

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for Senate Bill No. 226, Page 1, Section A, Line 2, by
2 inserting after all of said section and line the following:

3
4 "32.110. Any business firm which engages in the activities of providing physical
5 revitalization, economic development, job training or education for individuals, community
6 services, or crime prevention in the state of Missouri shall receive a tax credit as provided in section
7 32.115 if the director of the department of economic development annually approves the proposal of
8 the business firm; except that, no proposal shall be approved which does not have the endorsement
9 of the agency of local government within the area in which the business firm is engaging in such
10 activities which has adopted an overall community or neighborhood development plan that the
11 proposal is consistent with such plan. The proposal shall set forth the program to be conducted, the
12 neighborhood area to be served, why the program is needed, the estimated amount to be contributed
13 to the program and the plans for implementing the program. If, in the opinion of the director of the
14 department of economic development, a business firm's contribution can more consistently with the
15 purposes of sections 32.100 to 32.125 be made through contributions to a neighborhood
16 organization as defined in subdivision (13) of section 32.105, tax credits may be allowed as
17 provided in section 32.115. The director of the department of economic development is hereby
18 authorized to promulgate rules and regulations for establishing criteria for evaluating such proposals
19 by business firms for approval or disapproval and for establishing priorities for approval or
20 disapproval of such proposals by business firms with the assistance and approval of the director of
21 the department of revenue. The total amount of tax credit granted for programs approved pursuant
22 to sections 32.100 to 32.125 shall not exceed fourteen million dollars in fiscal year 1999 ~~and~~ ;
23 twenty-six million dollars in fiscal year 2000, and ~~any subsequent~~ each fiscal year ending on or
24 before June 30, 2021; and thirty million dollars in each fiscal year beginning on or after July 1,
25 2021, except as otherwise provided for proposals approved pursuant to section 32.111, 32.112 or
26 32.117. All tax credits authorized pursuant to the provisions of sections 32.100 to 32.125 may be
27 used as a state match to secure additional federal funding.

28 32.115. 1. The department of revenue shall grant a tax credit, to be applied in the following
29 order until used, against:

- 30 (1) The annual tax on gross premium receipts of insurance companies in chapter 148;
31 (2) The tax on banks determined pursuant to subdivision (2) of subsection 2 of section
32 148.030;
33 (3) The tax on banks determined in subdivision (1) of subsection 2 of section 148.030;
34 (4) The tax on other financial institutions in chapter 148;
35 (5) The corporation franchise tax in chapter 147;
36 (6) The state income tax in chapter 143; and

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1 (7) The annual tax on gross receipts of express companies in chapter 153.

2 2. For proposals approved pursuant to section 32.110:

3 (1) The amount of the tax credit shall not exceed fifty percent of the total amount
4 contributed during the taxable year by the business firm or, in the case of a financial institution,
5 where applicable, during the relevant income period in programs approved pursuant to section
6 32.110;

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

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

15 (a) An area that is not part of a standard metropolitan statistical area;

16 (b) A standard metropolitan statistical area but such county has only one city, town or
17 village which has more than fifteen thousand inhabitants; or

18 (c) A standard metropolitan statistical area and a substantial number of persons in such
19 county derive their income from agriculture.

20
21 Such community may also be in an unincorporated area in such county as provided in subdivision
22 (1), (2) or (3) of this subsection. Except in no case shall the total economic benefit of the combined
23 federal and state tax savings to the taxpayer exceed the amount contributed by the taxpayer during
24 the tax year;

25 (4) Such tax credit allocation, equal to seventy percent of the total amount contributed, shall
26 not exceed four million dollars in fiscal year 1999 ~~and~~, six million dollars in fiscal year 2000, and
27 ten million dollars in fiscal year 2022 and any subsequent fiscal year. When the maximum dollar
28 limit on the seventy percent tax credit allocation is committed, the tax credit allocation for such
29 programs shall then be equal to fifty percent credit of the total amount contributed. Regulations
30 establishing special program priorities are to be promulgated during the first month of each fiscal
31 year and at such times during the year as the public interest dictates. Such credit shall not exceed
32 two hundred and fifty thousand dollars annually except as provided in subdivision (5) of this
33 subsection. No tax credit shall be approved for any bank, bank and trust company, insurance
34 company, trust company, national bank, savings association, or building and loan association for
35 activities that are a part of its normal course of business. Any tax credit not used in the period the
36 contribution was made may be carried over the next five succeeding calendar or fiscal years until
37 the full credit has been claimed. Except as otherwise provided for proposals approved pursuant to
38 section 32.111, 32.112 or 32.117, in no event shall the total amount of all other tax credits allowed
39 pursuant to sections 32.100 to 32.125 exceed ~~[thirty-two]~~ thirty-six million dollars in any one fiscal
40 year, of which six million shall be credits allowed pursuant to section 135.460. If six million dollars
41 in credits are not approved, then the remaining credits may be used for programs approved pursuant
42 to sections 32.100 to 32.125;

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

1 3. For proposals approved pursuant to section 32.111:

2 (1) The amount of the tax credit shall not exceed fifty-five percent of the total amount
3 invested in affordable housing assistance activities or market rate housing in distressed communities
4 as defined in section 135.530 by a business firm. Whenever such investment is made in the form of
5 an equity investment or a loan, as opposed to a donation alone, tax credits may be claimed only
6 where the loan or equity investment is accompanied by a donation which is eligible for federal
7 income tax charitable deduction, and where the total value of the tax credits herein plus the value of
8 the federal income tax charitable deduction is less than or equal to the value of the donation. Any
9 tax credit not used in the period for which the credit was approved may be carried over the next ten
10 succeeding calendar or fiscal years until the full credit has been allowed. If the affordable housing
11 units or market rate housing units in distressed communities for which a tax is claimed are within a
12 larger structure, parts of which are not the subject of a tax credit claim, then expenditures applicable
13 to the entire structure shall be reduced on a prorated basis in proportion to the ratio of the number of
14 square feet devoted to the affordable housing units or market rate housing units in distressed
15 communities, for purposes of determining the amount of the tax credit. The total amount of tax
16 credit granted for programs approved pursuant to section 32.111 for the fiscal year beginning July 1,
17 1991, shall not exceed two million dollars, to be increased by no more than two million dollars each
18 succeeding fiscal year, until the total tax credits that may be approved reaches ten million dollars in
19 any fiscal year;

