

FIRST REGULAR SESSION

# HOUSE BILL NO. 269

103RD GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE SHIELDS.

1236H.02I

DANA RADEMAN MILLER, Chief Clerk

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## AN ACT

To amend chapter 135, RSMo, by adding thereto three new sections relating to tax credits for child care.

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

Section A. Chapter 135, RSMo, is amended by adding thereto three new sections, to  
2 be known as sections 135.1310, 135.1325, and 135.1350, to read as follows:

3       **135.1310. 1. This section shall be known and may be cited as the "Child Care**  
4 **Contribution Tax Credit Act".**

5       **2. For purposes of this section, the following terms shall mean:**

6       **(1) "Child care", the same as defined in section 210.201;**

7       **(2) "Child care desert", a census tract that has a poverty rate of at least twenty**  
8 **percent or a median family income of less than eighty percent of the statewide average**  
9 **and where at least five hundred people or thirty-three percent of the population are**  
10 **located at least one-half mile away from a child care provider in urbanized areas or at**  
11 **least ten miles away in rural areas;**

12       **(3) "Child care provider", a child care provider as defined in section 210.201**  
13 **that is licensed pursuant to section 210.221, or that is unlicensed and that is registered**  
14 **with the department of elementary and secondary education;**

15       **(4) "Contribution", an eligible donation of cash, stock, bonds or other**  
16 **marketable securities, or real property. "Contribution" shall include the reasonable**  
17 **purchase price paid for an employer's purchase of child care from a child care provider**  
18 **for the children of the employer's employees;**

19       **(5) "Department", the Missouri department of economic development;**

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

18           (6) "Intermediary", a nonprofit organization that is, or agrees to become,  
19 subject to the jurisdiction of this state for the purposes of the administration and  
20 enforcement of this section, and that distributes funds for the purposes of supporting a  
21 child care provider;

22           (7) "Person related to the taxpayer", an individual connected with the taxpayer  
23 by blood, adoption, or marriage, or an individual, corporation, partnership, limited  
24 liability company, trust, or association controlled by, or under the control of, the  
25 taxpayer directly, or through an individual, corporation, limited liability company,  
26 partnership, trust, or association under the control of the taxpayer;

27           (8) "Rural area", a town or community within the state that is not within a  
28 metropolitan statistical area and has a population of six thousand or fewer inhabitants  
29 as determined by the last preceding federal decennial census or any unincorporated  
30 area not within a metropolitan statistical area;

31           (9) "State tax liability", any liability incurred by a taxpayer pursuant to chapter  
32 143 or chapter 148, exclusive of the provisions relating to the withholding of tax as  
33 provided for in sections 143.191 to 143.265 and related provisions;

34           (10) "Tax credit", a credit against the taxpayer's state tax liability;

35           (11) "Taxpayer", a corporation as defined in section 143.441 or 143.471, any  
36 charitable organization that is exempt from federal income tax and whose Missouri  
37 unrelated business taxable income, if any, would be subject to the state income tax  
38 imposed pursuant to chapter 143, or individuals or partnerships subject to the state  
39 income tax imposed by the provisions of chapter 143.

40           3. For all tax years beginning on or after January 1, 2026, a taxpayer may claim  
41 the tax credit authorized in this section against the taxpayer's state tax liability for the  
42 tax year in which a verified contribution was made in an amount equal to seventy-five  
43 percent of the verified contribution to a child care provider or intermediary. The  
44 minimum amount of any tax credit issued shall not be less than one hundred dollars and  
45 shall not exceed two hundred thousand dollars per tax year.

46           (1) A child care provider or intermediary shall apply to the department to  
47 participate in the program established in this section, using a form prescribed by the  
48 department. The department shall determine eligibility and enter into an agreement  
49 that meets the requirements of section 620.017 with an eligible child care facility or  
50 intermediary. Only contributions to child care providers and intermediaries that have  
51 entered into an agreement with the department may receive a tax credit pursuant to this  
52 section.

