

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 316
102ND GENERAL ASSEMBLY

0172H.05C

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 143.183, 194.400, 253.022, 253.401, 253.402, 253.403, 253.404, 253.405, 253.408, 253.420, 253.421, 253.545, 253.550, 253.557, 253.559, and 620.1900, RSMo, and to enact in lieu thereof nineteen new sections relating to facilities of historic significance.

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

Section A. Sections 143.183, 194.400, 253.022, 253.401, 253.402, 253.403, 253.404, 253.405, 253.408, 253.420, 253.421, 253.545, 253.550, 253.557, 253.559, and 620.1900, RSMo, are repealed and nineteen new sections enacted in lieu thereof, to be known as sections 26.950, 143.183, 194.400, 253.022, 253.390, 253.401, 253.402, 253.403, 253.404, 253.405, 253.408, 253.420, 253.421, 253.544, 253.545, 253.550, 253.557, 253.559, and 620.1900, to read as follows:

26.950. The state historic preservation office and Missouri advisory council on historic preservation, chapter 253, are hereby transferred by type I transfer under the Omnibus State Reorganization Act of 1974 to the office of the lieutenant governor.

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

(1) "Nonresident entertainer", a person residing or registered as a corporation outside this state who, for compensation, performs any vocal, instrumental, musical, comedy, dramatic, dance or other performance in this state before a live audience and any other person traveling with and performing services on behalf of a nonresident entertainer, including a nonresident entertainer who is paid compensation for providing entertainment as an independent contractor, a partnership that is paid compensation for entertainment provided by nonresident entertainers, a corporation that is paid compensation for entertainment provided

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

9 by nonresident entertainers, or any other entity that is paid compensation for entertainment
10 provided by nonresident entertainers;

11 (2) "Nonresident member of a professional athletic team", a professional athletic team
12 member who resides outside this state, including any active player, any player on the disabled
13 list if such player is in uniform on the day of the game at the site of the game, and any other
14 person traveling with and performing services on behalf of a professional athletic team;

15 (3) "Personal service income" includes exhibition and regular season salaries and
16 wages, guaranteed payments, strike benefits, deferred payments, severance pay, bonuses, and
17 any other type of compensation paid to the nonresident entertainer or nonresident member of
18 a professional athletic team, but does not include prizes, bonuses or incentive money received
19 from competition in a livestock, equine or rodeo performance, exhibition or show;

20 (4) "Professional athletic team" includes, but is not limited to, any professional
21 baseball, basketball, football, soccer and hockey team.

22 2. Any person, venue, or entity who pays compensation to a nonresident entertainer
23 shall deduct and withhold from such compensation as a prepayment of tax an amount equal to
24 two percent of the total compensation if the amount of compensation is in excess of three
25 hundred dollars paid to the nonresident entertainer. For purposes of this section, the term
26 "person, venue, or entity who pays compensation" shall not be construed to include any
27 person, venue, or entity that is exempt from taxation under 26 U.S.C. Section 501(c)(3), as
28 amended, and that pays an amount to the nonresident entertainer for the entertainer's
29 appearance but receives no benefit from the entertainer's appearance other than the
30 entertainer's performance.

31 3. Any person, venue, or entity required to deduct and withhold tax pursuant to
32 subsection 2 of this section shall, for each calendar quarter, on or before the last day of the
33 month following the close of such calendar quarter, remit the taxes withheld in such form or
34 return as prescribed by the director of revenue and pay over to the director of revenue or to a
35 depository designated by the director of revenue the taxes so required to be deducted and
36 withheld.

37 4. Any person, venue, or entity subject to this section shall be considered an employer
38 for purposes of section 143.191, and shall be subject to all penalties, interest, and additions to
39 tax provided in this chapter for failure to comply with this section.

40 5. Notwithstanding other provisions of this chapter to the contrary, the commissioner
41 of administration, for all taxable years beginning on or after January 1, 1999, but none after
42 December 31, 2030, shall annually estimate the amount of state income tax revenues
43 collected pursuant to this chapter which are received from nonresident members of
44 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each
45 subsequent fiscal year for a period of thirty-one years, sixty percent of the annual estimate of

46 taxes generated from the nonresident entertainer and professional athletic team income tax
47 shall be allocated annually to the Missouri arts council trust fund, and shall be transferred,
48 subject to appropriations, from the general revenue fund to the Missouri arts council trust
49 fund established in section 185.100 and any amount transferred shall be in addition to such
50 agency's budget base for each fiscal year. The director shall by rule establish the method of
51 determining the portion of personal service income of such persons that is allocable to
52 Missouri.

53 6. Notwithstanding the provisions of sections 186.050 to 186.067 to the contrary, the
54 commissioner of administration, for all taxable years beginning on or after January 1, 1999,
55 but for none after December 31, 2030, shall estimate annually the amount of state income tax
56 revenues collected pursuant to this chapter which are received from nonresident members of
57 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each
58 subsequent fiscal year for a period of thirty-one years, ten percent of the annual estimate of
59 taxes generated from the nonresident entertainer and professional athletic team income tax
60 shall be allocated annually to the Missouri humanities council trust fund, and shall be
61 transferred, subject to appropriations, from the general revenue fund to the Missouri
62 humanities council trust fund established in section 186.055 and any amount transferred shall
63 be in addition to such agency's budget base for each fiscal year.

64 7. Notwithstanding other provisions of section 182.812 to the contrary, the
65 commissioner of administration, for all taxable years beginning on or after January 1, 1999,
66 but for none after December 31, 2030, shall estimate annually the amount of state income tax
67 revenues collected pursuant to this chapter which are received from nonresident members of
68 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each
69 subsequent fiscal year for a period of thirty-one years, ten percent of the annual estimate of
70 taxes generated from the nonresident entertainer and professional athletic team income tax
71 shall be allocated annually to the Missouri state library networking fund, and shall be
72 transferred, subject to appropriations, from the general revenue fund to the secretary of state
73 for distribution to public libraries for acquisition of library materials as established in section
74 182.812 and any amount transferred shall be in addition to such agency's budget base for each
75 fiscal year.

76 8. Notwithstanding other provisions of section 185.200 to the contrary, the
77 commissioner of administration, for all taxable years beginning on or after January 1, 1999,
78 but for none after December 31, 2030, shall estimate annually the amount of state income tax
79 revenues collected pursuant to this chapter which are received from nonresident members of
80 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each
81 subsequent fiscal year for a period of thirty-one years, ten percent of the annual estimate of
82 taxes generated from the nonresident entertainer and professional athletic team income tax

83 shall be allocated annually to the Missouri public television broadcasting corporation special
84 fund, and shall be transferred, subject to appropriations, from the general revenue fund to the
85 Missouri public television broadcasting corporation special fund, and any amount transferred
86 shall be in addition to such agency's budget base for each fiscal year; provided, however, that
87 twenty-five percent of such allocation shall be used for grants to public radio stations which
88 were qualified by the corporation for public broadcasting as of November 1, 1996. Such
89 grants shall be distributed to each of such public radio stations in this state after receipt of the
90 station's certification of operating and programming expenses for the prior fiscal year.
91 Certification shall consist of the most recent fiscal year financial statement submitted by a
92 station to the corporation for public broadcasting. The grants shall be divided into two
93 categories, an annual basic service grant and an operating grant. The basic service grant shall
94 be equal to thirty-five percent of the total amount and shall be divided equally among the
95 public radio stations receiving grants. The remaining amount shall be distributed as an
96 operating grant to the stations on the basis of the proportion that the total operating expenses
97 of the individual station in the prior fiscal year bears to the aggregate total of operating
98 expenses for the same fiscal year for all Missouri public radio stations which are receiving
99 grants.

