the corporation franchise tax in chapter 147 is repealed by the general  
41 assembly, there shall also be a reduction in the taxation of banks as follows: in lieu of the loss  
42 of the corporation franchise tax credit reduction in subdivision (1) of subsection 2 of section  
43 148.030, the bank shall receive a tax credit equal to one and one-half percent of net income as  
44 determined in this chapter. This subsection shall take effect at the same time the corporation  
45 franchise tax in chapter 147 is repealed.

46         8. An S corporation bank or bank holding company that otherwise qualifies to distribute  
47 tax credits to its shareholders shall pass through any tax credits referred to in subsection 5 of this  
48 section to its shareholders as otherwise provided for in subsection 10 of section 143.471 with no  
49 reductions or limitations resulting from the transfer through such S corporation, and on the same  
50 terms originally made available to the original taxpayer, subject to any original dollar or  
51 percentage limitations on such credits, and when such S corporation is the original taxpayer,  
52 treating such S corporation as having not elected Subchapter S status.

53         9. Notwithstanding any law to the contrary, in the event the corporation franchise tax in  
54 chapter 147 is repealed by the general assembly, after such repeal all Missouri taxes of any nature  
55 and type imposed directly or used as a tax credit against the bank's taxes shall be passed through  
56 to the S corporation bank or bank holding company shareholder in the form otherwise permitted  
57 by law, except for the following:

58         (1) Credits for taxes on real estate and tangible personal property owned by the bank and  
59 held for lease or rental to others;

60 (2) Contributions paid ~~[pursuant to]~~ **under** the unemployment compensation tax law of  
61 Missouri; or

62 (3) State and local sales and use taxes collected by the bank on its sales of tangible  
63 personal property and the services enumerated in chapter 144.

64 **10. Under section 23.253 of the Missouri sunset act:**

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

68 (2) If such program is reauthorized, the program authorized under this section  
69 shall automatically sunset on December thirty-first six years after the effective date of the  
70 reauthorization of this section;

71 (3) This section shall terminate on September first of the calendar year immediately  
72 following the calendar year in which the program authorized under this section is sunset;  
73 and

74 (4) Nothing in this subsection shall prohibit the redemption of tax credits issued  
75 before this section is sunset.

148.620. 1. Every taxpayer shall be subject to an annual tax for the privilege of  
2 exercising its corporate franchises within the state according to and measured by its net income  
3 for the preceding year.

4 2. The rate of tax for each ~~[taxable]~~ tax year shall be seven percent of such net income.

5 3. The tax imposed on the net income by this law shall be exclusive and in lieu of all  
6 other state and local taxes against and upon credit unions and associations, their capital, or  
7 income, except taxes on all property, contributions paid ~~[pursuant to]~~ **under** the unemployment  
8 compensation law of Missouri, Social Security taxes, sales and use taxes.

9 4. Each taxpayer shall be entitled to credits against the tax imposed by this law for all  
10 taxes paid to the state of Missouri or any political subdivision thereof during the relevant income  
11 period, except taxes on real estate and tangible personal property owned by the taxpayer and held  
12 for lease or rental to others, contributions paid ~~[pursuant to]~~ **under** the unemployment  
13 compensation law of Missouri, Social Security taxes, sales and use taxes, and taxes imposed by  
14 this law.

15 **5. Under section 23.253 of the Missouri sunset act:**

16 (1) The provisions of the tax credit authorized under subsection 4 of this section  
17 shall automatically sunset on December thirty-first six years after the effective date of this  
18 section unless reauthorized by an act of the general assembly;

19           **(2) If such credit is reauthorized, the credit authorized under subsection 4 of this**  
20 **section shall automatically sunset on December thirty-first six years after the effective date**  
21 **of the reauthorization of this section;**

22           **(3) The provisions of the tax credit authorized under subsection 4 of this section**  
23 **shall terminate on September first of the calendar year immediately following the calendar**  
24 **year in which the credit authorized under this section is sunset; and**

25           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
26 **before this section is sunset.**

148.655. 1. Subchapter S corporation shareholders of an association required to pay  
2 franchise taxes under section 148.620 may take a tax credit against such shareholder's state  
3 income tax return, as provided in section 143.471. Such tax credit shall be the taxpayer's pro rata  
4 share of the franchise tax paid by the association as provided in this chapter.

5           **2. Under section 23.253 of the Missouri sunset act:**

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

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

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

15           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
16 **before this section is sunset.**

148.657. 1. Subchapter S corporation shareholders of a credit institution required to pay  
2 franchise taxes under section 148.140 may take a tax credit against such shareholder's state  
3 income tax return, as provided in section 143.471. Such tax credit shall be the taxpayer's pro rata  
4 share of the franchise tax paid by the credit institution as provided in this chapter.

5           **2. Under section 23.253 of the Missouri sunset act:**

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

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

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

15           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
16 **before this section is sunset.**

17           173.796. 1. As used in this section, the term "taxpayer" means an individual, a  
18 partnership, or a corporation as described in section 143.441 or 143.471, and includes any  
19 charitable organization which is exempt from federal income tax and whose Missouri unrelated  
20 business taxable income, if any, would be subject to the state income tax imposed under chapter  
21 143.

22           2. Any taxpayer may make a contribution to the fund. Within the limits specified in  
23 subsection 3 of this section, a taxpayer shall be allowed a credit against the taxes imposed  
24 ~~[pursuant to]~~ **under** chapter 143, except for sections 143.191 to 143.265, on that individual or  
25 entity of up to fifty percent of the total amount contributed to the fund, not to exceed one  
26 hundred thousand dollars per taxpayer.

27           3. The department of revenue shall administer the tax credits ~~[pursuant to]~~ **under** this  
28 section, and shall certify eligibility for the tax credits in the order applications are received. The  
29 total amount of tax credits certified in any one calendar year shall not exceed five million dollars  
30 annually. Contributions of up to one hundred thousand dollars per annum per taxpayer may be  
certified by the department of revenue as a qualified contribution for purposes of receiving a tax  
credit under this program.

1           4. If the amount of tax credit exceeds the total tax liability for the year in which the tax  
2 credit is claimed, the amount that exceeds the state tax liability may be carried forward for credit  
3 against the taxes imposed ~~[pursuant to]~~ **under** chapter 143, except for sections 143.191 to  
4 143.265, for the succeeding ten years, or until the full credit is used, whichever occurs first.

5           5. For all tax years beginning on or after January 1, 2005, no tax credits shall be  
6 authorized, awarded, or issued to any person or entity claiming any tax credit under this section.

7           6. The provisions of this section shall become effective January 1, 1999.

8           **7. Under section 23.253 of the Missouri sunset act:**

9           **(1) The provisions of the program authorized under this section shall automatically**  
10 **sunset on December thirty-first six years after the effective date of this section unless**  
11 **reauthorized by an act of the general assembly;**

12           **(2) If such program is reauthorized, the program authorized under this section**  
13 **shall automatically sunset on December thirty-first six years after the effective date of the**  
14 **reauthorization of this section;**

31           **(3) This section shall terminate on September first of the calendar year immediately**  
32 **following the calendar year in which the program authorized under this section is sunset;**  
33 **and**

34           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
35 **before this section is sunset.**

191.1056. 1. There is hereby created in the state treasury the "Missouri Health Care  
2 Access Fund", which shall consist of gifts, grants, and devises deposited into the fund with  
3 approval of the oversight committee created in section 208.955. The state treasurer shall be  
4 custodian of the fund and may disburse moneys from the fund in accordance with sections  
5 30.170 and 30.180. Disbursements from the fund shall be subject to appropriations and the  
6 director shall approve disbursements from the fund consistent with such appropriations to any  
7 eligible facility to attract and recruit health care professionals and other necessary personnel, to  
8 purchase or rent facilities, to pay for facility expansion or renovation, to purchase office and  
9 medical equipment, to pay personnel salaries, or to pay any other costs associated with providing  
10 primary health care services to the population in the facility's area of defined need.

11           2. The state of Missouri shall provide matching moneys from the general revenue fund  
12 equaling one-half of the amount deposited into the fund. The total annual amount available to  
13 the fund from state sources under such a match program shall be five hundred thousand dollars  
14 for fiscal year 2008, one million five hundred thousand dollars for fiscal year 2009, and one  
15 million dollars annually thereafter.

16           3. The maximum annual donation that any one individual or corporation may make is  
17 fifty thousand dollars. ~~[Any individual or corporation, excluding nonprofit corporations, that~~  
18 ~~make a contribution to the fund totaling one hundred dollars or more shall receive a tax credit~~  
19 ~~for one-half of all donations made annually under section 135.575. In addition, any office or~~  
20 ~~medical equipment donated to any eligible facility shall be an eligible donation for purposes of~~  
21 ~~receipt of a tax credit under section 135.575 but shall not be eligible for any matching funds~~  
22 ~~under subsection 2 of this section.]~~

23           4. If any clinic or facility has received money from the fund closes or significantly  
24 decreases its operations, as determined by the department, within one year of receiving such  
25 money, the amount of such money received and the amount of the match provided from the  
26 general revenue fund shall be refunded to each appropriate source.

27           5. Notwithstanding the provisions of section 33.080 to the contrary, any moneys  
28 remaining in the fund at the end of the biennium shall not revert to the credit of the general  
29 revenue fund.

30           6. The state treasurer shall invest moneys in the fund in the same manner as other funds  
31 are invested. Any interest and moneys earned on such investments shall be credited to the fund.



32           **7. Under section 23.253 of the Missouri sunset act:**

33           **(1) The provisions of the tax credit authorized under subsection 3 of this section**  
34 **shall automatically sunset on December thirty-first six years after the effective date of this**  
35 **section unless reauthorized by an act of the general assembly;**

36           **(2) If such credit is reauthorized, the credit authorized under subsection 3 of this**  
37 **section shall automatically sunset on December thirty-first six years after the effective date**  
38 **of the reauthorization of this section;**

39           **(3) The provisions of the tax credit shall terminate on September first of the**  
40 **calendar year immediately following the calendar year in which the credit authorized**  
41 **under subsection 3 of this section is sunset; and**

42           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
43 **before this section is sunset.**

192.2015. 1. Any registered caregiver who meets the requirements of this section shall  
2 be eligible for a shared care tax credit in an amount not to exceed five hundred dollars to defray  
3 the cost of caring for an elderly person. In order to be eligible for a shared care tax credit, a  
4 registered caregiver shall:

5           (1) Care for an elderly person, age sixty or older, who:

6           (a) Is physically or mentally incapable of living alone, as determined and certified by his  
7 or her physician licensed ~~[pursuant to]~~ **under** chapter 334, or by the department staff when an  
8 assessment has been completed for the purpose of qualification for other services; and

9           (b) Requires assistance with activities of daily living to the extent that without care and  
10 oversight at home would require placement in a facility licensed ~~[pursuant to]~~ **under** chapter  
11 198; and

12           (c) Under no circumstances, is able or allowed to operate a motor vehicle; and

13           (d) Does not receive funding or services through Medicaid or social services block grant  
14 funding;

15           (2) Live in the same residence to give protective oversight for the elderly person meeting  
16 the requirements described in subdivision (1) of this subsection for an aggregate of more than  
17 six months per tax year;

18           (3) Not receive monetary compensation for providing care for the elderly person meeting  
19 the requirements described in subdivision (1) of this subsection; and

20           (4) File the original completed and signed physician certification for shared care tax  
21 credit form or the original completed and signed department certification for shared care tax  
22 credit form provided for in subsection 2 of section 192.2010 along with such caregiver's Missouri  
23 individual income tax return to the department of revenue.

24           2. The tax credit allowed by this section shall apply to any year beginning after  
25 December 31, 1999.

26           3. Any rule or portion of a rule, as that term is defined in section 536.010, that is created  
27 under the authority delegated in sections 192.2000 to 192.2020 shall become effective only if it  
28 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section  
29 536.028. All rulemaking authority delegated prior to August 28, 1999, is of no force and effect  
30 and repealed. Nothing in this section shall be interpreted to repeal or affect the validity of any  
31 rule filed or adopted prior to August 28, 1999, if it fully complied with all applicable provisions  
32 of law. This section and chapter 536 are nonseverable and if any of the powers vested with the  
33 general assembly pursuant to chapter 536 to review, to delay the effective date or to disapprove  
34 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority  
35 and any rule proposed or adopted after August 28, 1999, shall be invalid and void.

36           4. Any person who knowingly falsifies any document required for the shared care tax  
37 credit shall be subject to the same penalties for falsifying other tax documents as provided in  
38 chapter 143.

39           **5. Under section 23.253 of the Missouri sunset act:**

40           **(1) The provisions of the new program authorized under this section shall**  
41 **automatically sunset on December thirty-first six years after the effective date of this**  
42 **section unless reauthorized by an act of the general assembly;**

43           **(2) If such program is reauthorized, the program authorized under this section**  
44 **shall automatically sunset on December thirty-first six years after the effective date of the**  
45 **reauthorization of this section;**

46           **(3) This section shall terminate on September first of the calendar year immediately**  
47 **following the calendar year in which the program authorized under this section is sunset;**  
48 **and**

49           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
50 **before this section is sunset.**

208.770. 1. Moneys deposited in or withdrawn ~~[pursuant to]~~ **under** subsection 1 of  
2 section 208.760 from a family development account by an account holder are exempted from  
3 taxation ~~[pursuant to]~~ **under [chapter] chapters 143, 147, 148, and 153**, excluding withholding  
4 tax imposed ~~[by]~~ **under** sections 143.191 to 143.265, ~~[and chapter 147, 148 or 153]~~ provided,  
5 however, that any money withdrawn for an unapproved use should be subject to tax as required  
6 by law.

7           2. Interest earned by a family development account is exempted from taxation ~~[pursuant~~  
8 ~~to]~~ **under** chapter 143.

9           3. Any funds in a family development account, including accrued interest, shall be  
10 disregarded when determining eligibility to receive, or the amount of, any public assistance or  
11 benefits.

12           4. A program contributor shall be allowed a credit against the tax imposed ~~[by]~~ **under**  
13 ~~[chapter]~~ **chapters 143, 147, 148 and 153**, excluding withholding tax imposed ~~[by]~~ **under**  
14 sections 143.191 to 143.265, ~~[and chapter 147, 148 or 153]~~, ~~[pursuant to]~~ **under** sections  
15 208.750 to 208.775. Contributions up to fifty thousand dollars per program contributor are  
16 eligible for the tax credit which shall not exceed fifty percent of the contribution amount.

17           5. The department of economic development shall verify all tax credit claims by  
18 contributors. The administrator of the community-based organization, with the cooperation of  
19 the participating financial institutions, shall submit the names of contributors and the total  
20 amount each contributor contributes to a family development account reserve fund for the  
21 calendar year. The director shall determine the date by which such information shall be  
22 submitted to the department by the local administrator. The department shall submit verification  
23 of qualified tax credits ~~[pursuant to]~~ **under** sections 208.750 to 208.775 to the department of  
24 revenue.

25           6. For all fiscal years ending on or before June 30, 2010, the total tax credits authorized  
26 ~~[pursuant to]~~ **under** sections 208.750 to 208.775 shall not exceed four million dollars in any  
27 fiscal year. For all fiscal years beginning on or after July 1, 2010, the total tax credits authorized  
28 under sections 208.750 to 208.775 shall not exceed three hundred thousand dollars in any fiscal  
29 year.