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

26 (3) In the case of owner-occupied affordable housing units, the qualifying owner occupant
27 shall, before the end of the first year in which credits are claimed, certify to the commission that the
28 occupant is income eligible during the preceding two years, and at the time of the initial purchase
29 contract, but not thereafter. The qualifying owner occupant shall further certify to the commission,
30 before the end of the first year in which credits are claimed, that during the compliance period
31 indicated in the land use restriction agreement, the cost of the affordable housing unit to the
32 occupant for the claimed unit can reasonably be projected to be in compliance with the provisions of
33 sections 32.100 to 32.125. Any succeeding owner occupant acquiring the affordable housing unit
34 during the compliance period indicated in the land use restriction agreement shall make the same
35 certification;

36 (4) If at any time during the compliance period the commission determines a project for
37 which a proposal has been approved is not in compliance with the applicable provisions of sections
38 32.100 to 32.125 or rules promulgated therefor, the commission may within one hundred fifty days
39 of notice to the owner either seek injunctive enforcement action against the owner, or seek legal
40 damages against the owner representing the value of the tax credits, or foreclose on the lien in the
41 land use restriction agreement, selling the project at a public sale, and paying to the owner the
42 proceeds of the sale, less the costs of the sale and less the value of all tax credits allowed herein.
43 The commission shall remit to the director of revenue the portion of the legal damages collected or
44 the sale proceeds representing the value of the tax credits. However, except in the event of
45 intentional fraud by the taxpayer, the proposal's certificate of eligibility for tax credits shall not be
46 revoked.

47 4. For proposals approved pursuant to section 32.112, the amount of the tax credit shall not
48 exceed fifty-five percent of the total amount contributed to a neighborhood organization by business
49 firms. Any tax credit not used in the period for which the credit was approved may be carried over

1 the next ten succeeding calendar or fiscal years until the full credit has been allowed. The total
 2 amount of tax credit granted for programs approved pursuant to section 32.112 shall not exceed one
 3 million dollars for each fiscal year.

4 5. The total amount of tax credits used for market rate housing in distressed communities
 5 pursuant to sections 32.100 to 32.125 shall not exceed thirty percent of the total amount of all tax
 6 credits authorized pursuant to sections 32.111 and 32.112.

7 135.341. 1. As used in this section, the following terms shall mean:

8 (1) "CASA", an entity which receives funding from the court-appointed special advocate
 9 fund established under section 476.777, including an association based in this state, affiliated with a
 10 national association, organized to provide support to entities receiving funding from the court-
 11 appointed special advocate fund;

12 (2) "Child advocacy centers", the regional child assessment centers listed in subsection 2 of
 13 section 210.001, including an association based in this state, affiliated with a national association,
 14 and organized to provide support to entities listed in subsection 2 of section 210.001;

15 (3) "Contribution", the amount of donation to a qualified agency;

16 (4) "Crisis care center", entities contracted with this state which provide temporary care for
 17 children whose age ranges from birth through seventeen years of age whose parents or guardian are
 18 experiencing an unexpected and unstable or serious condition that requires immediate action
 19 resulting in short-term care, usually three to five continuous, uninterrupted days, for children who
 20 may be at risk for child abuse, neglect, or in an emergency situation;

21 (5) "Department", the department of revenue;

22 (6) "Director", the director of the department of revenue;

23 (7) "Qualified agency", CASA, child advocacy centers, or a crisis care center;

24 (8) "Tax liability", the tax due under chapter 143 other than taxes withheld under sections
 25 143.191 to 143.265.

26 2. For all tax years beginning on or after January 1, 2013, a tax credit may be claimed in an
 27 amount equal to up to fifty percent of a verified contribution to a qualified agency and shall be
 28 named the champion for children tax credit. The minimum amount of any tax credit issued shall not
 29 be less than fifty dollars and shall be applied to taxes due under chapter 143, excluding sections
 30 143.191 to 143.265. A contribution verification shall be issued to the taxpayer by the agency
 31 receiving the contribution. Such contribution verification shall include the taxpayer's name, Social
 32 Security number, amount of tax credit, amount of contribution, the name and address of the agency
 33 receiving the credit, and the date the contribution was made. The tax credit provided under this
 34 subsection shall be initially filed for the year in which the verified contribution is made.

35 3. The cumulative amount of the tax credits redeemed shall not exceed one million dollars
 36 for all fiscal years ending on or before June 30, 2019~~, and~~ ; one million five hundred thousand
 37 dollars for all fiscal years beginning on or after July 1, 2019, and ending on or before June 30, 2021;
 38 and three million dollars for all fiscal years beginning on or after July 1, 2021. The amount
 39 available shall be equally divided among the three qualified agencies: CASA, child advocacy
 40 centers, or crisis care centers, to be used towards tax credits issued. In the event tax credits claimed
 41 under one agency do not total the allocated amount for that agency, the unused portion for that
 42 agency will be made available to the remaining agencies equally. In the event the total amount of
 43 tax credits claimed for any one agency exceeds the amount available for that agency, the amount
 44 redeemed shall and will be apportioned equally to all eligible taxpayers claiming the credit under
 45 that agency.

46 4. Prior to December thirty-first of each year, each qualified agency shall apply to the
 47 department of social services in order to verify their qualified agency status. Upon a determination
 48 that the agency is eligible to be a qualified agency, the department of social services shall provide a
 49 letter of eligibility to such agency. No later than February first of each year, the department of

1 social services shall provide a list of qualified agencies to the department of revenue. All tax credit
 2 applications to claim the champion for children tax credit shall be filed between July first and April
 3 fifteenth of each fiscal year. A taxpayer shall apply for the champion for children tax credit by
 4 attaching a copy of the contribution verification provided by a qualified agency to such taxpayer's
 5 income tax return.

6 5. Any amount of tax credit which exceeds the tax due or which is applied for and otherwise
 7 eligible for issuance but not issued shall not be refunded but may be carried over to any subsequent
 8 tax year, not to exceed a total of five years.

9 6. Tax credits may not be assigned, transferred or sold.

10 7. (1) In the event a credit denial, due to lack of available funds, causes a balance-due
 11 notice to be generated by the department of revenue, or any other redeeming agency, the taxpayer
 12 will not be held liable for any penalty or interest, provided the balance is paid, or approved payment
 13 arrangements have been made, within sixty days from the notice of denial.

14 (2) In the event the balance is not paid within sixty days from the notice of denial, the
 15 remaining balance shall be due and payable under the provisions of chapter 143.