100 9. Notwithstanding other provisions of section 253.402 to the contrary, the
101 commissioner of administration, for all taxable years beginning on or after January 1, 1999,
102 but for none after December 31, 2030, shall estimate annually the amount of state income tax
103 revenues collected pursuant to this chapter which are received from nonresident members of
104 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each
105 subsequent fiscal year for a period of thirty-one years, ten percent of the annual estimate of
106 taxes generated from the nonresident entertainer and professional athletic team income tax
107 shall be allocated annually to the ~~[Missouri department of natural resources]~~ **office of the**
108 **lieutenant governor** Missouri historic preservation revolving fund, and shall be transferred,
109 subject to appropriations, from the general revenue fund to the ~~[Missouri department of~~
110 ~~natural resources]~~ **office of the lieutenant governor** Missouri historic preservation revolving
111 fund established in section 253.402 and any amount transferred shall be in addition to such
112 agency's budget base for each fiscal year.

113 10. This section shall not be construed to apply to any person who makes a
114 presentation for professional or technical education purposes or to apply to any presentation
115 that is part of a seminar, conference, convention, school, or similar program format designed
116 to provide professional or technical education.

194.400. As used in sections 194.400 to 194.410 the following words and phrases

2 mean:

3 (1) "Council", the Missouri advisory council on historic preservation created under
4 section 253.408;

5 (2) "Cultural items", shall include:

6 (a) "Associated funerary objects", objects that are reasonably believed to have been
7 placed with individual human remains either at the time of death, or during the death rite or
8 ceremony, or later, and all other items exclusively made for burial purposes including items
9 made to contain human remains;

10 (b) "Unassociated funerary objects", objects that are reasonably believed to have been
11 placed with individual human remains either at the time of death or during the death rite or
12 ceremony, or later, which can be identified by a preponderance of the evidence as related to
13 known human remains or an unmarked human burial site or can be identified as having been
14 removed from a specific unmarked human burial site;

15 (3) "General archaeological investigation", refers to:

16 (a) Excavations performed by professional archaeologists usually consisting of a
17 structured scientific undertaking comprised of three segments including field investigations,
18 laboratory analysis, and preparation and submission of a report of investigation; and

19 (b) Identification of the presence of human remains in excavated materials considered
20 to occur at the completion of the laboratory analysis segment of the studies as above;

21 (4) "Professional archaeologist", a person who has a graduate degree in archaeology,
22 anthropology, or closely related field, at least one year of full-time professional experience or
23 equivalent specialized training in archaeological research, administration of management, or
24 at least four months of supervised field and analytic experience in general North American
25 archaeology and demonstrated ability to carry archaeological research to completion, as
26 evidenced by a master of arts or master of science thesis, or report equivalent in scope and
27 quality;

28 (5) "Second or subsequent violation", any violation, other than the first violation, of a
29 criminal law related to the trafficking of human remains or cultural items located in the state
30 of Missouri, the United States, or any other state;

31 (6) "Skeletal analyst", a person possessing a postgraduate degree representing
32 specialized training in skeletal biology, forensic osteology, or other relevant aspects of
33 physical anthropology. The skeletal analyst shall have a minimum experience of one year in
34 conducting laboratory reconstruction and analysis, and shall have demonstrated the ability to
35 design and execute a skeletal analysis, and to present the written results and interpretations of
36 such analysis in a thorough, scientific, and timely manner;

37 (7) "Specific scientific investigations", refers to detailed studies of human remains by
38 professional archaeologists, anthropologists, osteologists, or professionals in related
39 disciplines;

40 (8) "State historic preservation officer", the ~~[director of the department of natural~~
41 ~~resources]~~ **lieutenant governor**;

42 (9) "Unmarked human burial", any instance where human skeletal remains are
43 discovered or believed to exist, but for which there exists no written historical documentation
44 or grave markers.

253.022. The ~~[department of natural resources]~~ **office of the lieutenant governor** is
2 authorized to administer the National Historic Preservation Act of 1966, Public Law 89-665.

253.390. The state historic preservation office and Missouri advisory council on
2 **historic preservation, chapter 253, are hereby transferred by type I transfer under the**
3 **Omnibus State Reorganization Act of 1974 to the office of the lieutenant governor.**

253.401. As used in sections 253.400 to 253.407, unless the context requires
2 otherwise, **the following terms mean:**

3 (1) ~~["Department" means the department of natural resources;~~

4 ~~(2)] "Fund" [means], the historic preservation revolving fund;~~

5 ~~[(3)]~~ (2) "Historic property" or "property" [means], any building, structure, district,
6 area or site that is significant in the history, architecture, archaeology or culture of this state,
7 its communities or this country, which is eligible for nomination to the National Register of
8 Historic Places;

9 (3) **"Office", the office of the lieutenant governor.**

253.402. For the purpose of protecting and preserving the historic properties of this
2 state, there is hereby created a "Historic Preservation Revolving Fund" to be administered by
3 the ~~[department of natural resources]~~ **office of the lieutenant governor**. All expenses
4 incurred in the acquisition of and all revenues received from the disposition of property as
5 provided in sections 253.400 to 253.407 shall be paid for out of and deposited in the historic
6 preservation revolving fund. Any moneys appropriated and any other moneys made available
7 by gift, grant, bequest, contribution or otherwise to the department to carry out the purpose of
8 sections 253.400 to 253.407, and all interest earned on, and income generated from, moneys
9 in the fund shall be paid to, and deposited in, the historic preservation revolving fund.

253.403. 1. From the moneys in the historic preservation revolving fund, upon
2 appropriation by the general assembly, the ~~[department of natural resources]~~ **office of the**
3 **lieutenant governor** may acquire, preserve, restore, hold, maintain or operate any historic
4 properties, together with such adjacent or associated lands as may be necessary for their
5 protection, preservation, maintenance or operation, or may award grants to preserve, protect,
6 or restore historic county courthouses and historic county courthouse grounds. Acquisition of
7 historic property may include acquiring the fee simple title or any lesser interest therein.
8 Property may be acquired by gift, grant, bequest, devise, lease, purchase or otherwise, but not
9 by condemnation.

10 2. The ~~[department of natural resources]~~ **office of the lieutenant governor** is
11 authorized to award grants to preserve, protect, or restore historic county courthouses and
12 historic county courthouse grounds in accordance with rules the ~~[department]~~ **office** shall
13 promulgate. The ~~[department of natural resources]~~ **office of the lieutenant governor** shall
14 administer and act as the fiscal agent for the grant program and shall be responsible for
15 receiving and reviewing grant applications and awarding any grants under this section. Any
16 rule or portion of a rule, as that term is defined in section 536.010, that is created under the
17 authority delegated in this section shall become effective only if it complies with and is
18 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section
19 and chapter 536 are nonseverable and if any of the powers vested with the general assembly
20 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a
21 rule are subsequently held unconstitutional, then the grant of rulemaking authority and any
22 rule proposed or adopted after August 28, 2019, shall be invalid and void.

253.404. Any interest in property acquired using the moneys in the historic
2 preservation revolving fund shall be limited to that estate, agency, interest or term deemed by
3 the ~~[department]~~ **office** to be reasonably necessary for the continued protection or
4 preservation of the property. The moneys in this fund may be used to acquire the fee
5 simple title, but where the department finds that a lesser interest, including any development
6 right, negative or affirmative easement in gross or appurtenant covenant, lease or other
7 contractual right of or to any real property to be the most practical and economical method of
8 protecting and preserving historical property, the lesser interest may be acquired.

