

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Substitute for Senate Bill No. 23, Page 1, Section
2 A, Line 4, by inserting after all of said section and line the following:

3
4 "135.457. 1. This section shall be known and may be cited as the "Intern and Apprentice
5 Recruitment Act".

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

7 (1) "Apprentice", an individual registered and participating in a qualified apprenticeship
8 program in Missouri who has completed at least one year in such qualified apprenticeship program;

9 (2) "Intern", a student who is enrolled at an approved private or public institution, as defined
10 in section 173.1102, and who has completed a minimum of thirty credit hours;

11 (3) "Qualified apprenticeship program", an approved apprenticeship program, as defined
12 under 29 CFR Part 29 and 29 U.S.C. Section 50, certified by the United States Department of Labor,
13 in partnership with the Missouri department of higher education and workforce development, and
14 conducted in Missouri;

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

17 (5) "Taxpayer", any individual, firm, partner in a firm, corporation, partnership, shareholder
18 in an S corporation, or member of a limited liability company subject to the state income tax
19 imposed under chapter 143, 147, 148, or 153, excluding the withholding tax imposed under sections
20 143.191 to 143.265, and that engages in business in the apprentice's or intern's chosen field of study.

21 3. For all tax years beginning on or after January 1, 2024, a taxpayer shall be allowed to
22 claim a tax credit against the taxpayer's state tax liability in an amount equal to one thousand five
23 hundred dollars for each intern or apprentice hired at a pay rate equal to or greater than minimum
24 wage, provided that the following criteria are met:

25 (1) The total number of interns or apprentices employed for the tax year that the credit is
26 claimed exceeds the average number of interns or apprentices employed by the taxpayer over the
27 previous three years;

28 (2) Interns shall work a minimum of sixty hours per month for two consecutive months
29 during the tax year for which the credit is claimed and a copy of each intern's official transcript is
30 submitted with the claim for such tax credit; and

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1 (3) Apprentices comply with all federal requirements of a qualified apprenticeship including
2 completing a minimum of two thousand hours of on-the-job training and one hundred forty-four
3 hours of required technical instruction in a calendar year and a copy of the qualified apprenticeship
4 program.

5 4. Notwithstanding any provision of section 32.057 or any other confidentiality provision of
6 state tax law to the contrary, the department of revenue may reveal the names and other necessary
7 information of all prior employers who have claimed an individual as an intern or apprentice under
8 this section, including the tax years in which such individual was claimed as a qualified apprentice.

9 5. The total amount of tax credits claimed by a taxpayer under this section shall not exceed
10 nine thousand dollars in any given tax year.

11 6. The cumulative amount of tax credits allowed to all taxpayers under this section shall not
12 exceed one million dollars per tax year. If the amount of tax credits claimed in a tax year under this
13 section exceeds one million dollars, priority shall be given to taxpayers that have been in business
14 for less than five years, with the remaining tax credits to be distributed based on the order in which
15 they are claimed.

16 7. Tax credits issued under the provisions of this section shall not be refundable. No tax
17 credit claimed under this section shall be carried forward to any subsequent tax year.

18 8. No tax credit claimed under this section shall be assigned, transferred, sold, or otherwise
19 conveyed.

20 9. The application for the tax credits under this section shall be made to the department of
21 economic development and shall include information on participation in the qualified apprenticeship
22 program or a copy of the official transcript for the intern being claimed, if applicable, and any other
23 such information that the department deems necessary. The department of economic development
24 shall prescribe the method for claiming the tax credits allowed in this section and shall certify to the
25 department of revenue each applicant that qualifies for a tax credit under this section.

26 10. The department of economic development shall prepare an annual report containing
27 statistical information regarding the tax credits issued under this section for the previous tax year,
28 including the total amount of tax credits claimed in the tax year, the average number of tax credits
29 claimed per taxpayer, the total number of interns claimed, the total number of apprentices claimed,
30 and the total amount expended on the program.

31 11. The department of economic development shall promulgate all necessary rules and
32 regulations for the administration of this section. Any rule or portion of a rule, as that term is
33 defined in section 536.010, that is created under the authority delegated in this section shall become
34 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if
35 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers
36 vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to
37 disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking
38 authority and any rule proposed or adopted after August 28, 2023, shall be invalid and void.

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

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

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

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

9 135.465. 1. As used in this section, the following terms mean:

10 (1) "Federal work opportunity credit", the work opportunity tax credit allowed under 26
11 U.S.C. Section 51, as amended;

12 (2) "Qualified taxpayer", any individual or entity subject to the state income tax imposed
13 under chapter 143, 147, 148, or 153, excluding the withholding tax imposed under sections 143.191
14 to 143.265, who is an employer that incurred or paid wages to an individual who is in a targeted
15 group and was employed in the state during the tax year for which the tax credit under this section is
16 claimed;

17 (3) "Targeted group", the same meaning as defined in 26 U.S.C. Section 51, as amended;

18 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, 147, 148, or 153,
19 excluding withholding tax imposed under sections 143.191 to 143.265.

20 2. For all tax years beginning on or after January 1, 2024, a qualified taxpayer shall be
21 allowed to claim a tax credit against the taxpayer's state tax liability for wages incurred or paid by
22 the qualified taxpayer during the tax year to an individual who is in a targeted group and who is
23 employed in the state in an amount equal to the lesser of:

24 (1) One hundred percent of the federal work opportunity credit properly claimed for the tax
25 year by the qualified taxpayer on such taxpayer's federal income tax return with respect to such
26 wages, excluding any amount carried back or forward from another tax year in accordance with 26
27 U.S.C. Section 51, as amended; or

28 (2) The Missouri state income tax liability of the taxpayer for that tax year, except in the
29 case of an employer that is an organization exempt from taxation under 26 U.S.C. Section 501(c), as
30 amended.

31 3. An employer that is an organization exempt from taxation under 26 U.S.C. Section
32 501(c), as amended may apply the credit authorized under this section as a credit for the payment of
33 taxes that the organization is required to withhold from the wages of employees and required to pay
34 to the state.

35 4. Tax credits issued under the provisions of this section shall not be refundable. No tax
36 credit claimed under this section shall be carried forward to any subsequent tax year.

37 5. No tax credit claimed under this section shall be assigned, transferred, sold, or otherwise
38 conveyed.

1 6. The cumulative amount of tax credits allowed to all taxpayers under this section shall not
2 exceed ten million dollars per tax year. If the amount of tax credits claimed in a tax year under this
3 section exceeds ten million dollars, tax credits shall be allowed based on the order in which they are
4 claimed.

5 7. The department of revenue shall promulgate all necessary rules and regulations for the
6 administration of this section. Any rule or portion of a rule, as that term is defined in section
7 536.010, that is created under the authority delegated in this section shall become effective only if it
8 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section
9 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the
10 general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and
11 annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any
12 rule proposed or adopted after August 28, 2023, shall be invalid and void.

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

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

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

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."; and

22
23 Further amend said bill by amending the title, enacting clause, and intersectional references
24 accordingly.