16 8. The department may promulgate such rules or regulations as are necessary to administer
 17 the provisions of this section. Any rule or portion of a rule, as that term is defined in section
 18 536.010, that is created under the authority delegated in this section shall become effective only if it
 19 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section
 20 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the
 21 general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and
 22 annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any
 23 rule proposed or adopted after August 28, 2013, shall be invalid and void.

24 9. Pursuant to section 23.253, of the Missouri sunset act:

25 (1) The program authorized under this section shall be reauthorized as of December 31,
 26 2019, and shall expire on December 31, 2025, unless reauthorized by the general assembly; and

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

29 (3) The provisions of this subsection shall not be construed to limit or in any way impair the
 30 department's ability to redeem tax credits authorized on or before the date the program authorized
 31 under this section expires or a taxpayer's ability to redeem such credits.

32 10. Beginning on March 29, 2013, any verified contribution to a qualified agency made on
 33 or after January 1, 2013, shall be eligible for tax credits as provided by this section.

34 135.352. 1. A taxpayer owning an interest in a qualified Missouri project shall, subject to
 35 the limitations provided under the provisions of ~~[subsection]~~ subsections 3 and 4 of this section, be
 36 allowed a state tax credit, whether or not allowed a federal tax credit, to be termed the Missouri low-
 37 income housing tax credit, if the commission issues an eligibility statement for that project. The
 38 amount of Missouri low-income housing tax credits allocated with respect to a qualified project
 39 shall be available to a taxpayer each year for five consecutive tax years beginning with the tax year
 40 in which a qualified project is placed into service.

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

46 3. For all fiscal years beginning on or after July 1, 2021, the aggregate amount of tax credits
 47 authorized in a fiscal year for projects not financed through tax-exempt bond issuance shall not
 48 exceed eighty million dollars.

49 4. For all fiscal years ending on or before June 30, 2021, no more than six million dollars in

1 tax credits shall be authorized each fiscal year for projects financed through tax-exempt bond
2 issuance. For all fiscal years beginning on or after July 1, 2021, no more than two million dollars in
3 tax credits shall be authorized each fiscal year for projects financed through tax-exempt bond
4 issuance.

5 ~~[4.]~~ 5. The Missouri low-income housing tax credit shall be taken against the taxes and in
6 the order specified pursuant to section 32.115. The credit authorized by this section shall not be
7 refundable. Any amount of credit that exceeds the tax due for a taxpayer's taxable year may be
8 carried back to any of the taxpayer's three prior taxable years or carried forward to any of the
9 taxpayer's five subsequent taxable years.

10 ~~[5.]~~ 6. All or any portion of Missouri tax credits issued in accordance with the provisions of
11 sections 135.350 to 135.362 may be allocated to parties who are eligible pursuant to the provisions
12 of subsection 1 of this section. Beginning January 1, 1995, for qualified projects which began on or
13 after January 1, 1994, an owner of a qualified Missouri project shall certify to the director the
14 amount of credit allocated to each taxpayer. The owner of the project shall provide to the director
15 appropriate information so that the low-income housing tax credit can be properly allocated.

16 ~~[6.]~~ 7. In the event that recapture of Missouri low-income housing tax credits is required
17 pursuant to subsection 2 of section 135.355, any statement submitted to the director as provided in
18 this section shall include the proportion of the state credit required to be recaptured, the identity of
19 each taxpayer subject to the recapture and the amount of credit previously allocated to such
20 taxpayer.

21 ~~[7.]~~ 8. The director of the department may promulgate rules and regulations necessary to
22 administer the provisions of this section. No rule or portion of a rule promulgated pursuant to the
23 authority of this section shall become effective unless it has been promulgated pursuant to the
24 provisions of section 536.024.

25 9. To aid in awarding credits under this section, the commission shall establish an evaluation
26 rubric and score applicants for qualified Missouri projects against the rubric. The evaluation rubric
27 shall include a component and score for applications that provide documentation to the commission
28 demonstrating the applicant received competitive bids for the tax credits. The commission may
29 authorize a preference for minority groups or women as part of a point system or rubric. The
30 commission shall publish the rubric before it accepts applications and shall publish the scored rubric
31 for each application.

32 135.365. Under section 23.253 of the Missouri sunset act:

33 (1) The provisions of the program authorized under sections 135.350 to 135.363 shall
34 automatically sunset on December thirty-first six years after August 28, 2021, unless reauthorized
35 by an act of the general assembly;

36 (2) If such program is reauthorized, the program authorized under sections 135.350 to
37 135.363 shall automatically sunset on December thirty-first six years after the effective date of the
38 reauthorization of sections 135.350 to 135.363;

39 (3) This section shall terminate on September first of the calendar year immediately
40 following the calendar year in which the program authorized under sections 135.350 to 135.363 is
41 sunset; and

42 (4) The provisions of this section shall not be construed to limit or in any way impair the
43 department's ability to issue tax credits authorized on or before the date the program authorized
44 under sections 135.350 to 135.363 expires or a taxpayer's ability to redeem such tax credits.

45 135.460. 1. This section and sections 620.1100 and 620.1103 shall be known and may be
46 cited as the "Youth Opportunities and Violence Prevention Act".

47 2. As used in this section, the term "taxpayer" shall include corporations as defined in
48 section 143.441 or 143.471, any charitable organization which is exempt from federal income tax
49 and whose Missouri unrelated business taxable income, if any, would be subject to the state income

1 tax imposed under chapter 143, and individuals, individual proprietorships and partnerships.

2 3. A taxpayer shall be allowed a tax credit against the tax otherwise due pursuant to chapter
3 143, excluding withholding tax imposed by sections 143.191 to 143.265, chapter 147, chapter 148,
4 or chapter 153 in an amount equal to thirty percent for property contributions and fifty percent for
5 monetary contributions of the amount such taxpayer contributed to the programs described in
6 subsection 5 of this section, not to exceed two hundred thousand dollars per taxable year, per
7 taxpayer, for each fiscal year ending on or before June 30, 2021, and five hundred thousand dollars
8 per tax year, per taxpayer, for each fiscal year beginning on or after July 1, 2021; except as
9 otherwise provided in subdivision (5) of subsection 5 of this section. The department of economic
10 development shall prescribe the method for claiming the tax credits allowed in this section. No rule
11 or portion of a rule promulgated under the authority of this section shall become effective unless it
12 has been promulgated pursuant to the provisions of chapter 536. All rulemaking authority delegated
13 prior to June 27, 1997, is of no force and effect and repealed; however, nothing in this section shall
14 be interpreted to repeal or affect the validity of any rule filed or adopted prior to June 27, 1997, if
15 such rule complied with the provisions of chapter 536. The provisions of this section and chapter
16 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter
17 536, including the ability to review, to delay the effective date, or to disapprove and annul a rule or
18 portion of a rule, are subsequently held unconstitutional, then the purported grant of rulemaking
19 authority and any rule so proposed and contained in the order of rulemaking shall be invalid and
20 void.

