

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0763H.01I
 Bill No.: HB 1007
 Subject: Tax Credits; Taxation and Revenue - Income; Taxation and Revenue - General;
 Department of Revenue; State Departments
 Type: Original
 Date: February 3, 2025

Bill Summary: This proposal modifies provisions relating to tax credits.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue Fund*/**	(\$659,501) to Could exceed \$476,076,725	(\$663,618) to Could exceed \$476,072,608	(\$673,650) to Could exceed \$476,062,576
Total Estimated Net Effect on General Revenue	(\$659,501) to Could exceed \$476,076,725	(\$663,618) to Could exceed \$476,072,608	(\$673,650) to Could exceed \$476,062,576

*Oversight notes the cost to general revenue is the estimated impact for the DED, MDA, DPS-DO, and DSS combined 6 FTE.

** Oversight notes this proposal would require all credits to be appropriated beginning with FY26. Oversight will reflect savings up to \$476,736,226 (the current redemption amount of all tax credits subject to the limit if they are not appropriated) to \$0 (if they are appropriated).

***Oversight notes this proposal adds a sunset clause to various tax credits. Oversight notes if the tax credits were to sunset this would result in a cost savings to general revenue if they are not reauthorized. For simplicity, Oversight did not include this savings in the estimates above.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds			

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue Fund – DPS - DO	1 FTE	1 FTE	1 FTE
General Revenue Fund – DSS	2 FTE	2 FTE	2 FTE
General Revenue Fund – MDA	2 FTE	2 FTE	2 FTE
General Revenue Fund – DED	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	Up to 6 FTE	Up to 6 FTE	Up to 6 FTE

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Oversight did not receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval to publish a new fiscal note.

Section 32.105 - 32.125 Neighborhood Assistance (NAP), Affordable Housing Assistance (NAP), and Development Tax Credit (AHAP)

Officials from the **Department of Revenue (DOR)** note:

Sections 32.100 to 32.125 create three tax credit programs. The Affordable Housing tax credit (AHAP) which has 2 caps, one of \$10 million and the other of \$1 million. The Neighborhood Assistance tax credit which has a \$16 million cap and the Development tax credit program that had a \$6 million cap but was stopped on August 28, 2013, by the creation of the MO Works tax credit program (Section 620.2020.14).

This proposal adds a sunset clause to Section 32.125 which would impact these programs. There is no fiscal impact from adding the sunset clause to these credits. However, should these programs actually be allowed to be sunset in the future, it would result in a savings to the State of up to the \$27 million annual caps on the AHAP and Neighborhood Assistance programs.

For informational purposes only, DOR is providing the history of the authorizations, issuances and redemptions of each of these credits.

Affordable Housing Tax Credit

Year	Issued	Total Redeemed
FY 2024	\$5,263,913.00	\$5,211,902.60
FY 2023	\$4,174,401.00	\$8,716,793.01
FY 2022	\$10,482,025.00	\$3,619,925.08
FY 2021	\$3,592,427.00	\$4,119,705.33
FY 2020	\$4,510,701.00	\$4,025,790.93
FY 2019	\$3,308,659.00	\$5,001,344.36
FY 2018	\$6,145,103.00	\$4,752,091.91
FY 2017	\$7,386,034.00	\$10,172,259.92
FY 2016	\$13,171,092.00	\$8,484,672.81
FY 2015	\$8,717,177.00	\$3,358,807.75

FY 2014	\$4,844,279.00	\$5,620,749.73
FY 2013	\$4,967,887.00	\$7,406,987.96
FY 2012	\$5,990,591.00	\$5,629,465.92

Neighborhood Assistance Tax Credit

Year	Issued	Total Redeemed
FY 2024	\$10,200,112.00	\$9,185,734.75
FY 2023	\$12,330,085.00	\$9,107,306.80
FY 2022	\$11,113,005.75	\$8,067,535.14
FY 2021	\$9,048,913.00	\$8,623,742.15
FY 2020	\$8,703,761.00	\$9,471,230.74
FY 2019	\$10,377,614.00	\$8,947,215.78
FY 2018	\$12,367,630.00	\$10,922,806.90
FY 2017	\$14,490,650.00	\$14,831,654.17
FY 2016	\$13,761,480.00	\$10,318,970.97
FY 2015	\$11,435,785.00	\$8,230,285.75
FY 2014	\$9,640,126.00	\$10,848,983.24
FY 2013	\$10,144,225.00	\$7,392,112.96
FY 2012	\$8,493,103.00	\$9,757,094.83

Development Tax Credit

Since this program was eliminated with the creation of the MO Works Tax Credit program, this has not had any authorizations or issuances.

Officials from the **Office of Administration – Budget & Planning (B&P)** note:

This proposal would add a sunset clause to the AHAP, NAP, and Development tax credits. B&P notes that the Development tax credit was closed during the creation of MO Works. The three-year average redemptions for AHAP were \$5,849,540 and for NAP they were \$8,786,859 in FY22-FY24. Therefore, B&P estimates that if the credits are allowed to sunset, this could increase GR by \$14,636,399 (\$5,849,540 + \$8,786,859) annually.

Oversight notes if the credits are allowed to sunset, it could result in a savings to general revenue. For purposes of this fiscal note, Oversight will not show savings from the sunset provision.

Section 100.260 Industrial Development and Reserve Fund

Officials from **Department of Revenue** state this proposal modifies the section references in this provision. This will not have a fiscal impact on DOR.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Section 100.270 Board Duties under the Missouri Finance Act

Officials from the **Department of Revenue** assume this proposal modifies the definition of certified capital company. DOR defers to DED for the impact of this provision.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Section 100.286 Bond Enhancement Tax Credit

Officials from the **Department of Revenue (DOR)** note:

This proposal adds a sunset clause to Section 100.286, which would stop the tax credit provision of this section. There is no fiscal impact from adding the sunset clause to a tax credit. However, should the tax credit actually be allowed to be sunset in the future, it would result in a savings to the State of up to the \$25 million annually from the current cap on the program.

For informational purposes only, DOR is providing the history of the authorizations, issuances and redemptions of each of these credits.

Year	Issued	Total Redeemed
FY 2024	\$2,453,497.32	\$9,710,859.50
FY 2023	\$9,195,015.82	\$6,786,698.92
FY 2022	\$9,903,206.48	\$4,269,565.19
FY 2021	\$6,513,798.58	\$3,750,910.72
FY 2020	\$6,626,743.09	\$6,642,115.08
FY 2019	\$5,904,204.98	\$5,574,589.21
FY 2018	\$7,297,631.85	\$8,129,507.44
FY 2017	\$4,985,580.79	\$13,949,851.18
FY 2016	\$14,826,445.78	\$13,094,318.78
FY 2015	\$8,711,789.65	\$14,792,340.70
FY 2014	\$27,698,346.61	\$19,474,867.89

FY 2013	\$7,029,161.41	\$14,804,416.35
FY 2012	\$11,091,771.88	\$33,444,753.56

Officials from the **Office of Administration – Budget & Planning (B&P)** note:

This proposal would add a sunset clause to the MDFB Infrastructure tax credit. The three-year average redemptions were \$6,922,375 in FY22-FY24. Therefore, B&P estimates that if this credit is allowed to sunset, this could increase GR by \$6,922,375 annually.

Oversight notes if the credits are allowed to sunset, it could result in a savings to general revenue ranging from the above provided amount up to the maximum cap of \$25 million after December 2031. For purposes of this fiscal note, Oversight will not show savings from the sunset provision.

Section 100.293 Creation of Jobs Now Act Committee

Officials from the **Department of Revenue (DOR)** assume this proposal modifies the sectional references in this program. DOR defers to DED for fiscal impact.

Section 100.297 Missouri Development Finance Board Bond Guarantee Tax Credit

Officials from the **Department of Revenue (DOR)** note:

This proposal adds a sunset clause to Section 100.297 which would stop the tax credit provision of this section. There is no fiscal impact from adding the sunset clause to a tax credit. However, should the tax credit actually be allowed to be sunset in the future, it would result in a savings to the State of up to the annual cap on the program.

It should be noted that this tax credit is only issued when an organization defaults on their bonds. This credit has not issued or authorized any credits in the last 10 years. It is assumed should this credit sunset, it would not actually result in any savings due to the lack of use currently.

Officials from the **Office of Administration – Budget & Planning (B&P)** note:

This proposal would add a sunset clause to the MDFB Bond Guarantee tax credit. B&P notes that there have been no redemptions since FY 2007. Therefore, B&P estimates that this provision will not impact TSR and GR.

Oversight notes B&P and DOR both assume the provision will not impact TSR. Therefore, Oversight will reflect a zero impact in the fiscal note for this provision.

Section 100.850 Business Use Incentive for Large Development Tax Credit (BUILD)

Officials from the **Department of Revenue (DOR)** note:

This proposal adds a sunset clause to Section 100.850 which would stop the tax credit provision of this section. There is no fiscal impact from adding the sunset clause to a tax credit. However, should the tax credit actually be allowed to be sunset in the future, it would result in a savings to the State of up to the \$25 million annually from the current cap on the program.

For informational purposes only, DOR is providing the history of the authorizations, issuances and redemptions of each of these credits.

Year	Issued	Total Redeemed
FY 2024	\$7,627,412.67	\$16,547,987.80
FY 2023	\$9,946,806.62	\$8,900,471.06
FY 2022	\$17,119,484.70	\$16,992,824.62
FY 2021	\$17,581,613.54	\$12,343,210.35
FY 2020	\$16,443,339.34	\$8,897,698.24
FY 2019	\$15,749,740.98	\$13,776,255.52
FY 2018	\$14,194,083.01	\$9,818,473.29
FY 2017	\$10,946,789.59	\$10,433,122.10
FY 2016	\$9,040,815.85	\$8,389,892.09
FY 2015	\$10,612,876.07	\$7,990,466.34
FY 2014	\$6,318,995.87	\$8,533,926.13
FY 2013	\$9,969,516.20	\$8,212,532.51
FY 2012	\$9,084,677.16	\$6,591,947.62

Officials from the **Office of Administration – Budget & Planning (B&P)** noted:

This proposal would add a sunset clause to the BUILD tax credit. The three-year average redemptions were \$14,147,095 in FY22-FY24. Therefore, B&P estimates that if this credit is allowed to sunset, this could increase GR by \$14,147,095 annually.

Oversight notes if the credits are allowed to sunset, it could increase general revenue ranging from the above provided amount up to the maximum cap \$25 million after 2031. For purposes of this fiscal note, Oversight will not show a savings from the sunset provision.

Section 135.090 Peace Officer Surviving Spouse Tax Credit Program

Officials from the **Department of Revenue (DOR)** note:

This section is the peace officer surviving spouse tax credit program that allows the widow of a peace officer who dies in the line of duty to receive a tax credit equal to the amount of property tax they pay on the home they shared.

This proposal adds a formula for setting a cap on this program starting July 1, 2026. The cap is to be equal to the highest amount issued from FY 2023 to FY 2025.

DOR notes that this credit is not issued but rather just claimed on the tax return. Qualifying taxpayers make their property tax payment (in December) and request the credit on the next year's tax return. The credit is only redeemed. DOR assumes that the language of this proposal will stop this credit starting July 1, 2026.

For informational purposes only, DOR is providing the history of the redemptions of this credit.

For informational purposes only, DOR is providing the history of the authorizations, issuances and redemptions of each of these credits.

Year	Total Redeemed
FY 2024	\$84,479.12
FY 2023	\$88,090.00
FY 2022	\$62,854.82
FY 2021	\$103,170.00
FY 2020	\$68,056.00
FY 2019	\$113,031.34
FY 2018	\$66,086.16
FY 2017	\$89,502.00
FY 2016	\$117,554.07
FY 2015	\$70,940.68
FY 2014	\$76,533.00
FY 2013	\$78,249.00
FY 2012	\$32,793.00

At this time, DOR notes that the highest redemption from FY 2023 to FY 2025 is estimated to be \$88,090. Since this proposal would end this credit, DOR assumes this proposal would result in a savings to general revenue of \$88,090 annually.