253.405. The ~~[department]~~ **office**, using moneys from this fund, may acquire or, in
2 the case of property on which moneys from this fund have been expended, dispose of the fee
3 or lesser interest to any historic property, including adjacent and associated lands, for the
4 specific purpose of conveying or leasing the property back to its original owner or to any such
5 other person, firm, association, corporation or other organization under such covenants, deed
6 restrictions, lease or other contractual arrangements as will limit the future use of the property
7 in such a way as to insure its preservation. In all cases where property on which money from
8 this fund has been expended is conveyed or leased, it shall be subjected by covenant, or
9 otherwise, to such rights of access, public visitation and other conditions as may be agreed
10 upon between the ~~[department]~~ **office** and the grantee or lessee to accomplish the purpose of
11 this section. Any conveyance or lease shall contain a reversion clause providing that, in the
12 event the historic property is not operated, maintained, restored and repaired in accordance
13 with the provisions of this section or in such a way as to insure its preservation, title and
14 control of such property shall immediately revert to and vest in the governor.

253.408. 1. Sections 253.408 to 253.412 shall be known and may be cited as the
2 "State Historic Preservation Act".

3 2. The [~~director of the department of natural resources~~] **lieutenant governor** is
4 hereby designated as the state historic preservation officer. The state historic preservation
5 office shall be located in the [~~department of natural resources~~] **office of the lieutenant**
6 **governor** and shall be responsible for establishing, implementing, and administering federal
7 and state programs or plans for historic preservation and shall have the following duties
8 including, but not limited to:

9 (1) Direct and conduct a comprehensive statewide survey of historic, archaeological,
10 architectural, and cultural properties and maintain inventories of such properties;

11 (2) Identify and nominate eligible properties to the National Register of Historic
12 Places and otherwise administer applications for listing historic properties on the national
13 register;

14 (3) Prepare and implement a comprehensive statewide historic preservation plan;

15 (4) Administer the state program of federal assistance for historic preservation within
16 the state;

17 (5) Administer historic preservation fund grants as mandated by the National Historic
18 Preservation Act of 1966, as amended;

19 (6) Provide public information, education and training, and technical assistance
20 relating to the federal and state historic preservation programs;

21 (7) Cooperate with local governments in the development of local historic
22 preservation programs, and to assist local governments in becoming certified pursuant to
23 the Historic Preservation Act of 1966, as amended;

24 (8) Advise and assist federal and state agencies and local governments in carrying out
25 their historic preservation responsibilities;

26 (9) Cooperate with the National Advisory Council on Historic Preservation, federal
27 and state agencies, local governments, and organizations and individuals to ensure that
28 historic properties are taken into consideration at all levels of planning and development;

29 (10) Administer responsibilities as detailed in sections 194.400 to 194.410;

30 (11) Administer the historic preservation revolving fund, as detailed in sections
31 253.400 to 253.407; and

32 (12) Cooperate with the department of economic development in administering the
33 [~~main street Missouri act~~] **Missouri main street program act**, as detailed in sections 251.470
34 to 251.485.

35 3. (1) There is hereby established and created, within the [~~department of natural~~
36 ~~resources~~] **office of the lieutenant governor**, the "Missouri Advisory Council on Historic
37 Preservation" consisting of nine persons, to be appointed by the governor with the advice and
38 consent of the senate, who shall serve without compensation other than expenses incurred.
39 The membership of the council shall be as provided in 36 C.F.R. Part 61.4, as may be

40 amended from time to time, and shall consist of persons having expertise and knowledge in
41 the fields of history, historic and prehistoric archaeology, architectural history, architecture,
42 and economic and community development, as well as nonprofessional members with
43 demonstrated interest in historic preservation. Each member shall serve for a term of two
44 years from the date of appointment and until his or her replacement is duly appointed.

45 (2) The council shall meet at least three times per year and may adopt bylaws to
46 govern its operations which bylaws shall be consistent with all applicable federal rules and
47 regulations.

48 (3) The council shall have all the powers, duties and responsibilities provided by
49 federal law and the rules and regulations for such council including, but not limited to, the
50 following:

51 (a) Reviewing and approving each national register nomination prior to submission to
52 the national register;

53 (b) Reviewing each completed state historic preservation plan as developed by the
54 state historic preservation officer prior to its submission to the Secretary of the United States
55 Department of Interior; and

56 (c) Providing general advice, guidance, and professional recommendations to the
57 state historic preservation officer in conducting the comprehensive statewide survey,
58 preparing the state historic preservation plan, carrying out any grants-in-aid program, and
59 carrying out the other duties and responsibilities of the state historic preservation officer.

253.420. 1. After August 28, 1991, no person, corporation, partnership,
2 proprietorship or organization shall initiate salvage operations, excavation or similar
3 ground disturbing activities of any submerged or embedded abandoned shipwreck in this state
4 which meets the national register of historic places criteria without obtaining a permit from
5 the ~~[department of natural resources]~~ **office of the lieutenant governor** as provided in this
6 section. As used in this section, the term "embedded" means firmly affixed in lands such that
7 the use of excavation tools is required in order to gain access to any part of the shipwreck or
8 its cargo.

9 2. The ~~[department of natural resources]~~ **office of the lieutenant governor** shall not
10 issue a permit under this section unless the applicant submits a detailed plan of the activities
11 regulated by this section to be made by the applicant and such plan is approved by the
12 ~~[department]~~ **office**. The ~~[department]~~ **office** is authorized to promulgate appropriate
13 regulations for the administration of this section. All recovery and investigation plans shall
14 meet the current professional standards for such activities, which minimize the risk of loss or
15 damage to the shipwreck or its cargo. An applicant shall be a professional archaeologist, as
16 defined in section 194.400, or shall hire a professional archaeologist as a staff member or
17 consultant to the activities regulated by this section. Upon approval of a permit application,

18 the applicant shall pay a permit fee of one hundred dollars to the director of the department of
 19 revenue, who shall deposit all funds received pursuant to this section in the state treasury to
 20 the credit of the general revenue fund. The [~~department of natural resources~~] **office of the**
 21 **lieutenant governor** shall approve or deny any application for a permit under this section
 22 within thirty days of application.

23 3. In the event there is a sale, at least fifty percent of each class, category or type of all
 24 artifacts or recovered materials shall be donated or offered for sale at fair market value to
 25 public or private museums or to other public institutions in this state. Such museums and
 26 institutions shall study, interpret and display such materials or artifacts. To the maximum
 27 extent possible, such artifacts shall remain in Missouri.

28 4. Any person, corporation, partnership, proprietorship or organization who violates
 29 the provisions of this section shall be guilty of a class A misdemeanor. Upon conviction, all
 30 specimens, objects and materials collected or excavated by such person, together with all
 31 photographs and records relating to such material, are property of the state. Each day of a
 32 continuing violation of subsection 1 of this section shall constitute a separate offense.

33 5. No rule or portion of a rule promulgated under the authority of this section shall
 34 become effective unless it has been promulgated pursuant to the provisions of section
 35 536.024.