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

24 5. The tax credit allowed by this section may only be claimed for monetary or property
25 contributions to public or private programs authorized to participate pursuant to this section by the
26 department of economic development and may be claimed for the development, establishment,
27 implementation, operation, and expansion of the following activities and programs:

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

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

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

35 (4) New or existing youth clubs or associations;

36 (5) Employment/internship/apprenticeship programs in business or trades for persons less
37 than twenty years of age, in which case the tax credit claimed pursuant to this section shall be equal
38 to one-half of the amount paid to the intern or apprentice in that tax year, except that such credit
39 shall not exceed ten thousand dollars per person for each fiscal year ending on or before June 30,
40 2021, and twenty thousand dollars per person for each fiscal year beginning on or after July 1, 2021;

41 (6) Mentor and role model programs;

42 (7) Drug and alcohol abuse prevention training programs for youth;

43 (8) Donation of property or equipment of the taxpayer to schools, including schools which
44 primarily educate children who have been expelled from other schools, or donation of the same to
45 municipalities, or not-for-profit corporations or other not-for-profit organizations which offer
46 programs dedicated to youth violence prevention as authorized by the department;

47 (9) Not-for-profit, private or public youth activity centers;

48 (10) Nonviolent conflict resolution and mediation programs;

49 (11) Youth outreach and counseling programs.

1 6. Any program authorized in subsection 5 of this section shall, at least annually, submit a
2 report to the department of economic development outlining the purpose and objectives of such
3 program, the number of youth served, the specific activities provided pursuant to such program, the
4 duration of such program and recorded youth attendance where applicable.

5 7. The department of economic development shall, at least annually submit a report to the
6 Missouri general assembly listing the organizations participating, services offered and the number of
7 youth served as the result of the implementation of this section.

8 8. The tax credit allowed by this section shall apply to all taxable years beginning after
9 December 31, 1995.

10 9. For the purposes of the credits described in this section, in the case of a corporation
11 described in section 143.471, partnership, limited liability company described in section 347.015,
12 cooperative, marketing enterprise, or partnership, in computing Missouri's tax liability, such credits
13 shall be allowed to the following:

- 14 (1) The shareholders of the corporation described in section 143.471;
- 15 (2) The partners of the partnership;
- 16 (3) The members of the limited liability company; and
- 17 (4) Individual members of the cooperative or marketing enterprise.

18
19 Such credits shall be apportioned to the entities described in subdivisions (1) and (2) of this
20 subsection in proportion to their share of ownership on the last day of the taxpayer's tax period.

21 135.621. 1. As used in this section, the following terms mean:

22 (1) "Contribution", a donation of cash, stock, bonds, other marketable securities, or real
23 property;

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

25 (3) "Diaper bank", a nonprofit entity located in this state established and operating primarily
26 for the purpose of collecting or purchasing disposable diapers or other hygiene products for infants,
27 children, or incontinent adults and that regularly distributes such diapers or other hygiene products
28 through two or more schools, health care facilities, governmental agencies, or other nonprofit
29 entities for eventual distribution to individuals free of charge;

30 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
31 withholding tax imposed under sections 143.191 to 143.265, or otherwise due under chapter 148 or
32 153;

33 (5) "Taxpayer", a person, firm, partner in a firm, corporation, or shareholder in an S
34 corporation doing business in the state of Missouri and subject to the state income tax imposed
35 under chapter 143; an insurance company paying an annual tax on its gross premium receipts in this
36 state; any other financial institution paying taxes to the state of Missouri or any political subdivision
37 of this state under chapter 148; an express company that pays an annual tax on its gross receipts in
38 this state under chapter 153; an individual subject to the state income tax under chapter 143; or any
39 charitable organization that is exempt from federal income tax and whose Missouri unrelated
40 business taxable income, if any, would be subject to the state income tax imposed under chapter
41 143.

42 2. For all fiscal years beginning on or after July 1, 2019, a taxpayer shall be allowed to
43 claim a tax credit against the taxpayer's state tax liability in an amount equal to fifty percent of the
44 amount of such taxpayer's contributions to a diaper bank.

45 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state
46 tax liability for the tax year for which the credit is claimed, and such taxpayer shall not be allowed
47 to claim a tax credit in excess of fifty thousand dollars per tax year. However, any tax credit that
48 cannot be claimed in the tax year the contribution was made may be carried over only to the next
49 subsequent tax year. No tax credit issued under this section shall be assigned, transferred, or sold.

1 4. Except for any excess credit that is carried over under subsection 3 of this section, no
2 taxpayer shall be allowed to claim a tax credit unless the taxpayer contributes at least one hundred
3 dollars to one or more diaper banks during the tax year for which the credit is claimed.

4 5. The department shall determine, at least annually, which entities in this state qualify as
5 diaper banks. The department may require of an entity seeking to be classified as a diaper bank any
6 information which is reasonably necessary to make such a determination. The department shall
7 classify an entity as a diaper bank if such entity satisfies the definition under subsection 1 of this
8 section.

9 6. The department shall establish a procedure by which a taxpayer can determine if an entity
10 has been classified as a diaper bank.

11 7. Diaper banks may decline a contribution from a taxpayer.

12 8. The cumulative amount of tax credits that may be claimed by all the taxpayers
13 contributing to diaper banks ~~[in any one]~~ for each fiscal year ending on or before June 30, 2021,
14 shall not exceed five hundred thousand dollars. The cumulative amount of tax credits that may be
15 claimed by all the taxpayers contributing to diaper banks for each fiscal year beginning on or after
16 July 1, 2021, shall not exceed two million dollars. Tax credits shall be issued in the order
17 contributions are received. If the amount of tax credits redeemed in a tax year is less than ~~[five~~
18 ~~hundred thousand dollars]~~ the cumulative amount allowed under this subsection, the difference shall
19 be added to the cumulative limit created under this subsection for the next fiscal year and carried
20 over to subsequent fiscal years until claimed.