It should be noted that the provision of this proposal says the credits are to be issued in the order they are claimed and that the Department of Public Safety (DPS) is to take over as administrator of the program. Since this credit is ending, DOR assumes no fiscal impact from this provision.

Officials from the **Office of Administration - Budget and Planning** note:

This proposal would move the administration of the Surviving Spouse tax credit from DOR to DPS. B&P defers to both agencies on potential administrative costs and impacts.

This proposal would place a cap on the amount of Surviving Spouse credits. Beginning with FY26, the amount of credits that may be issued shall be limited to the highest amount of credits issued from FY23 through FY25.

B&P notes that this credit is not currently issued only redeemed. Therefore, the new issuance limit will be \$0. In addition, the changes moving the credit from DOR to DPS requires DPS to issue the credits before they are redeemed. The combined language changes will effectively end this program as of FY26.

The three-year average redemptions were \$78,475 in FY22-FY24. Therefore, B&P estimates that provision could increase GR by \$78,475 beginning in FY26.

Officials from the **Department of Public Safety – Director’s Office (DPS-DO)** assume the need for 1 FTE to coordinate with the different entities to ensure accuracy of paperwork prior to certifying.

Oversight notes Section 135.090.4., states that after the effective date of this section, the department of public safety shall administer the tax credit provided under this section. Therefore, Oversight will reflect the 1 FTE (Program Specialist at \$68,712) in the fiscal note beginning FY 2026.

Oversight assumes this provision adds a formula based cap on the amount of tax credits issued for this program. Oversight assumes current average redemptions are below the new cap; therefore, Oversight will not show an impact from this provision.

Section 135.110 Business Facility Tax Credit Program

Officials from the **Department of Revenue (DOR)** notes:

This is the Business Facility tax credit program that provided a company with incentives to expand an existing facility or to establish a new facility. The Missouri House of Representatives

has voted each year since FY 2020 to not allow more than \$12 million in tax credits to be authorized annually.

This proposal adds a formula for setting a cap on this program starting July 1, 2026. The cap is to be equal to the highest amount issued from FY 2023 to FY 2025. DOR records show no credits were issued in FY 2023 and \$16,808,058 was issued in FY 2024. DOR notes that the FY 2025 has not ended at the time of completing the fiscal note and therefore, DOR will show the cap as \$16,808,058.

This proposal says the new cap is to begin on July 1, 2026. DOR assumes that this new cap would be applicable to any new credits issued as of that date and would not impact state revenue until the credits are redeemed in January 2027.

For informational purposes only, DOR is providing the history of the redemptions of this credit.

Year	Issued	Total Redeemed
FY 2024	\$16,808,057.81	\$16,474,636.43
FY 2023	\$0.00	\$14,181,033.00
FY 2022	\$0.00	\$14,833,669.00
FY 2021	\$24,959,370.00	\$12,345,744.00
FY 2020	\$0.00	\$7,555,278.00
FY 2019	\$9,213,825.00	\$8,217,556.00
FY 2018	\$8,762,244.00	\$6,329,689.00
FY 2017	\$8,044,858.00	\$4,046,742.00
FY 2016	\$4,778,641.00	\$4,593,362.00
FY 2015	\$4,160,818.00	\$4,493,611.28
FY 2014	\$6,563,164.00	\$6,618,443.21
FY 2013	\$5,704,373.00	\$4,431,017.94
FY 2012	\$4,840,502.00	\$4,796,279.38

This proposal states that should the credits claimed in the fiscal year exceed the total cap allowed, the credits are to be allowed in the order they are issued. DOR notes that since DED will issue the credits, DOR does not know what order the credits were issued in to make that determination. DOR assumes it would be solely the responsibility of the agency issuing the tax credit certificates to ensure they did not issue more credits than the cap allows.

Officials from the **Office of Administration – Budget & Planning (B&P)** note:

This proposal would place a cap on the amount of Business Facility credits that may be issued each year. The new cap shall be the highest amount issued between FY23 through FY25. B&P notes that FY25 issuances are not yet known. However, the current highest issuance amount was \$16,808,058 in FY24.

Officials from the **Department of Economic Development (DED)** state Section 135.110 (Business Facility Headquarters Tax Credit) adds language that specifies a cap that is equal to the highest year of tax credits issued from FY23 - FY25. The cap will be based on FY25, which is not complete yet. The issued amount is \$19,680,966 at the conclusion of Q2. The estimation for the full fiscal year is \$19,680,966 x 2. Based on this, the cap is estimated to be \$39,361,932

Oversight assumes this provision adds a formula-based cap on the amount of tax credits issued for this program. Therefore, Oversight will show a range of impact of \$0 to a potential savings if future redemptions are capped.

Section 135.326 & 135.339 Adoption Tax Credits

Officials from **Department of Revenue** assume Sections 135.325 and 135.339 are the adoption tax credit program that provides a means of reimbursing adopting parents some of their costs of an adoption.

When this program was created, no administrator was named to oversee the program and by default, DOR became the administrator. This proposal names the Department of Social Services (DSS) as the administrator. Currently, adoptive parents file a form with their expenses with DSS and they are reimbursed under a federal program for some of their expenses. Any expenses not covered by the federal program are approved for tax credits by DSS. Changing the administrator to DSS would not result in any additional administrative or fiscal impact on the part of DOR.

This proposal will add a sunset clause to this credit. There is no fiscal impact from adding the sunset clause to a tax credit. However, should the tax credit actually be allowed to be sunset in the future, it would result in a savings to the State of an unknown amount.

This program had an annual cap of \$6 million. Legislation adopted in 2023 removed the annual cap starting July 1, 2024. DOR assumes that if the credit is allowed to sunset in the future it would result in a savings of up to at least \$6 million.

For informational purposes only, DOR is providing the history of the redemptions of this credit.

Year	Total Redeemed
FY 2024	\$260,448.00
FY 2023	\$32,229.00
FY 2022	\$19,690.00
FY 2021	\$3,611.00
FY 2020	\$29,404.00
FY 2019	\$19,185.00
FY 2018	\$88,706.00

FY 2017	\$127,211.00
FY 2016	\$231,367.00
FY 2015	\$380,715.00
FY 2014	\$718,495.00
FY 2013	\$744,155.00
FY 2012	\$1,036,226.00

Officials from the **Department of Social Services (DSS)** state:

Section 135.326 adds a new definition for “department” – the Department of Social Services.

Section 135.339 transfers tax credit from the Department of Revenue (in conjunction with Children’s Division), to DSS alone, administration of the tax credits provided by these sections.

Officials from the **Office of Administration – Budget & Planning (B&P)** note:

This proposal would move the administration of the Adoption tax credit from DOR to DSS. B&P defers to both agencies on potential administrative costs and impacts.

This proposal would add a sunset clause to the Adoption tax credit. The three-year average redemptions were \$104,122 in FY22-FY24. Therefore, B&P estimates that if this credit is allowed to sunset, this could increase GR by \$104,122 annually.

For purposes of this fiscal note, Oversight will not show an impact from the sunset provision.

Section 135.341 Champion for Children Tax Credit Program

Officials from the **Department of Revenue (DOR)** note:

This section is the Champion for Children tax credit program that gives a tax credit to donors who contribute to CASA’s child advocacy centers or crisis care centers. The current cap on the program is \$1,500,000. Should the number of donors redeeming the credit exceed the amount of the cap, the credits can be equally apportioned among all available donors.

When this program was created, DOR was named the administrator to oversee the program. This proposal names the Department of Social Services (DSS) as the administrator. DOR assumes that DSS will need to set up a system by which the donors wanting the tax credit will apply to DSS for the credit and are awarded a certificate to make sure they stay under the tax credit cap and that the donors would then submit the certificate with their tax return. This will not result in any additional impact to DOR as most credits are processed this way.

It should be noted that DSS would need to keep track of the amount of credits being applied for and do the apportionment on the awarding of the credits. Currently, the apportionment happens at the redemption stage.

For informational purposes only, DOR is providing the history of the redemptions of each of these credits.

Year	Total Redeemed
FY 2024	\$961,385.26
FY 2023	\$1,225,848.00
FY 2022	\$884,965.00
FY 2021	\$1,339,280.00
FY 2020	\$827,942.00
FY 2019	\$999,995.00
FY 2018	\$999,986.00
FY 2017	\$999,873.00
FY 2016	\$999,987.00
FY 2015	\$999,990.00
FY 2014	\$930,769.00
FY 2013	\$792,368.00
FY 2012	\$629,456.00

Officials from the **Department of Social Services (DSS)** note:

Section 135.341 changes definition for “department” –the Department of Social Services and also Director changed from the Director of DOR to DSS. The Section goes on to provide for tax credits, up to 50% of verified contribution, to qualified agencies (such as CASA or child advocacy centers) – aka the “champion for children tax credit”. DSS currently already verifies qualified agency status, but the rest of the tax credit administration would be new to DSS. There are pre-existing (but transferred) rulemaking provisions, and sunset provisions.

Officials from the **Office of Administration – Budget & Planning (B&P)** assume this proposal would move the administration of the Adoption tax credit from DOR to DSS. B&P defers to both agencies on potential administrative costs and impacts.

This proposal would also change the annual limit from “redeemed” to “issued”. B&P notes that this credit is not currently issued only redeemed. Therefore, the new issuance limit will be \$0. In addition, the changes moving the credit from DOR to DSS requires DSS to issue the credits before they are redeemed. The combined language changes will effectively end this program as of FY26.

The three-year average redemptions were \$1,024,066 in FY22-FY24. Therefore, B&P estimates that provision could increase GR by \$1,024,066 beginning in FY26.

Oversight assumes there could be an impact to DSS from the transfer of administration.

Section 135.432 Community Development/Small Business Tax Credit Program

Officials from the **Department of Revenue (DOR)** note:

Sections 135.400 to 135.432 represent the Community Development/Small Business tax credit program that gives a tax credit to investors who make a qualified investment in a small business. This tax credit has a program cap of \$13 million. This credit distributed all of the credits and no more redemptions are outstanding.

This proposal adds a sunset clause to this credit. Since this tax credit program has no additional authorization authority it has already stopped. Therefore, adding the sunset clause does nothing and will not result in any additional fiscal impact.

Officials from the **Office of Administration – Budget & Planning (B&P)** note:

This proposal would add a sunset clause to the Community Development tax credit. B&P notes that there have been no redemptions since FY 2011. Therefore, B&P estimates that this provision will not impact TSR and GR.

Oversight notes the DOR and B&P both assume no impact stemming from the Section 135.432 since no tax credit has been redeemed since 2011. Therefore, Oversight will note zero impact to the general revenue for above tax credit.

Section 135.460 – Youth Opportunities

Officials from the **Office of Administration – Budget & Planning (B&P)** note this proposal would add a sunset clause to the YOP tax credit. The three-year average redemptions were \$2,926,896 in FY22-FY24. Therefore, B&P estimates that if this credit is allowed to sunset, this could increase GR by \$2,926,896 annually..

In response to the similar/identical proposal, HCS/HB2319 (4638H.02C) 2024, officials from the **Department of Economic Development (DED)** assumed the Section 135.460.10 adds a sunset date for Youth Opportunities Program of 12/31/2030 if it is not reauthorized. Could be future cost savings if not reauthorized.

Officials from the **Department of Revenue (DOR)** notes:

This proposal adds a sunset clause to the Youth Opportunities (YOP) Tax Credit program. The YOP program awards tax credits to donors of programs administering to youth development and crime prevention. There is no fiscal impact from adding the sunset clause to a tax credit.

However, should the tax credit actually be allowed to be sunset in the future, it would result in a savings to the State of up to the \$6 million annually from the current cap on the program.

For informational purposes DOR is providing the amount authorized, issued and redeemed for this credit.

