

SS SCS HCS HB 430 -- BENEVOLENT TAX CREDITS

This bill modifies provisions relating to benevolent tax credits.

ADOPTION TAX CREDIT (Sections 135.325-135.335, 135.800 and 191.975 RSMo.)

This bill renames and alters the current "Special Needs Adoption Tax Credit Act" to the "Adoption Tax Credit Act".

Currently, any person residing in this state who proceeds in good faith with the adoption of a special needs child who is a resident or ward of a resident of this state is eligible for a \$10,000 nonrefundable tax credit for nonrecurring adoption expenses for each child. Additionally, any business entity providing funds to an employee to enable that employee to proceed in good faith with the adoption of a special needs child is eligible to receive a tax credit of up to \$10,000 for nonrecurring adoption expenses for each child, except that only one \$10,000 credit is available for each special needs child that is adopted.

Beginning January 1, 2022, this bill removes the special needs and residency requirements for adoptions to be eligible for the tax credit. However, priority will be given to applications to claim the tax credit for special needs children who are residents or wards of residents of this state at the time the adoption is initiated. The bill changes the definition of "handicap" to "disability" and modifies the definition of "special needs child". The bill defines a "child" as any individual under 18 years old or over 18 but is physically or mentally incapable of caring for themselves.

Beginning with the fiscal year beginning July 1, 2021 this tax credit is capped at \$6 million for a tax year.

DOMESTIC VIOLENCE SHELTER TAX CREDIT (Section 135.550)

Current law authorizes a tax credit for contributions to domestic violence shelters in an amount equal to 50% of the contribution, with the maximum annual amount of tax credits limited to \$2 million. This bill increases the tax credit from 50% of the amount contributed to 70% beginning July 1, 2022, and lowers the taxable year that the credit may be carried over from the next four successive to only the successive tax year. The bill removes the \$2 million limit on the cumulative amount of tax credits claimed by all taxpayers in a fiscal year beginning July 1, 2022.

This bill defines a "rape crisis center" as a community-based nonprofit rape crisis center in this state that provided 24 hour

core services of hospital advocacy and crisis hotline support to survivors of rape and sexual assault. The bill adds to the definition of "shelter for victims of domestic violence" a non profit organization established and operating exclusively for supporting a shelter for victims of domestic violence operated by the state or political subdivision. This bill allows taxpayers to receive tax credits for contributions to such facilities.

MATERNITY HOME TAX CREDIT (Section 135.600)

Current law authorizes a tax credit for contributions to maternity homes in an amount equal to 50% of the contribution, with the maximum annual amount of tax credits limited to \$3.5 million. This bill increases the tax credit from 50% of the amount contributed to 70% beginning July 1, 2022, and removes the limit on the cumulative amount of tax credits claimed by all taxpayers in a fiscal year beginning July 1, 2022. The sunset provision is repealed.