30           **7. Under section 23.253 of the Missouri sunset act:**

31           **(1) The provisions of the tax credit authorized under subsection 4 of this section**  
32 **shall automatically sunset on December thirty-first six years after the effective date of this**  
33 **section unless reauthorized by an act of the general assembly;**

34           **(2) If such credit is reauthorized, the credit authorized under subsection 4 of this**  
35 **section shall automatically sunset on December thirty-first six years after the effective date**  
36 **of the reauthorization of this section;**

37           **(3) The provisions of the tax credit shall terminate on September first of the**  
38 **calendar year immediately following the calendar year in which the credit authorized**  
39 **under subsection 4 of this section is sunset; and**

40           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
41 **before this section is sunset.**

253.550. 1. Any taxpayer incurring costs and expenses for the rehabilitation of eligible  
2 property, which is a certified historic structure or structure in a certified historic district, may,  
3 subject to the provisions of this section and section 253.559, receive a credit against the taxes

4 imposed ~~[pursuant to]~~ **under** chapters 143 and 148, except for sections 143.191 to 143.265, on  
5 such taxpayer in an amount equal to twenty-five percent of the total costs and expenses of  
6 rehabilitation incurred after January 1, 1998, which shall include, but not be limited to, qualified  
7 rehabilitation expenditures as defined under section 47(c)(2)(A) of the Internal Revenue Code  
8 of 1986, as amended, and the related regulations thereunder, provided the rehabilitation costs  
9 associated with rehabilitation and the expenses exceed fifty percent of the total basis in the  
10 property and the rehabilitation meets standards consistent with the standards of the Secretary of  
11 the United States Department of the Interior for rehabilitation as determined by the state historic  
12 preservation officer of the Missouri department of natural resources.

13         2. (1) During the period beginning on January 1, 2010, but ending on or after June 30,  
14 2010, the department of economic development shall not approve applications for tax credits  
15 under the provisions of subsections 4 and 10 of section 253.559 which, in the aggregate, exceed  
16 seventy million dollars, increased by any amount of tax credits for which approval shall be  
17 rescinded under the provisions of section 253.559. For each fiscal year beginning on or after July  
18 1, 2010, but ending before June 30, 2018, the department of economic development shall not  
19 approve applications for tax credits under the provisions of subsections 4 and 10 of section  
20 253.559 which, in the aggregate, exceed one hundred forty million dollars, increased by any  
21 amount of tax credits for which approval shall be rescinded under the provisions of section  
22 253.559. For each fiscal year beginning on or after July 1, 2018, the department of economic  
23 development shall not approve applications for tax credits under the provisions of subsections  
24 4 and 10 of section 253.559 which, in the aggregate, exceed ninety million dollars, increased by  
25 any amount of tax credits for which approval shall be rescinded under the provisions of section  
26 253.559. The limitations provided under this subsection shall not apply to applications approved  
27 under the provisions of subsection 4 of section 253.559 for projects to receive less than two  
28 hundred seventy-five thousand dollars in tax credits.

29         (2) For each fiscal year beginning on or after July 1, 2018, the department shall authorize  
30 an amount up to, but not to exceed, an additional thirty million dollars in tax credits issued under  
31 subsections 4 and 10 of section 253.559, provided that such tax credits are authorized solely for  
32 projects located in a qualified census tract.

33         (3) For each fiscal year beginning on or after July 1, 2018, if the maximum amount of  
34 tax credits allowed in any fiscal year as provided under subdivisions (1) and (2) of this  
35 subsection is authorized, the maximum amount of tax credits allowed under subdivision (1) of  
36 this subsection shall be adjusted by the percentage increase in the Consumer Price Index for All  
37 Urban Consumers, or its successor index, as such index is defined and officially reported by the  
38 United States Department of Labor, or its successor agency. Only one such adjustment shall be

39 made for each instance in which the provisions of this subdivision apply. The director of the  
40 department of economic development shall publish such adjusted amount.

41 3. For all applications for tax credits approved on or after January 1, 2010, no more than  
42 two hundred fifty thousand dollars in tax credits may be issued for eligible costs and expenses  
43 incurred in the rehabilitation of an eligible property which is a nonincome producing  
44 single-family, owner-occupied residential property and is either a certified historic structure or  
45 a structure in a certified historic district.

46 4. The limitations on tax credit authorization provided under the provisions of subsection  
47 2 of this section shall not apply to:

48 (1) Any application submitted by a taxpayer, which has received approval from the  
49 department prior to October 1, 2018; or

50 (2) Any taxpayer applying for tax credits, provided under this section, which, on or  
51 before October 1, 2018, has filed an application with the department evidencing that such  
52 taxpayer:

53 (a) Has incurred costs and expenses for an eligible property which exceed the lesser of  
54 five percent of the total project costs or one million dollars and received an approved Part I from  
55 the Secretary of the United States Department of Interior; or

56 (b) Has received certification, by the state historic preservation officer, that the  
57 rehabilitation plan meets the standards consistent with the standards of the Secretary of the  
58 United States Department of the Interior, and the rehabilitation costs and expenses associated  
59 with such rehabilitation shall exceed fifty percent of the total basis in the property.

60 **5. Under section 23.253 of the Missouri sunset act:**

61 **(1) The provisions of the new program authorized under this section shall**  
62 **automatically sunset on December thirty-first six years after the effective date of this**  
63 **section unless reauthorized by an act of the general assembly;**

64 **(2) If such program is reauthorized, the program authorized under this section**  
65 **shall automatically sunset on December thirty-first six years after the effective date of the**  
66 **reauthorization of this section;**

67 **(3) This section shall terminate on September first of the calendar year immediately**  
68 **following the calendar year in which the program authorized under this section is sunset;**  
69 **and**

70 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
71 **before this section is sunset.**

320.093. 1. Any person, firm or corporation who purchases a dry fire hydrant, as defined  
2 in section 320.273, or provides an acceptable means of water storage for such dry fire hydrant  
3 including a pond, tank or other storage facility with the primary purpose of fire protection within

4 the state of Missouri, shall be eligible for a credit on income taxes otherwise due ~~[pursuant to]~~  
5 **under** chapter 143, except sections 143.191 to 143.261, as an incentive to implement safe and  
6 efficient fire protection controls. The tax credit, not to exceed five thousand dollars, shall be  
7 equal to fifty percent of the cost in actual expenditure for any new water storage construction,  
8 equipment, development and installation of the dry hydrant, including pipes, valves, hydrants and  
9 labor for each such installation of a dry hydrant or new water storage facility. The amount of the  
10 tax credit claimed for in-kind contributions shall not exceed twenty-five percent of the total  
11 amount of the contribution for which the tax credit is claimed.

12 2. Any amount of credit which exceeds the tax due shall not be refunded but may be  
13 carried over to any subsequent taxable year, not to exceed seven years. The person, firm or  
14 corporation may elect to assign to a third party the approved tax credit. The certificate of  
15 assignment and other appropriate forms shall be filed with the Missouri department of revenue  
16 and the department of economic development.

17 3. The person, firm or corporation shall make application for the credit to the department  
18 of economic development after receiving approval of the state fire marshal. The fire marshal  
19 shall establish by rule promulgated pursuant to chapter 536 the requirements to be met based on  
20 the National Resources Conservation Service's Dry Hydrant Standard. The state fire marshal or  
21 designated local representative shall review and authorize the construction and installation of any  
22 dry fire hydrant site. Only approved dry fire hydrant sites shall be eligible for tax credits as  
23 indicated in this section. Under no circumstance shall such authority deny any entity the ability  
24 to provide a dry fire hydrant site when tax credits are not requested.

25 4. The department of public safety shall certify to the department of revenue that the dry  
26 hydrant system meets the requirements to obtain a tax credit as specified in subsection 5 of this  
27 section.

28 5. In order to qualify for a tax credit under this section, a dry hydrant or new water  
29 storage facility shall meet the following minimum requirements:

30 (1) Each body of water or water storage structure shall be able to provide two hundred  
31 fifty gallons per minute for a continuous two-hour period during a fifty-year drought or freeze  
32 at a vertical lift of eighteen feet;

33 (2) Each dry hydrant shall be located within twenty-five feet of an all-weather roadway  
34 and shall be accessible to fire protection equipment;

35 (3) Dry hydrants shall be located a reasonable distance from other dry or pressurized  
36 hydrants; and

37 (4) The site shall provide a measurable economic improvement potential for rural  
38 development.

39           6. New credits shall not be awarded under this section after August 28, 2010. The total  
40 amount of all tax credits allowed ~~[pursuant to]~~ **under** this section is five hundred thousand  
41 dollars in any one fiscal year as approved by the director of the department of economic  
42 development.

43           7. Any rule or portion of a rule, as that term is defined in section 536.010, that is created  
44 under the authority delegated in this section shall become effective only if it complies with and  
45 is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section  
46 and chapter 536 are nonseverable and if any of the powers vested with the general assembly  
47 pursuant to chapter 536 to review, to delay the effective date or to disapprove and annul a rule  
48 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule  
49 proposed or adopted after August 28, 2007, shall be invalid and void.

50           **8. Under section 23.253 of the Missouri sunset act:**

51           **(1) The provisions of the program authorized under this section shall automatically**  
52 **sunset on December thirty-first six years after the effective date of this section unless**  
53 **reauthorized by an act of the general assembly;**

54           **(2) If such program is reauthorized, the program authorized under this section**  
55 **shall automatically sunset on December thirty-first six years after the effective date of the**  
56 **reauthorization of this section;**

57           **(3) This section shall terminate on September first of the calendar year immediately**  
58 **following the calendar year in which the program authorized under this section is sunset;**  
59 **and**

60           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
61 **before this section is sunset.**

          348.302. 1. Any person who makes a qualified contribution to a qualified fund shall be  
2 entitled to receive a tax credit equal to fifty percent of the amount of the qualified contribution.  
3 The tax credit shall be evidenced by a tax credit certificate in accordance with the provisions of  
4 sections 348.300 to 348.318 and may be used to satisfy the state tax liability of the owner of such  
5 certificate that becomes due in the tax year in which the qualified contribution is made, or in any  
6 of the ten tax years thereafter. No person may receive a tax credit ~~[pursuant to]~~ **under** sections  
7 348.300 to 348.318 unless that person presents a tax credit certificate to the department of  
8 revenue for payment of such state tax liability.

9           2. The amount of such qualified contributions which can be made is limited so that the  
10 aggregate of all tax credits authorized under the provisions of sections 348.300 to 348.318 shall  
11 not exceed nine million dollars. All tax credits authorized under the provisions of this section  
12 may be transferred, sold, or assigned.

13           **3. Under section 23.253 of the Missouri sunset act:**

14           **(1) The provisions of the new program authorized under this section shall**  
15 **automatically sunset on December thirty-first six years after the effective date of this**  
16 **section unless reauthorized by an act of the general assembly;**

17           **(2) If such program is reauthorized, the program authorized under this section**  
18 **shall automatically sunset on December thirty-first six years after the effective date of the**  
19 **reauthorization of this section;**

20           **(3) This section shall terminate on September first of the calendar year immediately**  
21 **following the calendar year in which the program authorized under this section is sunset;**  
22 **and**

23           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
24 **before this section is sunset.**

          348.430. 1. The tax credit created in this section shall be known as the “Agricultural  
2 Product Utilization Contributor Tax Credit”.

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

4           (1) “Authority”, the agriculture and small business development authority as provided  
5 in this chapter;

6           (2) “Contributor”, an individual, partnership, corporation, trust, limited liability  
7 company, entity or person that contributes cash funds to the authority;

8           (3) “Development facility”, a facility producing either a good derived from an  
9 agricultural commodity or using a process to produce a good derived from an agricultural  
10 product;

11           (4) “Eligible new generation cooperative”, a nonprofit cooperative association formed  
12 ~~[pursuant to]~~ **under** chapter 274, or incorporated ~~[pursuant to]~~ **under** chapter 357, for the  
13 purpose of operating within this state a development facility or a renewable fuel production  
14 facility;

15           (5) “Eligible new generation processing entity”, a partnership, corporation, cooperative,  
16 or limited liability company organized or incorporated ~~[pursuant to]~~ **under** the laws of this state  
17 consisting of not less than twelve members, approved by the authority, for the purpose of owning  
18 or operating within this state a development facility or a renewable fuel production facility in  
19 which producer members:

20           (a) Hold a majority of the governance or voting rights of the entity and any governing  
21 committee;

22           (b) Control the hiring and firing of management; and

23           (c) Deliver agricultural commodities or products to the entity for processing, unless  
24 processing is required by multiple entities;



25 (6) "Renewable fuel production facility", a facility producing an energy source which  
26 is derived from a renewable, domestically grown, organic compound capable of powering  
27 machinery, including an engine or power plant, and any by-product derived from such energy  
28 source.

29 3. For all tax years beginning on or after January 1, 1999, a contributor who contributes  
30 funds to the authority may receive a credit against the tax or estimated quarterly tax otherwise  
31 due ~~[pursuant to]~~ **under [chapter] chapters 143, 147, and 148**, other than taxes withheld  
32 ~~[pursuant to]~~ **under** sections 143.191 to 143.265, ~~[chapter 148 chapter 147,]~~ in an amount of up  
33 to one hundred percent of such contribution. Tax credits claimed in a **[taxable] tax** year may be  
34 done so on a quarterly basis and applied to the estimated quarterly tax ~~[pursuant to]~~ **under** this  
35 subsection. If a quarterly tax credit claim or series of claims contributes to causing an  
36 overpayment of taxes for a **[taxable] tax** year, such overpayment shall not be refunded but shall  
37 be applied to the next **[taxable] tax** year. The awarding of such credit shall be at the approval  
38 of the authority, based on the least amount of credits necessary to provide incentive for the  
39 contributions. A contributor that receives tax credits for a contribution to the authority shall  
40 receive no other consideration or compensation for such contribution, other than a federal tax  
41 deduction, if applicable, and goodwill.

42 4. A contributor shall submit to the authority an application for the tax credit authorized  
43 by this section on a form provided by the authority. If the contributor meets all criteria  
44 prescribed by this section and the authority, the authority shall issue a tax credit certificate in the  
45 appropriate amount. Tax credits issued ~~[pursuant to]~~ **under** this section may be claimed in the  
46 **[taxable] tax** year in which the contributor contributes funds to the authority. For all fiscal years  
47 beginning on or after July 1, 2004, tax credits allowed ~~[pursuant to]~~ **under** this section may be  
48 carried forward to any of the contributor's four subsequent **[taxable] tax** years. Tax credits  
49 issued ~~[pursuant to]~~ **under** this section may be assigned, transferred or sold and the new owner  
50 of the tax credit shall have the same rights in the credit as the contributor. Whenever a certificate  
51 of tax credit is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall  
52 be filed with the authority specifying the name and address of the new owner of the tax credit  
53 or the value of the credit.

54 5. The funds derived from contributions in this section shall be used for financial  
55 assistance or technical assistance for the purposes provided in section 348.407 to rural  
56 agricultural business concepts as approved by the authority. The authority may provide or  
57 facilitate loans, equity investments, or guaranteed loans for rural agricultural business concepts,  
58 but limited to two million dollars per project or the net state economic impact, whichever is less.  
59 Loans, equity investments or guaranteed loans may only be provided to feasible projects, and for  
60 an amount that is the least amount necessary to cause the project to occur, as determined by the

61 authority. The authority may structure the loans, equity investments or guaranteed loans in a way  
62 that facilitates the project, but also provides for a compensatory return on investment or loan  
63 payment to the authority, based on the risk of the project.

64 6. In any given year, at least ten percent of the funds granted to rural agricultural business  
65 concepts shall be awarded to grant requests of twenty-five thousand dollars or less. No single  
66 rural agricultural business concept shall receive more than two hundred thousand dollars in grant  
67 awards from the authority. Agricultural businesses owned by minority members or women shall  
68 be given consideration in the allocation of funds.