253.421. 1. As used in section 253.420 and this section, the following words and
 2 phrases mean:

3 (1) [~~"Department", the department of natural resources, state historic preservation~~
 4 ~~office;~~

5 (2) "Historic shipwreck", artifacts and remains of historic shipwreck sites which are
 6 over fifty years in age, including but not limited to a ship's structure and rigging, machinery,
 7 hardware, tools, utensils, cargo, personal items of crew passengers, and monetary or treasure
 8 trove;

9 (3) (2) "Lands beneath navigable waters":

10 (a) All lands within the boundaries of this state which are covered by nontidal waters
 11 that are now navigable, or were navigable under the laws of the United States at the time this
 12 state became a member of the Union or acquired sovereignty over such lands and waters
 13 thereafter, up to the ordinary high water mark as heretofore or hereafter modified by
 14 accretion, erosion, river channel shifts, and reliction;

15 (b) All filled in, made, or reclaimed lands which formerly were lands beneath
 16 navigable waters;

17 (3) "Office", the office of the lieutenant governor;

18 (4) "Shipwreck", a vessel or wreck, its cargo, and other contents, reasonably believed
 19 to have wrecked or been abandoned at least fifty years prior to any permit application.

20 2. Under the Abandoned Shipwreck Act of 1987, 43 U.S.C. Sections 2101-2106, all
 21 historic shipwreck materials and such objects having intrinsic or historical and archaeological
 22 value which have been abandoned on lands beneath navigable waters shall belong to the state
 23 with jurisdiction thereto vested in the department for the purposes of administration and
 24 protection. The department shall have the authority to promulgate rules and regulations for
 25 the acceptable visitation, study, and salvage of such historic shipwreck materials.

26 3. Any plan of regulated activities submitted by an applicant under subsection 2 of
 27 section 253.420 shall include authorized written permission from any affected landowner
 28 allowing access both to and from sites on the property and permitting any ground-disturbing
 29 activities on such property.

253.544. Sections 253.544 to 253.559 shall be known and may be cited as the
 2 **"Missouri Historic, Rural Revitalization, and Regulatory Streamlining Act".**

253.545. As used in sections ~~[253.545]~~ **253.544** to 253.559, the following terms
 2 mean, unless the context requires otherwise:

3 (1) **"Applicable percentage":**

4 (a) **For the rehabilitation of a property that receives or intends to receive a tax**
 5 **credit under sections 135.350 to 135.363, twenty-five percent;**

6 (b) **For the rehabilitation of a property located in a qualifying area approved for**
 7 **a tax credit and that is not a property that receives or intends to receive a tax credit**
 8 **under sections 135.350 to 135.363, thirty-five percent; or**

9 (c) **For the rehabilitation of a property not located in a qualifying area approved**
 10 **for a tax credit, twenty-five percent;**

11 (2) "Certified historic structure", a property located in Missouri and listed
 12 individually on the National Register of Historic Places;

13 ~~[(2)]~~ (3) "Deed in lieu of foreclosure or voluntary conveyance", a transfer of title from
 14 a borrower to the lender to satisfy the mortgage debt and avoid foreclosure;

15 ~~[(3)]~~ (4) **"Department", the department of economic development;**

16 (5) "Eligible property", property located in Missouri and offered or used for
 17 residential or business purposes;

18 ~~[(4)]~~ (6) **"Eligible recipient", an individual taxpayer or nonprofit entity**
 19 **incurring expenses in connection with an eligible property;**

20 (7) "Leasehold interest", a lease in an eligible property for a term of not less than
 21 thirty years;

22 ~~[(5)]~~ (8) "Principal", a managing partner, general partner, or president of a taxpayer;

23 ~~[(6)]~~ ~~"Projected net fiscal benefit", the total net fiscal benefit to the state or~~
 24 ~~municipality, less any state or local benefits offered to the taxpayer for a project, as~~
 25 ~~determined by the department of economic development;~~

26 ~~(7)~~ **(9)** "Qualified census tract", a census tract **or census block** with a poverty rate of
27 twenty percent or higher as determined by a map and listing of census tracts which shall be
28 published by the department ~~[of economic development]~~ and updated on a five-year cycle,
29 and which map and listing shall depict census tracts with twenty percent poverty rate or
30 higher, grouped by census tracts with twenty percent to forty-two percent poverty, and forty-
31 two percent to eighty-one percent poverty as determined by the most current five-year figures
32 published by the American Community Survey conducted by the United States Census
33 Bureau;

34 ~~[(8)]~~ **(10)** "Qualified rehabilitation standards", the Secretary of the Interior's
35 Standards for Rehabilitation, codified under 36 CFR 67;

36 **(11)** "Qualifying county", any county or portion thereof in this state that is not:

37 **(a)** Within a city with more than four hundred thousand inhabitants and located
38 in more than one county; or

39 **(b)** A city not within a county;

40 **(12)** "Structure in a certified historic district", a structure located in Missouri which is
41 certified by the ~~[department of natural resources]~~ **state historic preservation office** as
42 contributing to the historic significance of a certified historic district listed on the National
43 Register of Historic Places, or a local district that has been certified by the United States
44 Department of the Interior;

45 ~~[(9)]~~ **(13)** "Taxpayer", any person, firm, partnership, trust, estate, limited liability
46 company, or corporation;

47 **(14)** "Theater", any historic theater that is a certified historic structure or is
48 located in a historic district;

49 **(15)** "Vacant school", any historic school that is a certified historic structure or
50 that is located in a historic district.

253.550. 1. **(1)** Any taxpayer incurring costs and expenses for the rehabilitation of
2 eligible property, which is a certified historic structure or structure in a certified historic
3 district, may, subject to the provisions of this section and section 253.559, receive a credit
4 against the taxes imposed pursuant to chapters 143 and 148, except for sections 143.191 to
5 143.265, on such taxpayer in an amount equal to twenty-five percent of the total costs and
6 expenses of rehabilitation incurred after January 1, 1998, which shall include, but not be
7 limited to, qualified rehabilitation expenditures as defined under Section 47(c)(2)(A) of the
8 Internal Revenue Code of 1986, as amended, and the related regulations thereunder, provided
9 the rehabilitation costs associated with rehabilitation and the expenses exceed fifty percent of
10 the total basis in the property and the rehabilitation meets standards consistent with the
11 standards of the Secretary of the United States Department of the Interior for rehabilitation as
12 determined by the ~~[state historic preservation officer of the Missouri department of natural~~

13 ~~resources]~~ office of the lieutenant governor. Ten percent of such total costs and expenses
14 of rehabilitation upon which the tax credit is based may be incurred for building
15 stabilization before the taxpayer submits the application for tax credits under sections
16 253.544 to 253.559.

17 (2) Any taxpayer incurring costs and expenses for the rehabilitation of eligible
18 property that is in a qualifying area and is a certified historic structure or a structure in
19 a certified historic district shall, subject to the provisions of this section and section
20 253.559, receive a credit against the taxes imposed under chapters 143 and 148,
21 excluding withholding tax imposed under sections 143.191 to 143.265, on such taxpayer
22 in an amount equal to thirty-five percent of the total costs and expenses of rehabilitation
23 incurred on or after July 1, 2023. Ten percent of the total costs and expenses of
24 rehabilitation upon which the tax credit is based may be incurred for building
25 stabilization before the taxpayer submits the application for tax credits under sections
26 253.544 to 253.559. Such total costs and expenses of rehabilitation shall include, but not
27 be limited to, qualified rehabilitation expenditures as defined under 26 U.S.C. Section 47
28 (c)(2)(A), as amended, and related regulations, if:

29 (a) Such qualified rehabilitation expenditures exceed fifty percent of the total
30 basis in the property; and

31 (b) The rehabilitation meets the qualified rehabilitation standards of the
32 Secretary of the United States Department of the Interior for rehabilitation of historic
33 structures.