53           (2) The child care provider or intermediary receiving a contribution shall,  
54 within sixty days of the date it received the contribution, file a contribution verification

55 with the department and issue a copy of the contribution verification to the taxpayer.  
56 The contribution verification shall be in the form established by the department and  
57 shall include the taxpayer's name, taxpayer's state or federal tax identification number  
58 or last four digits of the taxpayer's Social Security number, amount of tax credit sought,  
59 amount or description of contribution, legal name and address of the child care provider  
60 receiving the tax credit, the child care provider's federal employer identification  
61 number, the child care provider's department of elementary and secondary education  
62 vendor number or license number, the date the child care provider received the  
63 contribution from the taxpayer, and any other information requested by the  
64 department. The contribution verification shall include a signed attestation stating,  
65 in the case of a child care provider, that the child care provider will use the contribution  
66 solely to promote child care and, in the case of an intermediary, that the intermediary  
67 will distribute the contribution and any income thereon in full to one or more child care  
68 providers within two years of receipt.

69 (3) The failure of the child care provider or intermediary to timely issue the  
70 contribution verification to the taxpayer or file it with the department shall entitle the  
71 taxpayer to a refund of the contribution from the child care provider or intermediary.

72 4. A contribution, whether received from the taxpayer claiming the tax credit  
73 pursuant to this section or from an intermediary, is eligible when:

74 (1) The contribution is used directly by the child care provider to promote child  
75 care for children twelve years of age or younger, including by acquiring or improving  
76 child care facilities, equipment, or services, staff salaries, staff training, or improving  
77 the quality of child care;

78 (2) The contribution, if made to an intermediary, is distributed in full by the  
79 intermediary within two years of receipt to one or more child care providers for the sole  
80 purpose of promoting child care for children twelve years of age or younger;

81 (3) The contribution is made to a child care provider or intermediary in which  
82 the taxpayer or a person related to the taxpayer does not have a direct financial interest;

83 (4) The contribution made to an intermediary is not designated for a child care  
84 provider in which the taxpayer or a person related to the taxpayer has a direct financial  
85 interest; and

86 (5) The contribution is not made in exchange for care of a child or children,  
87 unless the contribution is made by an employer in purchasing child care for the children  
88 of the employer's employees.

89 5. A child care provider or intermediary that uses the contribution for an  
90 ineligible purpose shall repay to the department the value of the tax credit for the  
91 contribution amount used for such ineligible purpose. An intermediary that accepts a

92 contribution and issues a taxpayer a contribution verification is itself permanently  
93 ineligible to claim or redeem a tax credit pursuant to this section.

94       6. (1) The tax credits authorized by this section shall not be refundable and shall  
95 not be transferred, sold, or otherwise conveyed. Any amount of approved tax credits  
96 that a taxpayer is prohibited by this subsection from using for the tax year in which the  
97 credit is first claimed may be carried forward to the taxpayer's subsequent tax year for  
98 up to six succeeding tax years.

99       (2) In the case of a taxpayer that has or elects pass-through taxation pursuant to  
100 federal income tax law, the tax credits issued pursuant to this section shall be  
101 apportioned in proportion to the share of ownership of the taxpayer on the last day of  
102 the taxpayer's tax period for which such tax credits will be issued, to the following:

103       (a) The shareholders of the S corporation;

104       (b) The partners in a partnership; or

105       (c) The members of a limited liability company that has or elects pass-through  
106 taxation pursuant to federal income tax law.

107       (3) A taxpayer shall not claim a tax credit pursuant to this section and a tax  
108 credit pursuant to section 135.1325 for the same contribution or expenditure.

109       7. Notwithstanding any provision of subsection 6 of this section to the contrary, a  
110 taxpayer that is exempt, under 26 U.S.C. Section 501(c)(3), and any amendments  
111 thereto, from all or part of the federal income tax shall be eligible for a refund of its tax  
112 credit issued under this section, without regard to whether it has incurred any state tax  
113 liability. Such exempt taxpayer may claim a refund of the tax credit on its tax return  
114 required to be filed under the provisions of chapter 143, exclusive of the return for the  
115 withholding of tax under sections 143.191 to 143.265. If such exempt taxpayer is not  
116 required to file a tax return under the provisions of chapter 143, the exempt taxpayer  
117 may claim a refund of the tax credit on a refund claim form prescribed by the  
118 department of revenue. The department of revenue shall prescribe such forms,  
119 instructions, and rules as it deems appropriate to carry out the provisions of this  
120 subsection.