69 7. The authority shall, at least annually, submit a report to the Missouri general assembly  
70 reviewing the costs and benefits of the program established under this section.

71 **8. Under section 23.253 of the Missouri sunset act:**

72 **(1) The provisions of the new program authorized under this section shall**  
73 **automatically sunset on December thirty-first six years after the effective date of this**  
74 **section unless reauthorized by an act of the general assembly;**

75 **(2) If such program is reauthorized, the program authorized under this section**  
76 **shall automatically sunset on December thirty-first six years after the effective date of the**  
77 **reauthorization of this section;**

78 **(3) This section shall terminate on September first of the calendar year immediately**  
79 **following the calendar year in which the program authorized under this section is sunset;**  
80 **and**

81 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
82 **before this section is sunset.**

348.432. 1. The tax credit created in this section shall be known as the “New Generation  
2 Cooperative Incentive Tax Credit”.

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

4 (1) “Authority”, the agriculture and small business development authority as provided  
5 in this chapter;

6 (2) “Development facility”, a facility producing either a good derived from an  
7 agricultural commodity or using a process to produce a good derived from an agricultural  
8 product;

9 (3) “Eligible new generation cooperative”, a nonprofit cooperative association formed  
10 ~~[pursuant to]~~ **under** chapter 274 or incorporated ~~[pursuant to]~~ **under** chapter 357 for the purpose  
11 of operating within this state a development facility or a renewable fuel production facility and  
12 approved by the authority;

13 (4) “Eligible new generation processing entity”, a partnership, corporation, cooperative,  
14 or limited liability company organized or incorporated ~~[pursuant to]~~ **under** the laws of this state

15 consisting of not less than twelve members, approved by the authority, for the purpose of owning  
16 or operating within this state a development facility or a renewable fuel production facility in  
17 which producer members:

18 (a) Hold a majority of the governance or voting rights of the entity and any governing  
19 committee;

20 (b) Control the hiring and firing of management; and

21 (c) Deliver agricultural commodities or products to the entity for processing, unless  
22 processing is required by multiple entities;

23 (5) "Employee-qualified capital project", an eligible new generation cooperative with  
24 capital costs greater than fifteen million dollars which will employ at least sixty employees;

25 (6) "Large capital project", an eligible new generation cooperative with capital costs  
26 greater than one million dollars;

27 (7) "Producer member", a person, partnership, corporation, trust or limited liability  
28 company whose main purpose is agricultural production that invests cash funds to an eligible  
29 new generation cooperative or eligible new generation processing entity;

30 (8) "Renewable fuel production facility", a facility producing an energy source which  
31 is derived from a renewable, domestically grown, organic compound capable of powering  
32 machinery, including an engine or power plant, and any by-product derived from such energy  
33 source;

34 (9) "Small capital project", an eligible new generation cooperative with capital costs of  
35 no more than one million dollars.

36 3. Beginning tax year 1999, and ending December 31, 2002, any producer member who  
37 invests cash funds in an eligible new generation cooperative or eligible new generation  
38 processing entity may receive a credit against the tax or estimated quarterly tax otherwise due  
39 ~~[pursuant to]~~ **under [chapter] chapters 143, 147, and 148**, other than taxes withheld ~~[pursuant~~  
40 ~~to]~~ **under** sections 143.191 to 143.265 ~~[or chapter 148, chapter 147]~~, in an amount equal to the  
41 lesser of fifty percent of such producer member's investment or fifteen thousand dollars.

42 4. For all tax years beginning on or after January 1, 2003, any producer member who  
43 invests cash funds in an eligible new generation cooperative or eligible new generation  
44 processing entity may receive a credit against the tax or estimated quarterly tax otherwise due  
45 ~~[pursuant to]~~ **under [chapter] chapters 143, 147, and 148**, other than taxes withheld ~~[pursuant~~  
46 ~~to]~~ **under** sections 143.191 to 143.265, ~~[chapter 147 or chapter 148]~~, in an amount equal to the  
47 lesser of fifty percent of such producer member's investment or fifteen thousand dollars. Tax  
48 credits claimed in a ~~[taxable]~~ **tax** year may be done so on a quarterly basis and applied to the  
49 estimated quarterly tax ~~[pursuant to]~~ **under** subsection 3 of this section. If a quarterly tax credit

50 claim or series of claims contributes to causing an overpayment of taxes for a ~~[taxable]~~ tax year,  
51 such overpayment shall not be refunded but shall be applied to the next ~~[taxable]~~ tax year.

52 5. A producer member shall submit to the authority an application for the tax credit  
53 authorized by this section on a form provided by the authority. If the producer member meets  
54 all criteria prescribed by this section and is approved by the authority, the authority shall issue  
55 a tax credit certificate in the appropriate amount. Tax credits issued ~~[pursuant to]~~ **under** this  
56 section may be carried forward to any of the producer member's four subsequent ~~[taxable]~~ tax  
57 years regardless of the type of tax liability to which such credits are applied as authorized  
58 ~~[pursuant to]~~ **under** subsection 3 of this section. Tax credits issued ~~[pursuant to]~~ **under** this  
59 section may be assigned, transferred, sold or otherwise conveyed and the new owner of the tax  
60 credit shall have the same rights in the credit as the producer member. Whenever a certificate  
61 of tax credit is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall  
62 be filed with the authority specifying the name and address of the new owner of the tax credit  
63 or the value of the credit.

64 6. Ten percent of the tax credits authorized ~~[pursuant to]~~ **under** this section initially shall  
65 be offered in any fiscal year to small capital projects. If any portion of the ten percent of tax  
66 credits offered to small capital costs projects is unused in any calendar year, then the unused  
67 portion of tax credits may be offered to employee-qualified capital projects and large capital  
68 projects. If the authority receives more applications for tax credits for small capital projects than  
69 tax credits are authorized therefor, then the authority, by rule, shall determine the method of  
70 distribution of tax credits authorized for small capital projects.

71 7. Ninety percent of the tax credits authorized ~~[pursuant to]~~ **under** this section initially  
72 shall be offered in any fiscal year to employee-qualified capital projects and large capital  
73 projects. If any portion of the ninety percent of tax credits offered to employee-qualified capital  
74 projects and large capital costs projects is unused in any fiscal year, then the unused portion of  
75 tax credits may be offered to small capital projects. The maximum tax credit allowed per  
76 employee-qualified capital project is three million dollars and the maximum tax credit allowed  
77 per large capital project is one million five hundred thousand dollars. If the authority approves  
78 the maximum tax credit allowed for any employee-qualified capital project or any large capital  
79 project, then the authority, by rule, shall determine the method of distribution of such maximum  
80 tax credit. In addition, if the authority receives more tax credit applications for  
81 employee-qualified capital projects and large capital projects than the amount of tax credits  
82 authorized therefor, then the authority, by rule, shall determine the method of distribution of tax  
83 credits authorized for employee-qualified capital projects and large capital projects.

84 8. The authority shall, at least annually, submit a report to the Missouri general assembly  
85 reviewing the costs and benefits of the program established under this section.

86           **9. Under section 23.253 of the Missouri sunset act:**

87           **(1) The provisions of the new program authorized under this section shall**  
88 **automatically sunset on December thirty-first six years after the effective date of this**  
89 **section unless reauthorized by an act of the general assembly;**

90           **(2) If such program is reauthorized, the program authorized under this section**  
91 **shall automatically sunset on December thirty-first six years after the effective date of the**  
92 **reauthorization of this section;**

93           **(3) This section shall terminate on September first of the calendar year immediately**  
94 **following the calendar year in which the program authorized under this section is sunset;**  
95 **and**

96           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
97 **before this section is sunset.**

          348.505. 1. As used in this section, "state tax liability"[;] **means** any state tax liability  
2 incurred by a taxpayer under the provisions of chapters 143, 147, and 148, exclusive of the  
3 provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and  
4 related provisions.

5           2. Any eligible lender under the family farm livestock loan program under section  
6 348.500 shall be entitled to receive a tax credit equal to one hundred percent of the amount of  
7 interest waived by the lender under section 348.500 on a qualifying loan for the first year of the  
8 loan only. The tax credit shall be evidenced by a tax credit certificate issued by the agricultural  
9 and small business development authority and may be used to satisfy the state tax liability of the  
10 owner of such certificate that becomes due in the tax year in which the interest on a qualified  
11 loan is waived by the lender under section 348.500. No lender may receive a tax credit under  
12 this section unless such person presents a tax credit certificate to the department of revenue for  
13 payment of such state tax liability. The amount of the tax credits that may be issued to all  
14 eligible lenders claiming tax credits authorized in this section in a fiscal year shall not exceed  
15 three hundred thousand dollars.

16           3. The agricultural and small business development authority shall be responsible for the  
17 administration and issuance of the certificate of tax credits authorized by this section. The  
18 authority shall issue a certificate of tax credit at the request of any lender. Each request shall  
19 include a true copy of the loan documents, the name of the lender who is to receive a certificate  
20 of tax credit, the type of state tax liability against which the tax credit is to be used, and the  
21 amount of the certificate of tax credit to be issued to the lender based on the interest waived by  
22 the lender under section 348.500 on the loan for the first year.

23           4. The Missouri department of revenue shall accept a certificate of tax credit in lieu of  
24 other payment in such amount as is equal to the lesser of the amount of the tax or the remaining

25 unused amount of the credit as indicated on the certificate of tax credit, and shall indicate on the  
26 certificate of tax credit the amount of tax thereby paid and the date of such payment.

27 5. The following provisions shall apply to tax credits authorized under this section:

28 (1) Tax credits claimed in a ~~taxable~~ tax year may be claimed on a quarterly basis and  
29 applied to the estimated quarterly tax of the lender;

30 (2) Any amount of tax credit which exceeds the tax due, including any estimated  
31 quarterly taxes paid by the lender under subdivision (1) of this subsection which results in an  
32 overpayment of taxes for a ~~taxable~~ tax year, shall not be refunded but may be carried over to  
33 any subsequent ~~taxable~~ tax year, not to exceed a total of three years for which a tax credit may  
34 be taken for a qualified family farm livestock loan;

35 (3) Notwithstanding any provision of law to the contrary, a lender may assign, transfer  
36 or sell tax credits authorized under this section, with the new owner of the tax credit receiving  
37 the same rights in the tax credit as the lender. For any tax credits assigned, transferred, sold, or  
38 otherwise conveyed, a notarized endorsement shall be filed by the lender with the authority  
39 specifying the name and address of the new owner of the tax credit and the value of such tax  
40 credit; and

41 (4) Notwithstanding any other provision of this section to the contrary, any commercial  
42 bank may use tax credits created under this section as provided in section 148.064 and receive  
43 a net tax credit against taxes actually paid in the amount of the first year's interest on loans made  
44 under this section. If such first year tax credits reduce taxes due as provided in section 148.064  
45 to zero, the remaining tax credits may be carried over as otherwise provided in this section and  
46 utilized as provided in section 148.064 in subsequent years.

47 **6. Under section 23.253 of the Missouri sunset act:**

48 (1) **The provisions of the new program authorized under this section shall**  
49 **automatically sunset on December thirty-first six years after the effective date of this**  
50 **section unless reauthorized by an act of the general assembly;**

51 (2) **If such program is reauthorized, the program authorized under this section**  
52 **shall automatically sunset on December thirty-first six years after the effective date of the**  
53 **reauthorization of this section;**

54 (3) **This section shall terminate on September first of the calendar year immediately**  
55 **following the calendar year in which the program authorized under this section is sunset;**  
56 **and**

57 (4) **Nothing in this subsection shall prohibit the redemption of tax credits issued**  
58 **before this section is sunset.**

375.774. 1. The association shall issue to each insurer paying an assessment under  
2 sections 375.771 to 375.779 a certificate of contribution, in appropriate form and terms as

3 prescribed by the director, for the amount so paid. All outstanding certificates shall be of equal  
4 dignity and priority without reference to amounts or dates of issue.

5 2. A certificate of contribution may be shown by the insurer in its financial statements  
6 as an admitted asset for such amount and period of time, as follows:

7 (1) One hundred percent for the calendar year of issuance;

8 (2) Sixty-six and two-thirds percent for the first calendar year after the year of issuance;

9 (3) Thirty-three and one-third percent for the second year after the year of issuance which  
10 shall be the last year each such certificate shall be carried as an asset.

11 3. The insurer shall be entitled to a credit against the premium tax liability under sections  
12 148.310 to 148.461 for contributions paid to the association. This tax credit shall be taken over  
13 a period of the three successive tax years beginning after the year of contribution at the rate of  
14 thirty-three and one-third percent, per year, of the contribution paid to the association, and such  
15 credit shall not be subject to subsection 1 of section 375.916.

16 4. Any sums recovered by the association representing sums which have theretofore been  
17 written off by contributing insurers and offset against premium taxes as provided in subsection  
18 3 of this section shall be paid by the association to the director of revenue who shall handle such  
19 funds in the same manner as provided in section 148.380.

20 5. The association shall be exempt from payment of all fees and all capitation or poll and  
21 excise taxes levied by this state or any of its political subdivisions and the real and personal  
22 property of the association is hereby declared to be property actually and regularly used  
23 exclusively for purposes purely charitable and not held for private or corporate profit within the  
24 meaning of subdivision (5) of section 137.100, RSMo 1986.

25 **6. Under section 23.253 of the Missouri sunset act:**

26 **(1) The provisions of the tax credit authorized under subsection 3 of this section**  
27 **shall automatically sunset on December thirty-first six years after the effective date of this**  
28 **section unless reauthorized by an act of the general assembly;**

29 **(2) If such credit is reauthorized, the credit authorized under this section shall**  
30 **automatically sunset on December thirty-first six years after the effective date of the**  
31 **reauthorization of this section;**

32 **(3) The provisions of the tax credit shall terminate on September first of the**  
33 **calendar year immediately following the calendar year in which the credit authorized**  
34 **under this section is sunset; and**

35 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
36 **before this section is sunset.**

376.745. 1. A member insurer may offset against its premium tax liability to this state  
2 an assessment described in section 376.738 to the extent of twenty percent of the amount of such

assessment for each of the five calendar years following the year in which such assessment was paid. In the event a member insurer should cease doing business, all uncredited assessments may be credited against its premium tax liability for the year it ceases doing business.

2. A member insurer exempt from chapter 148 may offset against its sales or use tax liability to this state an assessment described in section 376.738 to the extent of twenty percent of the amount of such assessment for each of the five calendar years following the year in which such assessment was paid. In the event a member insurer should cease doing business, all uncredited assessments may be credited against its sales or use tax liability for the year it ceases doing business.

3. Any sums which are acquired by refund, ~~[pursuant to]~~ **under** the provisions of section 376.738, from the association by member insurers, and which have theretofore been offset against premium taxes as provided in subsection 1 of this section or have theretofore been offset against sales or use taxes as provided in subsection 2 of this section, shall be paid by such insurers to this state in such manner as the tax authorities may require. The association shall notify the director that such refunds have been made.

**4. Under section 23.253 of the Missouri sunset act:**

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

**(2) If such program is reauthorized, the program authorized under this section shall automatically sunset on December thirty-first six years after the effective date of the reauthorization of this section;**

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

**(4) Nothing in this subsection shall prohibit the redemption of tax credits issued before this section is sunset.**

376.975. 1. Each member's proportion of participation in the pool shall be determined annually by the board based on annual statements and other reports deemed necessary by the board and filed by the member with it. Any deficit incurred by the pool shall be recouped by assessments apportioned as provided in subsections 1, 2, and 3 of section 376.973 by the board among members. The amount of assessments incurred by each member of the pool shall be allowed as an offset against certain taxes, and shall be subject to certain limitations, as follows: Each pool member subject to chapter 148 may deduct from premium taxes payable for any calendar year to the state any and all assessments paid for the same year ~~[pursuant to]~~ **under** sections 376.960 to 376.989.



