

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Substitute for Senate Bill No. 798, Page 4, Section
2 208.031, Line 8, by inserting after all of said section and line the following:

3
4 "348.491. 1. This section shall be known and may be cited as the "Specialty Agricultural
5 Crops Act".

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

7 (1) "Authority", the Missouri agricultural and small business development authority created
8 in section 348.020;

9 (2) "Family farmer", a farmer who is a Missouri resident and who has less than one hundred
10 thousand dollars in agricultural sales per year;

11 (3) "Lender", the same definition as in section 348.015;

12 (4) "Specialty crop", fruits and vegetables, tree nuts, dried fruits, and horticulture and
13 nursery crops including, but not limited to, floriculture. "Specialty crop" shall not include medical
14 marijuana or industrial hemp.

15 3. The authority shall establish a specialty agricultural crops loan program for family
16 farmers for the purchase of specialty crop seeds, seedlings, or trees; soil amendments including
17 compost; irrigation equipment; fencing; row covers; trellising; season extension equipment;
18 refrigeration equipment; and equipment for planting and harvesting.

19 4. To participate in the loan program, a family farmer shall first obtain approval for a
20 specialty agricultural crops loan from a lender. Each family farmer shall be eligible for only one
21 specialty agricultural crops loan per family.

22 5. The maximum amount of the specialty agricultural crops loan for specialty crop
23 producers shall be thirty-five thousand dollars.

24 6. Eligible borrowers under the program:

25 (1) Shall use the proceeds of the specialty agricultural crops loan to acquire the farming
26 resources described in subsection 3 of this section;

27 (2) Shall not finance more than ninety percent of the anticipated cost of the purchase of such
28 farming resources through the specialty agricultural crops loan; and

29 (3) Shall not be charged interest by the lender for the first year of the qualified specialty
30 agricultural crops loan.

31 7. Upon approval of the specialty agricultural crops loan by a lender under subsection 4 of
32 this section, the loan shall be submitted for approval by the authority. The authority shall
33 promulgate rules establishing eligibility under this section, taking into consideration:

34 (1) The eligible borrower's ability to repay the specialty agricultural crops loan;

35 (2) The general economic conditions of the area in which the farm is located;

36 (3) The prospect of a financial return for the family farmer for the type of farming resource

Action Taken _____ Date _____

1 for which the specialty agricultural crops loan is sought; and

2 (4) Such other factors as the authority may establish.

3 8. For eligible borrowers participating in the program, the authority shall be responsible for
 4 reviewing the purchase price of any farming resources to be purchased by an eligible borrower
 5 under the program to determine whether the price to be paid is appropriate for the type of farming
 6 resources purchased. The authority may impose a one-time loan review fee of one percent, which
 7 shall be collected by the lender at the time of the loan and paid to the authority.

8 9. Nothing in this section shall be construed to preclude a family farmer from participating
 9 in any other agricultural program.

10 10. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
 11 under the authority delegated in this section shall become effective only if it complies with and is
 12 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
 13 chapter 536 are nonseverable, and if any of the powers vested with the general assembly pursuant to
 14 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently
 15 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
 16 August 28, 2022, shall be invalid and void.

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

18 (1) The provisions of the new program authorized under this section shall automatically
 19 sunset six years after the effective date of this section unless reauthorized by an act of the general
 20 assembly; and

21 (2) If such program is reauthorized, the program authorized under this section shall
 22 automatically sunset twelve years after the effective date of the reauthorization of this section; and

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

25 348.493. 1. As used in this section, "state tax liability" means any state tax liability incurred
 26 by a taxpayer under the provisions of chapters 143, 147, and 148, exclusive of the provisions
 27 relating to the withholding of tax as provided for in sections 143.191 to 143.265 and related
 28 provisions.

29 2. Any eligible lender under the specialty agricultural crops loan program under section
 30 348.491 shall be entitled to receive a tax credit equal to one hundred percent of the amount of
 31 interest waived by the lender under section 348.491 on a qualifying loan for the first year of the loan
 32 only. The tax credit shall be evidenced by a tax credit certificate issued by the Missouri agricultural
 33 and small business development authority and may be used to satisfy the state tax liability of the
 34 owner of such certificate that becomes due in the tax year in which the interest on a qualified loan is
 35 waived by the lender under section 348.491. No lender shall receive a tax credit under this section
 36 unless such lender presents a tax credit certificate to the department of revenue for payment of such
 37 state tax liability. The amount of the tax credits that may be issued to all eligible lenders claiming
 38 tax credits authorized in this section in a fiscal year shall not exceed three hundred thousand dollars.

39 3. The Missouri agricultural and small business development authority shall be responsible
 40 for the administration and issuance of the certificate of tax credits authorized by this section. The
 41 authority shall issue a certificate of tax credit at the request of any lender. Each request shall include
 42 a true copy of the loan documents, the name of the lender who is to receive a certificate of tax
 43 credit, the type of state tax liability against which the tax credit is to be used, and the amount of the
 44 certificate of tax credit to be issued to the lender based on the interest waived by the lender under
 45 section 348.491 on the loan for the first year.

46 4. The department of revenue shall accept a certificate of tax credit in lieu of other payment
 47 in such amount as is equal to the lesser of the amount of the tax or the remaining unused amount of
 48 the credit as indicated on the certificate of tax credit and shall indicate on the certificate of tax credit
 49 the amount of tax thereby paid and the date of such payment.

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

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

4 (2) Any amount of tax credit that exceeds the tax due, including any estimated quarterly
5 taxes paid by the lender under subdivision (1) of this subsection that results in an overpayment of
6 taxes for a tax year, shall not be refunded but may be carried over to any subsequent tax year, not to
7 exceed a total of three years for which a tax credit may be taken for a qualified specialty agricultural
8 crops loan;

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

15 (4) Notwithstanding any other provision of this section to the contrary, any commercial
16 bank may use tax credits created under this section as provided in section 148.064 and receive a net
17 tax credit against taxes actually paid in the amount of the first year's interest on loans made under
18 this section. If such first year tax credits reduce taxes due as provided in section 148.064 to zero,
19 the remaining tax credits may be carried over as otherwise provided in this section and used as
20 provided in section 148.064 in subsequent years.

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

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

25 (2) If such program is reauthorized, the program authorized under this section shall
26 automatically sunset twelve years after the effective date of the reauthorization of this section; and

27 (3) 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
30 Further amend said bill by amending the title, enacting clause, and intersectional references
31 accordingly.