21 9. The department shall establish a procedure by which, from the beginning of the fiscal
22 year until some point in time later in the fiscal year to be determined by the department, the
23 cumulative amount of tax credits are equally apportioned among all entities classified as diaper
24 banks. If a diaper bank fails to use all, or some percentage to be determined by the department, of
25 its apportioned tax credits during this predetermined period of time, the department may reapportion
26 such unused tax credits to diaper banks that have used all, or some percentage to be determined by
27 the department, of their apportioned tax credits during this predetermined period of time. The
28 department may establish multiple periods each fiscal year and reapportion accordingly. To the
29 maximum extent possible, the department shall establish the procedure described under this
30 subsection in such a manner as to ensure that taxpayers can claim as many of the tax credits as
31 possible, up to the cumulative limit created under subsection 8 of this section.

32 10. Each diaper bank shall provide information to the department concerning the identity of
33 each taxpayer making a contribution and the amount of the contribution. The department shall
34 provide the information to the department of revenue. The department shall be subject to the
35 confidentiality and penalty provisions of section 32.057 relating to the disclosure of tax information.

36 11. Under section 23.253 of the Missouri sunset act:

37 (1) The provisions of the program authorized under this section shall automatically sunset
38 on December thirty-first six years after August 28, 2018, unless reauthorized by an act of the general
39 assembly;

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

45 (4) The provisions of this subsection shall not be construed to limit or in any way impair the
46 department's ability to issue tax credits authorized on or before the date the program authorized
47 under this section expires or a taxpayer's ability to redeem such tax credits.

48 135.630. 1. As used in this section, the following terms mean:

49 (1) "Contribution", a donation of cash, stock, bonds, or other marketable securities, or real

1 property;

2 (2) "Director", the director of the department of social services;

3 (3) "Pregnancy resource center", a nonresidential facility located in this state:

4 (a) Established and operating primarily to provide assistance to women and families with
5 crisis pregnancies or unplanned pregnancies by offering pregnancy testing, counseling, emotional
6 and material support, and other similar services or by offering services as described under
7 subsection 2 of section 188.325, to encourage and assist such women and families in carrying their
8 pregnancies to term; and

9 (b) Where childbirths are not performed; and

10 (c) Which does not perform, induce, or refer for abortions and which does not hold itself out
11 as performing, inducing, or referring for abortions; and

12 (d) Which provides direct client services at the facility, as opposed to merely providing
13 counseling or referral services by telephone; and

14 (e) Which provides its services at no cost to its clients; and

15 (f) When providing medical services, such medical services must be performed in
16 accordance with Missouri statute; and

17 (g) Which is exempt from income taxation pursuant to the Internal Revenue Code of 1986,
18 as amended;

19 (4) "State tax liability", in the case of a business taxpayer, any liability incurred by such
20 taxpayer pursuant to the provisions of chapters 143, 147, 148, and 153, excluding sections 143.191
21 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability incurred by
22 such taxpayer pursuant to the provisions of chapter 143, excluding sections 143.191 to 143.265 and
23 related provisions;

24 (5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a shareholder in an S
25 corporation doing business in the state of Missouri and subject to the state income tax imposed by
26 the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax
27 imposed by the provisions of chapter 147, or an insurance company paying an annual tax on its
28 gross premium receipts in this state, or other financial institution paying taxes to the state of
29 Missouri or any political subdivision of this state pursuant to the provisions of chapter 148, or an
30 express company which pays an annual tax on its gross receipts in this state pursuant to chapter 153,
31 or an individual subject to the state income tax imposed by the provisions of chapter 143, or any
32 charitable organization which is exempt from federal income tax and whose Missouri unrelated
33 business taxable income, if any, would be subject to the state income tax imposed under chapter
34 143.

35 2. (1) Beginning on March 29, 2013, any contribution to a pregnancy resource center made
36 on or after January 1, 2013, shall be eligible for tax credits as provided by this section.

37 (2) For all tax years beginning on or after January 1, 2007, and ending on or before
38 December 31, 2020, a taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
39 liability in an amount equal to fifty percent of the amount such taxpayer contributed to a pregnancy
40 resource center. For all tax years beginning on or after January 1, 2021, a taxpayer shall be allowed
41 to claim a tax credit against the taxpayer's state tax liability in an amount equal to seventy percent of
42 the amount such taxpayer contributed to a pregnancy resource center.

43 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state
44 tax liability for the tax year for which the credit is claimed, and such taxpayer shall not be allowed
45 to claim a tax credit in excess of fifty thousand dollars per tax year for each fiscal year ending on or
46 before June 30, 2021, and one hundred thousand dollars per tax year for each fiscal year beginning
47 on or after July 1, 2021. However, any tax credit that cannot be claimed in the tax year the
48 contribution was made may be carried over only to the next succeeding tax year. No tax credit
49 issued under this section shall be assigned, transferred, or sold.

1 4. Except for any excess credit which is carried over pursuant to subsection 3 of this section,
2 a taxpayer shall not be allowed to claim a tax credit unless the total amount of such taxpayer's
3 contribution or contributions to a pregnancy resource center or centers in such taxpayer's tax year
4 has a value of at least one hundred dollars.

5 5. The director shall determine, at least annually, which facilities in this state may be
6 classified as pregnancy resource centers. The director may require of a facility seeking to be
7 classified as a pregnancy resource center whatever information which is reasonably necessary to
8 make such a determination. The director shall classify a facility as a pregnancy resource center if
9 such facility meets the definition set forth in subsection 1 of this section.

10 6. The director shall establish a procedure by which a taxpayer can determine if a facility
11 has been classified as a pregnancy resource center. Pregnancy resource centers shall be permitted to
12 decline a contribution from a taxpayer. The cumulative amount of tax credits which may be claimed
13 by all the taxpayers contributing to pregnancy resource centers in any one fiscal year shall not
14 exceed two million dollars for all fiscal years ending on or before June 30, 2014, and two million
15 five hundred thousand dollars for all fiscal years beginning on or after July 1, 2014, and ending on
16 or before June 30, 2019, and three million five hundred thousand dollars for all fiscal years
17 beginning on or after July 1, 2019, and ending on or before June 30, 2021. For all fiscal years
18 beginning on or after July 1, 2021, there shall be no limit imposed on the cumulative amount of tax
19 credits that may be claimed by all taxpayers contributing to pregnancy resource centers under the
20 provisions of this section. Tax credits shall be issued in the order contributions are received. If the
21 amount of tax credits redeemed in a fiscal year is less than the cumulative amount authorized under
22 this subsection, the difference shall be carried over to a subsequent fiscal year or years and shall be
23 added to the cumulative amount of tax credits that may be authorized in that fiscal year or years.