Year	Authorized	Issued	Total Redeemed
FY 2024	\$9,756,101.00	\$4,706,331.00	\$3,468,054.65
FY 2023	\$2,247,858.00	\$4,139,385.00	\$2,987,947.79
FY 2022	\$5,706,067.00	\$3,039,904.00	\$2,324,687.48
FY 2021	\$5,288,870.00	\$1,983,794.00	\$4,084,410.34
FY 2020	\$1,212,623.00	\$4,086,770.50	\$5,217,305.77
FY 2019	\$5,169,666.00	\$5,822,539.00	\$4,040,657.57
FY 2018	\$6,826,426.00	\$5,726,775.00	\$4,818,711.26
FY 2017	\$5,642,936.00	\$6,349,945.00	\$5,451,135.04
FY 2016	\$6,375,728.00	\$5,411,972.00	\$4,706,636.11
FY 2015	\$7,041,012.00	\$5,325,506.00	\$4,247,824.65
FY 2014	\$5,941,601.50	\$5,080,128.00	\$5,239,666.42
FY 2013	\$5,609,784.00	\$5,571,555.00	\$3,906,262.62
FY 2012	\$5,843,692.62	\$4,152,310.83	\$4,979,894.20

Oversight notes that the average redemption from FY 2012 thru FY 2024 was \$4,267,169. Therefore, Oversight assumes there could be a savings to the general revenue after December 31, 2031 that could exceed the 12 year average redemption \$4,267,169 if the program is allowed to sunset. For purposes of this fiscal note, Oversight will not show a savings from the sunset provision.

Section 135.487 Neighborhood Preservation Tax Credit Program

Officials from **DOR** assume this proposal adds a sunset clause to the Neighborhood Preservation Tax Credit program. The Neighborhood Preservation program awards tax credits to taxpayers to reimburse them for eligible expenses occurred in the rehabilitation of homes in designated blighted areas.

This proposal adds a sunset clause to this credit. There is no fiscal impact from adding the sunset clause to a tax credit. However, should the tax credit actually be allowed to be sunset in the future, it would result in a savings to the State of up to the \$16 million annually from the current cap on the program.

For informational purposes only, DOR is providing the history of the authorizations, issuances and redemptions of this credit.

Year	Authorized	Issued	Total Redeemed
FY 2024	\$9,100,000.00	\$8,159,715.40	\$4,333,513.50
FY 2023	\$8,050,000.00	\$4,284,239.16	\$4,667,599.99
FY 2022	\$0.00	\$4,005,863.64	\$3,134,422.45
FY 2021	\$8,050,000.00	\$5,082,098.68	\$7,011,854.52
FY 2020	\$8,094,250.00	\$5,879,298.43	\$3,658,595.10
FY 2019	\$8,171,250.00	\$4,830,622.10	\$2,807,206.80
FY 2018	\$8,290,583.75	\$3,923,399.76	\$3,293,154.79
FY 2017	\$8,121,865.00	\$2,538,319.73	\$3,147,042.54
FY 2016	\$1,007,875.82	\$11,197,639.74	\$2,963,956.74
FY 2015	\$8,210,050.00	\$3,090,703.26	\$1,766,762.55
FY 2014	\$7,015,264.52	\$2,199,211.15	\$1,789,898.44
FY 2013	\$9,352,479.69	\$2,305,114.68	\$1,232,213.95
FY 2012	\$9,145,201.93	\$969,306.53	\$2,159,654.10

Officials from the **Office of Administration – Budget & Planning (B&P)** note:

This proposal would add a sunset clause to the Neighborhood Preservation tax credit. The three-year average redemptions were \$4,045,178 in FY22-FY24. Therefore, B&P estimates that if this credit is allowed to sunset, this could increase GR by \$\$4,045,178 annually.

Oversight notes that for purposes of this fiscal note, Oversight will not show a savings from the sunset provision.

Section 135.490 Disabled Access for Small Business Tax Credit Program

Officials from the **Department of Revenue (DOR)** note:

This proposal adds a sunset clause to the Disabled Access for Small Business Tax Credit program. The Disabled Access for Small Business program awards tax credits to small business owners to reimburse them for providing accessible access to their business for the disabled.

This proposal adds a sunset clause to this tax credit. There is no fiscal impact from adding the sunset clause to a tax credit. However, should the tax credit actually be allowed to be sunset in the future, it would result in a savings to the State of an unknown amount.

This proposal adds a formula for setting a cap on this program starting July 1, 2026. The cap is to be equal to the highest amount issued from FY 2023 to FY 2025.

DOR notes that this credit is not issued but rather just claimed on the tax return. Qualifying taxpayers make their property improvements and request the credit on the next year's tax return. The credit is only redeemed. DOR assumes that the language of this proposal will stop this credit starting July 1, 2026.

For informational purposes only, DOR is providing the history of the redemptions of this credit.

Year	Total Redeemed
FY 2025	\$0.00
FY 2024	\$3,194.00
FY 2023	\$2,423.00
FY 2022	\$1,913.00
FY 2021	\$7,739.00
FY 2020	\$14,450.00
FY 2019	\$11,597.00
FY 2018	\$8,738.00
FY 2017	\$1,275.00
FY 2016	\$7,288.00
FY 2015	\$16,525.00
FY 2014	\$13,340.33
FY 2013	\$14,602.60
FY 2012	\$24,791.00

At this time, DOR notes that the highest redemption from FY 2023 to FY 2025 is estimated to be \$3,194. Since this proposal would end this credit, DOR assumes this proposal would result in a savings to general revenue of \$3,194 annually.

It should be noted that the provision of this proposal says the credits are to be issued in the order they are claimed and that the Department of Economic Development (DED) is to take over as administrator of the program. Since this credit is ending, they assume no fiscal impact from this provision.

In response to the similar/identical proposal, HCS/HB2319 (4638H.02C) 2024, officials from the **Department of Economic Development (DED)** assumed Section 135.490 (Disabled Access Tax Credit) removes DOR from administering this program and adds DED. The language specifies a cap that is equal to the highest year of tax credits issued from FY23 - FY25. Based on this, the cap is estimated to be \$0, unless any credits are issued in the remainder of FY25.

Officials from the **Office of Administration – Budget & Planning (B&P)** assume this proposal would move the administration of the Small Business Disabled Access tax credit from DOR to DED. B&P defers to both agencies on potential administrative costs and impacts.

This proposal would place a cap on the amount of Small Business Disabled Access credits. Beginning with FY26, the amount of credits that may be issued shall be limited to the highest amount of credits issued from FY23 through FY25.

B&P notes that this credit is not currently issued only redeemed. Therefore, the new issuance limit will be \$0. In addition, the changes moving the credit from DOR to DED requires DED to issue the credits before they are redeemed. The combined language changes will effectively end this program as of FY26.

The three-year average redemptions were \$2,443 in FY22-FY24. Therefore, B&P estimates that provision could increase GR by \$2,443 beginning in FY26..

Oversight assumes this provision adds a formula-based cap on the amount of tax credits issued for this program. Therefore, Oversight will show a range of impact of \$0 to a potential savings if future redemptions are capped.

Section 135.530 Distressed Community Definition

Officials from the **Department of Revenue (DOR)** assume this section removes the repealed tax credits from the section references listed in the definition of distressed community. This will not have a fiscal impact on DOR.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Section 135.562 – Residential Dwelling Access

Officials from the **Office of Administration – Budget & Planning (B&P)** assume this proposal would move the administration of the Residential Dwelling Access tax credit from DOR to DED. B&P defers to both agencies on potential administrative costs and impacts.

Officials from the **Department of Revenue (DOR)** note:

This is the residential dwelling tax credit program that provides a taxpayer making improvements to their dwelling to assist with accessibility of a disabled person a credit toward the cost of the improvements. This proposal has an annual cap of \$100,000.

When this program was created, it referenced being administered by a department, but no Department was named. By default, DOR has been the administrator. This proposal removes DOR as the administrator and replaces them with DED. Currently, a taxpayer who wishes to claim this credit submits their receipts and tax credit reporting form to DOR with their tax return for approval. This proposal would require the taxpayer to send their information to DED and have DED review it and issue them a certificate that can be filed with their return. Since this is the way most tax credits are handled, DOR notes that this would not result in any additional administrative or fiscal impact on the part of DOR.

For informational purposes only, DOR is providing the history of the redemptions of this credit.

Year	Total Redeemed
FY 2024	\$22,985.00
FY 2023	\$0.00
FY 2022	\$7,500.00
FY 2021	\$971.00
FY 2020	\$10,034.00
FY 2019	\$2,500.00
FY 2018	\$11,044.00
FY 2017	\$7,053.00
FY 2016	\$10,233.00
FY 2015	\$18,190.00
FY 2014	\$6,759.00
FY 2013	\$10,258.00
FY 2012	\$6,501.00

Officials from the **Department of Social Services (DSS)** state Section 135.562 transfers administration of a tax credit for making principal dwellings more disability friendly. DSS was a consultant to Revenue with respect to this credit, now DSS will consult with the Department of Economic Development. This Section as the consulting duties should be substantially identical.

In response to the similar/identical proposal, HCS/HB2319 (4638H.02C) 2024, officials from the **Department of Economic Development (DED)** noted:

Section 135.562 (Residential Dwelling Accessibility Tax Credit) removes DOR from administering this program and adds DED. Annual cap is \$100,000 per FY. Estimating one FTE for both tax credit programs (Disabled Access Tax Credit and Residential Dwelling Accessibility Tax Credit).

Oversight notes Section 135.562 11., denotes that after the effective date of the section, the department of economic development shall administer the tax credit provided under this section. Therefore, Oversight will note DED cost for 1 FTE beginning FY 2026 (Senior Economic Development Specialist \$83,784).

Section 135.647 – Food Pantry

Officials from the **Office of Administration – Budget & Planning (B&P)** note this proposal would move the administration of the Food Pantry tax credit from DOR to DSS. B&P defers to both agencies on potential administrative costs and impacts.

Officials from the **Department of Social Services (DSS)** note:

Section 135.647- new definition added for “department” – the department of social services. Relates to tax credits (cash or food donations) to a food pantry, soup kitchen or homeless shelter. Administration of this section has been transferred from the Department of Revenue to DSS.

Officials from the **Department of Revenue (DOR)** note:

contribute to a food pantry, homeless shelter or soup kitchen. The current cap on the program is \$1,750,000. Should the number of donors redeeming the credit exceed the amount of the cap, the credits can be equally apportioned among all available donors.

When this program was created, DOR was named the administrator to oversee the program. This proposal names the Department of Social Services (DSS) as the administrator. DOR assumes that DSS will need to set up a system by which the donors wanting the tax credit will apply to DSS for the credit and are awarded a certificate to make sure they stay under the tax credit cap and that the donors would then submit the certificate with their tax return. This will not result in any additional impact to DOR as most credits are processed this way.

It should be noted that DSS would need to keep track of the number of credits being applied for and do the apportionment on the awarding of the credits. Currently, the apportionment happens at the redemption stage.

For informational purposes only, DOR is providing the history of the redemptions of this credit.

Year	Total Redeemed
FY 2024	\$1,749,996.00
FY 2023	\$1,749,990.00
FY 2022	\$1,749,992.00
FY 2021	\$1,749,992.00
FY 2020	\$1,131,882.00
FY 2019	\$1,380,894.00
FY 2018	\$1,679,924.00
FY 2017	\$1,584,566.00
FY 2016	\$1,155,480.00
FY 2015	\$1,118,866.00
FY 2014	\$840,234.00
FY 2013	\$72,822.00
FY 2012	\$796,156.10

Oversight notes the average annual redemption was \$1,289,292.

Oversight assumes this provision moves the administration of the tax credit program to DSS from DOR. Oversight assumes there could be costs for DSS to administer the program.

Section 135.690 – Medical Preceptorship

Officials from the **Office of Administration – Budget & Planning (B&P)** assume this proposal would add a sunset clause to the Medical Preceptorship tax credit. B&P notes that this is a new program and only one year of redemptions has occurred. Redemption in FY24 were \$112,231. Therefore, B&P estimates that if this credit is allowed to sunset, this could increase GR by \$112,231 annually.

Officials from the **Department of Revenue (DOR)** note:

This is the Medical Preceptorship tax credit program that gives a taxpayer a tax credit based on the number of medical preceptors they oversee. The tax credit program has an annual cap of \$200,000.