10           **2.** All assessments, for a fiscal year, shall not exceed the net premium tax due and  
11 payable by such member in the previous year. If the assessment exceeds any premium tax due  
12 or payable in such year, the excess shall be a credit or offset carried forward against any premium  
13 tax due or payable in succeeding years until the excess is exhausted.

14           **3. Under section 23.253 of the Missouri sunset act:**

15           **(1) The provisions of the new program authorized under this section shall**  
16 **automatically sunset on December thirty-first six years after the effective date of this**  
17 **section unless reauthorized by an act of the general assembly;**

18           **(2) If such program is reauthorized, the program authorized under this section**  
19 **shall automatically sunset on December thirty-first six years after the effective date of the**  
20 **reauthorization of this section;**

21           **(3) This section shall terminate on September first of the calendar year immediately**  
22 **following the calendar year in which the program authorized under this section is sunset;**  
23 **and**

24           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
25 **before this section is sunset.**

          447.708. 1. For eligible projects, the director of the department of economic  
2 development, with notice to the directors of the departments of natural resources and revenue,  
3 and subject to the other provisions of sections 447.700 to 447.718, may not create a new  
4 enterprise zone but may decide that a prospective operator of a facility being remedied and  
5 renovated ~~[pursuant to]~~ **under** sections 447.700 to 447.718 may receive the tax credits and  
6 exemptions ~~[pursuant to]~~ **under** sections 135.100 to 135.150 and sections 135.200 to 135.257.  
7 The tax credits allowed ~~[pursuant to]~~ **under** this subsection shall be used to offset the tax  
8 imposed ~~[by]~~ **under** chapter 143, excluding withholding tax imposed ~~[by]~~ **under** sections  
9 143.191 to 143.265, or the tax otherwise imposed ~~[by]~~ **under** chapter 147 ~~[,]~~ or ~~[the tax~~  
10 ~~otherwise imposed by]~~ chapter 148. For purposes of this subsection:

11           **(1) For receipt of the ad valorem tax abatement ~~[pursuant to]~~ **under** section 135.215, the**  
12 **eligible project must create at least ten new jobs or retain businesses which supply at least**  
13 **twenty-five existing jobs. The city, or county if the eligible project is not located in a city, must**  
14 **provide ad valorem tax abatement of at least fifty percent for a period not less than ten years and**  
15 **not more than twenty-five years;**

16           **(2) For receipt of the income tax exemption ~~[pursuant to]~~ **under** section 135.220 and tax**  
17 **credit for new or expanded business facilities ~~[pursuant to]~~ **under** sections 135.100 to 135.150~~[,]~~**  
18 **and 135.225, the eligible project must create at least ten new jobs or retain businesses which**  
19 **supply at least twenty-five existing jobs, or combination thereof. For purposes of sections**  
20 **447.700 to 447.718, the tax credits described in section 135.225 are modified as follows: the tax**

21 credit shall be four hundred dollars per employee per year, an additional four hundred dollars per  
22 year for each employee exceeding the minimum employment thresholds of ten and twenty-five  
23 jobs for new and existing businesses, respectively, an additional four hundred dollars per year  
24 for each person who is a person difficult to employ as defined by section 135.240, and  
25 investment tax credits at the same amounts and levels as provided in subdivision (4) of  
26 subsection 1 of section 135.225;

27 (3) For eligibility to receive the income tax refund ~~[pursuant to]~~ **under** section 135.245,  
28 the eligible project must create at least ten new jobs or retain businesses which supply at least  
29 twenty-five existing jobs, or combination thereof, and otherwise comply with the provisions of  
30 section 135.245 for application and use of the refund and the eligibility requirements of this  
31 section;

32 (4) The eligible project operates in compliance with applicable environmental laws and  
33 regulations, including permitting and registration requirements, of this state as well as the federal  
34 and local requirements;

35 (5) The eligible project operator shall file such reports as may be required by the director  
36 of economic development or the director's designee;

37 (6) The taxpayer may claim the state tax credits authorized by this subsection and the  
38 state income exemption for a period not in excess of ten consecutive tax years. For the purpose  
39 of this section, "taxpayer" means an individual proprietorship, partnership or corporation  
40 described in section 143.441 or 143.471 who operates an eligible project. The director shall  
41 determine the number of years the taxpayer may claim the state tax credits and the state income  
42 exemption based on the projected net state economic benefits attributed to the eligible project;

43 (7) For the purpose of meeting the new job requirement prescribed in subdivisions (1),  
44 (2) and (3) of this subsection, it shall be required that at least ten new jobs be created and  
45 maintained during the taxpayer's tax period for which the credits are earned, in the case of an  
46 eligible project that does not replace a similar facility in Missouri. "New job" means a person  
47 who was not previously employed by the taxpayer or related taxpayer within the twelve-month  
48 period immediately preceding the time the person was employed by that taxpayer to work at, or  
49 in connection with, the eligible project on a full-time basis. "Full-time basis" means the  
50 employee works an average of at least thirty-five hours per week during the taxpayer's tax period  
51 for which the tax credits are earned. For the purposes of this section, "related taxpayer" has the  
52 same meaning as defined in subdivision (10) of section 135.100;

53 (8) For the purpose of meeting the existing job retention requirement, if the eligible  
54 project replaces a similar facility that closed elsewhere in Missouri prior to the end of the  
55 taxpayer's tax period in which the tax credits are earned, it shall be required that at least  
56 twenty-five existing jobs be retained at, and in connection with the eligible project, on a full-time

57 basis during the taxpayer's tax period for which the credits are earned. "Retained job" means a  
58 person who was previously employed by the taxpayer or related taxpayer, at a facility similar to  
59 the eligible project that closed elsewhere in Missouri prior to the end of the taxpayer's tax period  
60 in which the tax credits are earned, within the tax period immediately preceding the time the  
61 person was employed by the taxpayer to work at, or in connection with, the eligible project on  
62 a full-time basis. "Full-time basis" means the employee works an average of at least thirty-five  
63 hours per week during the taxpayer's tax period for which the tax credits are earned;

64 (9) In the case where an eligible project replaces a similar facility that closed elsewhere  
65 in Missouri prior to the end of the taxpayer's tax period in which the tax credits are earned, the  
66 owner and operator of the eligible project shall provide the director with a written statement  
67 explaining the reason for discontinuing operations at the closed facility. The statement shall  
68 include a comparison of the activities performed at the closed facility prior to the date the facility  
69 ceased operating, to the activities performed at the eligible project, and a detailed account  
70 describing the need and rationale for relocating to the eligible project. If the director finds the  
71 relocation to the eligible project significantly impaired the economic stability of the area in  
72 which the closed facility was located, and that such move was detrimental to the overall  
73 economic development efforts of the state, the director may deny the taxpayer's request to claim  
74 tax benefits;

75 (10) Notwithstanding any provision of law to the contrary, for the purpose of this  
76 section, the number of new jobs created and maintained, the number of existing jobs retained,  
77 and the value of new qualified investment used at the eligible project during any tax year shall  
78 be determined by dividing by twelve, in the case of jobs, the sum of the number of individuals  
79 employed at the eligible project, or in the case of new qualified investment, the value of new  
80 qualified investment used at the eligible project, on the last business day of each full calendar  
81 month of the tax year. If the eligible project is in operation for less than the entire tax year, the  
82 number of new jobs created and maintained, the number of existing jobs retained, and the value  
83 of new qualified investment created at the eligible project during any tax year shall be  
84 determined by dividing the sum of the number of individuals employed at the eligible project,  
85 or in the case of new qualified investment, the value of new qualified investment used at the  
86 eligible project, on the last business day of each full calendar month during the portion of the tax  
87 year during which the eligible project was in operation, by the number of full calendar months  
88 during such period;

89 (11) For the purpose of this section, "new qualified investment" means new business  
90 facility investment as defined and as determined in subdivision (8) of section 135.100 which is  
91 used at and in connection with the eligible project. New qualified investment shall not include

92 small tools, supplies and inventory. "Small tools" means tools that are portable and can be hand  
93 held.

94 2. The determination of the director of economic development ~~[pursuant to]~~ **under**  
95 subsection 1 of this section shall not affect requirements for the prospective purchaser to obtain  
96 the approval of the granting of real property tax abatement by the municipal or county  
97 government where the eligible project is located.

98 3. (1) The director of the department of economic development, with the approval of  
99 the director of the department of natural resources, may, in addition to the tax credits allowed  
100 ~~[in]~~ **under** subsection 1 of this section, grant a remediation tax credit to the applicant for up to  
101 one hundred percent of the costs of materials, supplies, equipment, labor, professional  
102 engineering, consulting and architectural fees, permitting fees and expenses, demolition, asbestos  
103 abatement, and direct utility charges for performing the voluntary remediation activities for the  
104 preexisting hazardous substance contamination and releases, including, but not limited to, the  
105 costs of performing operation and maintenance of the remediation equipment at the property  
106 beyond the year in which the systems and equipment are built and installed at the eligible project  
107 and the costs of performing the voluntary remediation activities over a period not in excess of  
108 four tax years following the taxpayer's tax year in which the system and equipment were first put  
109 into use at the eligible project, provided the remediation activities are the subject of a plan  
110 submitted to, and approved by, the director of natural resources ~~[pursuant to]~~ **under** sections  
111 260.565 to 260.575. The tax credit may also include up to one hundred percent of the costs of  
112 demolition that are not directly part of the remediation activities, provided that the demolition  
113 is on the property where the voluntary remediation activities are occurring, the demolition is  
114 necessary to accomplish the planned use of the facility where the remediation activities are  
115 occurring, and the demolition is part of a redevelopment plan approved by the municipal or  
116 county government and the department of economic development. The demolition may occur  
117 on an adjacent property if the project is located in a municipality which has a population less  
118 than twenty thousand and the above conditions are otherwise met. The adjacent property shall  
119 independently qualify as abandoned or underutilized. The amount of the credit available for  
120 demolition not associated with remediation cannot exceed the total amount of credits approved  
121 for remediation including demolition required for remediation.

122 (2) The amount of remediation tax credits issued shall be limited to the least amount  
123 necessary to cause the project to occur, as determined by the director of the department of  
124 economic development.

125 (3) The director may, with the approval of the director of natural resources, extend the  
126 tax credits allowed for performing voluntary remediation maintenance activities, in increments  
127 of three-year periods, not to exceed five consecutive three-year periods. The tax credits allowed

128 in this subsection shall be used to offset the tax imposed ~~[by]~~ **under** chapter 143, excluding  
129 withholding tax imposed ~~[by]~~ **under** sections 143.191 to 143.265, or the tax otherwise imposed  
130 ~~[by]~~ **under** chapter 147, or the tax otherwise imposed ~~[by]~~ **under** chapter 148. The remediation  
131 tax credit may be taken in the same tax year in which the tax credits are received or may be taken  
132 over a period not to exceed twenty years.

133 (4) The project facility shall be projected to create at least ten new jobs or at least  
134 twenty-five retained jobs, or a combination thereof, as determined by the department of  
135 economic development, to be eligible for tax credits ~~[pursuant to]~~ **under** this section.

136 (5) No more than seventy-five percent of earned remediation tax credits may be issued  
137 when the remediation costs were paid, and the remaining percentage may be issued when the  
138 department of natural resources issues a letter of completion letter or covenant not to sue  
139 following completion of the voluntary remediation activities. It shall not include any costs  
140 associated with ongoing operational environmental compliance of the facility or remediation  
141 costs arising out of spills, leaks, or other releases arising out of the ongoing business operations  
142 of the facility. In the event the department of natural resources issues a letter of completion for  
143 a portion of a property, an impacted media such as soil or groundwater, or for a site or a portion  
144 of a site improvement, a prorated amount of the remaining percentage may be released based on  
145 the percentage of the total site receiving a letter of completion.

146 4. In the exercise of the sound discretion of the director of the department of economic  
147 development or the director's designee, the tax credits and exemptions described in this section  
148 may be terminated, suspended or revoked if the eligible project fails to continue to meet the  
149 conditions set forth in this section. In making such a determination, the director shall consider  
150 the severity of the condition violation, actions taken to correct the violation, the frequency of any  
151 condition violations and whether the actions exhibit a pattern of conduct by the eligible facility  
152 owner and operator. The director shall also consider changes in general economic conditions and  
153 the recommendation of the director of the department of natural resources, or his or her designee,  
154 concerning the severity, scope, nature, frequency and extent of any violations of the  
155 environmental compliance conditions. The taxpayer or person claiming the tax credits or  
156 exemptions may appeal the decision regarding termination, suspension or revocation of any tax  
157 credit or exemption in accordance with the procedures outlined in subsections 4 and 5 of section  
158 135.250. The director of the department of economic development shall notify the directors of  
159 the departments of natural resources and revenue of the termination, suspension or revocation  
160 of any tax credits as determined in this section or ~~[pursuant to]~~ **under** the provisions of section  
161 447.716.

162 5. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax  
163 credits, exemptions or refund otherwise allowed in subdivisions (2), (3) and (4) of subsection

164 1 of this section and the tax credits otherwise allowed in section 135.110, or the tax credits,  
165 exemptions and refund otherwise allowed in sections 135.215, 135.220, 135.225 and 135.245,  
166 respectively, for the same facility for the same tax period.

167 6. The total amount of the tax credits allowed in subsection 1 of this section may not  
168 exceed the greater of:

169 (1) That portion of the taxpayer's income attributed to the eligible project; or

170 (2) One hundred percent of the total business' income tax if the eligible facility does not  
171 replace a similar facility that closed elsewhere in Missouri prior to the end of the taxpayer's tax  
172 period in which the tax credits are earned, and further provided the taxpayer does not operate any  
173 other facilities besides the eligible project in Missouri; fifty percent of the total business' income  
174 tax if the eligible facility replaces a similar facility that closed elsewhere in Missouri prior to the  
175 end of the taxpayer's tax period in which the credits are earned, and further provided the taxpayer  
176 does not operate any other facilities besides the eligible project in Missouri; or twenty-five  
177 percent of the total business income if the taxpayer operates, in addition to the eligible facility,  
178 any other facilities in Missouri. In no case shall a taxpayer operating more than one eligible  
179 project in Missouri be allowed to offset more than twenty-five percent of the taxpayer's business  
180 income in any tax period. That portion of the taxpayer's income attributed to the eligible project  
181 as referenced in subdivision (1) of this subsection, for which the credits allowed in sections  
182 135.110 and 135.225 and subsection 3 of this section may apply, shall be determined in the same  
183 manner as prescribed in subdivision (5) of section 135.100. That portion of the taxpayer's  
184 franchise tax attributed to the eligible project for which the remediation tax credit may offset,  
185 shall be determined in the same manner as prescribed in paragraph (a) of subdivision (5) of  
186 section 135.100.

187 7. Taxpayers claiming the state tax benefits allowed in subdivisions (2) and (3) of  
188 subsection 1 of this section shall be required to file all applicable tax credit applications, forms  
189 and schedules prescribed by the director during the taxpayer's tax period immediately after the  
190 tax period in which the eligible project was first put into use. Otherwise, the taxpayer's right to  
191 claim such state tax benefits shall be forfeited. Unused business facility and enterprise zone tax  
192 credits shall not be carried forward but shall be initially claimed for the tax period during which  
193 the eligible project was first capable of being used, and during any applicable subsequent tax  
194 periods.

