

SECOND REGULAR SESSION

HOUSE BILL NO. 2705

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE APPELBAUM.

5580H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to tax credits.

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
2 known as section 135.790, to read as follows:

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

2 (1) "Animal shelter", the same meaning given to such term under section
3 **273.325;**

4 (2) "Qualified amount", for any qualified pet adoption, the total amount of
5 moneys paid by a taxpayer to an animal shelter for such qualified pet adoption,
6 including any adoption fees and other associated medical and administrative costs, up to
7 one hundred twenty-five dollars;

8 (3) "Qualified pet adoption", any adoption by a taxpayer of an animal from an
9 animal shelter;

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

12 (5) "Taxpayer", any individual subject to the state income tax imposed under
13 chapter 143, excluding withholding tax imposed under sections 143.191 to 143.265.

14 2. For all tax years beginning on or after January 1, 2024, a taxpayer shall be
15 allowed to claim a tax credit against the taxpayer's state tax liability for a qualified pet
16 adoption made by the taxpayer during the tax year. The amount of any tax credit
17 claimed for a qualified pet adoption shall be equal to the qualified amount for such
18 qualified pet adoption.

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.

19 **3. A taxpayer shall not be allowed to claim more than two tax credits under this**
20 **section per tax year, regardless of whether the taxpayer makes more than two qualified**
21 **pet adoptions during the tax year.**

22 **4. The animal shelter shall provide a receipt to the taxpayer upon adoption, a**
23 **copy of which the taxpayer shall submit with the claim for tax credits under this section**
24 **on a form and in such manner as the department may establish by rule.**

25 **5. The cumulative amount of tax credits allowed to all taxpayers under this**
26 **section shall not exceed five hundred thousand dollars per calendar year. If the amount**
27 **of tax credits claimed in a calendar year under this section exceeds five hundred**
28 **thousand dollars, tax credits shall be allowed based on the order in which they are**
29 **claimed.**

30 **6. Tax credits issued under the provisions of this section shall be refundable. No**
31 **tax credit claimed under this section shall be assigned, transferred, sold, or otherwise**
32 **conveyed. No tax credit claimed under this section shall be carried forward to any**
33 **subsequent tax year.**

34 **7. (1) A taxpayer shall forfeit any tax credits issued to such taxpayer which have**
35 **not been redeemed, or shall repay the amount of any tax credits redeemed by such**
36 **taxpayer in the event the adopted animal is returned, abused, released, sold, killed, or**
37 **otherwise not cared for by the taxpayer, except in cases of humane killing as defined**
38 **under section 578.055.**

39 **(2) The department may verify the adoption status with the animal shelter and**
40 **citations or other records of abuse or neglect of the adopted animal with the local animal**
41 **control or other applicable authorities, and may request any other information or**
42 **documentation from the taxpayer as necessary to verify the good faith adoption and**
43 **wellbeing of the adopted animal at the time of the credit application.**

44 **8. Notwithstanding any provision of section 105.1500 to the contrary, any**
45 **requirement to provide information, documents, or records under this section, and any**
46 **requirement established by the department of revenue to provide information,**
47 **documents, or records for the purpose of administering and enforcing this section,**
48 **shall be exempt from the provisions of section 105.1500.**

49 **9. The department of revenue shall promulgate all necessary rules and**
50 **regulations to administer the provisions of this section. Any rule or portion of a rule, as**
51 **that term is defined in section 536.010, that is created under the authority delegated in**
52 **this section shall become effective only if it complies with and is subject to all of the**
53 **provisions of chapter 536 and, if applicable, section 536.028. This section and chapter**
54 **536 are nonseverable and if any of the powers vested with the general assembly**
55 **pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul**

56 a rule are subsequently held unconstitutional, then the grant of rulemaking authority
57 and any rule proposed or adopted after August 28, 2024, shall be invalid and void.

58 10. Under section 23.253 of the Missouri sunset act:

59 (1) The provisions of this section shall automatically sunset six years after the
60 effective date of this section unless reauthorized by an act of the general assembly;

61 (2) If the provisions of this section are reauthorized, such provisions shall
62 automatically sunset twelve years after the effective date of the reauthorization; and

63 (3) This section shall terminate on September first of the calendar year
64 immediately following the calendar year in which the provisions of this section are
65 sunset.

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