This proposal adds a sunset clause to this program. There is no fiscal impact from adding the sunset clause to this credit. However, should this program actually be allowed to be sunset in the future, it would result in a savings to the State of the \$200,000 annual cap on the program.

DOR notes this program began with tax year 2023 and therefore they note that \$172,000 in credits were issued and \$112,231 in credits were redeemed.

Oversight notes that the Medical Preceptorship tax credit program has a current maximum cap of \$200,000; therefore, Oversight notes the potential revenue gain after December 31, 2030 could reach a same amount as the current cap if the program were allowed to sunset. For purposes of this fiscal note, Oversight will not show a savings from the sunset provision.

Section 135.719 MO Empowerment Tax Credit Program

Officials from the **Department of Revenue (DOR)** note:

This is the MO Empowerment (MOScholars) tax credit program that gives a taxpayer a tax credit for donations they make to educational organizations. The tax credit program has an annual cap of \$75 million that is adjusted annually based on the CPI.

This proposal adds a sunset clause to this program. There is no fiscal impact from adding the sunset clause to this credit. However, should this program actually be allowed to be sunset in the future, it would result in a savings to the State of over the \$75 million adjusted annual cap on the program.

For informational purposes only, DOR is providing the history of the authorizations, issuances and redemptions of this credit.

Officials from the **Office of Administration – Budget & Planning (B&P)** note this proposal would add a sunset clause to the Empowerment Scholarship tax credit. B&P notes that this is a new program with only two years of redemptions. Redemptions in FY24 were \$7,281,302.

Therefore, B&P estimates that if this credit is allowed to sunset, this could prevent a \$7,281,302 million reduction to GR in the future.

Oversight notes this provision adds a sunset clause to this program; therefore, Oversight estimates that if this credit is allowed to sunset, this could result in a \$75 million savings to GR after December 2031. For purposes of this fiscal note, Oversight will not show a savings from the sunset provision.

Section 135.772 Ethanol Retailers Tax Credit Program

Officials from the **Department of Revenue (DOR)** note:

This is the Ethanol Retailers Tax Credit Program which was created in HB 3 from the extraordinary session of 2022 and was modified again in SB 138 in the 2023 session. The program was given a \$5 million annual cap. Should the number of donors redeeming the credit exceed the amount of the cap, the credits can be equally apportioned among all available donors.

When this program was created, DOR was named the administrator to oversee the program. This proposal names the Department of Agriculture (MDA) as the administrator. DOR assumes that MDA will need to set up a system by which the donors wanting the tax credit will apply to MDA for the credit and are awarded a certificate to make sure they stay under the tax credit cap and that the donors would then submit the certificate with their tax return. This will not result in any additional impact to DOR as most credits are processed this way.

It should be noted that MDA would need to keep track of the number of credits being applied for and do the apportionment on the awarding of the credits. Currently, the apportionment happens at the redemption stage.

DOR notes this program shows redemptions in FY 2024 of \$845.

Officials from the **Office of Administration – Budget & Planning (B&P)** note that this proposal would move the administration of the Ethanol Retailer tax credit from DOR to MDA. B&P defers to both agencies on potential administrative costs and impacts.

Oversight assumes this provision moves the administration of the program from DOR to MDA.

Section 135.775 Biodiesel Retailers Tax Credit Program

Officials from the **Department of Revenue (DOR)** note:

This is the Biodiesel Retailers Tax Credit Program which was created in HB 3 from the extraordinary session of 2022 and was modified again in SB 138 in the 2023 session. The program was given a \$16 million annual cap. Should the number of donors redeeming the credit exceed the amount of the cap, the credits can be equally apportioned among all available donors.

When this program was created, DOR was named the administrator to oversee the program. This proposal names the Department of Agriculture (MDA) as the administrator. They assume that MDA will need to set up a system by which the donors wanting the tax credit will apply to MDA for the credit and are awarded a certificate to make sure they stay under the tax credit cap and that the donors would then submit the certificate with their tax return. This will not result in any additional impact to DOR as most credits are processed this way.

It should be noted that MDA would need to keep track of the number of credits being applied for and do the apportionment on the awarding of the credits. Currently, the apportionment happens at the redemption stage.

DOR notes this program shows redemptions in FY 2024 of \$1,238,009.

Officials from the **Office of Administration – Budget & Planning (B&P)** note that this proposal would move the administration of the Ethanol Retailer tax credit from DOR to MDA. B&P defers to both agencies on potential administrative costs and impacts.

Oversight assumes this provision moves the administration of the program from DOR to MDA.
Section 135.778 Biodiesel Producers Tax Credit Program

Officials from the **Department of Revenue (DOR)** note:

This is the Biodiesel Producers Tax Credit Program which was created in HB 3 from the extraordinary session of 2022 and was modified again in SB 138 in the 2023 session. The program was given a \$5.5 million annual cap.

When this program was created, DOR was named the administrator to oversee the program. This proposal names the Department of Agriculture (MDA) as the administrator. DOR assume that MDA will need to set up a system by which the donors wanting the tax credit will apply to MDA for the credit and are awarded a certificate to make sure they stay under the tax credit cap and that the donors would then submit the certificate with their tax return. This will not result in any additional impact to DOR as most credits are processed this way.

DOR notes this program showed redemptions in FY 2024 of \$2,265,248.

Officials from the **Office of Administration – Budget & Planning (B&P)** note that this would move the administration of the Biodiesel Retailer tax credit from DOR to MDA. B&P defers to both agencies on potential administrative costs and impacts

Oversight assumes this provision moves the administration of the program from DOR to MDA.

Section 135.800 Tax Credit Accountability Act (TCAA)

Officials from the **Department of Revenue (DOR)** note that this provision removes the tax credits that are being repealed from the TCAA. This will not have a fiscal impact on DOR.

Oversight notes the provision is removing all tax credit that are being repealed from TCAA and will reflect zero impact stemming from this provision in the fiscal note.

Section 135.1150 – Residential Treatment

Officials from the **Department of Revenue (DOR)** note:

This is the Residential Treatment Agency tax credit program that gives a taxpayer a tax credit for contributions to residential treatment centers. The tax credit program is a prepay credit and therefore does not have an annual cap.

This proposal adds a formula for setting a cap on this program starting July 1, 2026. The cap is to be equal to the highest amount issued from FY 2023 to FY 2025. DOR records show credits of \$132,459 were issued in FY 2023 and \$73,331 was issued in FY 2024. DOR notes that the FY 2025 has not ended at the time of completing the fiscal note and therefore, DOR will show the cap as \$132,459.

This proposal says the new cap is to begin on July 1, 2026. DOR assumes that this new cap would be applicable to any new credits issued as of that date and would not impact state revenue until the credits are redeemed in January 2027.

For informational purposes only, DOR is providing the history of the issuances and redemptions of this credit.

Year	Issued	Total Redeemed
FY 2024	\$73,330.50	\$79,872.00
FY 2023	\$132,458.67	\$132,813.17
FY 2022	\$338,707.41	\$356,486.62
FY 2021	\$339,129.19	\$315,207.37
FY 2020	\$442,411.50	\$359,851.40
FY 2019	\$366,666.57	\$195,841.63
FY 2018	\$357,048.79	\$294,638.79
FY 2017	\$352,380.77	\$389,076.96
FY 2016	\$374,509.65	\$275,140.05
FY 2015	\$415,340.51	\$303,112.15
FY 2014	\$348,603.82	\$490,033.02
FY 2013	\$513,211.66	\$292,395.69
FY 2012	\$373,588.37	\$283,501.00

This proposal states that should the credits claimed in the fiscal year exceed the total cap allowed, the credits are to be allowed in the order they are issued. DOR notes that since DED will issue the credits, they will not know what order the credits were issued in to make that determination. DOR assumes it would be solely the responsibility of the agency issuing the tax credit certificates to ensure they did not issue more credits than the cap allows.

This proposal adds a sunset clause to this program. There is no fiscal impact from adding the sunset clause to this credit. However, should this program actually be allowed to be sunset in the future, it would result in a savings to the State of the \$132,459 annual cap on the program.

Officials from the **Department of Social Services (DSS)** note:

Section 135.1150 relates to tax credits for donations to residential treatment centers. DSS already administers this tax credit. Changes in this section also relate to cumulative amounts of tax credits to all taxpayers, which DSS will calculate. There are also new sunset provisions.

Officials from the **Office of Administration – Budget & Planning (B&P)** note this proposal would place a cap on the amount of Developmental Disability Care credits that may be redeemed each year. The new cap shall be the highest annual amount issued between FY23 and FY25. B&P notes that FY25 issuances are not yet known. However, the current highest issuance amount was \$59,318 in FY22.

This proposal would add a sunset clause to the Developmental Disability Care tax credit. The three-year average redemptions were \$26,866 in FY22-FY24. Therefore, B&P estimates that if this credit is allowed to sunset, this could increase GR by \$26,866 annually.

Oversight assumes this provision adds a formula-based cap on the amount of tax credits issued for this program. Therefore, Oversight will show a range of impact of \$0 to a potential savings if future redemptions are capped.

Section 135.1180 Developmental Disability Tax Credit Program

Officials from the **Department of Revenue (DOR)** note:

This is the Developmental Disability tax credit program that gives a taxpayer a tax credit for contributions to providers who provide services to the developmentally disabled. The tax credit program is a prepay credit and therefore, does not have an annual cap.

This proposal adds a formula for setting a cap on this program starting July 1, 2026. The cap is to be equal to the highest amount issued from FY 2023 to FY 2025. DOR records show credits of \$59,427 were issued in FY 2023 and \$6,831 was issued in FY 2024. DOR notes that the FY 2025 has not ended at the time of completing the fiscal note and therefore, DOR will show the cap as \$59,427.

This proposal says the new cap is to begin on July 1, 2026. DOR assumes that this new cap would be applicable to any new credits issued as of that date and would not impact state revenue until the credits are redeemed in January 2027.

For informational purposes only, DOR is providing the history of the issuances and redemptions of this credit.

Year	Issued	Total Redeemed
FY 2024	\$6,830.87	\$4,642.00
FY 2023	\$59,427.00	\$59,427.00
FY 2022	\$59,317.50	\$16,528.02
FY 2021	\$67,212.22	\$95,070.92
FY 2020	\$78,204.70	\$52,505.00
FY 2019	\$55,441.07	\$17,389.00
FY 2018	\$41,313.00	\$33,597.00
FY 2017	\$27,937.50	\$28,130.00
FY 2016	\$14,396.46	\$18,618.00
FY 2015	\$28,435.35	\$16,793.85
FY 2014	\$49,587.50	\$92,992.50
FY 2013	\$62,291.50	\$7,819.00

This proposal states that should the credits claimed in the fiscal year exceed the total cap allowed, the credits are to be allowed in the order they are issued. DOR notes that since DED will issue the credits, DOR will not know what order the credits were issued in to make that determination. DOR assumes it would be solely the responsibility of the agency issuing the tax credit certificates to ensure they did not issue more credits than the cap allows.

This proposal adds a sunset clause to this program. There is no fiscal impact from adding the sunset clause to this credit. However, should this program actually be allowed to be sunset in the future, it would result in a savings to the State of the \$59,427 annual cap on the program.

Officials from the **Department of Social Services (DSS)** state Section 135.1180 relates to tax credits for eligible donations to developmental disability care providers. DSS already administers this tax credit. As with the prior two sections the primary change is adding a cap, to be calculated by DSS, of total statewide tax credits available under this Section. Again, there is a 20% maximum statewide change allowed. There are also new sunset provisions.

Officials from the **Office of Administration – Budget & Planning (B&P)** note this proposal would place a cap on the amount of Developmental Disability Care credits that may be redeemed each year. The new cap shall be 20% of the highest annual redemption amount between FY18 and FY24. B&P notes that FY24 redemptions are not yet known. B&P will use FY18 through FY23 redemptions to estimate an impact for this provision.