195 8. Taxpayers claiming the remediation tax credit allowed in subsection 3 of this section  
196 shall be required to file all applicable tax credit applications, forms and schedules prescribed by  
197 the director during the taxpayer's tax period immediately after the tax period in which the eligible  
198 project was first put into use, or during the taxpayer's tax period immediately after the tax period  
199 in which the voluntary remediation activities were performed.

200           9. The recipient of remediation tax credits, for the purpose of this subsection referred to  
201 as assignor, may assign, sell or transfer, in whole or in part, the remediation tax credit allowed  
202 in subsection 3 of this section to any other person, for the purpose of this subsection referred to  
203 as assignee. To perfect the transfer, the assignor shall provide written notice to the director of  
204 the assignor's intent to transfer the tax credits to the assignee, the date the transfer is effective,  
205 the assignee's name, address and the assignee's tax period and the amount of tax credits to be  
206 transferred. The number of tax periods during which the assignee may subsequently claim the  
207 tax credits shall not exceed twenty tax periods, less the number of tax periods the assignor  
208 previously claimed the credits before the transfer occurred.

209           10. In the case where an operator and assignor of an eligible project has been certified  
210 to claim state tax benefits allowed in subdivisions (2) and (3) of subsection 1 of this section, and  
211 sells or otherwise transfers title of the eligible project to another taxpayer or assignee who  
212 continues the same or substantially similar operations at the eligible project, the director shall  
213 allow the assignee to claim the credits for a period of time to be determined by the director;  
214 except that, the total number of tax periods the tax credits may be earned by the assignor and the  
215 assignee shall not exceed ten. To perfect the transfer, the assignor shall provide written notice  
216 to the director of the assignor's intent to transfer the tax credits to the assignee, the date the  
217 transfer is effective, the assignee's name, address, and the assignee's tax period, and the amount  
218 of tax credits to be transferred.

219           11. For the purpose of the state tax benefits described in this section, in the case of a  
220 corporation described in section 143.471 or partnership, in computing Missouri's tax liability,  
221 such state benefits shall be allowed to the following:

- 222           (1) The shareholders of the corporation described in section 143.471;  
223           (2) The partners of the partnership.

224  
225 The credit provided in this subsection shall be apportioned to the entities described in  
226 subdivisions (1) and (2) of this subsection in proportion to their share of ownership on the last  
227 day of the taxpayer's tax period.

228           12. Notwithstanding any provision of law to the contrary, in any county ~~[of the first~~  
229 ~~classification]~~ that has a charter form of government and that has a population of over nine  
230 hundred thousand inhabitants, all demolition costs incurred during the redevelopment of any  
231 former automobile manufacturing plant shall be allowable costs eligible for tax credits under  
232 sections 447.700 to 447.718 so long as the redevelopment of such former automobile  
233 manufacturing plant shall be projected to create at least two hundred fifty new jobs or at least  
234 three hundred retained jobs, or a combination thereof, as determined by the department of  
235 economic development. The amount of allowable costs eligible for tax credits shall be limited

236 to the least amount necessary to cause the project to occur, as determined by the director of the  
237 department of economic development, provided that no tax credit shall be issued under this  
238 subsection until July 1, 2017. For purposes of this subsection, "former automobile  
239 manufacturing plant" means a redevelopment area that qualifies as an eligible project under  
240 section 447.700, that consists of at least one hundred acres, and that was used primarily for the  
241 manufacture of automobiles but, after 2007, ceased such manufacturing.

242 **13. Under section 23.253 of the Missouri sunset act:**

243 **(1) The provisions of the new program authorized under this section shall**  
244 **automatically sunset on December thirty-first six years after the effective date of this**  
245 **section unless reauthorized by an act of the general assembly;**

246 **(2) If such program is reauthorized, the program authorized under this section**  
247 **shall automatically sunset on December thirty-first six years after the effective date of the**  
248 **reauthorization of this section;**

249 **(3) This section shall terminate on September first of the calendar year immediately**  
250 **following the calendar year in which the program authorized under this section is sunset;**  
251 **and**

252 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
253 **before this section is sunset.**

620.495. 1. This section shall be known as the "Small Business Incubators Act".

2 2. As used in this section, unless the context clearly indicates otherwise, the following  
3 words and phrases shall mean:

4 (1) "Department", the department of economic development;

5 (2) "Incubator", a program in which small units of space may be leased by a tenant and  
6 in which management maintains or provides access to business development services for use by  
7 tenants or a program without infrastructure in which participants avail themselves of business  
8 development services to assist in the growth of their start-up small businesses;

9 (3) "Local sponsor" or "sponsor", an organization which enters into a written agreement  
10 with the department to establish, operate and administer a small business incubator program or  
11 to provide funding to an organization which operates such a program;

12 (4) "Participant", a sole proprietorship, business partnership or corporation operating a  
13 business for profit through which the owner avails himself or herself of business development  
14 services in an incubator program;

15 (5) "Tenant", a sole proprietorship, business partnership or corporation operating a  
16 business for profit and leasing or otherwise occupying space in an incubator.

17 3. There is hereby established under the direction of the department a loan, loan  
18 guarantee and grant program for the establishment, operation and administration of small



19 business incubators, to be known as the "Small Business Incubator Program". A local sponsor  
20 may submit an application to the department to obtain a loan, loan guarantee or grant to establish  
21 an incubator. Each application shall:

22 (1) Demonstrate that a program exists that can be transformed into an incubator at a  
23 specified cost;

24 (2) Demonstrate the ability to directly provide or arrange for the provision of business  
25 development services for tenants and participants of the incubator. These services shall include,  
26 but need not be limited to, financial consulting assistance, management and marketing assistance,  
27 business education, and physical services;

28 (3) Demonstrate a potential for sustained use of the incubator program by eligible tenants  
29 and participants, through a market study or other means;

30 (4) Demonstrate the ability to manage and operate the incubator program;

31 (5) Include such other information as the department may require through its guidelines.

32 4. The department shall review and accept applications based on the following criteria:

33 (1) Ability of the local sponsor to carry out the provisions of this section;

34 (2) Economic impact of the incubator on the community;

35 (3) Conformance with areawide and local economic development plans, if such exist;

36 (4) Location of the incubator, in order to encourage geographic distribution of incubators  
37 across the state.

38 5. Loans, loan guarantees and grants shall be administered in the following manner:

39 (1) Loans awarded or guaranteed and grants awarded shall be used only for the  
40 acquisition and leasing of land and existing buildings, the rehabilitation of buildings or other  
41 facilities, construction of new facilities, the purchase of equipment and furnishings which are  
42 necessary for the creation and operation of the incubator, and business development services  
43 including, but not limited to, business management advising and business education;

44 (2) Loans, loan guarantees and grants may not exceed fifty percent of total eligible  
45 project costs;

46 (3) Payment of interest and principal on loans may be deferred at the discretion of the  
47 department.

48 6. A local sponsor, or the organization receiving assistance through the local sponsor,  
49 shall have the following responsibilities and duties in establishing and operating an incubator  
50 with assistance from the small business incubator program:

51 (1) Secure title on a facility for the program or a lease of a facility for the program;

52 (2) Manage the physical development of the incubator program, including the provision  
53 of common conference or meeting space;

54 (3) Furnish and equip the program to provide business services to the tenants and  
55 participants;

56 (4) Market the program and secure eligible tenants and participants;

57 (5) Provide financial consulting, marketing and management assistance services or  
58 arrange for the provision of these services for tenants and participants of the incubator, including  
59 assistance in accessing private financial markets;

60 (6) Set rental and service fees;

61 (7) Encourage the sharing of ideas between tenants and participants and otherwise aid  
62 the tenants and participants in an innovative manner while they are within the incubator;

63 (8) Establish policies and criteria for the acceptance of tenants and participants into the  
64 incubator and for the termination of occupancy of tenants so as to maximize the opportunity to  
65 succeed for the greatest number of tenants, consistent with those specified in this section.

66 7. The department:

67 (1) May adopt such rules, statements of policy, procedures, forms and guidelines as may  
68 be necessary for the implementation of this section;

69 (2) May make loans, loan guarantees and grants to local sponsors for incubators;

70 (3) Shall ensure that local sponsors receiving loans, loan guarantees or grants meet the  
71 conditions of this section;

72 (4) Shall receive and evaluate annual reports from local sponsors. Such annual reports  
73 shall include, but need not be limited to, a financial statement for the incubator, evidence that  
74 all tenants and participants in the program are eligible under the terms of this section, and a list  
75 of companies in the incubator.

76 8. The department of economic development is also hereby authorized to review any  
77 previous loans made under this program and, where appropriate in the department's judgment,  
78 convert such loans to grant status.

79 9. On or before January first of each year, the department shall provide a report to the  
80 governor, the chief clerk of the house of representatives and the secretary of the senate which  
81 shall include, but need not be limited to:

82 (1) The number of applications for incubators submitted to the department;

83 (2) The number of applications for incubators approved by the department;

84 (3) The number of incubators created through the small business incubator program;

85 (4) The number of tenants and participants engaged in each incubator;

86 (5) The number of jobs provided by each incubator and tenants and participant of each  
87 incubator;

88 (6) The occupancy rate of each incubator;

89           (7) The number of firms still operating in the state after leaving incubators and the  
90 number of jobs they have provided.

91           10. There is hereby established in the state treasury a special fund to be known as the  
92 "Missouri Small Business Incubators Fund", which shall consist of all moneys which may be  
93 appropriated to it by the general assembly, and also any gifts, contributions, grants or bequests  
94 received from federal, private or other sources. Moneys for loans, loan guarantees and grants  
95 under the small business incubator program may be obtained from appropriations made by the  
96 general assembly from the Missouri small business incubators fund. Any moneys remaining in  
97 the Missouri small business incubators fund at the end of any fiscal year shall not lapse to the  
98 general revenue fund, as provided in section 33.080, but shall remain in the Missouri small  
99 business incubators fund.

100           11. For any ~~taxable~~ tax year beginning after December 31, 1989, a taxpayer, including  
101 any charitable organization which is exempt from federal income tax and whose Missouri  
102 unrelated business taxable income, if any, would be subject to the state income tax imposed  
103 under chapter 143, shall be entitled to a tax credit against any tax otherwise due under the  
104 provisions of chapter 143, or chapter 147, or chapter 148, excluding withholding tax imposed  
105 ~~by~~ under sections 143.191 to 143.265, in the amount of fifty percent of any amount contributed  
106 by the taxpayer to the Missouri small business incubators fund during the taxpayer's tax year or  
107 any contribution by the taxpayer to a local sponsor after the local sponsor's application has been  
108 accepted and approved by the department. The tax credit allowed ~~by~~ under this subsection  
109 shall be claimed by the taxpayer at the time he files his return and shall be applied against the  
110 income tax liability imposed ~~by~~ under chapter 143, or chapter 147, or chapter 148, after all  
111 other credits provided by law have been applied. That portion of earned tax credits which  
112 exceeds the taxpayer's tax liability may be carried forward for up to five years. The aggregate  
113 of all tax credits authorized under this section shall not exceed five hundred thousand dollars in  
114 any ~~taxable~~ tax year.

115           12. Notwithstanding any provision of Missouri law to the contrary, any taxpayer may  
116 sell, assign, exchange, convey or otherwise transfer tax credits allowed in subsection 11 of this  
117 section under the terms and conditions prescribed in subdivisions (1) and (2) of this subsection.  
118 Such taxpayer, hereinafter the assignor for the purpose of this subsection, may sell, assign,  
119 exchange or otherwise transfer earned tax credits:

120           (1) For no less than seventy-five percent of the par value of such credits; and

121           (2) In an amount not to exceed one hundred percent of annual earned credits.

122

123           The taxpayer acquiring earned credits, hereinafter the assignee for the purpose of this subsection,  
124 may use the acquired credits to offset up to one hundred percent of the tax liabilities otherwise

125 imposed ~~[by]~~ **under** chapter 143, or chapter 147, or chapter 148 excluding withholding tax  
126 imposed ~~[by]~~ **under** sections 143.191 to 143.265. Unused credits in the hands of the assignee  
127 may be carried forward for up to five years. The assignor shall enter into a written agreement  
128 with the assignee establishing the terms and conditions of the agreement and shall perfect such  
129 transfer by notifying the department of economic development in writing within thirty calendar  
130 days following the effective day of the transfer and shall provide any information as may be  
131 required by the department of economic development to administer and carry out the provisions  
132 of this section. The director of the department of economic development shall prescribe the  
133 method for submitting applications for claiming the tax credit allowed under subsection 11 of  
134 this section and shall, if the application is approved, certify to the director of revenue that the  
135 taxpayer claiming the credit has satisfied all the requirements specified in this section and is  
136 eligible to claim the credit.

137 **13. Under section 23.253 of the Missouri sunset act:**

138 **(1) The provisions of the tax credit authorized under subsection 11 of this section**  
139 **shall automatically sunset on December thirty-first six years after the effective date of this**  
140 **section unless reauthorized by an act of the general assembly;**

141 **(2) If such credit is reauthorized, the credit authorized under subsection 11 of this**  
142 **section shall automatically sunset on December thirty-first six years after the effective date**  
143 **of the reauthorization of this section;**

144 **(3) The provisions of the tax credit shall terminate on September first of the**  
145 **calendar year immediately following the calendar year in which the credit authorized**  
146 **under subsection 11 of this section is sunset; and**

147 **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
148 **before this section is sunset.**

620.650. 1. The sole purpose of each qualified fund is to make investments. One  
2 hundred percent of investments made from qualified contributions shall be qualified investments.

3 2. Any person who makes a qualified contribution to a qualified fund shall receive a tax  
4 credit against the tax otherwise due ~~[pursuant to]~~ **under** chapter 143, chapter 147, or chapter 148,  
5 other than taxes withheld ~~[pursuant to]~~ **under** sections 143.191 to 143.265, in an amount equal  
6 to one hundred percent of such person's qualified contribution.

7 3. Such person shall submit to the department an application for the tax credit on a form  
8 provided by the department. The department shall award tax credits in the order the applications  
9 are received and based upon the strategy approved by the corporation. Tax credits issued  
10 ~~[pursuant to]~~ **under** this section may be claimed for the tax year in which the qualified  
11 contribution is made or in any of the following ten years, and may be assigned, transferred or  
12 sold.

13           4. There is hereby imposed on each qualified fund a tax equal to fifteen percent of the  
14 qualified fund's uninvested capital at the close of such qualified fund's tax year. For purposes  
15 of tax computation, any distribution made by a qualified fund during a tax year is deemed made  
16 at the end of such tax year. Each tax year, every qualified fund shall remit the tax imposed ~~by~~  
17 **under** this section to the director of the department of revenue for deposit in the state treasury  
18 to the credit of the general revenue fund.