121       8. (1) The amount of tax credits authorized pursuant to this section shall not  
122 exceed twenty million dollars for each calendar year. The department shall approve tax  
123 credit applications on a first-come, first-served basis until the tax credit authorization  
124 limit is reached for the calendar year. A taxpayer shall apply to the department for the  
125 child care contribution tax credit by submitting a copy of the contribution verification  
126 provided by a child care provider or intermediary to such taxpayer. Upon receipt of  
127 such contribution verification, the department shall issue a tax credit certificate to the  
128 taxpayer.

129           (2) If the maximum amount of tax credits allowed in any calendar year as  
130 provided pursuant to subdivision (1) of this subsection is authorized, the maximum  
131 amount of tax credits allowed pursuant to subdivision (1) of this subsection shall be  
132 increased by fifteen percent, provided that all such increases in the allowable amount of  
133 tax credits shall be reserved for contributions made to child care providers located in a  
134 child care desert. The director of the department shall publish such adjusted amount.

135           9. The tax credits allowed under this section shall be considered a domestic and  
136 social tax credit under subdivision (5) of subsection 2 of section 135.800.

137           10. All action and communication undertaken or required under this section  
138 shall be exempt from section 105.1500.

139           11. The department may promulgate rules to implement and administer the  
140 provisions of this section. Any rule or portion of a rule, as that term is defined in section  
141 536.010, that is created pursuant to the authority delegated in this section shall become  
142 effective only if it complies with and is subject to all of the provisions of chapter 536 and,  
143 if applicable, section 536.028. This section and chapter 536 are nonseverable and if any  
144 of the powers vested with the general assembly pursuant to chapter 536 to review, to  
145 delay the effective date, or to disapprove and annul a rule are subsequently held  
146 unconstitutional, then the grant of rulemaking authority and any rule proposed or  
147 adopted after August 28, 2025, shall be invalid and void.

148           12. Pursuant to section 23.253 of the Missouri sunset act:

149           (1) The program authorized under this section shall expire on December 31,  
150 2031, unless reauthorized by the general assembly;

151           (2) The act shall terminate on September first of the calendar year immediately  
152 following the calendar year in which the program authorized under this section is  
153 sunset;

154           (3) If such program is reauthorized, the program authorized under this act shall  
155 automatically sunset six years after the effective date of the reauthorization of this  
156 section; and

157           (4) The provisions of this subsection shall not be construed to limit or in any way  
158 impair the department of revenue's ability to redeem tax credits authorized on or before  
159 the date the program authorized pursuant to this section expires or a taxpayer's ability  
160 to redeem such tax credits.

135.1325. 1. This section shall be known and may be cited as the "Employer  
2 Provided Child Care Assistance Tax Credit Act".

3           2. For purposes of this section, the following terms shall mean:

4           (1) "Child care desert", a census tract that has a poverty rate of at least twenty  
5 percent or a median family income of less than eighty percent of the statewide average

6 and where at least five hundred people or thirty-three percent of the population are  
7 located at least one-half mile away from a child care provider in urbanized areas or at  
8 least ten miles away in rural areas;

9 (2) "Child care facility", a child care facility as defined in section 210.201 that is  
10 licensed pursuant to section 210.221, or that is unlicensed and that is registered with the  
11 department of elementary and secondary education;

12 (3) "Child care provider", a child care provider as defined in section 210.201  
13 that is licensed pursuant to section 210.221, or that is unlicensed and that is registered  
14 with the department of elementary and secondary education;

15 (4) "Department", the Missouri department of economic development;

16 (5) "Employer matching contribution", a contribution made by the taxpayer to  
17 a cafeteria plan, as that term is used in 26 U.S.C. Section 125, of an employee of the  
18 taxpayer, which matches a dollar amount or percentage of the employee's contribution  
19 to the cafeteria plan. "Employer matching contribution" shall not include the amount  
20 of any salary reduction or other compensation foregone by the employee in connection  
21 with the cafeteria plan;