Based on expenditure data, the highest redemption amount was \$95,071 in FY21. Therefore, the new credit limit would be \$114,085. Because this sets a limit higher than actual redemptions, this provision will not impact TSR.

This proposal would add a sunset clause to the Developmental Disability Care tax credit. The three-year average redemptions were \$57,009 in FY21-FY23. Therefore, B&P estimates that if this credit is allowed to sunset, this could increase GR by \$57,009 annually.

Oversight assumes this provision would add a sunset clause to the Developmental Disability Care tax credit. The three-year average redemptions were \$57,009 in FY21-FY23. Therefore, Oversight assumes, if this credit is allowed to sunset, this could result in a savings to GR by \$57,009 annually beginning after December 2030. For purposes of this fiscal note, Oversight will not show a savings from the sunset provision.

137.123 Wind Energy Property – True Value for Assessment Calculation

Officials from the **Department of Revenue (DOR)** assume This section updates sectional references in regard to property tax assessment. DOR assumes this would not have a fiscal impact.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Section 143.119 Self-Employed Health Insurance Tax Credit Program

Officials from the **Department of Revenue (DOR)** note:

This is the Self-Employed tax credit program that gives a self-employed taxpayer a tax credit for contributions they make to a health insurance plan for themselves. The tax credit program does not have an annual cap.

This proposal adds a formula for setting a cap on this program starting July 1, 2026. The cap is to be equal to the highest amount issued from FY 2023 to FY 2025.

DOR notes that this credit is not issued but rather just claimed on the tax return. Qualifying taxpayers make their health insurance payments and request the credit on the next year's tax return. The credit is only redeemed. DOR assumes that the language of this proposal will stop this credit starting July 1, 2026.

For informational purposes only, DOR is providing the history of the redemptions of this credit.

Year	Total Redeemed
FY 2024	\$2,220,866.00
FY 2023	\$6,335,102.00
FY 2022	\$10,249,256.00
FY 2021	\$10,710,252.00
FY 2020	\$12,297,976.00
FY 2019	\$5,574,641.00
FY 2018	\$8,607,758.00
FY 2017	\$7,920,345.00
FY 2016	\$6,594,509.00
FY 2015	\$3,418,312.00
FY 2014	\$2,959,063.01
FY 2013	\$1,811,060.00
FY 2012	\$1,847,045.00

At this time, DOR notes that the highest redemption from FY 2023 to FY 2025 is estimated to be \$6,335,102. Since this proposal would end this credit, DOR assumes this proposal would result in a savings to general revenue of \$6,335,102 annually.

This section contains language that this credit would not be subject to the new provision created in Section 135.835.4 requiring tax credits to be appropriated. Since this credit will be stopped starting July 1, 2026, they assume this language would not fiscally impact DOR.

Officials from the **Office of Administration – Budget & Planning (B&P)** note this proposal would place a cap on the amount of Self-Employed Health Insurance credits that may be issued each year. The new cap shall be the highest annual issuance amount between FY23 and FY25. B&P notes that FY25 issuances are not yet known.

B&P notes that these credits are not currently issued; therefore, the issuance limit would be \$0. It is unclear how limiting issuances to \$0 would impact this credit, if at all. For the purpose of this fiscal note B&P will assume an impact of \$0 or \$6,268,408 (3-year average redemptions, FY22-FY24) beginning FY26.

Oversight assumes this provision adds a formula-based cap on the amount of tax credits issued for this program. Therefore, Oversight will show a range of impact of \$0 to a potential savings if future redemptions are capped.

Section 143.177 MO Working Family Tax Credit Program (MO-EITC)

Officials from the **Department of Revenue (DOR)** note:

SB 153 & 97 adopted in 2021 created the MO Working Family Tax Credit program, an EITC program for the state. The bill required that starting with tax year 2023, the state credit be 10% of the federal credit and that in tax year 2024 the credit would be 20% of the state credit. Starting with tax year 2025, the credit would remain at 20% in all future fiscal years. DOR notes the federal credit is inflation adjusted annually.

This proposal adds a formula for setting a cap on this program starting July 1, 2026. The cap is to be equal to the highest amount issued from FY 2023 to FY 2025.

DOR notes that this credit is not issued but rather just claimed on the tax return. Qualifying taxpayers are eligible for a credit equal to 20% of the amount claimed on their federal return and they request the credit on the tax return. The credit is only redeemed. DOR assumes that the language of this proposal will stop this credit starting July 1, 2026.

At this time, DOR notes that the highest redemption from FY 2023 to FY 2025 is estimated to be \$28,482,968 the amount redeemed in FY 2024 (first year of program). Since this proposal would end this credit, DOR assumes this proposal would result in a savings to general revenue of \$28,482,968 annually.

This section contains language that this credit would not be subject to the new provision created in Section 135.835.4 requiring tax credits to be appropriated. Since this credit will be stopped starting July 1, 2026, DOR assumes this language would not fiscally impact DOR.

This proposal adds a sunset clause to this program. There is no fiscal impact from adding the sunset clause to this credit since the program will be stopped as of July 1, 2026, per this proposal.

Officials from the **Office of Administration – Budget & Planning (B&P)** note:

This proposal would add a sunset to the Missouri Working Family tax credit. B&P notes that this is a new credit with only one year of redemptions. Redemptions for FY24 were \$28,482,968. However, the credit for tax year 2023 (FY24 redemptions) was set at 10% of a taxpayer’s federal EITC. The credit was increased to 20% of a taxpayer’s federal EITC for tax years 2024 (FY25) and beyond. Therefore, B&P estimates that if this credit is allowed to sunset, this could increase GR by \$56,965,935 annually.

This proposal would place a cap on the amount of MO Working Family credits that may be issued each year. The new cap shall be the highest annual issuance amount between FY24 and FY26. B&P notes that FY25 and FY26 issuances are not yet known.

B&P notes that these credits are not currently issued; therefore, the issuance limit would be \$0. It is unclear how limiting issuances to \$0 would impact this credit, if at all. For the purpose of this fiscal note B&P will assume an impact of \$0 or \$56,965,935 beginning FY26.

Oversight assumes this provision adds a formula based cap on the amount of tax credits issued for this program. Therefore, Oversight will show a range of impact of \$0 to a potential savings if future redemptions are capped.

Section 143.436 SALT Parity Tax Credit – Reduction or Increasing Rule

Officials from **DOR** state the Salt Parity act establishes a means in which a business can file taxes on behalf of its members, and the members can receive a credit toward that tax received. This program began in tax year 2023.

For informational purposes only, DOR is providing the history of the redemptions of this credit.

Year	Total Redeemed
FY 2024	\$396,849,612.06
FY 2023	\$119,223,771.29

This section contains language that this credit would not be subject to the new provision created in Section 135.835.4 requiring tax credits to be appropriated. This credit does not have a cap. DOR assumes this language would not fiscally impact DOR.

Section 143.471 Bank S Corp Tax Credit Program

Officials from the **Department of Revenue (DOR)** note:

The Bank S Corp tax credit program provides a tax credit to shareholders of a bank S Corps as an adjustment to the corporate tax paid so as to not double tax them. The program does not currently have a cap.

This proposal adds a formula for setting a cap on this program starting July 1, 2026. The cap is to be equal to the highest amount issued from FY 2023 to FY 2025.

DOR notes that this credit is not issued but rather just claimed on the tax return. Qualifying taxpayers receive an adjustment on their return in the form of this tax credit. The credit is only redeemed. DOR assumes that the language of this proposal will stop this credit starting July 1, 2026.

For informational purposes only, DOR is providing the history of the redemptions of this credit.

Year	Total Redeemed
FY 2024	\$2,438,253.65
FY 2023	\$1,208,213.44
FY 2022	\$11,734,876.97
FY 2021	\$2,534,411.81
FY 2020	\$2,039,671.18
FY 2019	\$8,396,967.00
FY 2018	\$7,481,839.86
FY 2017	\$9,016,754.99
FY 2016	\$9,449,559.42
FY 2015	\$6,298,017.54
FY 2014	\$2,607,870.49
FY 2013	\$4,533,836.55
FY 2012	\$5,523,276.11

At this time, DOR notes that the highest redemption from FY 2018 to FY 2023 is \$11,734,877. At this time, DOR notes that the highest redemption from FY 2023 to FY 2025 is estimated to be \$2,438,254 the amount redeemed in FY 2024. Since this proposal would end this credit, DOR assumes this proposal would result in a savings to general revenue of \$2,438,254 annually.

This section contains language that this credit would not be subject to the new provision created in Section 135.835.4 requiring tax credits to be appropriated. Since this credit will be stopped starting July 1, 2026, they assume this language would not fiscally impact DOR.

This proposal adds a sunset clause to this program. There is no fiscal impact from adding the sunset clause to this credit since the program will be stopped as of July 1, 2026, per this proposal

Officials from the **Office of Administration – Budget & Planning (B&P)** note:

This proposal would add a sunset clause to the Bank Tax Credit for S-Corporations tax credit. The three-year average redemptions were \$5,127,114 in FY22-FY24. Therefore, B&P estimates that if this credit is allowed to sunset, this could increase GR by \$5,127,114 annually.

This proposal would place a cap on the amount of Bank Tax Credit for S-Corporations credits that may be redeemed each year. The new cap shall be the highest annual issuance amount between FY23 and FY25. B&P notes that FY25 issuances are not yet known.

B&P notes that these credits are not currently issued; therefore, the issuance limit would be \$0. It is unclear how limiting issuances to \$0 would impact this credit, if at all. For the purpose of this fiscal note B&P will assume an impact of \$0 or \$5,127,114 beginning FY26.

Oversight assumes this provision adds a formula-based cap on the amount of tax credits issued for this program. Therefore, Oversight will show a range of impact of \$0 to a potential savings if future redemptions are capped.

Section 148.030 Bank Franchise Tax Credit

Officials from the **Department of Revenue (DOR)** assume this section modifies language of the bank franchise tax credit. It adds language that says this credit would not be subject to the new provision created in Section 135.835.4 requiring tax credits to be appropriated.

Officials from the DOR assume the proposal will have no fiscal impact on their organization.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Section 148.330 Insurance Companies Returns

Officials from the **Department of Revenue (DOR)** assume this section removes old repealed statutory references. This will not fiscally impact DOR.

Officials from the DOR assume the proposal will have no fiscal impact on their organization.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Section 148.350 Insurance Companies Returns

Officials from the **Department of Revenue (DOR)** assume this section is removing language from statutes. DOR will defer to the Department of Commerce and Insurance for impact on this wording.

Section 190.465 Consolidation of 911 Emergency Communication Operations

Officials from **the Department of Revenue (DOR)** assume this section is removing language from statutes. DOR will defer to the Department of Economic Development for impact on this wording.

Section 192.2015 Shared Care Tax Credit Program

Officials from the **Department of Revenue (DOR)** note:

This proposal modifies the Shared Care Tax Credit program. This provides a tax credit to people providing care to an elderly person in their home. This credit does not have an annual cap.

This proposal adds a formula for setting a cap on this program starting July 1, 2026. The cap is to be equal to the highest amount issued from FY 2023 to FY 2025. DOR records show credits of \$20,500 were issued in FY 2023 and \$40,500 was issued in FY 2024. DOR notes that the FY 2025 has not ended at the time of completing the fiscal note and therefore, DOR will show the cap as \$40,500.

This proposal says the new cap is to begin on July 1, 2026. DOR assumes that this new cap would be applicable to any new credits issued as of that date and would not impact state revenue until the credits are redeemed in January 2027.

For informational purposes only, DOR is providing the history of the issuances and redemptions of this credit.

Year	Issued	Total Redeemed
FY 2024	\$40,500.00	\$18,231.00
FY 2023	\$20,500.00	\$15,119.00
FY 2022	\$24,000.00	\$13,883.00
FY 2021	\$27,000.00	\$22,187.00
FY 2020	\$27,000.00	\$21,506.00

FY 2019	\$33,500.00	\$12,530.00
FY 2018	\$43,500.00	\$28,931.00
FY 2017	\$56,000.00	\$42,025.00
FY 2016	\$74,000.00	\$39,846.00
FY 2015	\$51,000.00	\$37,056.00

This proposal states that should the credits claimed in the fiscal year exceed the total cap allowed, the credits are to be allowed in the order they are issued. DOR notes that since DHSS will issue the credits, they will not know what order the credits were issued in to make that determination. DOR assumes it would be solely the responsibility of the agency issuing the tax credit certificates to ensure they did not issue more credits than the cap allows.