19           **5. Under section 23.253 of the Missouri sunset act:**

20           **(1) The provisions of the tax credit authorized under subsection 2 of this section**  
21 **shall automatically sunset on December thirty-first six years after the effective date of this**  
22 **section unless reauthorized by an act of the general assembly;**

23           **(2) If such credit is reauthorized, the credit authorized under subsection 2 of this**  
24 **section shall automatically sunset on December thirty-first six years after the effective date**  
25 **of the reauthorization of this section;**

26           **(3) The provisions of the tax credit shall terminate on September first of the**  
27 **calendar year immediately following the calendar year in which the credit authorized**  
28 **under subsection 2 of this section is sunset; and**

29           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
30 **before this section is sunset.**

620.809. 1. The Missouri community college job training program fund, formerly  
2 established in the state treasury by section 178.896, shall now be known as the "Missouri Works  
3 Community College New Jobs Training Fund" and shall be administered by the department for  
4 the training program. The department of revenue shall credit to the fund, as received, all new  
5 jobs credits. The fund shall also consist of any gifts, contributions, grants, or bequests received  
6 from federal, private, or other sources. The general assembly, however, shall not provide for any  
7 transfer of general revenue funds into the fund. Moneys in the fund shall be disbursed to the  
8 department under regular appropriations by the general assembly. The department shall disburse  
9 such appropriated funds in a timely manner into the special funds established by community  
10 college districts for training projects, which funds shall be used to pay training project costs.  
11 Such disbursements shall be made to the special fund for each training project as provided under  
12 subsection 5 of this section. All moneys remaining in the fund at the end of any fiscal year shall  
13 not lapse to the general revenue fund, as provided in section 33.080, but shall remain in the fund.

14           2. The Missouri community college job retention training program fund, formerly  
15 established in the state treasury by section 178.764, shall now be known as the "Missouri Works  
16 Community College Job Retention Training Fund" and shall be administered by the department  
17 for the Missouri works training program. The department of revenue shall credit to the fund, as  
18 received, all retained jobs credits. The fund shall also consist of any gifts, contributions, grants,

19 or bequests received from federal, private, or other sources. The general assembly, however,  
20 shall not provide for any transfer of general revenue funds into the fund. Moneys in the fund  
21 shall be disbursed to the department under regular appropriations by the general assembly. The  
22 department shall disburse such appropriated funds in a timely manner into the special funds  
23 established by community college districts for projects, which funds shall be used to pay training  
24 program costs, including the principal, premium, and interest on certificates issued by the district  
25 to finance or refinance, in whole or in part, a project. Such disbursements by the department  
26 shall be made to the special fund for each project as provided under subsection 5 of this section.  
27 All moneys remaining in the fund at the end of any fiscal year shall not lapse to the general  
28 revenue fund, as provided in section 33.080, but shall remain in the fund.

29         3. The department of revenue shall develop such forms as are necessary to demonstrate  
30 accurately each qualified company's new jobs credit paid into the Missouri works community  
31 college new jobs training fund or retained jobs credit paid into the Missouri works community  
32 college job retention training fund. The new or retained jobs credits shall be accounted as  
33 separate from the normal withholding tax paid to the department of revenue by the qualified  
34 company. Reimbursements made by all qualified companies to the Missouri works community  
35 college new jobs training fund and the Missouri works community college job retention training  
36 fund shall be no less than all allocations made by the department to all community college  
37 districts for all projects. The qualified company shall remit the amount of the new or retained  
38 jobs credit, as applicable, to the department of revenue in the same manner as provided in  
39 sections 143.191 to 143.265.

40         4. A community college district, with the approval of the department in consultation with  
41 the office of administration, may enter into an agreement to establish a training project and  
42 provide training project services to a qualified company. As soon as possible after initial contact  
43 between a community college district and a potential qualified company regarding the possibility  
44 of entering into an agreement, the district shall inform the department of the potential training  
45 project. The department shall evaluate the proposed training project within the overall job  
46 training efforts of the state to ensure that the training project will not duplicate other job training  
47 programs. The department shall have fourteen days from receipt of a notice of intent to approve  
48 or disapprove a training project. If no response is received by the qualified company within  
49 fourteen days, the training project shall be deemed approved. Disapproval of any training project  
50 shall be made in writing and state the reasons for such disapproval. If an agreement is entered  
51 into, the district and the qualified company shall notify the department of revenue within fifteen  
52 calendar days. In addition to any provisions required under subsection 6 of this section for a  
53 qualified company applying to receive a retained job credit, an agreement may provide, but shall  
54 not be limited to:

55 (1) Payment of training project costs, which may be paid from one or a combination of  
56 the following sources:

57 (a) Funds appropriated by the general assembly to the Missouri works community  
58 college new jobs training program fund or Missouri works community college job retention  
59 training program fund, as applicable, and disbursed by the department for the purposes consistent  
60 with sections 620.800 to 620.809;

61 (b) Funds appropriated by the general assembly from the general revenue fund and  
62 disbursed by the department for the purposes consistent with sections 620.800 to 620.809;

63 (c) Tuition, student fees, or special charges fixed by the board of trustees to defray  
64 training project costs in whole or in part;

65 (2) Payment of training project costs which shall not be deferred for a period longer than  
66 eight years;

67 (3) Costs of on-the-job training for employees which shall include wages or salaries of  
68 participating employees. Payments for on-the-job training shall not exceed the average of fifty  
69 percent of the total wages paid by the qualified company to each participant during the period  
70 of training. Payment for on-the-job training may continue for up to six months from the date the  
71 training begins;

72 (4) A provision which fixes the minimum amount of new or retained jobs credits, general  
73 revenue fund appropriations, or tuition and fee payments which shall be paid for training project  
74 costs; and

75 (5) Any payment required to be made by a qualified company. This payment shall  
76 constitute a lien upon the qualified company's business property until paid, shall have equal  
77 priority with ordinary taxes and shall not be divested by a judicial sale. Property subject to such  
78 lien may be sold for sums due and delinquent at a tax sale, with the same forfeitures, penalties,  
79 and consequences as for the nonpayment of ordinary taxes. The purchasers at tax sale shall  
80 obtain the property subject to the remaining payments.

81 5. (1) For projects that are funded exclusively under paragraph (a) of subdivision (1) of  
82 subsection 4 of this section, the department shall disburse such funds to the special fund for each  
83 training project in the same proportion as the new jobs or retained jobs credits remitted by the  
84 qualified company participating in such project bears to the total new jobs or retained jobs credits  
85 from withholding remitted by all qualified companies participating in projects during the period  
86 for which the disbursement is made.

87 (2) Subject to appropriation, for projects that are funded through a combination of funds  
88 under paragraphs (a) and (b) of subdivision (1) of subsection 4 of this section, the department  
89 shall disburse funds appropriated under paragraph (b) of subdivision (1) of subsection 4 of this  
90 section to the special fund for each training project upon commencement of the project. The

91 department shall disburse funds appropriated under paragraph (a) of subdivision (1) of  
92 subsection 4 of this section to the special fund for each training project in the same proportion  
93 as the new jobs or retained jobs credits remitted by the qualified company participating in such  
94 project bears to the total new jobs or retained jobs credits from withholding remitted by all  
95 qualified companies participating in projects during the period for which the disbursement is  
96 made, reduced by the amount of funds appropriated under paragraph (b) of subdivision (1) of  
97 subsection 4 of this section.

98         6. Any qualified company that submits a notice of intent for retained job credits shall  
99 enter into an agreement, providing that the qualified company has:

100         (1) Maintained at least one hundred full-time employees per year at the project facility  
101 for the calendar year preceding the year in which the application is made;

102         (2) Retained, at the project facility, the same number of employees that existed in the  
103 taxable year immediately preceding the year in which application is made; and

104         (3) Made or agrees to make a new capital investment of greater than five times the  
105 amount of any award under this training program at the project facility over a period of two  
106 consecutive calendar years, as certified by the qualified company and:

107         (a) Has made substantial investment in new technology requiring the upgrading of  
108 employee skills; or

109         (b) Is located in a border county of the state and represents a potential risk of relocation  
110 from the state; or

111         (c) Has been determined to represent a substantial risk of relocation from the state by the  
112 director of the department of economic development.

113         7. If an agreement provides that all or part of the training program costs are to be met by  
114 receipt of new or retained jobs credit, such new or retained jobs credit from withholding shall  
115 be determined and paid as follows:

116         (1) New or retained jobs credit shall be based upon the wages paid to the employees in  
117 the new or retained jobs;

118         (2) A portion of the total payments made by the qualified companies under sections  
119 143.191 to 143.265 shall be designated as the new or retained jobs credit from withholding.  
120 Such portion shall be an amount equal to two and one-half percent of the gross wages paid by  
121 the qualified company for each of the first one hundred jobs included in the project and one and  
122 one-half percent of the gross wages paid by the qualified company for each of the remaining jobs  
123 included in the project. If business or employment conditions cause the amount of the new or  
124 retained jobs credit from withholding to be less than the amount projected in the agreement for  
125 any time period, then other withholding tax paid by the qualified company under sections  
126 143.191 to 143.265 shall be credited to the applicable fund by the amount of such difference.



127 The qualified company shall remit the amount of the new or retained jobs credit to the  
128 department of revenue in the manner prescribed in sections 143.191 to 143.265. When all  
129 training program costs have been paid, the new or retained jobs credits shall cease;

130 (3) The community college district participating in a project shall establish a special fund  
131 for and in the name of the training project. All funds appropriated by the general assembly from  
132 the funds established under subsections 1 and 2 of this section and disbursed by the department  
133 for the training project and other amounts received by the district for training project costs as  
134 required by the agreement shall be deposited in the special fund. Amounts held in the special  
135 fund shall be used and disbursed by the district only to pay training project costs for such training  
136 project. The special fund may be divided into such accounts and subaccounts as shall be  
137 provided in the agreement, and amounts held therein may be invested in the same manner as the  
138 district's other funds;

139 (4) Any disbursement for training project costs received from the department under  
140 sections 620.800 to 620.809 and deposited into the training project's special fund may be  
141 irrevocably pledged by a community college district for the payment of the principal, premium,  
142 and interest on the certificate issued by a community college district to finance or refinance, in  
143 whole or in part, such training project;

144 (5) The qualified company shall certify to the department of revenue that the new or  
145 retained jobs credit is in accordance with an agreement and shall provide other information the  
146 department of revenue may require;

147 (6) An employee participating in a training project shall receive full credit under section  
148 143.211 for the amount designated as a new or retained jobs credit;

149 (7) If an agreement provides that all or part of training program costs are to be met by  
150 receipt of new or retained jobs credit, the provisions of this subsection shall also apply to any  
151 successor to the original qualified company until the principal and interest on the certificates  
152 have been paid.

153 8. To provide funds for the present payment of the training project costs of new or  
154 retained jobs training project through the training program, a community college district may  
155 borrow money and issue and sell certificates payable from a sufficient portion of the future  
156 receipts of payments authorized by the agreement including disbursements from the Missouri  
157 works community college new jobs training fund or the Missouri works community college job  
158 retention training fund, to the special fund established by the district for each project. The total  
159 amount of outstanding certificates sold by all community college districts shall not exceed the  
160 total amount authorized under law as of January 1, 2013, unless an increased amount is  
161 authorized in writing by a majority of members of the committee. The certificates shall be  
162 marketed through financial institutions authorized to do business in Missouri. The receipts shall

be pledged to the payment of principal of and interest on the certificates. Certificates may be sold at public sale or at private sale at par, premium, or discount of not less than ninety-five percent of the par value thereof, at the discretion of the board of trustees, and may bear interest at such rate or rates as the board of trustees shall determine, notwithstanding the provisions of section 108.170 to the contrary. However, the provisions of chapter 176 shall not apply to the issuance of such certificates. Certificates may be issued with respect to a single project or multiple projects and may contain terms or conditions as the board of trustees may provide by resolution authorizing the issuance of the certificates.

9. Certificates issued to refund other certificates may be sold at public sale or at private sale as provided in this section, with the proceeds from the sale to be used for the payment of the certificates being refunded. The refunding certificates may be exchanged in payment and discharge of the certificates being refunded, in installments at different times or an entire issue or series at one time. Refunding certificates may be sold or exchanged at any time on, before, or after the maturity of the outstanding certificates to be refunded. They may be issued for the purpose of refunding a like, greater, or lesser principal amount of certificates and may bear a rate of interest that is higher, lower, or equivalent to that of the certificates being renewed or refunded.

10. Before certificates are issued, the board of trustees shall publish once a notice of its intention to issue the certificates, stating the amount, the purpose, and the project or projects for which the certificates are to be issued. A person with standing may, within fifteen days after the publication of the notice, by action in the circuit court of a county in the district, appeal the decision of the board of trustees to issue the certificates. The action of the board of trustees in determining to issue the certificates shall be final and conclusive unless the circuit court finds that the board of trustees has exceeded its legal authority. An action shall not be brought which questions the legality of the certificates, the power of the board of trustees to issue the certificates, the effectiveness of any proceedings relating to the authorization of the project, or the authorization and issuance of the certificates from and after fifteen days from the publication of the notice of intention to issue.

11. The board of trustees shall make a finding based on information supplied by the qualified company that revenues provided in the agreement are sufficient to secure the faithful performance of obligations in the agreement.

12. Certificates issued under this section shall not be deemed to be an indebtedness of the state, the community college district, or any other political subdivision of the state, and the principal and interest on any certificates shall be payable only from the sources provided in subdivision (1) of subsection 4 of this section which are pledged in the agreement.

13. ~~Pursuant to~~ **Under** section 23.253 of the Missouri sunset act:

199 (1) The program authorized under sections 620.800 to 620.809 shall be reauthorized as  
200 of August 28, ~~[2018]~~ **2019**, and shall expire on August 28, ~~[2030]~~ **2025**; and

201 (2) If such program is reauthorized, the program authorized under sections 620.800 to  
202 620.809 shall automatically sunset ~~[twelve]~~ **six** years after the effective date of the  
203 reauthorization of sections 620.800 to 620.809; and

204 (3) Sections 620.800 to 620.809 shall terminate on September first of the calendar year  
205 immediately following the calendar year in which a program authorized under sections 620.800  
206 to 620.809 is sunset.

620.1039. 1. As used in this section, the term "taxpayer" means an individual, a  
2 partnership, or any charitable organization which is exempt from federal income tax and whose  
3 Missouri unrelated business taxable income, if any, would be subject to the state income tax  
4 imposed under chapter 143, or a corporation as described in section 143.441 or 143.471, or  
5 section 148.370, and the term "qualified research expenses" has the same meaning as prescribed  
6 in 26 U.S.C. 41.

7 2. For tax years beginning on or after January 1, 2001, the director of the department of  
8 economic development may authorize a taxpayer to receive a tax credit against the tax otherwise  
9 due ~~[pursuant to]~~ **under** chapter 143, or chapter 148, other than the taxes withheld ~~[pursuant to]~~  
10 **under** sections 143.191 to 143.265, in an amount up to six and one-half percent of the excess  
11 of the taxpayer's qualified research expenses, as certified by the director of the department of  
12 economic development, within this state during the taxable year over the average of the  
13 taxpayer's qualified research expenses within this state over the immediately preceding three  
14 taxable years; except that, no tax credit shall be allowed on that portion of the taxpayer's  
15 qualified research expenses incurred within this state during the taxable year in which the credit  
16 is being claimed, to the extent such expenses exceed two hundred percent of the taxpayer's  
17 average qualified research expenses incurred during the immediately preceding three taxable  
18 years.

19 3. The director of economic development shall prescribe the manner in which the tax  
20 credit may be applied for. The tax credit authorized by this section may be claimed by the  
21 taxpayer to offset the tax liability imposed by chapter 143 or chapter 148 that becomes due in  
22 the tax year during which such qualified research expenses were incurred. Where the amount  
23 of the credit exceeds the tax liability, the difference between the credit and the tax liability may  
24 only be carried forward for the next five succeeding taxable years or until the full credit has been  
25 claimed, whichever first occurs. The application for tax credits authorized by the director  
26 ~~[pursuant to]~~ **under** subsection 2 of this section shall be made no later than the end of the  
27 taxpayer's tax period immediately following the tax period for which the credits are being  
28 claimed.