22 (6) "Qualified child care expenditure", an amount paid of reasonable costs  
23 incurred that meet any of the following:

24 (a) To acquire, construct, rehabilitate, or expand property that will be, or is,  
25 used as part of a child care facility that is either operated by the taxpayer or contracted  
26 with by the taxpayer and which does not constitute part of the principal residence of the  
27 taxpayer or any employee of the taxpayer;

28 (b) For the operating costs of a child care facility of the taxpayer, including costs  
29 relating to the training of child care employees, scholarship programs, and for  
30 compensation to child care employees;

31 (c) Under a contract with a child care facility to provide child care services to  
32 employees of the taxpayer; or

33 (d) As an employer matching contribution, but only to the extent such employer  
34 matching contribution is restricted by the taxpayer solely for the taxpayer's employee to  
35 obtain child care services at a child care facility and is used for that purpose during the  
36 tax year;

37 (7) "Rural area", a town or community within the state that is not within a  
38 metropolitan statistical area and has a population of six thousand or fewer inhabitants  
39 as determined by the last preceding federal decennial census or any unincorporated  
40 area not within a metropolitan statistical area;

41           **(8) "State tax liability", any liability incurred by the taxpayer pursuant to the**  
42 **provisions of chapter 143 or chapter 148, exclusive of the provisions relating to the**  
43 **withholding of tax as provided for in sections 143.191 to 143.265 and related provisions;**

44           **(9) "Tax credit", a credit against the taxpayer's state tax liability;**

45           **(10) "Taxpayer", a corporation as defined in section 143.441 or 143.471, any**  
46 **charitable organization that is exempt from federal income tax and whose Missouri**  
47 **unrelated business taxable income, if any, would be subject to the state income tax**  
48 **imposed under chapter 143, or individuals or partnerships subject to the state income**  
49 **tax imposed by the provisions of chapter 143.**

50           **3. For all tax years beginning on or after January 1, 2026, a taxpayer with two or**  
51 **more employees may claim a tax credit authorized in this section in an amount equal to**  
52 **thirty percent of the qualified child care expenditures paid or incurred with respect to a**  
53 **child care facility in order to provide child care to the taxpayer's employees. The**  
54 **maximum amount of any tax credit issued under this section shall not exceed two**  
55 **hundred thousand dollars per taxpayer per tax year.**

56           **4. A facility shall not be treated as a child care facility with respect to a taxpayer**  
57 **unless enrollment in the facility is open to the dependents of employees of the taxpayer**  
58 **during the tax year, provided that the dependents fall within the age range ordinarily**  
59 **cared for by, and only require a level of care ordinarily provided by, such facility.**

60           **5. (1) The tax credits authorized by this section shall not be refundable or**  
61 **transferable. The tax credits shall not be sold, assigned, or otherwise conveyed. Any**  
62 **amount of approved tax credits that a taxpayer is prohibited by this subsection from**  
63 **using for the tax year in which the credit is first claimed may be carried forward to the**  
64 **taxpayer's subsequent tax year for up to six succeeding tax years.**

65           **(2) In the case of a taxpayer that has or elects pass-through taxation pursuant to**  
66 **federal income tax law, the tax credits issued pursuant to this section shall be**  
67 **apportioned in proportion to the share of ownership of the taxpayer on the last day of**  
68 **the taxpayer's tax period for which such tax credits will be issued, to the following:**

69           **(a) The shareholders of the S corporation;**

70           **(b) The partners in a partnership; or**

71           **(c) The members of a limited liability company that has or elects pass-through**  
72 **taxation pursuant to federal income tax law.**

73           **(3) A taxpayer shall not claim a tax credit pursuant to this section and a tax**  
74 **credit pursuant to section 135.1310 or 135.1350 for the same contribution or**  
75 **expenditure.**

76           **6. Notwithstanding any provision of subsection 5 of this section to the contrary, a**  
77 **taxpayer that is exempt, under 26 U.S.C. Section 501(c)(3), and any amendments**

78 thereto, from all or part of the federal income tax shall be eligible for a refund of its tax  
79 credit issued under this section, without regard to whether it has incurred any state tax  
80 liability. Such exempt taxpayer may claim a refund of the tax credit on its tax return  
81 required to be filed under the provisions of chapter 143, exclusive of the return for the  
82 withholding of tax under sections 143.191 to 143.265. If such exempt taxpayer is not  
83 required to file a tax return under the provisions of chapter 143, the exempt taxpayer  
84 may claim a refund of the tax credit on a refund claim form prescribed by the  
85 department of revenue. The department of revenue shall prescribe such forms,  
86 instructions, and rules as it deems appropriate to carry out the provisions of this  
87 subsection.