This proposal adds a sunset clause to this program. There is no fiscal impact from adding the sunset clause to this credit. However, should this program actually be allowed to be sunset in the future, it would result in a savings to the State of the \$40,500 annual cap on the program.

Officials from the **Office of Administration – Budget & Planning (B&P)** note this proposal would place a cap on the amount of Shared Care credits that may be redeemed each year. The new cap shall be the highest annual issued amount between FY23 and FY25. B&P notes that FY25 issuances are not yet known. However, the current highest issuance amount was \$42,000 in FY24.

This proposal would add a sunset clause to the Shared Care tax credit. The three-year average redemptions were \$15,728 in FY22-FY24. Therefore, B&P estimates that if this credit is allowed to sunset, this could increase GR by \$15,728 annually.

Oversight assumes this provision adds a formula based cap on the amount of tax credits issued for this program. Therefore, Oversight will show a range of impact of \$0 to a potential savings if future redemptions are capped.

Oversight assumes this proposal would add a sunset clause to the Shared Care tax credit. For purposes of this fiscal note, Oversight will not show a savings from the sunset provision.

Section 208.770 Family Development Account Tax Credit Program

Officials from the **Department of Revenue (DOR)** state:

This is the Family Development Account tax credit program that provides low-income Missourians a matched savings program for purchasing a home. The credit is 50% of the donated amount and this credit has a \$300,000 cap.

This proposal adds a sunset clause to this program. There is no fiscal impact from adding the sunset clause to this credit. However, should this program actually be allowed to be sunset in the future, it would result in a savings to the State of up to the \$300,000 annual cap on the program.

Year	Authorized	Issued	Total Redeemed
FY 2023	\$0.00	\$0.00	\$0.00
FY 2022	\$0.00	\$0.00	\$0.00
FY 2021	\$0.00	\$0.00	\$0.00
FY 2020	\$0.00	\$8,414.00	\$33,801.00
FY 2019	\$0.00	\$69,894.00	\$46,816.00
FY 2018	\$0.00	\$8,924.00	\$2,500.00
FY 2017	\$75,000.00	\$0.00	\$0.00
FY 2016	\$0.00	\$0.00	\$0.00
FY 2015	\$0.00	\$0.00	\$0.00
FY 2014	\$0.00	\$0.00	\$0.00
FY 2013	\$0.00	\$0.00	\$0.00
FY 2012	\$0.00	\$10,615.73	\$10,615.73
TOTALS	\$75,000.00	\$97,847.73	\$93,732.73

Officials from the **Office of Administration – Budget & Planning (B&P)** note this proposal would add a sunset clause to the Family Development Account tax credit. The three-year average redemptions were \$0 in FY22-FY24. Therefore, B&P estimates that if this credit is allowed to sunset, this could increase GR by \$0 annually.

Officials from the **Department of Economic Development (DED)** assume the Section 208.770.7 adds a sunset date for Family Development Account program of 12/31/2030 if it is not reauthorized. Could be future cost savings if not reauthorized.

Oversight assumes there is no fiscal impact from this provision.

Section 320.092 - Annual reporting requirements for certain tax credits

Officials from the **Department of Revenue (DOR)** assume this provision removes old statutory references and will have no impact on their respective organizations; Therefore, Oversight will reflect a zero impact in the fiscal note.

Section 348.505 Family Farm Breeding Stock Tax Credit Program

Officials from the **Department of Revenue (DOR)** note:

This is the family farm breeding stock tax credit program that gives a tax credit to banks who make loans to beginning farmers. The credit is equal to the interest on their loans. This program has a \$300,000 cap.

This proposal adds a sunset clause to this program. There is no fiscal impact from adding the sunset clause to this credit. However, should this program actually be allowed to be sunset in the future, it would result in a savings to the State of up to the \$300,000 annual cap on the program.

For informational purposes only, DOR is providing the history of the issuances and redemptions of this credit.

Year	Authorized	Issued	Total Redeemed
FY 2024	\$34,583.42	\$36,753.24	\$7,758.68
FY 2023	\$40,210.98	\$22,196.99	\$18,191.09
FY 2022	\$16,936.36	\$16,334.26	\$24,021.17
FY 2021	\$12,488.50	\$2,429.88	\$18,232.07
FY 2020	\$26,849.87	\$16,817.30	\$9,636.08
FY 2019	\$14,898.18	\$39,235.88	\$34,022.54
FY 2018	\$42,093.03	\$52,507.91	\$106,558.44
FY 2017	\$66,801.60	\$70,892.19	\$27,178.36
FY 2016	\$72,855.33	\$48,967.77	\$35,495.50
FY 2015	\$40,506.00	\$39,309.78	\$24,981.60
FY 2014	\$39,423.64	\$34,251.88	\$22,770.02
FY 2013	\$39,732.39	\$35,044.24	\$32,032.50
FY 2012	\$31,328.73	\$32,228.75	\$53,947.47

Officials from the **Office of Administration – Budget & Planning (B&P)** note this proposal would add a sunset clause to the Family Farm Livestock tax credit. The three-year average

redemptions were \$16,657 in FY22-FY24. Therefore, B&P estimates that if this credit is allowed to sunset, this could increase GR by \$16,657 annually.

Oversight assumes this proposal adds a sunset clause to the Family Farm Livestock tax credit. The three-year average redemptions were \$16,657 in FY22-FY24. Oversight assumes that if this credit is allowed to sunset, this could increase GR by \$16,657 annually after December 2031. For purposes of this fiscal note, Oversight will not show a savings from the sunset provision.

Section 447.708 Brownfield Tax Credit Programs

Officials from the **Department of Revenue (DOR)** note:

This section sunsets the several brownfield tax credit programs. The Brownfield credits are issued to organizations that are cleaning up hazardous waste sites. There is no cap on the credits.

This proposal adds a formula for setting a cap on this program starting July 1, 2026. The cap is to be equal to the highest amount issued from FY 2023 to FY 2025. DOR records show credits of \$1,450,871 were issued in FY 2023 and \$1,159,254 was issued in FY 2024. DOR notes that the FY 2025 has not ended at the time of completing the fiscal note and therefore, DOR will show the cap as \$1,450,871.

This proposal says the new cap is to begin on July 1, 2026. DOR assumes that this new cap would be applicable to any new credits issued as of that date and would not impact state revenue until the credits are redeemed in January 2027.

For informational purposes only, DOR is providing the history of the authorizations, issuances and redemptions of this credit.

Year	Authorized	Issued	Total Redeemed
FY 2024		\$1,450,871.00	\$4,394,352.75
FY 2023	\$1,462,558.00	\$1,159,254.20	\$7,410,817.14
FY 2022	\$0.00	\$1,820,303.75	\$3,192,241.11
FY 2021	\$904,491.20	\$11,156,257.48	\$21,382,422.12
FY 2020	\$12,188,931.00	\$13,854,367.90	\$9,645,097.05
FY 2019	\$2,000,000.00	\$15,475,687.72	\$13,028,587.52

FY 2018	\$10,167,653.00	\$23,391,582.53	\$3,159,639.24
FY 2017	\$43,899,062.00	\$3,705,982.09	\$2,385,022.74
FY 2016	\$557,548.00	\$9,831,947.29	\$11,205,913.79
FY 2015	\$2,660,872.00	\$1,634,971.01	\$7,492,114.03
FY 2014	\$0.00	\$3,716,636.73	\$5,354,818.52
FY 2013	\$11,913,711.00	\$9,851,350.41	\$6,378,613.00
FY 2012	\$3,234,873.00	\$7,717,894.78	\$16,967,399.84

Officials from the **Office of Administration – Budget & Planning (B&P)** note this proposal would add a sunset clause to the Brownfield tax credits. B&P notes that the Brownfield Demolition credit has not had a redemption since FY09. The Brownfield Jobs and Investment credit has not had a redemption since FY15.

The three-year average redemptions were \$4,999,137 for Brownfield Remediation credits in FY22-FY24. Therefore, B&P estimates that if this credit is allowed to sunset, this could increase GR by \$4,999,137 annually.

This proposal would place a cap on the amount of Brownfield credits that may be redeemed each year. The new cap shall be the highest annual issued amount between FY23 and FY25. B&P notes that FY25 issuances are not yet known. However, the current highest issuance amount was \$1,820,304 in FY22.

Officials from the **Department of Economic Development (DED)** assume Section 447.708 adds a sunset date for Brownfield Redevelopment of 08/28/2031 if it is not reauthorized. The language specifies a cap equal to the highest year of tax credits issued from FY23 - FY25. The cap will be based on FY25, which is not complete yet. Based on this, the cap is estimated to be \$1,159,254.

Oversight assumes this provision adds a formula based cap on the amount of tax credits issued for this program. Therefore, Oversight will show a range of impact of \$0 to a potential savings if future redemptions are capped.

Oversight notes this proposal adds a sunset clause to this program; therefore, Oversight will note the average utilization in last 12 years as the potential savings of \$1,159,254 to the general revenue fund after December 31, 2031 if the proposal were allowed to sunset. For purposes of this fiscal note, Oversight will not show a savings from the sunset provision.

Section 620.1910 Manufacturing Jobs Act

Officials from the **Department of Revenue (DOR)** assume this proposal is modifying definitions in the Manufacturing Jobs Act tax credit program. It should be noted that this program sunset on October 12, 2016, and therefore, changing these definitions will not result in any additional impact to the state.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Section 620.2010 Missouri Works Program

Officials from the **Department of Revenue (DOR)** assume this proposal is modifying definitions in the Manufacturing Jobs Act tax credit program. It should be noted that this program sunset on October 12, 2016, and therefore, changing these definitions will not result in any additional impact to the state.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Officials from the **Department of Economic Development (DED)** assume this proposal adds a sunset date for Manufacturing Jobs Act of 08/28/2031 if it is not reauthorized.

Section 620.2020 Missouri Works Program

Officials from the **Department of Revenue (DOR)** assume this section repeals language from the statute referencing obsolete tax credits that are repealed in this proposal. This will not have any fiscal impact on DOR.

Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Bill as whole:

Section 99.1205 - Distressed Area Land Assemblage Tax Credit

Officials from the **Department of Revenue (DOR)** assume this provision is the Distressed Area Land Assemblage tax credit program that awarded credits to a developer in St. Louis. It had a cumulative cap of \$20 million and expired as of August 28, 2013. It had a six year carry forward that has expired. Repealing this would not have a fiscal impact on DOR.

Section 135.313 - Charcoal Producers Tax Credit

Officials from the **Department of Revenue (DOR)** assume this provision is the Charcoal Producers tax credit program that gave a tax credit for control technology equipment connected with the production of charcoal. The credit was to be claimed in 1998 and could be carried forward to the next eight years. The carry forward period has expired. Repealing this would not have a fiscal impact on DOR.

Section 135.500, 135.503, 135.505, 135.508, 135.516, 135.523, 135.526, 135.529 – Missouri Certified Capital Company (CAPCO) Law & Tax Credit

Officials from the **Department of Revenue (DOR)** assume this program has expired. Repealing this program would not have a fiscal impact on DOR.

Section 135.535 Rebuilding Communities Tax Credit

Officials from the **Department of Revenue (DOR)** assume this provision is the Rebuilding Communities tax credit that gave a credit for businesses locating to a distressed community. The program ended on August 28, 2013, when it was replaced with the MO Works program. Repealing this would not have a fiscal impact on DOR.

Section 135.545 & 135.546 – Transportation Development Tax Credit

Officials from the **Department of Revenue (DOR)** assume this is the Transportation Development tax credit program that had a \$10 million cap. It had a 10 year carry forward which has expired. Repealing this would not have a fiscal impact on DOR.