24 7. For all fiscal years ending on or before June 30, 2021, the director shall establish a
25 procedure by which, from the beginning of the fiscal year until some point in time later in the fiscal
26 year to be determined by the director, the cumulative amount of tax credits are equally apportioned
27 among all facilities classified as pregnancy resource centers. If a pregnancy resource center fails to
28 use all, or some percentage to be determined by the director, of its apportioned tax credits during
29 this predetermined period of time, the director may reapportion these unused tax credits to those
30 pregnancy resource centers that have used all, or some percentage to be determined by the director,
31 of their apportioned tax credits during this predetermined period of time. The director may establish
32 more than one period of time and reapportion more than once during each fiscal year. To the
33 maximum extent possible, the director shall establish the procedure described in this subsection in
34 such a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative
35 amount of tax credits available for the fiscal year.

36 8. Each pregnancy resource center shall provide information to the director concerning the
37 identity of each taxpayer making a contribution to the pregnancy resource center who is claiming a
38 tax credit pursuant to this section and the amount of the contribution. The director shall provide the
39 information to the director of revenue. The director shall be subject to the confidentiality and
40 penalty provisions of section 32.057 relating to the disclosure of tax information.

41 9. The provisions of section 23.253 shall not apply to this section.

42 135.647. 1. As used in this section, the following terms shall mean:

43 (1) "Local food pantry", any food pantry that is:

44 (a) Exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as
45 amended; and

46 (b) Distributing emergency food supplies to Missouri low-income people who would
47 otherwise not have access to food supplies in the area in which the taxpayer claiming the tax credit
48 under this section resides;

49 (2) "Local homeless shelter", any homeless shelter that is:

1 (a) Exempt from taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as
2 amended; and

3 (b) Providing temporary living arrangements, in the area in which the taxpayer claiming the
4 tax credit under this section resides, for individuals and families who otherwise lack a fixed, regular,
5 and adequate nighttime residence and lack the resources or support networks to obtain other
6 permanent housing;

7 (3) "Local soup kitchen", any soup kitchen that is:

8 (a) Exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as
9 amended; and

10 (b) Providing prepared meals through an established congregate feeding operation to needy,
11 low-income persons including, but not limited to, homeless persons in the area in which the
12 taxpayer claiming the tax credit under this section resides;

13 (4) "Taxpayer", an individual, a firm, a partner in a firm, corporation, or a shareholder in an
14 S corporation doing business in this state and subject to the state income tax imposed by chapter
15 143, excluding withholding tax imposed by sections 143.191 to 143.265.

16 2. (1) Beginning on March 29, 2013, any donation of cash or food made to a local food
17 pantry on or after January 1, 2013, unless such food is donated after the food's expiration date, shall
18 be eligible for tax credits as provided by this section.

19 (2) Beginning on August 28, 2018, any donation of cash or food made to a local soup
20 kitchen or local homeless shelter on or after January 1, 2018, unless such food is donated after the
21 food's expiration date, shall be eligible for a tax credit as provided under this section.

22 (3) Any taxpayer who makes a donation that is eligible for a tax credit under this section
23 shall be allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax
24 imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of the value of the
25 donations made to the extent such amounts that have been subtracted from federal adjusted gross
26 income or federal taxable income are added back in the determination of Missouri adjusted gross
27 income or Missouri taxable income before the credit can be claimed. Each taxpayer claiming a tax
28 credit under this section shall file an affidavit with the income tax return verifying the amount of
29 their contributions. The amount of the tax credit claimed shall not exceed the amount of the
30 taxpayer's state tax liability for the tax year that the credit is claimed and shall not exceed two
31 thousand five hundred dollars per taxpayer claiming the credit. Any amount of credit that the
32 taxpayer is prohibited by this section from claiming in a tax year shall not be refundable, but may be
33 carried forward to any of the taxpayer's three subsequent tax years. No tax credit granted under this
34 section shall be transferred, sold, or assigned. No taxpayer shall be eligible to receive a credit
35 pursuant to this section if such taxpayer employs persons who are not authorized to work in the
36 United States under federal law. No taxpayer shall be able to claim more than one credit under this
37 section for a single donation.

38 3. The cumulative amount of tax credits under this section which may be allocated to all
39 taxpayers contributing to a local food pantry, local soup kitchen, or local homeless shelter ~~in any~~
40 ~~one~~ for each fiscal year ending on or before June 30, 2021, shall not exceed one million seven
41 hundred fifty thousand dollars. The cumulative amount of tax credits under this section that may be
42 allocated to all taxpayers contributing to a local food pantry, local soup kitchen, or local homeless
43 shelter for each fiscal year beginning on or after July 1, 2021, shall not exceed four million dollars.
44 The director of revenue shall establish a procedure by which the cumulative amount of tax credits is
45 apportioned among all taxpayers claiming the credit by April fifteenth of the fiscal year in which the
46 tax credit is claimed. To the maximum extent possible, the director of revenue shall establish the
47 procedure described in this subsection in such a manner as to ensure that taxpayers can claim all the
48 tax credits possible up to the cumulative amount of tax credits available for the fiscal year.

49 4. Any local food pantry, local soup kitchen, or local homeless shelter may accept or reject

1 any donation of food made under this section for any reason. For purposes of this section, any
 2 donations of food accepted by a local food pantry, local soup kitchen, or local homeless shelter shall
 3 be valued at fair market value, or at wholesale value if the taxpayer making the donation of food is a
 4 retail grocery store, food broker, wholesaler, or restaurant.

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

13 6. Under section 23.253 of the Missouri sunset act:

14 (1) The program authorized under this section shall be reauthorized as of August 28, 2018,
 15 and shall expire on December 31, 2026, unless reauthorized by the general assembly; and

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

18 (3) The provisions of this subsection shall not be construed to limit or in any way impair a
 19 taxpayer's ability to redeem tax credits authorized on or before the date the program authorized
 20 under this section expires.

21 135.679. 1. This section shall be known and may be cited as the "Qualified Beef Tax Credit
 22 Act".

