

# HOUSE BILL NO. 2473

## 102ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE HARDWICK.

5213H.011

DANA RADEMAN MILLER, Chief Clerk

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### AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a work opportunity tax credit.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be known as section 135.465, to read as follows:

**135.465. 1. This section shall be known and may be cited as the "Missouri Job Creators Tax Reduction Act".**

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

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

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

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

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

**3. For all tax years beginning on or after January 1, 2025, a qualified taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax liability for wages**

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.

17 paid by the qualified taxpayer during the tax year to an individual who is in a targeted  
18 group and who is employed in the state in an amount equal to the lesser of:

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

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

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

30 5. Tax credits issued under the provisions of this section shall not be refundable.  
31 No tax credit claimed under this section shall be carried forward to any subsequent tax  
32 year.

33 6. No tax credit claimed under this section shall be assigned, transferred, sold, or  
34 otherwise conveyed.

35 7. The department of revenue shall promulgate all necessary rules and  
36 regulations for the administration of this section. Any rule or portion of a rule, as that  
37 term is defined in section 536.010, that is created under the authority delegated in this  
38 section shall become effective only if it complies with and is subject to all of the  
39 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter  
40 536 are nonseverable and if any of the powers vested with the general assembly  
41 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul  
42 a rule are subsequently held unconstitutional, then the grant of rulemaking authority  
43 and any rule proposed or adopted after August 28, 2024, shall be invalid and void.

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

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

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

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

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