Section 135.679 Qualified Beef Tax Credit

Officials from the **Department of Revenue (DOR)** assume this is the qualified beef tax credit program that gave farmers a credit based on the weight of cattle. This program sunset on December 31, 2021. Repealing this would not have a fiscal impact on DOR.

Section 135.680 & 135.682 - New Markets Tax Credit

Officials from the **Department of Revenue (DOR)** assume this is the New Markets tax credit program that stopped in 2010. It had a 5 year carry forward that has expired. Repealing this would not have a fiscal impact on DOR.

Section 135.700 - Wine and Grape Tax Credit

Officials from the **Department of Revenue (DOR)** assume this is the Wine and Grape tax credit program that provides a company with tax credits for the purchase price of new equipment and materials used to increase production of wine in this state. The Missouri House of Representatives has voted each year since FY 2019 to not allow any credits to be authorized. Repealing this would not have a fiscal impact on DOR.

Section 135.710 - Alternative Fuel Tax Credit

Officials from the **Department of Revenue (DOR)** assume this is the Alternative Fuel tax credit program that provided reimbursement of expenses for installing alternative fuel pumps at a gas station. This proposal stopped in 2018 and the 2 year carry forward has expired. Repealing this would not have a fiscal impact on DOR.

Section 135.766 – Guarantee Fee Tax Credit

Officials from the **Department of Revenue (DOR)** assume this is the Guarantee Fee tax credit program that provided a tax credit for 30 days after the effective date of the bill which was August 28, 1999. This program has expired. Repealing this would not have a fiscal impact on DOR.

Section 135.950, 135.953, 135.957, 135.960, 135.963, 135.967, 135.968, 135.970 & 135.973
Enhanced Enterprise Zone Tax Credit

Officials from the **Department of Revenue (DOR)** assume this provision is the Enhanced Enterprise Zone tax credit that gave a credit for expanding a business in an enhanced enterprise zone. The program ended on August 28, 2013, when it was replaced with the MO Works program. Repealing this would not have a fiscal impact on DOR.

Section 135.1125 Unmet Health Need Tax Credit

Officials from the **Department of Revenue (DOR)** assume this provision is the unmet health need tax credit program. This program was not implemented as no organizations came forward wanting to participate. This program had no authorizations, issuances or redemptions. Repealing this would not have a fiscal impact on DOR.

Officials from the **Department of Social Services** note the Section was removed.

Section 173.196 – Higher Education Scholarship Program Tax Credit

Officials from the **Department of Revenue (DOR)** assume this is the Higher Education tax credit that provided a credit for contributions to a scholarship program. This program expired in 2005. Repealing this would not have a fiscal impact on DOR.

Section 320.093 - Dry Fire Hydrant Tax Credit

Officials from the **Department of Revenue (DOR)** assume this is the Dry Fire Hydrant tax credit program that provided a credit for businesses that implemented fire protection controls. This program expired in 2010. Repealing this would not have a fiscal impact on DOR.

Sections 348.300, 348.302, 348.304, 348.306, 348.308, 348.310, 348.312, 348.316, 348.318, 620.641 & 620.644 - Seed Capitol Tax Credit

Officials from the **Department of Revenue (DOR)** assume this is the Seed Capitol tax credit program that expired in 1996. Repealing this would not have a fiscal impact on DOR.

Sections 620.1875, 620.1878, 620.1881, 620.1884, 620.1887 & 620.1891 MO Quality Jobs

Officials from the **Department of Revenue (DOR)** assume this is the MO Quality Jobs program that expired on August 28, 2013. It was replaced by the MO Works program. Repealing this would not have a fiscal impact on DOR.

Section 620.635, 620.638, 620.647, 620.650, 620.653 - New Enterprise Creation Act Tax Credit

Officials from the **Department of Revenue (DOR)** assume this is the Innovation Campus tax credit program that sunset in 2020. It appears it was never implemented. Repealing this would not have a fiscal impact on DOR.

Section 620.2600 - Innovation Campus Tax Credit Act

Officials from the **Department of Revenue (DOR)** assume this is the Innovation Campus tax credit program that sunset in 2020. It appears it was never implemented. Repealing this would not have a fiscal impact on DOR.

Officials from the **Office of Administration – Budget & Planning (B&P)** assume this proposal also repeals multiple tax credit programs. B&P notes that these credits are currently inactive or have already sunset. Therefore, these changes will not impact TSR.

Administration of the New Tax Credit Changes

Officials from the **Department of Revenue (DOR)** assume all of these changes will require updates to their website. Those changes will be done by staff using existing resources. Each modification of a credit on the MO-TC form will have a cost. These changes will require additional resources of at least \$10,000.

Oversight notes the DOR estimate fiscal impact in order to make computer and website changes stemming from the change to the various tax credit. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect the DOR's estimated impact in the fiscal note.

Section 135.835 Newly Created Tax Credit Provisions

Officials from the **Department of Revenue (DOR)** assume this section of statutes will create new guiding rules for tax credits. DOR has addressed each of them separately below:

Section 135.835.3 - Carry Forward 3-year limit

Officials from the **Department of Revenue (DOR)** assume Section 135.835.3 implements a limit of three years on a credit with existing carry forward language. Therefore, any credit with a carry forward longer than three years currently would be limited to the three years. DOR notes that if the same number of credits end up being redeemed in the shorten timeframe this would not impact the state. However, if this results in few credits being redeemed this could result in a savings to the state. DOR assumes this would result in an Unknown negative to Unknown positive.

DOR notes this would impact the following tax credit programs with the following existing carry forwards.

Affordable Housing – 10 years
Agricultural Product Utilization Contributor – 4 year
Bank S Corp – 5 year
Brownfield Remediation – 20 years
Capitol Complex Artifact – 4 years
Capitol Complex Monetary – 4 years
Champion for Children – 5 years
Developmental Disability – 4 years
Disabled Access Small Business – unlimited
Entertainment Jobs Music Industry – 5 years
Ethanol – 5 years
Health Insurance Pool – unlimited
Historic Preservation – 10 years
Low Income Housing – 5 years
Meat Processing – 4 years
MDFB Bond Guarantee – 10 years
MDFB Infrastructure – 5 years
MO Empowerment (MOScholars) – 4 years
MO Exam Fee – 5 years
Motion Media – 5 years
Neighborhood Assistance – 5 years
Neighborhood Preservation – 5 years
New Generation Cooperative – 4 years
Qualified Research – 12 years
Residential Treatment Agency – 4 years
Rural Access to Capital – 5 years
Unmet Health Need – 4 years
SALT Parity Act – unlimited

Small Business Incubator – 5 years
Wood Energy – 4 years
Youth Opportunities – 5 years

DOR assumes they will need to update the tax credit program to modify the carry forward dates.

This could also result in at least \$10,000 in computer costs.

Section 135.835.4 - Subject to Appropriations

Officials from the **Department of Revenue (DOR)** assume that beginning on July 1, 2026, all tax credits are to become subject to appropriations. If no appropriation is made for a tax credit, then no credit can be issued. DOR notes that currently only the Rolling Stock and Wood Energy tax credit programs are subject to appropriations.

After a person calculates their tax liability, if they have a properly issued tax certificate, they can attach that to their tax return, and it reduces the amount of tax liability they are required to pay the state. Therefore, tax credits reduce the amount of tax revenue received by the state. DOR notes that over \$600 million in tax credits are redeemed annually.

DOR notes that should a tax credit program receive full appropriation authority each year then, this proposal would not have a fiscal impact. If a tax credit program does not receive full appropriation authority each year, then it could result in a savings to the state.

DOR notes that the FY 2026 budget will have been completed and in effect prior to this bill's passage. And therefore, they assume no tax credits could be authorized or issued for FY 2026.

This proposal indicates that the self-employed health insurance, Mo Working Family (Mo EITC), SALT parity act, bank tax credit for S corporations and the bank franchise tax credit are exempt from this newly created appropriation rule. DOR notes that the language of this bill is stopping five tax credits and therefore, they will not be impacted by these provisions.

DOR notes this will require them to update the tax credit computer programs annually based on the amount of the appropriation. DOR notes that they currently pay \$1,832 per tax credit change annually. DOR will need appropriation authority each year to make changes to implement this provision.

Section 135.835.2 – Cumulative Cap on Credits

Officials from the **Department of Revenue (DOR)** assume that Section 135.835.2 will create in essence a maximum cap on the combination of all credits. Starting January 1, 2026, any law enacting a new tax credit or increasing the cap on an existing credit will require a reduction equal to the increased cap amount or new tax credit cap. Therefore, this proposal will require the elimination or reduction of existing credits in order to expand or create a new credit.

DOR assumes this proposal is creating a balancing rule for the general assembly and tax credits. DOR assumes no administrative fiscal impact from a new rule. DOR notes that several tax credit programs do not have a cap, some of which were mentioned in the bill and some that are not. Specifically, the adoption credit program and the senior property tax credit program do not currently have caps nor are caps created for these programs in this proposal. DOR is unsure how a cumulative cap would be implemented. DOR is not involved in the appropriation authority and therefore assumes no impact from this provision.

Officials from the **Office of Administration – Budget & Planning (B&P)** note:

Subsection 135.835.2 states that beginning tax year 2026, any time a new credit is created, or the limit on an existing credit is increased, an offset must occur in another existing tax credit program.

Subsection 135.835.3 limits all carry forward periods to three years, starting with tax credits issued for tax year 2026. B&P notes that per statute, the following active tax credit programs have carry-forward lengths longer than three years:

Unlimited

- SALT Parity
- Disabled Access Small Business

10 – 20 Years

- Brownfield Remediation
- Qualified Research Expense
- Show-Mo Motion Media
- Rural Access to Capital
- New and Expanded Business Facility
- Neighborhood Preservation
- Neighborhood Assistance
- MDFB Infrastructure Development
- Low-Income Housing
- Entertainment Industry
- Show-MO Motion Media
- Youth Opportunities
- Exam Fee
- Bank Tax Credit for S-Corporation
- Affordable Housing
- Historic Preservation
- MDFB Bond Guarantee

5 Years

- Youth Opportunities
- Small Business Incubator
- Champion for Children

4 Years

- Capital Complex (4 years)
- Wood Energy (4 years)
- Developmental Disability Care Provider
- Residential Treatment Agency
- Agriculture Product Utilization Contribution
- Meat Processing Facility
- New Generation Cooperative
- MO Empowerment Scholarship

Subsection 135.835.4 requires all credits to be appropriated beginning with FY26. If there is no appropriation for a tax credit, then that credit may not be issued during the fiscal year. The following tax credits do not have to be appropriated:

- Self-Employed Health Insurance
- MO Working Family
- SALT Parity
- Bank Tax Credits for S-Corporations
- Bank Franchise

This proposal would not become effective until August 28, 2025. Which is after the start of FY26 and after FY26 appropriations have been made. Therefore, other than the wood energy and rolling stock tax credit (both currently appropriated), B&P assumes that no tax credit could be issued during FY26, unless issued between July 1, 2025 and August 27, 2025.

B&P further notes that this proposal would limit tax credit issuance, not tax credit authorizations. Under this language departments could still authorize tax credits but may be unable to issue them.

In addition, it is unclear how this would impact programs that are authorized up front, but issued over a number of years per statute (such as Low-Income Housing and Rural Access to Capital).

B&P notes that not all tax credits are issued. Some credits (such as all administered by DOR and DCI) are only authorized. Therefore, it is not clear how this appropriation language would apply, if at all, to those programs.

In FY24, total tax credit redemptions were \$906,727,926. Removing the five programs that will not be subject to appropriation, redemptions were \$476,736,226. Therefore, if no credits were appropriated, this provision could increase TSR and GR by \$476,736,226.

Oversight notes that DOR and B&P both assume that by enacting Section 135.835.2, beginning FY 2026, any time a new credit is created, or the limit on an existing credit is increased, an offset must occur in another existing tax credit program, effectively a cumulative tax credit cap.

Oversight assumes this would result in an unknown saving to the General Revenue fund if future tax credit redemptions were limited.