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

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

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

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

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

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

33 (4) "Baseline weight", the average weight in the immediate past two years of all beef
 34 animals sold that are thirty months of age or younger, categorized by sex. Baseline weight for
 35 qualified beef animals that are physically out-of-state but whose ownership is retained by a resident
 36 of this state shall be established by the average transfer weight in the immediate past two years of all
 37 beef animals that are thirty months of age or younger and that are transferred out-of-state but whose
 38 ownership is retained by a resident of this state, categorized by sex. The established baseline weight
 39 shall be effective for a period of three years. If the taxpayer is a qualifying beef animal producer
 40 with fewer than two years of production, the baseline weight shall be established by the available
 41 average weight in the immediate past year of all beef animals sold that are thirty months of age or
 42 younger, categorized by sex. If the qualifying beef animal producer has no previous production, the
 43 baseline weight shall be established by the authority;

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

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

49 (7) "Qualifying sale", the first time a qualifying beef animal is sold in this state after the

1 qualifying beef animal is backgrounded, and a subsequent sale if the weight of the qualifying beef
 2 animal at the time of the subsequent sale is greater than the weight of the qualifying beef animal at
 3 the time of the first qualifying sale of such beef animal;

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

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

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

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

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

13 3. (1) For all tax years beginning on or after January 1, 2009, but ending on or before
 14 December 31, 2021, a taxpayer shall be allowed a tax credit for the first qualifying sale and for a
 15 subsequent qualifying sale of all qualifying beef animals.

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

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

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

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

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

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

37
 38 The authority may waive no more than twenty-five percent of the one-hundred-pound weight gain
 39 requirement, but any such waiver shall be based on a disaster declaration issued by the U.S.
 40 Department of Agriculture.

41 4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state
 42 tax liability for the tax year for which the credit is claimed. No tax credit claimed under this section
 43 shall be refundable. The tax credit shall be claimed in the tax year in which the qualifying sale of
 44 the qualifying beef occurred, but any amount of credit that the taxpayer is prohibited by this section
 45 from claiming in a tax year may be carried forward to any of the taxpayer's four subsequent tax
 46 years. The total amount of tax credits that any taxpayer may claim shall not exceed fifteen thousand
 47 dollars per year. No taxpayer shall be allowed to claim tax credits under this section for more than
 48 three years. The amount of tax credits that may be issued to all eligible applicants claiming tax
 49 credits authorized in this section and section 135.686 ~~[in a calendar]~~ for each fiscal year ending on

1 or before June 30, 2021, shall not exceed two million dollars. The amount of tax credits that may be
2 issued to all eligible applicants claiming tax credits authorized in this section and section 135.686
3 for each fiscal year beginning on or after July 1, 2021, shall not exceed four million dollars. Tax
4 credits shall be issued on an as-received application basis until the calendar year limit is reached.
5 Any credits not issued in any calendar year shall expire and shall not be issued in any subsequent
6 years.

7 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the
8 authority an application for the tax credit on a form provided by the authority and any application
9 fee imposed by the authority. The application shall be filed with the authority at the end of each
10 calendar year in which a qualified sale was made and for which a tax credit is claimed under this
11 section. The application shall include any certified documentation and information required by the
12 authority. All required information obtained by the authority shall be confidential and not disclosed
13 except by court order, subpoena, or as otherwise provided by law. If the taxpayer and the qualified
14 sale meet all criteria required by this section and approval is granted by the authority, the authority
15 shall issue a tax credit certificate in the appropriate amount. Tax credit certificates issued under this
16 section may be assigned, transferred, sold, or otherwise conveyed, and the new owner of the tax
17 credit certificate shall have the same rights in the tax credit as the original taxpayer. Whenever a tax
18 credit certificate is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall
19 be filed with the authority specifying the name and address of the new owner of the tax credit
20 certificate or the value of the tax credit.

21 6. Any information provided under this section shall be confidential information, to be
22 shared with no one except state and federal animal health officials, except as provided in subsection
23 5 of this section.

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

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

34 9. This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298.

35 135.686. 1. This section shall be known and may be cited as the "Meat Processing Facility
36 Investment Tax Credit Act".

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

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

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

43 (3) "Meat processing modernization or expansion", constructing, improving, or acquiring
44 buildings or facilities, or acquiring equipment for meat processing including the following, if used
45 exclusively for meat processing and if acquired and placed in service in this state during tax years
46 beginning on or after January 1, 2017, but ending on or before December 31, ~~2024~~ 2027:

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

49 (b) Building additions;

- 1 (c) Upgrades to utilities including water, electric, heat, refrigeration, freezing, and waste
2 facilities;
- 3 (d) Livestock intake and storage equipment;
- 4 (e) Processing and manufacturing equipment including cutting equipment, mixers, grinders,
5 sausage stuffers, meat smokers, curing equipment, cooking equipment, pipes, motors, pumps, and
6 valves;
- 7 (f) Packaging and handling equipment including sealing, bagging, boxing, labeling,
8 conveying, and product movement equipment;
- 9 (g) Warehouse equipment including storage and curing racks;
- 10 (h) Waste treatment and waste management equipment including tanks, blowers, separators,
11 dryers, digesters, and equipment that uses waste to produce energy, fuel, or industrial products;
- 12 (i) Computer software and hardware used for managing the claimant's meat processing
13 operation including software and hardware related to logistics, inventory management, production
14 plant controls, and temperature monitoring controls; and
- 15 (j) Construction or expansion of retail facilities or the purchase or upgrade of retail
16 equipment for the commercial sale of meat products if the retail facility is located at the same
17 location as the meat processing facility;
- 18 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
19 withholding tax imposed under sections 143.191 to 143.265, or otherwise due under chapter 147;
- 20 (5) "Taxpayer", any individual or entity who:
- 21 (a) Is subject to the tax imposed under chapter 143, excluding withholding tax imposed
22 under sections 143.191 to 143.265, or the tax imposed under chapter 147;
- 23 (b) In the case of an individual, is a resident of this state as verified by a 911 address or, in
24 the absence of a 911 system, a physical address; and
- 25 (c) Owns a meat processing facility located in this state;
- 26 (6) "Used exclusively", used to the exclusion of all other uses except for use not exceeding
27 five percent of total use.