34 (3) State historic rehabilitation standards shall not be more restrictive than the
35 Secretary of the Interior's Standards for Rehabilitation set forth under 36 CFR 67.

36 2. (1) ~~[During the period beginning on January 1, 2010, but ending on or after June~~
37 ~~30, 2010, the department of economic development shall not approve applications for tax~~
38 ~~credits under the provisions of subsections 4 and 10 of section 253.559 which, in the~~
39 ~~aggregate, exceed seventy million dollars, increased by any amount of tax credits for which~~
40 ~~approval shall be rescinded under the provisions of section 253.559. For each fiscal year~~
41 ~~beginning on or after July 1, 2010, but ending before June 30, 2018, the department of~~
42 ~~economic development shall not approve applications for tax credits under the provisions of~~
43 ~~subsections 4 and 10 of section 253.559 which, in the aggregate, exceed one hundred forty~~
44 ~~million dollars, increased by any amount of tax credits for which approval shall be rescinded~~
45 ~~under the provisions of section 253.559. For each fiscal year beginning on or after July 1,~~
46 ~~2018,]~~ The department ~~[of economic development]~~ shall not approve applications for tax
47 credits **for properties not located in a qualified census tract** under the provisions of
48 subsections ~~[4]~~ **6** and ~~[10]~~ **12** of section 253.559 which, in the aggregate, exceed ninety
49 million dollars, increased by any amount of tax credits for which approval shall be rescinded

50 under the provisions of section 253.559. The limitations provided under this subsection shall
51 not apply to applications approved under the provisions of subsection [4] 6 of section 253.559
52 for projects to receive less than [~~two~~] **three** hundred [~~seventy-five~~] thousand dollars in tax
53 credits, **which number shall be annually adjusted by the percentage increase in the**
54 **Consumer Price Index for All Urban Consumers, or its successor index, as such index is**
55 **defined and officially reported by the United States Department of Labor, or its**
56 **successor agency.**

57 (2) For each fiscal year beginning on or after July 1, 2018, the department shall
58 authorize an amount up to, but not to exceed, an additional thirty million dollars in tax credits
59 issued under subsections [4] 6 and [~~10~~] 12 of section 253.559, provided that such tax credits
60 are authorized solely for projects located in a qualified census tract. **Projects that receive**
61 **preliminary approval that are located within a qualified census tract may receive an**
62 **authorization of tax credit under either subdivision (1) of this subsection or this**
63 **subdivision, but such projects shall first be authorized from the tax credit amount in this**
64 **subdivision before being authorized from the tax credit amount in subdivision (1) of this**
65 **subsection. The thirty million dollars in tax credits provided in this subdivision shall be**
66 **annually adjusted by the percentage increase in the Consumer Price Index for All**
67 **Urban Consumers, or its successor index, as such index is defined and officially reported**
68 **by the United States Department of Labor, or its successor agency.**

69 (3) For each fiscal year beginning on or after July 1, 2018, if the maximum amount of
70 tax credits allowed in any fiscal year as provided under subdivisions (1) and (2) of this
71 subsection is authorized, the maximum amount of tax credits allowed under [~~subdivision (1)]~~
72 **subdivisions (1) and (2)** of this subsection shall be adjusted by the percentage increase in the
73 Consumer Price Index for All Urban Consumers, or its successor index, as such index is
74 defined and officially reported by the United States Department of Labor, or its successor
75 agency. Only one such adjustment shall be made for each instance in which the provisions of
76 this subdivision apply. The director of the department [~~of economic development~~] shall
77 publish such adjusted amount.

78 3. (1) For all applications for tax credits approved on or after January 1, 2010, no
79 more than two hundred fifty thousand dollars in tax credits may be issued for eligible costs
80 and expenses incurred in the rehabilitation of an eligible property [~~which~~] **that is a**
81 [~~non-income~~] **non-income-producing single-family**[~~owner-occupied~~] residential property
82 **occupied by the taxpayer applicant or any relative within the third degree of**
83 **consanguinity or affinity of such applicant and that is either a certified historic structure or**
84 **a structure in a certified historic district.**

85 (2) **For all applications for tax credits, an amount equal to the applicable**
86 **percentage may be issued for eligible costs and expenses incurred in the rehabilitation of**

87 **an eligible property that is a non-income-producing single-family residential property**
88 **occupied by the taxpayer applicant or any relative within the third degree of**
89 **consanguinity or affinity of such applicant and that is either a certified historic**
90 **structure or a structure in a certified historic district. For properties not located in a**
91 **qualifying area, tax credits shall not be issued under this subdivision unless the property**
92 **is located in a distressed community, as defined under section 135.530.**

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

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

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

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

103 (b) Has received certification, by the state historic preservation officer, that the
104 rehabilitation plan meets the **qualified rehabilitation** standards [~~consistent with the standards~~
105 ~~of the Secretary of the United States Department of the Interior~~], and the rehabilitation costs
106 and expenses associated with such rehabilitation shall exceed fifty percent of the total basis in
107 the property.

253.557. 1. If the amount of such credit exceeds the total tax liability for the year in
2 which the rehabilitated property is placed in service, the amount that exceeds the state tax
3 liability may be carried back to any of the three preceding years and carried forward for credit
4 against the taxes imposed pursuant to chapter 143 and chapter 148, except for sections
5 143.191 to 143.265 for the succeeding ten years, or until the full credit is used, whichever
6 occurs first. Not-for-profit entities[;] including, but not limited to, corporations organized as
7 not-for-profit corporations pursuant to chapter 355 shall be [~~ineligible~~] **eligible** for the tax
8 credits authorized under sections [~~253.545 through 253.561~~] **253.544 to 253.559**. Taxpayers
9 eligible for [~~such~~] tax credits may transfer, sell, or assign the credits. Credits granted to a
10 partnership, a limited liability company taxed as a partnership, or multiple owners of property
11 shall be passed through to the partners, members, or owners respectively pro rata or pursuant
12 to an executed agreement among the partners, members, or owners documenting an alternate
13 distribution method.

14 2. The assignee of the tax credits, hereinafter the assignee for purposes of this
15 subsection, may use acquired credits to offset up to one hundred percent of the tax liabilities
16 otherwise imposed pursuant to chapter 143 and chapter 148, except for sections 143.191 to

17 143.265. The assignor shall perfect such transfer by notifying the department [~~of economic~~
18 ~~development~~] in writing within thirty calendar days following the effective date of the
19 transfer and shall provide any information as may be required by the department [~~of economic~~
20 ~~development~~] to administer and carry out the provisions of this section.

253.559. 1. To obtain approval for tax credits allowed under sections [~~253.545~~]
2 **253.544** to 253.559, a taxpayer shall submit an application for tax credits to the department
3 [~~of economic development~~]. **The department shall establish an application cycle that**
4 **allows for year-round submission and year-round receipt and review of such**
5 **applications.** Each application for approval, including any applications received for
6 supplemental allocations of tax credits as provided under subsection [~~10~~] **12** of this section,
7 shall be prioritized for review and approval, in the order of the date on which the application
8 was postmarked, with the oldest postmarked date receiving priority. Applications postmarked
9 on the same day shall go through a lottery process to determine the order in which such
10 applications shall be reviewed.