88         7. (1) The amount of tax credits authorized pursuant to this section shall not  
89 exceed twenty million dollars for each calendar year. The department shall approve tax  
90 credit applications on a first-come, first-served basis until the tax credit authorization  
91 limit is reached for the calendar year.

92         (2) If the maximum amount of tax credits allowed in any calendar year as  
93 provided pursuant to subdivision (1) of this subsection is authorized, the maximum  
94 amount of tax credits allowed pursuant to subdivision (1) of this subsection shall be  
95 increased by fifteen percent, provided that all such increases in the allowable amount of  
96 tax credits shall be reserved for qualified child care expenditures for child care facilities  
97 located in a child care desert. The director of the department shall publish such  
98 adjusted amount.

99         8. A taxpayer who has been issued a tax credit under this section shall notify the  
100 department within sixty days of any cessation of operation, change in ownership, or  
101 agreement to assume recapture liability as such terms are defined by 26 U.S.C. Section  
102 45F, in the form and manner prescribed by department rule or instruction. If there is a  
103 cessation of operation or change in ownership relating to a child care facility, the  
104 department may require the taxpayer to repay the department an amount equal to the  
105 credit issued under this section, but this recapture amount shall be limited to the tax  
106 credit allowed under this section. The recapture amount shall be considered a tax  
107 liability arising on the tax payment due date for the tax year in which the cessation of  
108 operation, change in ownership, or agreement to assume recapture liability occurred  
109 and shall be assessed and collected under the same provisions that apply to a tax liability  
110 under chapter 143 or chapter 148, provided that no interest shall be assessed against any  
111 amounts recaptured pursuant to this subsection.

112         9. The tax credit allowed pursuant to this section shall be considered a domestic  
113 and social tax credit under subdivision (5) of subsection 2 of section 135.800.



114           **10. All action and communication undertaken or required under this section**  
115 **shall be exempt from section 105.1500.**

116           **11. The department may promulgate rules to implement and administer the**  
117 **provisions of this section. Any rule or portion of a rule, as that term is defined in section**  
118 **536.010, that is created pursuant to the authority delegated in this section shall become**  
119 **effective only if it complies with and is subject to all of the provisions of chapter 536 and,**  
120 **if applicable, section 536.028. This section and chapter 536 are nonseverable and if any**  
121 **of the powers vested with the general assembly pursuant to chapter 536 to review, to**  
122 **delay the effective date, or to disapprove and annul a rule are subsequently held**  
123 **unconstitutional, then the grant of rulemaking authority and any rule proposed or**  
124 **adopted after August 28, 2025, shall be invalid and void.**

125           **12. Pursuant to section 23.253 of the Missouri sunset act:**

126           **(1) The program authorized under this act shall expire on December 31, 2031,**  
127 **unless reauthorized by the general assembly;**

128           **(2) The act shall terminate on September first of the calendar year immediately**  
129 **following the calendar year in which the program authorized under the act is sunset;**

130           **(3) If such program is reauthorized, the program authorized under this act shall**  
131 **automatically sunset six years after the effective date of the reauthorization of the act;**  
132 **and**

133           **(4) The provisions of this subsection shall not be construed to limit or in any way**  
134 **impair the department of revenue's ability to redeem tax credits authorized on or before**  
135 **the date the program authorized pursuant to this section expires or a taxpayer's ability**  
136 **to redeem such tax credits.**