28 3. For all tax years beginning on or after January 1, 2017, but ending on or before December
29 31, [2024] 2027, a taxpayer shall be allowed a tax credit for meat processing modernization or
30 expansion related to the taxpayer's meat processing facility. The tax credit amount shall be equal to
31 twenty-five percent of the amount the taxpayer paid in the tax year for meat processing
32 modernization or expansion.

33 4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state
34 tax liability for the tax year for which the credit is claimed. No tax credit claimed under this section
35 shall be refundable. The tax credit shall be claimed in the tax year in which the meat processing
36 modernization or expansion expenses were paid, but any amount of credit that the taxpayer is
37 prohibited by this section from claiming in a tax year may be carried forward to any of the
38 taxpayer's four subsequent tax years. The total amount of tax credits that any taxpayer may claim
39 shall not exceed seventy-five thousand dollars per year. If two or more persons own and operate the
40 meat processing facility, each person may claim a credit under this section in proportion to his or her
41 ownership interest; except that, the aggregate amount of the credits claimed by all persons who own
42 and operate the meat processing facility shall not exceed seventy-five thousand dollars per year.
43 The amount of tax credits authorized in this section and section 135.679 [in a calendar] for each
44 fiscal year ending on or before June 30, 2021, shall not exceed two million dollars. The amount of
45 tax credits that may be issued to all eligible applicants claiming tax credits authorized in this section
46 and section 135.679 for each fiscal year beginning on or after July 1, 2021, shall not exceed four
47 million dollars. Tax credits shall be issued on an as-received application basis until the calendar
48 year limit is reached. Any credits not issued in any calendar year shall expire and shall not be
49 issued in any subsequent year.

1 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the
2 authority an application for the tax credit on a form provided by the authority and any application
3 fee imposed by the authority. The application shall be filed with the authority at the end of each
4 calendar year in which a meat processing modernization or expansion project was completed and for
5 which a tax credit is claimed under this section. The application shall include any certified
6 documentation, proof of meat processing modernization or expansion, and any other information
7 required by the authority. All required information obtained by the authority shall be confidential
8 and not disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer
9 and the meat processing modernization or expansion meet all criteria required by this section and
10 approval is granted by the authority, the authority shall issue a tax credit certificate in the
11 appropriate amount. Tax credit certificates issued under this section may be assigned, transferred,
12 sold, or otherwise conveyed, and the new owner of the tax credit certificate shall have the same
13 rights in the tax credit as the original taxpayer. If a tax credit certificate is assigned, transferred,
14 sold, or otherwise conveyed, a notarized endorsement shall be filed with the authority specifying the
15 name and address of the new owner of the tax credit certificate and the value of the tax credit.

16 6. Any information provided under this section shall be confidential information, to be
17 shared with no one except state and federal animal health officials, except as provided in subsection
18 5 of this section.

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

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

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

34 10. This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298.;"
35 and

36
37 Further amend said bill, Page 3, Section 144.142, Line 26, by inserting after all of said section and
38 line the following:

39
40 "348.505. 1. As used in this section, "state tax liability", any state tax liability incurred by a
41 taxpayer under the provisions of chapters 143, 147, and 148, exclusive of the provisions relating to
42 the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions.

43 2. Any eligible lender under the family farm livestock loan program under section 348.500
44 shall be entitled to receive a tax credit equal to one hundred percent of the amount of interest waived
45 by the lender under section 348.500 on a qualifying loan for the first year of the loan only. The tax
46 credit shall be evidenced by a tax credit certificate issued by the agricultural and small business
47 development authority and may be used to satisfy the state tax liability of the owner of such
48 certificate that becomes due in the tax year in which the interest on a qualified loan is waived by the
49 lender under section 348.500. No lender may receive a tax credit under this section unless such

1 person presents a tax credit certificate to the department of revenue for payment of such state tax
2 liability. The amount of the tax credits that may be issued to all eligible lenders claiming tax credits
3 authorized in this section ~~[in a]~~ for each fiscal year ending on or before June 30, 2021, shall not
4 exceed three hundred thousand dollars. The amount of the tax credits that may be issued to all
5 eligible lenders claiming tax credits authorized in this section for each fiscal year beginning on or
6 after July 1, 2021, shall not exceed two million dollars.

7 3. The agricultural and small business development authority shall be responsible for the
8 administration and issuance of the certificate of tax credits authorized by this section. The authority
9 shall issue a certificate of tax credit at the request of any lender. Each request shall include a true
10 copy of the loan documents, the name of the lender who is to receive a certificate of tax credit, the
11 type of state tax liability against which the tax credit is to be used, and the amount of the certificate
12 of tax credit to be issued to the lender based on the interest waived by the lender under section
13 348.500 on the loan for the first year.

14 4. The Missouri department of revenue shall accept a certificate of tax credit in lieu of other
15 payment in such amount as is equal to the lesser of the amount of the tax or the remaining unused
16 amount of the credit as indicated on the certificate of tax credit, and shall indicate on the certificate
17 of tax credit the amount of tax thereby paid and the date of such payment.

18 5. The following provisions shall apply to tax credits authorized under this section:

19 (1) Tax credits claimed in a taxable year may be claimed on a quarterly basis and applied to
20 the estimated quarterly tax of the lender;

21 (2) Any amount of tax credit which exceeds the tax due, including any estimated quarterly
22 taxes paid by the lender under subdivision (1) of this subsection which results in an overpayment of
23 taxes for a taxable year, shall not be refunded but may be carried over to any subsequent taxable
24 year, not to exceed a total of three years for which a tax credit may be taken for a qualified family
25 farm livestock loan;

26 (3) Notwithstanding any provision of law to the contrary, a lender may assign, transfer or
27 sell tax credits authorized under this section, with the new owner of the tax credit receiving the same
28 rights in the tax credit as the lender. For any tax credits assigned, transferred, sold, or otherwise
29 conveyed, a notarized endorsement shall be filed by the lender with the authority specifying the
30 name and address of the new owner of the tax credit and the value of such tax credit; and

31 (4) Notwithstanding any other provision of this section to the contrary, any commercial
32 bank may use tax credits created under this section as provided in section 148.064 and receive a net
33 tax credit against taxes actually paid in the amount of the first year's interest on loans made under
34 this section. If such first year tax credits reduce taxes due as provided in section 148.064 to zero,
35 the remaining tax credits may be carried over as otherwise provided in this section and utilized as
36 provided in section 148.064 in subsequent years."; and

37
38 Further amend said bill by amending the title, enacting clause, and intersectional references
39 accordingly.