11 2. Each application shall be reviewed by the department [~~of economic development~~]
12 for approval. In order to receive approval, an application, other than applications submitted
13 under the provisions of subsection [~~10~~] **12** of this section, shall include:

14 (1) Proof of ownership or site control. Proof of ownership shall include evidence that
15 the taxpayer is the fee simple owner of the eligible property, such as a warranty deed or a
16 closing statement. Proof of site control may be evidenced by a leasehold interest or an option
17 to acquire such an interest. If the taxpayer is in the process of acquiring fee simple
18 ownership, proof of site control shall include an executed sales contract or an executed option
19 to purchase the eligible property;

20 (2) Floor plans of the existing structure, architectural plans, and, where applicable,
21 plans of the proposed alterations to the structure, as well as proposed additions;

22 (3) The estimated cost of rehabilitation, the anticipated total costs of the project, the
23 actual basis of the property, as shown by proof of actual acquisition costs, the anticipated total
24 labor costs, the estimated project start date, and the estimated project completion date;

25 (4) Proof that the property is an eligible property and a certified historic structure or a
26 structure in a certified historic district **or part 1 of a federal application or a draft national**
27 **register of historic places nomination has been submitted to the state historic**
28 **preservation office of the office of the lieutenant governor;**

29 (5) A copy of [~~all~~] land use [~~and building approvals reasonably necessary for the~~
30 ~~commencement of the project~~] **plans;** and

31 (6) Any other information [~~which~~] the department [~~of economic development~~] may
32 reasonably require to review the project for approval.

34 Only the property for which a property address is provided in the application shall be
35 reviewed for approval. Once selected for review, a taxpayer shall not be permitted to request
36 the review of another property for approval in the place of the property contained in such
37 application. Any disapproved application shall be removed from the review process. If an
38 application is removed from the review process, the department [~~of economic development~~]
39 shall notify the taxpayer in writing of the decision to remove such application. Disapproved
40 applications shall lose priority in the review process. A disapproved application, which is
41 removed from the review process, may be resubmitted, but shall be deemed to be a new
42 submission for purposes of the priority procedures described in this section.

43 3. (1) In evaluating an application for tax credits submitted under this section, the
44 department [~~of economic development~~] shall also consider:

45 (a) The amount of projected net fiscal benefit of the project to the state and local
46 municipality~~], and the period in which the state and municipality would realize such net fiscal~~
47 ~~benefit]~~ **as calculated based on reasonable methods, which shall exclude proprietary**
48 **computer models;**

49 (b) The overall size and quality of the proposed project~~;~~ **including, but not limited**
50 **to:**

51 a. The estimated number of new jobs **or housing units, or both**, to be created by the
52 project~~;~~;

53 b. **The estimated number of construction jobs and professional jobs associated**
54 **with the project that are included in total project costs;**

55 c. **Capital improvements created by a project and the potential of future capital**
56 **improvements;**

57 d. **Increased revenues from sales or property taxes;**

58 e. The potential multiplier effect of the project~~;~~; and

59 f. **Other similar factors; and**

60 (c) [~~The level of economic distress in the area; and~~

61 ~~(d)] Input from the local elected officials in the local municipality in which the
62 proposed project is located as to the importance of the proposed project to the municipality.~~

63 [~~For any proposed project in any city not within a county, input from the local elected
64 officials shall include, but shall not be limited to, the president of the board of aldermen.]~~

65 (2) The provisions of this subsection shall not apply to **vacant schools or theaters or**
66 applications for projects to receive less than ~~[two]~~ **three** hundred ~~[seventy-five]~~ thousand
67 dollars in tax credits, **which number shall be annually adjusted by the percentage**
68 **increase in the Consumer Price Index for All Urban Consumers, or its successor index,**
69 **as such index is defined and officially reported by the United States Department of**
70 **Labor, or its successor agency.**

71 **4. The state historic preservation office shall allow for a third-party review as**
72 **evidence that the proposed rehabilitation satisfies the qualified rehabilitation standard.**

73 **5. (1) The department shall promptly notify the state historic preservation office**
74 **of the office of the lieutenant governor of each preliminary application for tax credits.**
75 **After receipt of such notice, the state historic preservation office shall determine**
76 **whether a rehabilitation satisfies the qualified rehabilitation standards within ninety**
77 **days of a taxpayer filing an initial application for tax credits. The determination shall**
78 **be based upon evidence that the rehabilitation will meet qualified rehabilitation**
79 **standards, and that evidence shall consist of one of the following:**

80 **(a) Preliminary approval by the state historic preservation office; or**

81 **(b) An approved part 2 of the federal application, which the state historic**
82 **preservation office shall forward directly to the department without any additional**
83 **review by such office.**

84 **(2) If the state historic preservation office approves the application for tax**
85 **credits within the ninety-day determination period established in subdivision (1) of this**
86 **subsection, such office shall forward the application with any review comments to the**
87 **National Park Service and shall forward any such review comments to the applicant. If**
88 **such office fails to approve the application within the ninety-day determination period,**
89 **such office shall forward the application without any comments to the National Park**
90 **Service and shall have no further opportunity to submit any comments on such**
91 **application.**

92 **(3) Conditions on a state preliminary application or on part 2 of a federal**
93 **application shall not delay preliminary state approval but shall be addressed by the**
94 **applicant for final approval of such application.**

95 **(4) Any application for state tax credits that does not include an application for**
96 **federal tax credits or a nomination to the federal National Register of Historic Places**
97 **shall be reviewed by the state historic preservation office within ninety days of a notice**
98 **received under subdivision (1) of this subsection.**

99 **(5) (a) An application for state tax credits may provide information indicating**
100 **that the project is a phased rehabilitation project as described under 26 U.S.C. Section**
101 **47, as amended. Such application for a phased rehabilitation project shall include at**
102 **least the following:**

103 **a. A schedule of the phases of the project with a beginning date for each phase**
104 **and the expected costs for the whole project. The applicant may submit detailed plans**
105 **for the project at a later time within the application process;**

106 **b. The adjusted total basis of such project, which shall be submitted with the**
107 **schedule of phases of the project; and**

108 c. A statement that the applicant agrees to begin each phase of such project
109 within twelve months of the start date for such phase listed in the schedule of the phases.

110 (b) The applicant may submit a preliminary certification of costs upon the
111 completion of each phase of the project.

112 (c) Upon approval of the cost certification submitted and the work completed on
113 each phase of such project, the department shall issue eighty percent of the amount of
114 the state tax credit for which the taxpayer is approved under this section. The
115 remaining twenty percent of the amount of the state tax credit for which the taxpayer is
116 approved under this section shall be issued upon the final approval of the project under
117 this section.

118 (6) If the department determines that the amount of tax credits issued to a
119 taxpayer under subdivision (5) of this subsection is in excess of the total amount of tax
120 credits such taxpayer is eligible to receive, the department shall notify such taxpayer,
121 and such taxpayer shall repay the department an amount equal to such excess.