29           4. Certificates of tax credit issued ~~[pursuant to]~~ **under** this section may be transferred,  
30 sold or assigned by filing a notarized endorsement thereof with the department which names the  
31 transferee and the amount of tax credit transferred. The director of economic development may  
32 allow a taxpayer to transfer, sell or assign up to forty percent of the amount of the certificates of  
33 tax credit issued to and not claimed by such taxpayer ~~[pursuant to]~~ **under** this section during any  
34 tax year commencing on or after January 1, 1996, and ending not later than December 31, 1999.  
35 Such taxpayer shall file, by December 31, 2001, an application with the department which names  
36 the transferee, the amount of tax credit desired to be transferred, and a certification that the funds  
37 received by the applicant as a result of the transfer, sale or assignment of the tax credit shall be  
38 expended within three years at the state university for the sole purpose of conducting research  
39 activities agreed upon by the department, the taxpayer and the state university. Failure to expend  
40 such funds in the manner prescribed ~~[pursuant to]~~ **under** this section shall cause the applicant  
41 to be subject to the provisions of section 620.017.

42           5. No rule or portion of a rule promulgated under the authority of this section shall  
43 become effective unless it has been promulgated pursuant to the provisions of chapter 536. All  
44 rulemaking authority delegated prior to June 27, 1997, is of no force and effect and repealed;  
45 however, nothing in this section shall be interpreted to repeal or affect the validity of any rule  
46 filed or adopted prior to June 27, 1997, if such rule complied with the provisions of chapter 536.  
47 The provisions of this section and chapter 536 are nonseverable and if any of the powers vested  
48 with the general assembly pursuant to chapter 536, including the ability to review, to delay the  
49 effective date, or to disapprove and annul a rule or portion of a rule, are subsequently held  
50 unconstitutional, then the purported grant of rulemaking authority and any rule so proposed and  
51 contained in the order of rulemaking shall be invalid and void.

52           6. The aggregate of all tax credits authorized ~~[pursuant to]~~ **under** this section shall not  
53 exceed nine million seven hundred thousand dollars in any year.

54           7. For all tax years beginning on or after January 1, 2005, no tax credits shall be  
55 approved, awarded, or issued to any person or entity claiming any tax credit under this section.

56           **8. Under section 23.253 of the Missouri sunset act:**

57           **(1) The provisions of the tax credit program authorized under this section shall**  
58 **automatically sunset on December thirty-first six years after the effective date of this**  
59 **section unless reauthorized by an act of the general assembly;**

60           **(2) If such program is reauthorized, the program authorized under this section**  
61 **shall automatically sunset on December thirty-first six years after the effective date of the**  
62 **reauthorization of this section;**

63           **(3) This section shall terminate on September first of the calendar year immediately**  
64 **following the calendar year in which the program authorized under this section is sunset;**  
65 **and**

66           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
67 **before this section is sunset.**

620.1881. 1. The department of economic development shall respond within thirty days  
2 to a company who provides a notice of intent with either an approval or a rejection of the notice  
3 of intent. The department shall give preference to qualified companies and projects targeted at  
4 an area of the state which has recently been classified as a disaster area by the federal  
5 government. Failure to respond on behalf of the department of economic development shall  
6 result in the notice of intent being deemed an approval for the purposes of this section. A  
7 qualified company who is provided an approval for a project shall be allowed a benefit as  
8 provided in this program in the amount and duration provided in this section. A qualified  
9 company may receive additional periods for subsequent new jobs at the same facility after the  
10 full initial period if the minimum thresholds are met as set forth in sections 620.1875 to  
11 620.1890. There is no limit on the number of periods a qualified company may participate in the  
12 program, as long as the minimum thresholds are achieved and the qualified company provides  
13 the department with the required reporting and is in proper compliance for this program or other  
14 state programs. A qualified company may elect to file a notice of intent to start a new project  
15 period concurrent with an existing project period if the minimum thresholds are achieved and  
16 the qualified company provides the department with the required reporting and is in proper  
17 compliance for this program and other state programs; however, the qualified company may not  
18 receive any further benefit under the original approval for jobs created after the date of the new  
19 notice of intent, and any jobs created before the new notice of intent may not be included as new  
20 jobs for the purpose of benefit calculation in relation to the new approval. When a qualified  
21 company has filed and received approval of a notice of intent and subsequently files another  
22 notice of intent, the department shall apply the definition of project facility under subdivision  
23 (19) of section 620.1878 to the new notice of intent as well as all previously approved notices  
24 of intent and shall determine the application of the definitions of new job, new payroll, project  
25 facility base employment, and project facility base payroll accordingly.

26           2. Notwithstanding any provision of law to the contrary, any qualified company that is  
27 awarded benefits under this program may not simultaneously receive tax credits or exemptions  
28 under sections 135.100 to 135.150, sections 135.200 to 135.286, section 135.535, or sections  
29 135.900 to 135.906 at the same project facility. The benefits available to the company under any  
30 other state programs for which the company is eligible and which utilize withholding tax from  
31 the new jobs of the company must first be credited to the other state program before the

32 withholding retention level applicable under the Missouri quality jobs act will begin to accrue.  
33 These other state programs include, but are not limited to, the Missouri works jobs training  
34 program under sections 620.800 to 620.809, the real property tax increment allocation  
35 redevelopment act, sections 99.800 to 99.865, or the Missouri downtown and rural economic  
36 stimulus act under sections 99.915 to 99.980. If any qualified company also participates in the  
37 Missouri works jobs training program in sections 620.800 to 620.809, the company shall retain  
38 no withholding tax, but the department shall issue a refundable tax credit for the full amount of  
39 benefit allowed under this ~~[subdivision]~~ **subsection**. The calendar year annual maximum amount  
40 of tax credits which may be issued to a qualifying company that also participates in the new job  
41 training program shall be increased by an amount equivalent to the withholding tax retained by  
42 that company under the new jobs training program. However, if the combined benefits of the  
43 quality jobs program and the new jobs training program exceed the projected state benefit of the  
44 project, as determined by the department of economic development through a cost-benefit  
45 analysis, the increase in the maximum tax credits shall be limited to the amount that would not  
46 cause the combined benefits to exceed the projected state benefit. Any taxpayer who is awarded  
47 benefits under this program who knowingly hires individuals who are not allowed to work  
48 legally in the United States shall immediately forfeit such benefits and shall repay the state an  
49 amount equal to any state tax credits already redeemed and any withholding taxes already  
50 retained.

51 3. The types of projects and the amount of benefits to be provided are:

52 (1) Small and expanding business projects: in exchange for the consideration provided  
53 by the new tax revenues and other economic stimuli that will be generated by the new jobs  
54 created by the program, a qualified company may retain an amount equal to the withholding tax  
55 as calculated under subdivision (33) of section 620.1878 from the new jobs that would otherwise  
56 be withheld and remitted by the qualified company under the provisions of sections 143.191 to  
57 143.265 for a period of three years from the date the required number of new jobs were created  
58 if the average wage of the new payroll equals or exceeds the county average wage or for a period  
59 of five years from the date the required number of new jobs were created if the average wage of  
60 the new payroll equals or exceeds one hundred twenty percent of the county average wage;

61 (2) Technology business projects: in exchange for the consideration provided by the new  
62 tax revenues and other economic stimuli that will be generated by the new jobs created by the  
63 program, a qualified company may retain an amount equal to a maximum of five percent of new  
64 payroll for a period of five years from the date the required number of jobs were created from  
65 the withholding tax of the new jobs that would otherwise be withheld and remitted by the  
66 qualified company under the provisions of sections 143.191 to 143.265 if the average wage of  
67 the new payroll equals or exceeds the county average wage. An additional one-half percent of

68 new payroll may be added to the five percent maximum if the average wage of the new payroll  
69 in any year exceeds one hundred twenty percent of the county average wage in the county in  
70 which the project facility is located, plus an additional one-half percent of new payroll may be  
71 added if the average wage of the new payroll in any year exceeds one hundred forty percent of  
72 the average wage in the county in which the project facility is located. The department shall  
73 issue a refundable tax credit For any difference between the amount of benefit allowed under this  
74 subdivision and the amount of withholding tax retained by the company, in the event the  
75 withholding tax is not sufficient to provide the entire amount of benefit due to the qualified  
76 company under this subdivision;

77 (3) High impact projects: in exchange for the consideration provided by the new tax  
78 revenues and other economic stimuli that will be generated by the new jobs created by the  
79 program, a qualified company may retain an amount from the withholding tax of the new jobs  
80 that would otherwise be withheld and remitted by the qualified company under the provisions  
81 of sections 143.191 to 143.265, equal to three percent of new payroll for a period of five years  
82 from the date the required number of jobs were created if the average wage of the new payroll  
83 equals or exceeds the county average wage of the county in which the project facility is located.  
84 For high-impact projects in a facility located within two adjacent counties, the new payroll shall  
85 equal or exceed the higher county average wage of the adjacent counties. The percentage of  
86 payroll allowed under this subdivision shall be three and one-half percent of new payroll if the  
87 average wage of the new payroll in any year exceeds one hundred twenty percent of the county  
88 average wage in the county in which the project facility is located. The percentage of payroll  
89 allowed under this subdivision shall be four percent of new payroll if the average wage of the  
90 new payroll in any year exceeds one hundred forty percent of the county average wage in the  
91 county in which the project facility is located. An additional one percent of new payroll may be  
92 added to these percentages if local incentives equal between ten percent and twenty-four percent  
93 of the new direct local revenue; an additional two percent of new payroll is added to these  
94 percentages if the local incentives equal between twenty-five percent and forty-nine percent of  
95 the new direct local revenue; or an additional three percent of payroll is added to these  
96 percentages if the local incentives equal fifty percent or more of the new direct local revenue.  
97 The department shall issue a refundable tax credit for any difference between the amount of  
98 benefit allowed under this subdivision and the amount of withholding tax retained by the  
99 company, in the event the withholding tax is not sufficient to provide the entire amount of benefit  
100 due to the qualified company under this subdivision;

101 (4) Job retention projects: A qualified company may receive a tax credit for the retention  
102 of jobs in this state, provided the qualified company and the project meets all of the following  
103 conditions:

(a) For each of the twenty-four months preceding the year in which application for the program is made the qualified company must have maintained at least one thousand full-time employees at the employer's site in the state at which the jobs are based, and the average wage of such employees must meet or exceed the county average wage;

(b) The qualified company retained at the project facility the level of full-time employees that existed in the ~~taxable~~ tax year immediately preceding the year in which application for the program is made;

(c) The qualified company is considered to have a significant statewide effect on the economy, and has been determined to represent a substantial risk of relocation from the state by the quality jobs advisory task force established in section 620.1887; provided, however, until such time as the initial at-large members of the quality jobs advisory task force are appointed, this determination shall be made by the director of the department of economic development;

(d) The qualified company in the project facility will cause to be invested a minimum of seventy million dollars in new investment prior to the end of two years or will cause to be invested a minimum of thirty million dollars in new investment prior to the end of two years and maintain an annual payroll of at least seventy million dollars during each of the years for which a credit is claimed; and

(e) The local taxing entities shall provide local incentives of at least fifty percent of the new direct local revenues created by the project over a ten-year period.

The quality jobs advisory task force may recommend to the department of economic development that appropriate penalties be applied to the company for violating the agreement. The amount of the job retention credit granted may be equal to up to fifty percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of five years. The calendar year annual maximum amount of tax credit that may be issued to any qualified company for a job retention project or combination of job retention projects shall be seven hundred fifty thousand dollars per year, but the maximum amount may be increased up to one million dollars if such action is proposed by the department and approved by the quality jobs advisory task force established in section 620.1887; provided, however, until such time as the initial at-large members of the quality jobs advisory task force are appointed, this determination shall be made by the director of the department of economic development. In considering such a request, the task force shall rely on economic modeling and other information supplied by the department when requesting the increased limit on behalf of the job retention project. In no event shall the total amount of all tax credits issued for the entire job retention program under this subdivision exceed three million dollars annually. Notwithstanding the above, no tax credits shall be issued for job retention projects approved by the department after August 30, 2013;



(5) Small business job retention and flood survivor relief: a qualified company may receive a tax credit under sections 620.1875 to 620.1890 for the retention of jobs and flood survivor relief in this state for each job retained over a three-year period, provided that:

(a) The qualified company did not receive any state or federal benefits, incentives, or tax relief or abatement in locating its facility in a flood plain;

(b) The qualified company and related companies have fewer than one hundred employees at the time application for the program is made;

(c) The average wage of the qualified company's and related companies' employees must meet or exceed the county average wage;

(d) All of the qualified company's and related companies' facilities are located in this state;

(e) The facilities at the primary business site in this state have been directly damaged by floodwater rising above the level of a five hundred year flood at least two years, but fewer than eight years, prior to the time application is made;

(f) The qualified company made significant efforts to protect the facilities prior to any impending danger from rising floodwaters;

(g) For each year it receives tax credits under sections 620.1875 to 620.1890, the qualified company and related companies retained, at the company's facilities in this state, at least the level of full-time, year-round employees that existed in the ~~taxable~~ tax year immediately preceding the year in which application for the program is made; and

(h) In the years it receives tax credits under sections 620.1875 to 620.1890, the company cumulatively invests at least two million dollars in capital improvements in facilities and equipment located at such facilities that are not located within a five hundred year flood plain as designated by the Federal Emergency Management Agency, and amended from time to time. The amount of the small business job retention and flood survivor relief credit granted may be equal to up to one hundred percent of the amount of withholding tax generated by the full-time jobs at the project facility for a period of three years. The calendar year annual maximum amount of tax credit that may be issued to any qualified company for a small business job retention and survivor relief project shall be two hundred fifty thousand dollars per year, but the maximum amount may be increased up to five hundred thousand dollars if such action is proposed by the department and approved by the quality jobs advisory task force established in section 620.1887. In considering such a request, the task force shall rely on economic modeling and other information supplied by the department when requesting an increase in the limit on behalf of the small business job retention and flood survivor relief project. In no event shall the total amount of all tax credits issued for the entire small business job retention and flood survivor relief program under this subdivision exceed five hundred thousand dollars annually.

176 Notwithstanding the provisions of this subdivision to the contrary, no tax credits shall be issued  
177 for small business job retention and flood survivor relief projects approved by the department  
178 after August 30, 2010.

179 4. The qualified company shall provide an annual report of the number of jobs and such  
180 other information as may be required by the department to document the basis for the benefits  
181 of this program. The department may withhold the approval of any benefits until it is satisfied  
182 that proper documentation has been provided, and shall reduce the benefits to reflect any  
183 reduction in full-time employees or new payroll. Upon approval by the department, the qualified  
184 company may begin the retention of the withholding taxes when it reaches the minimum number  
185 of new jobs and the average wage exceeds the county average wage. Tax credits, if any, may be  
186 issued upon satisfaction by the department that the qualified company has exceeded the county  
187 average wage and the minimum number of new jobs. In such annual report, if the average wage  
188 is below the county average wage, the qualified company has not maintained the employee  
189 insurance as required, or if the number of new jobs is below the minimum, the qualified  
190 company shall not receive tax credits or retain the withholding tax for the balance of the benefit  
191 period. In the case of a qualified company that initially filed a notice of intent and received an  
192 approval from the department for high-impact benefits and the minimum number of new jobs  
193 in an annual report is below the minimum for high-impact projects, the company shall not  
194 receive tax credits for the balance of the benefit period but may continue to retain the  
195 withholding taxes if it otherwise meets the requirements of a small and expanding business under  
196 this program.