**135.1350. 1. This section shall be known and may be cited as the "Child Care**  
2 **Providers Tax Credit Act".**

3           **2. For purposes of this section, the following terms shall mean:**

4           **(1) "Capital expenditures", expenses incurred by a child care provider, during**  
5 **the tax year for which a tax credit is claimed pursuant to this section, for the**  
6 **construction, renovation, or rehabilitation of a child care facility to the extent necessary**  
7 **to operate a child care facility and comply with applicable child care facility regulations**  
8 **promulgated by the department of elementary and secondary education;**

9           **(2) "Child care desert", a census tract that has a poverty rate of at least twenty**  
10 **percent or a median family income of less than eighty percent of the statewide average**  
11 **and where at least five hundred people or thirty-three percent of the population are**  
12 **located at least one-half mile away from a child care provider in urbanized areas or at**  
13 **least ten miles away in rural areas;**

14           (3) "Child care facility", a child care facility as defined in section 210.201 that is  
15 licensed pursuant to section 210.221, or that is unlicensed and that is registered with the  
16 department of elementary and secondary education;

17           (4) "Child care provider", a child care provider as defined in section 210.201  
18 that is licensed pursuant to section 210.221, or that is unlicensed and that is registered  
19 with the department of elementary and secondary education;

20           (5) "Department", the department of elementary and secondary education;

21           (6) "Employee", an employee, as that term is used in subsection 2 of section  
22 143.191, of a child care provider who worked for the child care provider for an average  
23 of at least ten hours per week for at least a three-month period during the tax year for  
24 which a tax credit is claimed pursuant to this section and who is not an immediate  
25 family member of the child care provider;

26           (7) "Eligible employer withholding tax", the total amount of tax that the child  
27 care provider was required, under section 143.191, to deduct and withhold from the  
28 wages it paid to employees during the tax year for which the child care provider is  
29 claiming a tax credit pursuant to this section, to the extent actually paid. "Eligible  
30 employer withholding tax" shall not include any additional voluntary withholding  
31 requested by an employee;

32           (8) "Rural area", a town or community within the state that is not within a  
33 metropolitan statistical area and has a population of six thousand or fewer inhabitants  
34 as determined by the last preceding federal decennial census or any unincorporated  
35 area not within a metropolitan statistical area;

36           (9) "State tax liability", any liability incurred by the taxpayer pursuant to the  
37 provisions of chapter 143, exclusive of the provisions relating to the withholding of tax  
38 as provided for in sections 143.191 to 143.265 and related provisions;

39           (10) "Tax credit", a credit against the taxpayer's state tax liability;

40           (11) "Taxpayer", a corporation as defined in section 143.441 or 143.471, any  
41 charitable organization that is exempt from federal income tax and whose Missouri  
42 unrelated business taxable income, if any, would be subject to the state income tax  
43 imposed under chapter 143, or an individual or partnership subject to the state income  
44 tax imposed by the provisions of chapter 143.

45           3. For all tax years beginning on or after January 1, 2026, a child care provider  
46 with three or more employees may claim a tax credit authorized in this section in an  
47 amount equal to the child care provider's eligible employer withholding tax, and may  
48 also claim a tax credit in an amount up to thirty percent of the child care provider's  
49 capital expenditures. No tax credit for capital expenditures shall be allowed if the  
50 capital expenditures are less than one thousand dollars. The amount of any tax credit

51 issued under this section shall not exceed two hundred thousand dollars per child care  
52 provider per tax year.

53 4. To claim a tax credit authorized pursuant to this section, a child care provider  
54 shall submit to the department, for preliminary approval, an application for the tax  
55 credit on a form provided by the department and at such times as the department may  
56 require. If the child care provider is applying for a tax credit for capital expenditures,  
57 the child care provider shall present proof acceptable to the department that the child  
58 care provider's capital expenditures satisfy the requirements of subdivision (1) of  
59 subsection 2 of this section. Upon final approval of an application, the department shall  
60 issue the child care provider a certificate of tax credit.

61 5. (1) The tax credits authorized by this section shall not be refundable and shall  
62 not be transferred, sold, assigned, or otherwise conveyed. Any amount of credit that  
63 exceeds the child care provider's state tax liability for the tax year for which the tax  
64 credit is issued may be carried forward to the child care provider's subsequent tax year  
65 for up to six succeeding tax years.