122 [4-] 6. If the department [~~of economic development~~] deems the application sufficient,
123 the taxpayer shall be notified in writing of the approval for an amount of tax credits equal to
124 the amount provided under section 253.550 less any amount of tax credits previously
125 approved. Such approvals shall be granted to applications in the order of priority established
126 under this section and shall require full compliance thereafter with all other requirements of
127 law as a condition to any claim for such credits. If the department [~~of economic~~
128 ~~development~~] disapproves an application, the taxpayer shall be notified in writing of the
129 reasons for such disapproval. A disapproved application may be resubmitted. **If the scope of**
130 **a project for which an application has been approved under this section materially**
131 **changes, the taxpayer shall be eligible to receive additional tax credits in the year in**
132 **which the department is notified of and approves of such change in scope, subject to the**
133 **provisions of subsection 2 of section 253.550 and subsection 7 of this section, if**
134 **applicable; however, if such project was originally approved prior to August 28, 2018,**
135 **the department shall evaluate the change in scope of the project under the criteria in**
136 **effect prior to such date. A change in project scope shall be considered material under**
137 **this subsection if:**

138 (1) The project was not previously subject to a material change in scope for
139 which additional tax credits were approved; and

140 (2) The requested amount of tax credits for the project after the change in scope
141 is higher than the originally approved amount of tax credits.

142 [5-] 7. Following approval of an application, the identity of the taxpayer contained in
143 such application shall not be modified except:

144 (1) The taxpayer may add partners, members, or shareholders as part of the ownership
145 structure, so long as the principal remains ~~[the same]~~ **a principal of the taxpayer**, provided
146 however, that subsequent to the commencement of renovation and the expenditure of at least
147 ten percent of the proposed rehabilitation budget, removal of the principal for failure to
148 perform duties and the appointment of a new principal thereafter shall not constitute a change
149 of the principal; or

150 (2) Where the ownership of the project is changed due to a foreclosure, deed in lieu of
151 a foreclosure or voluntary conveyance, or a transfer in bankruptcy.

152 ~~[6-]~~ **8.** In the event that the department ~~[of economic development]~~ grants approval
153 for tax credits equal to the total amount available **or authorized, as applicable**, under
154 subsection 2 of section 253.550, or sufficient that when totaled with all other approvals, the
155 amount available **or authorized, as applicable**, under subsection 2 of section 253.550 is
156 exhausted, all taxpayers with applications then awaiting approval or thereafter submitted for
157 approval shall be notified by the department ~~[of economic development]~~ that no additional
158 approvals shall be granted during the fiscal year and shall be notified of the priority given to
159 such taxpayer's application then awaiting approval. Such applications shall be kept on file by
160 the department ~~[of economic development]~~ and shall be considered for approval for tax
161 credits in the order established in this section in the event that additional credits become
162 available due to the rescission of approvals or when a new fiscal year's allocation of credits
163 becomes available for approval **or authorized, as applicable**.

164 ~~[7-]~~ **9.** All taxpayers with applications receiving approval on or after July 1, 2019,
165 shall submit within ~~[sixty]~~ **one hundred twenty** days following the award of credits evidence
166 of the capacity of the applicant to finance the costs and expenses for the rehabilitation of the
167 eligible property in the form of a line of credit or letter of commitment subject to the lender's
168 termination for a material adverse change impacting the extension of credit. If the department
169 ~~[of economic development]~~ determines that a taxpayer has failed to comply with the
170 requirements under this subsection, then the department shall notify the applicant of such
171 failure and the applicant shall have a thirty-day period from the date of such notice to submit
172 additional evidence to remedy the failure.

173 ~~[8-]~~ **10.** All taxpayers with applications receiving approval on or after the effective
174 date of this act shall commence rehabilitation within ~~[nine]~~ **eighteen** months of the date of
175 issuance of the letter from the department ~~[of economic development]~~ granting the approval
176 for tax credits. "Commencement of rehabilitation" shall mean that as of the date in which
177 actual physical work, contemplated by the architectural plans submitted with the application,
178 has begun, the taxpayer has incurred no less than ten percent of the estimated costs of
179 rehabilitation provided in the application. Taxpayers with approval of a project shall submit
180 evidence of compliance with the provisions of this subsection. **Taxpayers shall notify the**

181 **department of any loss of site control or of any failure to exercise any option to obtain**
182 **site control within the prescribed time period within ten days of such loss or failure.** If
183 the department [~~of economic development~~] determines that a taxpayer has **lost or failed to**
184 **obtain site control of the eligible property or otherwise** failed to comply with the
185 requirements provided under this section, the approval for the amount of tax credits for such
186 taxpayer shall be rescinded [~~and such amount of tax credits~~]. **A taxpayer may voluntarily**
187 **forfeit such approval at any time by written notice to the department. Any approval**
188 **rescinded or forfeited under this subsection** shall then be included in the total amount of
189 tax credits **available in the year of such rescission or forfeiture**, provided under subsection
190 2 of section 253.550, from which approvals may be granted. Any taxpayer whose approval
191 [~~shall be subject to rescission~~] **is rescinded or forfeited under this subsection** shall be
192 notified of such from the department [~~of economic development~~] and, upon receipt of such
193 notice, may submit a new application for the project. **If a taxpayer's approval is rescinded**
194 **or forfeited under this subsection and such taxpayer later submits a new application for**
195 **the same project, any expenditures eligible for tax credits under section 253.550 that are**
196 **incurred by such taxpayer from and after the date of the rescinded or forfeited approval**
197 **shall remain eligible expenditures for the purposes of determining the amount of tax**
198 **credits that may be approved under section 253.550.**

199 ~~[9-]~~ **11. (1) (a)** To claim the credit authorized under sections [~~253.550~~] **253.544** to
200 253.559, a taxpayer with approval shall apply for final approval and issuance of tax credits
201 from the department [~~of economic development~~], which [~~, in consultation with the department~~
202 ~~of natural resources,~~] shall determine the final amount of eligible rehabilitation costs and
203 expenses and whether the completed rehabilitation meets the **qualified rehabilitation**
204 standards of the Secretary of the United States Department of the Interior for rehabilitation [~~as~~
205 ~~determined by the state historic preservation officer of the Missouri department of natural~~
206 ~~resources~~].

207 **(b) Final approval shall be shown by one of the following:**

208 **a. Final approval by the state historic preservation office; or**

209 **b. An approved part 3 of the federal application.**

210 **(c) For applications for tax credits for an eligible property for which a taxpayer**
211 **applies for both the federal historic preservation certification under the Internal**
212 **Revenue Code of 1986, as amended, and the state historic tax credits under section**
213 **253.544 to 253.559, a taxpayer may submit part 1 of the federal application approved by**
214 **the National Park Service with such state tax credit application. In such instances, the**
215 **state tax credit application may proceed as a preliminary application concurrent with**
216 **the associated federal process for nomination to the National Register of Historic Places.**
217 **An award of tax credits under sections 253.544 to 253.559 shall be contingent on and**

218 awarded upon the listing of such eligible property on the National Register of Historic
219 Places.

220 (d) The state historic preservation office shall allow for a third-party review as
221 evidence that the completed rehabilitation satisfies the qualified rehabilitation
222 standards.

223 (2) Within sixty days of the department's receipt of all materials required by the
224 department for an application for final approval and issuance of tax credits, which shall
225 include a state approval by the state historic preservation office or an approved part 3 of
226 the federal application for projects receiving federal rehabilitation credits, the
227 department shall issue to the taxpayer tax credit certificates in the amount of
228 seventy-five percent of the lesser of:

229 (a) The total amount of the tax credits for which the taxpayer is eligible as
230 provided in the taxpayer's certification of qualified expenses submitted with an
231 application for final approval; or

232 (b) The total amount of tax credits approved for such project under subsection 3
233 of this section, including any amounts approved in connection with a material change in
234 scope of the project.