Oversight notes the DOR and B&P both assume that the proposal, Section 135.835.4, requires all credits subject to the appropriation, to be appropriated beginning with FY26. However, if there is no appropriation for a tax credit, then that credit may not be issued during the fiscal year.

Oversight notes that there are exclusions to the appropriation rule as follows:

- Self-Employed Health Insurance
- MO Working Family
- SALT Parity
- Bank Tax Credits for S-Corporations
- Bank Franchise

Therefore, **Oversight** will reflect savings up to current redemption amounts (\$476,736,226) to zero (continuation of the tax credit if all appropriated at current maximum cap) to reflect the changes within the proposed language.

Officials from the **Office of Administration – Budget & Planning (B&P)** note:

Repealed

This proposal also repeals multiple tax credit programs. B&P notes that these credits are currently inactive or have already sunset. Therefore, these changes will not impact TSR.

Repealed credits:

- Section 99.1205 – Distressed Area Land Assemblage
- Section 135.313 – Charcoal Producers
- Section 135.403 – Community Development Bank
- Sections 135.500 to 135.529 – Certified Capital
- Section 135.535 – Rebuilding Communities
- Sections 135.545 and 135.546 – Transportation Development
- Section 135.679 – Qualified Beef
- Sections 135.680 and 135.682 – New Markets
- Section 135.700 – Wine and Grape
- Section 135.710 – Alternative Fuel Stations

- Section 135.766 – Small Business Guarantee Fee
- Sections 135.950 to 135.973 – Enhanced Enterprise Zones
- Section 135.1125 – Health, Hunger, and Hygiene
- Section 173.196 – Scholarship Donations
- Section 320.093 – Dry Fire Hydrant
- Sections 348.300 (both) to 348.318 – Seed Capital
- Sections 620.635 to 620.653 – New Enterprise Creation
- Sections 620.1875 to 620.1890 – MO Quality Jobs
- Section 620.2600 – Innovation Campus

Officials from **Department of Social Services (DSS)** assume the Division of Finance and Administrative Services would require 2 FTE (Administrative Support Professional at \$48,581) in order to perform the additional tax credit duties and administer the additional tax credits proposed in this bill.

Officials from the **DSS** assume Section 135.600 relates to tax credits for maternity homes. DSS was already administering this tax credit, and the only change was adding sunset provision language.

Oversight notes the DSS assumes the need for 2 FTE in order to properly comply and administer all of the changes specified in this proposal. Therefore, Oversight will reflect DSS FTE in the fiscal note effective FY 2026.

Officials from the **Department of Economic Development (DED)** note:

Section 135.460 adds a sunset date for Youth Opportunities Program of 08/28/2031 if it is not reauthorized.

Section 135.487 adds a sunset date for Neighborhood Preservation Act of 08/28/2031 if it is not reauthorized.

Section 208.770 adds a sunset date for Family Development Account program of 08/28/2031 if it is not reauthorized.

135.700 The Wine & Grape Tax Credit language is removed from statute.

Officials from the **Missouri Department of Agriculture (MDA)** assume MASBDA currently does not receive any General Revenue or Federal Funds to administer any programs. All revenues are fees based, which pay for administrative costs. States Section 348.080 gives MASBDA the authority to collect fees and charges, as the authority determines to be reasonable, in connection with its loans, advances, insurance, commitments, and servicing. Each grant program has a bank account set up for all administrative/program activities. The .40 FTE personnel salary costs included in this aren't FTE they need, only the funding that would be required to support their 5 current employees who administer these tax credit programs. These

staff are currently administering 18 active programs also. While this legislation moves these tax credits programs to the Department of Agriculture, information/reports that they would need would still be required from DOR and DNR in order for them to administer that piece. Their assumption is the supporting role of Weights & Measures division to validate the biodiesel blend a retail dealer claim's is accurate will require limited compliance checks & the cost can be absorbed by MDA. However, if the assumption is incorrect and the requirement for a more stringent proof of compliance is required, then there would likely be an additional impact for the Weights and Measures Division.

The 2 FTE and GR funding will be needed in order to take on the additional work that their current staff can't absorb due to their work load and administering 20 active programs also.

Oversight notes the MDA assumes the need for an additional 2 FTE in order to support current 5 FTE staff to administer and maintain the current tax credits, specifically Section(s) 135.772; 135.775, and 135.778 . Therefore, Oversight will note the MDA 2 FTE (Senior AG Marketing Specialist \$58,965 and Accountant at \$53,866) in the fiscal note effective FY 2026.

Officials from the **Department of Commerce and Insurance (DCI)** note:

Sections 100.286, 100.297, 100.850, 135.460, 208.770, 348.505, and 447.708:

A potential unknown positive fiscal impact on premium tax revenues (up to the tax credit limit established in the bill) after 2031 as a result of the modifications to sunset provisions of various tax credits.

Section 135.110:

A potential unknown fiscal impact on premium tax revenues (up to the tax credit limit established in the bill) as a result of the modification to the cap amount of credits.

Sections 135.1150, 135.1180, and 143.471:

A potential unknown fiscal impact on premium tax revenues (up to the tax credit limit established in the bill) as a result of the modification to the cap amount of credits. In addition, a potential unknown positive fiscal impact on premium tax revenues (up to the tax credit limit established in the bill) after 2031 as a result of the modifications to sunset provisions of various tax credits.

Sections 135.500 to 135.529, 135.535, 135.1125, 620.635 to 620.653, and 620.1875 to 620.1890:
A potential unknown positive fiscal impact on premium tax revenues (up to the tax credit limit established in the bill) as a result of the repeal of various tax credits.

Section 135.835:

A potential unknown fiscal impact on premium tax revenues (up to the tax credit limit established in the bill) after January 1, 2026, as a result of the repeal, modification, reduction, and restriction of carry forward beyond 3 years of various tax credits.

Premium tax revenue is split 50/50 between General Revenue and County Foreign Insurance Fund except for domestic Stock Property and Casualty Companies who pay premium tax to the County Stock Fund. The County Foreign Insurance Fund is later distributed to school districts throughout the state. County Stock Funds are later distributed to the school district and county treasurer of the county in which the principal office of the insurer is located. It is unknown how each of these funds may be impacted by tax credits each year and which insurers will qualify for the modified tax credits.

Oversight assumes the fiscal note does not reflect the possibility that some of the tax credits could be utilized by insurance companies against insurance premium taxes. If this occurs, the loss in tax revenue would be split between the General Revenue Fund and the County Foreign Insurance Fund, which ultimately goes to local school districts.

Officials from the **Office of Administration - Administrative Hearing Commission**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Public Safety – Capital Police**, the **Department of Public Safety – Fire Safety**, the **Department of Public Safety – State Emergency Management Agency**, the **Missouri Department of Conservation**, the **Missouri Department of Transportation**, the **Office of the State Treasurer**, the **Missouri University System**, the **Northwest Missouri State University**, and the **University of Central Missouri** each assume the proposal will have no fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, **Oversight** will reflect a zero impact in the fiscal note for above respective organizations.

Officials from the **Department of Health and Senior Services (DHSS)** defer to the DOR for the potential fiscal impact of this proposal.

Officials from the **Department of Public Safety – Missouri Highway Patrol (MHP)** defer to the DOR for the potential fiscal impact of this proposal.

Officials from the **Office of Administration (OA)** Officials defer to the B&P for the potential fiscal impact of this proposal.

Officials from the **City of Kansas City**, the **City of OFallon**, the **Phelps County Sheriff**, the **Branson Police Department**, and the **Saint Louis County Police Department** each assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Officials from the **Metropolitan St. Louis Sewer District - 7B Sewer**, the **Morgan County Pwsd #2**, the **South River Drainage District - 7D Levee**, the **Wayne County Pwsd #2** each

assume the proposal will have no fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Officials from the **Oversight Division** state Oversight is responsible for providing a Sunset Report pursuant to Section 23.253 RSMo; however, Oversight assumes it will be able to absorb the cost with the current budget authority

Rule Promulgation

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE FUND			
<u>Savings</u> – DOR – removal of administration of the various tax credits to various agencies	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Savings</u> - Section 135.835 4 – if no credits were appropriated by the General Assembly p. 45-46	\$0 up to \$476,736,226	\$0 up to \$476,736,226	\$0 up to \$476,736,226
<u>Savings</u> - 135.835.2 – cumulative tax credit cap - p. 45	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Savings</u> – various sections – formula-based cap for various tax credits	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
<u>Costs – DSS – DFAS changes in Section(s) p. 46</u>			
Personnel Service	(\$80,968)	(\$98,133)	(\$99,115)
Fringe Benefits	(\$56,415)	(\$68,074)	(\$68,455)
Expense & Equipment	(\$41,306)	(\$22,792)	(\$23,362)
<u>Total Costs – DSS</u>	(\$178,689)	(\$189,000)	(\$190,931)
FTE Change	2 FTE	2 FTE	2 FTE
<u>Costs – MDA –support FTE for changes in Section(s) 135.772; 135.775, 135.778 p.47</u>			
Personnel Service	(\$118,796)	(\$121,172)	(\$123,595)
Fringe Benefits	(\$85,514)	(\$86,466)	(\$87,438)
Expense & Equipment	(\$38,385)	(\$11,146)	(\$11,369)
<u>Total Costs – MDA</u>	(\$242,695)	(\$218,784)	(\$222,401)
FTE Change	2 FTE	2 FTE	2 FTE
<u>Costs – DPS (DO) – FTE for changes in Section(s) 135.090 – Officer Surviving Spouse – p. 9</u>			
Personnel Service	(\$57,260)	(\$70,086)	(\$71,488)
Fringe Benefits	(\$36,110)	(\$43,883)	(\$44,444)
Expense & Equipment	(\$3,777)	(\$0)	(\$0)
<u>Total Costs – DPS-DO</u>	(\$97,147)	(\$113,969)	(\$115,932)
FTE Change	1 FTE	1 FTE	1 FTE
<u>Costs – DED – FTE for changes in Section(s) 135.490 and 135.562 – p. 19</u>			
Personnel Service	(\$69,820)	(\$85,460)	(\$87,169)
Fringe Benefits	(\$41,144)	(\$50,044)	(\$50,729)
Expense & Equipment	(\$18,479)	(\$4,492)	(\$4,582)
<u>Total Costs – DED</u>	(\$129,443)	(\$139,996)	(\$142,480)
FTE Change	1 FTE	1 FTE	1 FTE
<u>Costs – DOR –Section 143.177 MO Family Tax Credit- ITSD and Form Changes for all above Section(s) p.42</u>			
	(\$11,527)	(\$1,869)	(\$1,906)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	(\$659,501) to Could exceed \$476,076,725	(\$663,618) to Could exceed \$476,072,608	(\$673,650) to Could exceed \$476,062,576

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
Estimated Net FTE Change on General Revenue	Up to 6 FTE	Up to 6 FTE	Up to 6 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
	\$0	\$0	\$0

FISCAL IMPACT – Small Business

A direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill modifies the status of certain existing tax credits.

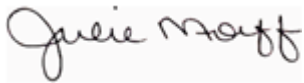
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

- Department of Revenue
- Office of Administration – Budget and Planning
- Office of Administration
- Office of Administration - Administrative Hearing Commission
- Department of Mental Health
- Department of Natural Resources
- Department of Public Safety – Capital Police
- Department of Public Safety – Fire Safety
- Department of Public Safety – State Emergency Management Agency
- Missouri Department of Conservation
- Missouri Department of Transportation
- Office of the State Treasurer
- Missouri University System
- Office of the Secretary of State
- Joint Committee on Administrative Rules
- Oversight Division
- Metropolitan St. Louis Sewer District - 7B Sewer
- Morgan County Pwsd #2

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South River Drainage District - 7D Levee
Wayne County Pwsd #2
City of Kansas City
City of Ofallon
Phelps County Sheriff
Branson Police Department
Saint Louis County Police Department



Julie Morff
Director
February 3, 2025



Jessica Harris
Assistant Director
February 3, 2025