197 5. The maximum calendar year annual tax credits issued for the entire program shall not  
198 exceed eighty million dollars. Notwithstanding any provision of law to the contrary, the  
199 maximum annual tax credits authorized under section 135.535 are hereby reduced from ten  
200 million dollars to eight million dollars, with the balance of two million dollars transferred to this  
201 program. There shall be no limit on the amount of withholding taxes that may be retained by  
202 approved companies under this program.

203 6. The department shall allocate the annual tax credits based on the date of the approval,  
204 reserving such tax credits based on the department's best estimate of new jobs and new payroll  
205 of the project, and the other factors in the determination of benefits of this program. However,  
206 the annual issuance of tax credits is subject to the annual verification of the actual new payroll.  
207 The allocation of tax credits for the period assigned to a project shall expire if, within two years  
208 from the date of commencement of operations, or approval if applicable, the minimum  
209 thresholds have not been achieved. The qualified company may retain authorized amounts from  
210 the withholding tax under this section once the minimum new jobs thresholds are met for the  
211 duration of the project period. No benefits shall be provided under this program until the

qualified company meets the minimum new jobs thresholds. In the event the qualified company does not meet the minimum new job threshold, the qualified company may submit a new notice of intent or the department may provide a new approval for a new project of the qualified company at the project facility or other facilities.

7. For a qualified company with flow-through tax treatment to its members, partners, or shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion to their share of ownership on the last day of the qualified company's tax period.

8. Tax credits may be claimed against taxes otherwise imposed ~~[by]~~ **under** chapters 143 and 148, and may not be carried forward but shall be claimed within one year of the close of the ~~[taxable]~~ **tax** year for which they were issued, except as provided under subdivision (4) of subsection 3 of this section.

9. Tax credits authorized by this section may be transferred, sold, or assigned by filing a notarized endorsement thereof with the department that names the transferee, the amount of tax credit transferred, and the value received for the credit, as well as any other information reasonably requested by the department.

10. Prior to the issuance of tax credits, the department shall verify through the department of revenue, or any other state department, that the tax credit applicant does not owe any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments levied by any state department and through the department of insurance, financial institutions and professional registration that the applicant does not owe any delinquent insurance taxes. Such delinquency shall not affect the authorization of the application for such tax credits, except that at issuance credits shall be first applied to the delinquency and any amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue or the department of insurance, financial institutions and professional registration, or any other state department, concludes that a taxpayer is delinquent after June fifteenth but before July first of any year and the application of tax credits to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all available credits toward a tax delinquency, the administering agency shall notify the appropriate department and that department shall update the amount of outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions of other provisions of law.

11. Except as provided under subdivision (4) of subsection 3 of this section, The director of revenue shall issue a refund to the qualified company to the extent that the amount of credits allowed in this section exceeds the amount of the qualified company's income tax.

248           12. An employee of a qualified company will receive full credit for the amount of tax  
249 withheld as provided in section 143.211.

250           13. If any provision of sections 620.1875 to 620.1890 or application thereof to any  
251 person or circumstance is held invalid, the invalidity shall not affect other provisions or  
252 application of these sections which can be given effect without the invalid provisions or  
253 application, and to this end, the provisions of sections 620.1875 to 620.1890 are hereby declared  
254 severable.

255           **14. Under section 23.253 of the Missouri sunset act:**

256           **(1) The provisions of the tax credits authorized under this section shall**  
257 **automatically sunset on December thirty-first six years after the effective date of this**  
258 **section unless reauthorized by an act of the general assembly;**

259           **(2) If such credit is reauthorized, the program authorized under this section shall**  
260 **automatically sunset on December thirty-first six years after the effective date of the**  
261 **reauthorization of this section;**

262           **(3) The provisions of the tax credit shall terminate on September first of the**  
263 **calendar year immediately following the calendar year in which the credit authorized**  
264 **under this section is sunset; and**

265           **(4) Nothing in this subsection shall prohibit the redemption of tax credits issued**  
266 **before this section is sunset.**

267           620.2020. 1. The department shall respond to a written request, by or on behalf of a  
2 qualified company, for a proposed benefit award under the provisions of this program within five  
3 business days of receipt of such request. Such response shall contain either a proposal of  
4 benefits for the qualified company, or a written response refusing to provide such a proposal and  
5 stating the reasons for such refusal. A qualified company that intends to seek benefits under the  
6 program shall submit to the department a notice of intent. The department shall respond within  
7 thirty days to a notice of intent with an approval or a rejection, provided that the department may  
8 withhold approval or provide a contingent approval until it is satisfied that proper documentation  
9 of eligibility has been provided. Failure to respond on behalf of the department shall result in  
10 the notice of intent being deemed approved. A qualified company receiving approval for  
11 program benefits may receive additional benefits for subsequent new jobs at the same facility  
12 after the full initial project period if the applicable minimum job requirements are met. There  
13 shall be no limit on the number of project periods a qualified company may participate in the  
14 program, and a qualified company may elect to file a notice of intent to begin a new project  
15 period concurrent with an existing project period if the applicable minimum job requirements  
16 are achieved, the qualified company provides the department with the required annual reporting,  
17 and the qualified company is in compliance with this program and any other state programs in

18 which the qualified company is currently or has previously participated. However, the qualified  
19 company shall not receive any further program benefits under the original approval for any new  
20 jobs created after the date of the new notice of intent, and any jobs created before the new notice  
21 of intent shall not be included as new jobs for purposes of the benefit calculation for the new  
22 approval. When a qualified company has filed and received approval of a notice of intent and  
23 subsequently files another notice of intent, the department shall apply the definition of project  
24 facility under subdivision (18) of section 620.2005 to the new notice of intent as well as all  
25 previously approved notices of intent and shall determine the application of the definitions of  
26 new job, new payroll, project facility base employment, and project facility base payroll  
27 accordingly.

28         2. Notwithstanding any provision of law to the contrary, the benefits available to the  
29 qualified company under any other state programs for which the company is eligible and which  
30 utilize withholding tax from the new or retained jobs of the company shall first be credited to the  
31 other state program before the withholding retention level applicable under this program will  
32 begin to accrue. If any qualified company also participates in a job training program utilizing  
33 withholding tax, the company shall retain no withholding tax under this program, but the  
34 department shall issue a refundable tax credit for the full amount of benefit allowed under this  
35 program. The calendar year annual maximum amount of tax credits which may be issued to a  
36 qualifying company that also participates in a job training program shall be increased by an  
37 amount equivalent to the withholding tax retained by that company under a jobs training  
38 program.

39         3. A qualified company receiving benefits under this program shall provide an annual  
40 report of the number of jobs and such other information as may be required by the department  
41 to document the basis for program benefits available no later than ninety days prior to the end  
42 of the qualified company's tax year immediately following the tax year for which the benefits  
43 provided under the program are attributed. In such annual report, if the average wage is below  
44 the applicable percentage of the county average wage, the qualified company has not maintained  
45 the employee insurance as required, or if the number of jobs is below the number required, the  
46 qualified company shall not receive tax credits or retain the withholding tax for the balance of  
47 the project period. Failure to timely file the annual report required under this section shall result  
48 in the forfeiture of tax credits attributable to the year for which the reporting was required and  
49 a recapture of withholding taxes retained by the qualified company during such year.

50         4. The department may withhold the approval of any benefits under this program until  
51 it is satisfied that proper documentation has been provided, and shall reduce the benefits to  
52 reflect any reduction in full-time employees or payroll. Upon approval by the department, the  
53 qualified company may begin the retention of the withholding taxes when it reaches the required

54 number of jobs and the average wage meets or exceeds the applicable percentage of county  
55 average wage. Tax credits, if any, may be issued upon satisfaction by the department that the  
56 qualified company has exceeded the applicable percentage of county average wage and the  
57 required number of jobs.

58         5. Any qualified company approved for benefits under this program shall provide to the  
59 department, upon request, any and all information and records reasonably required to monitor  
60 compliance with program requirements. This program shall be considered a business recruitment  
61 tax credit under subdivision (4) of subsection 2 of section 135.800, and any qualified company  
62 approved for benefits under this program shall be subject to the provisions of sections 135.800  
63 to 135.830.

64         6. Any taxpayer who is awarded benefits under this program who knowingly hires  
65 individuals who are not allowed to work legally in the United States shall immediately forfeit  
66 such benefits and shall repay the state an amount equal to any state tax credits already redeemed  
67 and any withholding taxes already retained.

68         7. The maximum amount of tax credits that may be authorized under this program for  
69 any fiscal year shall be limited as follows, less the amount of any tax credits previously obligated  
70 for that fiscal year under any of the tax credit programs referenced in subsection 13 of this  
71 section:

72             (1) For the fiscal year beginning on July 1, 2013, but ending on or before June 30, 2014,  
73 no more than one hundred six million dollars in tax credits may be authorized;

74             (2) For the fiscal year beginning on July 1, 2014, but ending on or before June 30, 2015,  
75 no more than one hundred eleven million dollars in tax credits may be authorized; and

76             (3) For any fiscal year beginning on or after July 1, 2015, no more than one hundred  
77 sixteen million dollars in tax credits may be authorized for each fiscal year.

78         8. For tax credits for the creation of new jobs under section 620.2010, the department  
79 shall allocate the annual tax credits based on the date of the approval, reserving such tax credits  
80 based on the department's best estimate of new jobs and new payroll of the project, and any other  
81 applicable factors in determining the amount of benefits available to the qualified company under  
82 this program. However, the annual issuance of tax credits shall be subject to annual verification  
83 of actual payroll by the department. Any authorization of tax credits shall expire if, within two  
84 years from the date of commencement of operations, or approval if applicable, the qualified  
85 company has failed to meet the applicable minimum job requirements. The qualified company  
86 may retain authorized amounts from the withholding tax under the project once the applicable  
87 minimum job requirements have been met for the duration of the project period. No benefits  
88 shall be provided under this program until the qualified company meets the applicable minimum  
89 new job requirements. In the event the qualified company does not meet the applicable

90 minimum new job requirements, the qualified company may submit a new notice of intent or the  
91 department may provide a new approval for a new project of the qualified company at the project  
92 facility or other facilities.

93         9. Tax credits provided under this program may be claimed against taxes otherwise  
94 imposed by chapters 143 and 148, and may not be carried forward, but shall be claimed within  
95 one year of the close of the taxable year for which they were issued. Tax credits provided under  
96 this program may be transferred, sold, or assigned by filing a notarized endorsement thereof with  
97 the department that names the transferee, the amount of tax credit transferred, and the value  
98 received for the credit, as well as any other information reasonably requested by the department.  
99 For a qualified company with flow-through tax treatment to its members, partners, or  
100 shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion  
101 to their share of ownership on the last day of the qualified company's tax period.

102         10. Prior to the issuance of tax credits or the qualified company beginning to retain  
103 withholding taxes, the department shall verify through the department of revenue and any other  
104 applicable state department that the tax credit applicant does not owe any delinquent income,  
105 sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments  
106 levied by any state department and through the department of insurance, financial institutions and  
107 professional registration that the applicant does not owe any delinquent insurance taxes or other  
108 fees. Such delinquency shall not affect the approval, except that any tax credits issued shall be  
109 first applied to the delinquency and any amount issued shall be reduced by the applicant's tax  
110 delinquency. If the department of revenue, the department of insurance, financial institutions and  
111 professional registration, or any other state department concludes that a taxpayer is delinquent  
112 after June fifteenth but before July first of any year and the application of tax credits to such  
113 delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be  
114 granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall  
115 be tolled. After applying all available credits toward a tax delinquency, the administering agency  
116 shall notify the appropriate department and that department shall update the amount of  
117 outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all  
118 insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the  
119 applicant, subject to the restrictions of other provisions of law.

120         11. The director of revenue shall issue a refund to the qualified company to the extent  
121 that the amount of tax credits allowed under this program exceeds the amount of the qualified  
122 company's tax liability under chapter 143 or 148.

123         12. An employee of a qualified company shall receive full credit for the amount of tax  
124 withheld as provided in section 143.211.

125           13. Notwithstanding any provision of law to the contrary, beginning August 28, 2013,  
126 no new benefits shall be authorized for any project that had not received from the department a  
127 proposal or approval for such benefits prior to August 28, 2013, under the development tax credit  
128 program created under sections 32.100 to 32.125, the rebuilding communities tax credit program  
129 created under section 135.535, the enhanced enterprise zone tax credit program created under  
130 sections 135.950 to 135.973, and the Missouri quality jobs program created under sections  
131 620.1875 to 620.1890. The provisions of this subsection shall not be construed to limit or impair  
132 the ability of any administering agency to authorize or issue benefits for any project that had  
133 received an approval or a proposal from the department under any of the programs referenced  
134 in this subsection prior to August 28, 2013, or the ability of any taxpayer to redeem any such tax  
135 credits or to retain any withholding tax under an approval issued prior to that date. The  
136 provisions of this subsection shall not be construed to limit or in any way impair the ability of  
137 any governing authority to provide any local abatement or designate a new zone under the  
138 enhanced enterprise zone program created by sections 135.950 to 135.963. Notwithstanding any  
139 provision of law to the contrary, no qualified company that is awarded benefits under this  
140 program shall:

141           (1) Simultaneously receive benefits under the programs referenced in this subsection at  
142 the same capital investment; or

143           (2) Receive benefits under the provisions of section 620.1910 for the same jobs.

144           14. If any provision of sections 620.2000 to 620.2020 or application thereof to any  
145 person or circumstance is held invalid, the invalidity shall not affect other provisions or  
146 application of these sections which can be given effect without the invalid provisions or  
147 application, and to this end, the provisions of sections 620.2000 to 620.2020 are hereby declared  
148 severable.

149           15. By no later than January 1, 2014, and the first day of each calendar quarter thereafter,  
150 the department shall present a quarterly report to the general assembly detailing the benefits  
151 authorized under this program during the immediately preceding calendar quarter to the extent  
152 such information may be disclosed under state and federal law. The report shall include, at a  
153 minimum:

154           (1) A list of all approved and disapproved applicants for each tax credit;

155           (2) A list of the aggregate amount of new or retained jobs that are directly attributable  
156 to the tax credits authorized;

157           (3) A statement of the aggregate amount of new capital investment directly attributable  
158 to the tax credits authorized;



159           (4) Documentation of the estimated net state fiscal benefit for each authorized project  
160 and, to the extent available, the actual benefit realized upon completion of such project or  
161 activity; and

162           (5) The department's response time for each request for a proposed benefit award under  
163 this program.

164           16. The department may adopt such rules, statements of policy, procedures, forms, and  
165 guidelines as may be necessary to carry out the provisions of sections 620.2000 to 620.2020.  
166 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the  
167 authority delegated in this section shall become effective only if it complies with and is subject  
168 to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
169 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant  
170 to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
171 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed  
172 or adopted after August 28, 2013, shall be invalid and void.

173           17. Under section 23.253 of the Missouri sunset act:

174           (1) The provisions of the program authorized under sections 620.2000 to 620.2020 shall  
175 be reauthorized as of August 28, ~~[2018]~~ **2019**, and shall expire on August 28, ~~[2030]~~ **2025**; and

176           (2) If such program is reauthorized, the program authorized under this section shall  
177 automatically sunset ~~[twelve]~~ **six** years after the effective date of this reauthorization of sections  
178 620.2000 to 620.2020; and

179           (3) Sections 620.2000 to 620.2020 shall terminate on September first of the calendar  
180 year immediately following the calendar year in which the program authorized under sections  
181 620.2000 to 620.2020 is sunset.

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