235 (3) Within one hundred twenty days of the department's receipt of all materials
236 required by the department for an application of final approval and issuance of tax
237 credits for a project, the department shall, unless such project is under appeal under
238 subsection 14 of this section:

239 (a) Make a final determination of the total costs and expenses of rehabilitation
240 and the amount of tax credits to be issued for such costs and expenses;

241 (b) Notify the taxpayer in writing of its final determination; and

242 (c) Issue to the taxpayer tax credit certificates in an amount equal to the
243 remaining amount of tax credits such taxpayer is eligible to receive, as determined by
244 the department, but was not issued in the initial tax credit issuance under subdivision
245 (2) of this subsection.

246 (4) If the department determines that the amount of tax credits issued to a
247 taxpayer in the initial tax credit issuance under subdivision (2) of this subsection is in
248 excess of the total amount of tax credits such taxpayer is eligible to receive, the
249 department shall notify such taxpayer, and such taxpayer shall repay the department an
250 amount equal to such excess.

251 (5) For financial institutions credits authorized pursuant to sections [~~253.550 to~~
252 ~~253.561~~] 253.544 to 253.559 shall be deemed to be economic development credits for
253 purposes of section 148.064. The approval of all applications and the issuing of certificates of
254 eligible credits to taxpayers shall be performed by the department [~~of economic~~

255 ~~development~~]. The department [~~of economic development~~] shall inform a taxpayer of final
256 approval by letter and shall issue, to the taxpayer, tax credit certificates. The taxpayer shall
257 attach the certificate to all Missouri income tax returns on which the credit is claimed.

258 ~~[10.]~~ **12.** Except as expressly provided in this subsection, tax credit certificates shall
259 be issued in the final year that costs and expenses of rehabilitation of the project are incurred,
260 or within the twelve-month period immediately following the conclusion of such
261 rehabilitation. In the event the amount of eligible rehabilitation costs and expenses
262 incurred by a taxpayer would result in the issuance of an amount of tax credits in excess of the
263 amount provided under such taxpayer's approval granted under subsection ~~[4]~~ **6** of this
264 section, such taxpayer may apply to the department for issuance of tax credits in an amount
265 equal to such excess. Applications for issuance of tax credits in excess of the amount
266 provided under a taxpayer's application shall be made on a form prescribed by the
267 department. Such applications shall be subject to all provisions regarding priority provided
268 under subsection 1 of this section.

269 ~~[11.]~~ **13.** The department [~~of economic development~~] shall determine, on an annual
270 basis, the overall economic impact to the state from the rehabilitation of eligible property.

271 **14. (1) With regard to an application submitted under sections 253.544 to**
272 **253.559, an applicant or an applicant's duly authorized representative may appeal any**
273 **official decision, including all preliminary or final approvals, denials of approvals, or**
274 **dollar amounts of issued tax credits, made by the department of economic development**
275 **or the state historic preservation office. Such an appeal shall constitute an**
276 **administrative review of the decision and shall not be conducted as an adjudicative**
277 **proceeding.**

278 **(2) The department shall establish an equitable appeals process.**

279 **(3) The appeals process shall incorporate an independent review panel consisting**
280 **of members of the private sector and the department.**

281 **(4) The department shall name an independent appeals officer as chair.**

282 **(5) An appeal shall be submitted to the designated appeals officer or review**
283 **panel in writing within thirty days of receipt by the applicant or the applicant's duly**
284 **authorized representative of the decision that is the subject of the appeal and shall**
285 **include all information the appellant wishes the appeals officer or review panel to**
286 **consider in deciding the appeal.**

287 **(6) Within fourteen days of receipt of an appeal, the appeals officer or review**
288 **panel shall notify the department of economic development or the state historic**
289 **preservation office that an appeal is pending, identify the decision being appealed, and**
290 **forward a copy of the information submitted by the appellant. The department of**

291 economic development or the state historic preservation office may submit a written
292 response to the appeal within thirty days.

293 (7) The appellant shall be entitled to one meeting with the appeals officer or
294 review panel to discuss the appeal, and the appeals officer or review panel may schedule
295 additional meetings at the officer's or panel's discretion. The department of economic
296 development or the state historic preservation office may appear at any such meeting.

297 (8) The appeals officer or review panel shall consider the record of the decision
298 in question; any further written submissions by the appellant, department of economic
299 development, or state historic preservation office; and other available information and
300 shall deliver a written decision to all parties as promptly as circumstances permit but no
301 later than ninety days after the initial receipt of an appeal by the appeals officer or
302 review panel.

303 (9) The appeals officer and the members of the review panel shall serve without
304 compensation.

620.1900. 1. The department of economic development may charge a fee to the
2 recipient of any tax credits issued by the department, in an amount up to two and one-half
3 percent of the amount of tax credits issued, or for tax credits issued under sections ~~[253.545]~~
4 **253.544** to 253.559 in an amount equal to four percent of the amount of tax credits issued.
5 The fee shall be paid by the recipient upon the issuance of the tax credits. However, no fee
6 shall be charged for the tax credits issued under section 135.460, ~~[or]~~ section 208.770, or
7 ~~[under]~~ sections 32.100 to 32.125, if issued for community services, crime prevention,
8 education, job training, or physical revitalization.

9 2. (1) All fees received by the department of economic development under this
10 section shall be deposited solely to the credit of the economic development advancement
11 fund, created under subsection 3 of this section.

12 (2) Thirty-seven and one-half percent of the revenue derived from the four percent fee
13 charged on tax credits issued under sections 253.545 to 253.559 shall be appropriated from
14 the economic development advancement fund for business recruitment and marketing. **The**
15 **provisions of subdivision (1) of this subsection notwithstanding, the fees received by the**
16 **department of economic development from the four percent fee charged on tax credits**
17 **issued under sections 253.544 to 253.559 shall be distributed as follows:**

18 (a) Thirty-seven and one-half percent of such revenue shall be deposited in the
19 economic development advancement fund and shall be appropriated for business
20 recruitment and marketing;

21 (b) Ten percent, or a different percentage as determined by the department, of
22 such revenue shall be appropriated to the department of economic development for the
23 administration of the provisions of sections 253.544 to 253.559;

24 **(c) Ten percent, or a different percentage as determined by the department, of**
25 **such revenue shall be appropriated to the state historic preservation office for the**
26 **administration of the provisions of sections 253.544 to 253.559; and**

27 **(d) Forty-two and one-half percent of such revenue shall be deposited in the**
28 **economic development advancement fund for the purposes described in subsection 5 of**
29 **this section.**

30 3. There is hereby created in the state treasury the "Economic Development
31 Advancement Fund", which shall consist of money collected under this section. The state
32 treasurer shall be custodian of the fund and shall approve disbursements from the fund in
33 accordance with sections 30.170 and 30.180. Upon appropriation, money in the fund shall be
34 used solely for the administration of this section. Notwithstanding the provisions of section
35 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not
36 revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the
37 fund in the same manner as other funds are invested. Any interest and moneys earned on such
38 investments shall be credited to the fund.

39 4. Such fund shall consist of any fees charged under subsection 1 of this section, any
40 gifts, contributions, grants, or bequests received from federal, private, or other sources, fees
41 or administrative charges from private activity bond allocations, moneys transferred or paid to
42 the department in return for goods or services provided by the department, and any
43 appropriations to the fund.

44 5. At least fifty percent of the fees and other moneys deposited in the fund shall be
45 appropriated for marketing, technical assistance, and training, contracts for specialized
46 economic development services, and new initiatives and pilot programming to address
47 economic trends. The remainder may be appropriated toward the costs of staffing and
48 operating expenses for the program activities of the department of economic development,
49 and for accountability functions.

✓