66 (2) In the case of a taxpayer that has or elects pass-through taxation pursuant to  
67 federal income tax law, the tax credits issued pursuant to this section shall be  
68 apportioned in proportion to the share of ownership of the taxpayer on the last day of  
69 the taxpayer's tax period for which such tax credits will be issued, to the following:

70 (a) The shareholders of the S corporation;

71 (b) The partners in a partnership; or

72 (c) The members of a limited liability company that has or elects pass-through  
73 taxation pursuant to federal income tax law.

74 (3) A taxpayer shall not claim a tax credit pursuant to this section and a tax  
75 credit pursuant to section 135.1325 for the same contribution or expenditure.

76 6. Notwithstanding any provision of subsection 5 of this section to the contrary, a  
77 child care provider that is exempt, under 26 U.S.C. Section 501(c)(3), and any  
78 amendments thereto, from all or part of the federal income tax shall be eligible for a  
79 refund of its tax credit issued under this section, without regard to whether it has  
80 incurred any state tax liability. Such exempt child care provider may claim a refund of  
81 the tax credit on its tax return required to be filed under the provisions of chapter 143,  
82 exclusive of the return for the withholding of tax under sections 143.191 to 143.265. If  
83 such exempt child care provider is not required to file a tax return under the provisions  
84 of chapter 143, the exempt child care provider may claim a refund of the tax credit on a  
85 refund claim form prescribed by the department of revenue. The department of  
86 revenue shall prescribe such forms, instructions, and rules as it deems appropriate to  
87 carry out the provisions of this subsection.

88           7. (1) The amount of tax credits authorized pursuant to this section shall not  
89 exceed twenty million dollars for each calendar year. The department shall approve tax  
90 credit applications on a first-come, first-served basis until the tax credit authorization  
91 limit is reached for the calendar year.

92           (2) If the maximum amount of tax credits allowed in any calendar year as  
93 provided pursuant to subdivision (1) of this subsection is authorized, the maximum  
94 amount of tax credits allowed pursuant to subdivision (1) of this subsection shall be  
95 increased by fifteen percent, provided that all such increases in the allowable amount of  
96 tax credits shall be reserved for child care providers located in a child care desert. The  
97 director of the department shall publish such adjusted amount.

98           8. The tax credit authorized by this section shall be considered a domestic and  
99 social tax credit under subdivision (5) of subsection 2 of section 135.800.

100           9. All action and communication undertaken or required with respect to this  
101 section shall be exempt from section 105.1500. Notwithstanding section 32.057 or any  
102 other tax confidentiality law to the contrary, the department of revenue may disclose tax  
103 information to the department for the purpose of the verification of a child care  
104 provider's eligible employer withholding tax under this section.

105           10. The department may promulgate rules and adopt statements of policy,  
106 procedures, forms and guidelines to implement and administer the provisions of this  
107 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is  
108 created pursuant to the authority delegated in this section shall become effective only if  
109 it complies with and is subject to all of the provisions of chapter 536 and, if applicable,  
110 section 536.028. This section and chapter 536 are nonseverable and if any of the powers  
111 vested with the general assembly pursuant to chapter 536 to review, to delay the  
112 effective date, or to disapprove and annul a rule are subsequently held unconstitutional,  
113 then the grant of rulemaking authority and any rule proposed or adopted after August  
114 28, 2025, shall be invalid and void.

115           11. Pursuant to section 23.253 of the Missouri sunset act:

116           (1) The program authorized under this section shall expire on December 31,  
117 2031, unless reauthorized by the general assembly;

118           (2) The act shall terminate on September first of the calendar year immediately  
119 following the calendar year in which the program authorized under this section is  
120 sunset;

121           (3) If such program is reauthorized, the program authorized under this section  
122 shall automatically sunset six years after the effective date of the reauthorization of this  
123 section; and

124           **(4) The provisions of this subsection shall not be construed to limit or in any way**  
125 **impair the department of revenue's ability to redeem tax credits authorized on or before**  
126 **the date the program authorized pursuant to this section expires or a taxpayer's ability**  
127 **to redeem such tax credits.**

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