

FIRST REGULAR SESSION

HOUSE BILL NO. 791

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE COLLINS.

1948H.011

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal section 135.800, RSMo, and to enact in lieu thereof two new sections relating to certain benevolent organizations.

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

Section A. Section 135.800, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 135.440 and 135.800, to read as follows:

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

- (1) "Contribution", a donation of cash; stocks, bonds, or other marketable securities; or real property valued at the current property tax-assessed valuation of the property. If a property has not been assessed or has no assessed valuation, no credit shall be authorized for the donation of the property;**
- (2) "Department", the department of mental health;**
- (3) "Director", the director of the department of mental health;**
- (4) "Justice-involved individual", a person who is on probation, paroled, discharged, or otherwise released from any correctional facility of the department of corrections, any county jail, or any mental health institution, where such person has been confined within the previous year;**
- (5) "Qualified organization", an organization exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, including any faith-based organization, peer- or community-based organization, or recovery community center or outreach that provides recovery support services and assistance to justice-involved individuals and people in recovery from substance use disorders. A qualified organization shall not have an annual budget in excess of five million dollars and shall not have any employees**

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 who receive more than one hundred twenty-five thousand dollars in compensation
19 annually. A qualified organization does not need to be contracted with this state as a
20 recovery support services provider, but shall meet the qualifications to be contracted
21 with this state as such a provider. No housing organization shall be a qualified
22 organization unless accredited by the National Alliance of Recovery Residences (NARR)
23 or Adult and Teen Challenge (ATC) USA;

24 (6) "Recovery support services", includes care coordination, recovery coaching,
25 spiritual counseling, group support, employment services, job training, educational
26 services, and recovery housing and transportation, in coordination with substance use
27 disorder service providers. Recovery support services may be offered in a variety of
28 settings, including community, faith-based, and peer recovery organizations. Recovery
29 support programs shall be person-centered and self-directed, allowing a recovering
30 individual to choose the provider;

31 (7) "State tax liability", in the case of a business taxpayer, any liability incurred
32 by such taxpayer under the provisions of chapters 143 and 148 excluding the provisions
33 of sections 143.191 to 143.265 and related provisions; and in the case of an individual
34 taxpayer, any liability incurred by such taxpayer under the provisions of chapter 143,
35 excluding the provisions of sections 143.191 to 143.265 and related provisions;

36 (8) "Substance use disorder", any disorder identified in the Diagnostic and
37 Statistical Manual of Mental Disorders, Fifth Edition (DSM-V or DSM 5), relating to
38 one of ten classes of drugs, including alcohol; caffeine; cannabis; hallucinogens;
39 inhalants; opioids; sedatives, hypnotics, or anxiolytics; stimulants, including
40 amphetamine-type substances, cocaine, and other stimulants; tobacco; and other or
41 unknown substances. Repeated use of a substance shall be considered a substance use
42 disorder if the repeated use causes significant impairment, disability, a failure to meet
43 responsibilities, health problems, impaired control, social problems, or other risks;

44 (9) "Taxpayer", a person, firm, partner in a firm, corporation, or shareholder in
45 an S corporation doing business in the state of Missouri and subject to the state income
46 tax imposed by the provisions of chapter 143; an insurance company paying an annual
47 tax on its gross premium receipts in this state; a financial institution paying taxes to the
48 state of Missouri or to any political subdivision of this state under the provisions of
49 chapter 148; an express company that pays an annual tax on its gross receipts in this
50 state under chapter 153; an individual subject to the state income tax imposed by the
51 provisions of chapter 143; or any charitable organization that is exempt from federal
52 income tax and whose Missouri unrelated business taxable income, if any, would be
53 subject to the state income tax imposed under chapter 143.

54 2. Subject to appropriation, for all tax years beginning on or after January 1,
55 2026, a taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
56 liability in an amount equal to fifty percent of the taxpayer's contribution to a qualified
57 organization. No contribution shall be used to purchase goods or services from or to
58 produce a direct financial benefit for the contributor. The qualified organization shall
59 use the taxpayer's contribution to assist people in recovery from substance use disorders
60 by providing such people with recovery support services including, but not limited to,
61 supportive housing.

62 3. Tax credits issued under this section shall not be refundable; however, any tax
63 credit that cannot be claimed for the tax year in which the contribution is made may be
64 carried forward to the next four succeeding tax years until the full credit has been
65 claimed. No tax credits issued under the provisions of this section shall be assigned,
66 transferred, or sold.

67 4. Except for any excess credit carried forward under subsection 3 of this
68 section, a taxpayer shall not be allowed to claim a tax credit under this section unless the
69 total amount of the taxpayer's contribution or contributions in the tax year to one or
70 more qualified organizations has a value of at least two hundred fifty dollars.

71 5. The director shall determine, at least annually, which organizations in this
72 state may be classified as qualified organizations, according to the definition provided
73 under subsection 1 of this section. The director may require an organization seeking to
74 be classified as a qualified organization to provide any information that is reasonably
75 necessary for the director to make such a determination.

76 6. The director shall establish a procedure, in consultation with the department
77 of revenue, by which a taxpayer can determine if an organization has been classified as a
78 qualified organization.

79 7. (1) Upon receipt and acceptance of a contribution from a taxpayer, a qualified
80 organization shall issue to the taxpayer a statement evidencing the receipt of such
81 contribution, including the monetary value of such contribution.

82 (2) A qualified organization shall be permitted to decline a contribution from a
83 taxpayer.

84 8. Each qualified organization shall provide information to the director of
85 mental health relating to the identity of each taxpayer making a contribution to the
86 qualified organization who is claiming a tax credit under this section and the amount of
87 such taxpayer's contribution.

88 9. Notwithstanding any provision of section 105.1500 to the contrary, any
89 requirement to provide information, documents, or records under this section, and any
90 requirement established by the department of revenue or the department of mental

91 health to provide information, documents, or records for the purpose of administering
92 and enforcing this section, shall be exempt from section 105.1500.

93 **10. The cumulative amount of tax credits allowed to all taxpayers under this**
94 **section shall not exceed two million five hundred thousand dollars per tax year. If the**
95 **amount of tax credits claimed in a tax year under this section exceeds two million five**
96 **hundred thousand dollars, tax credits shall be allowed based on the order in which they**
97 **are claimed. In any given calendar year, no more than twenty percent of the total tax**
98 **credits available under this section shall be authorized for contributions to any**
99 **particular qualified organization. The department of mental health shall establish**
100 **procedures to monitor and effectuate compliance with this subdivision.**

101 **11. The tax credit authorized by this section shall be considered a domestic and**
102 **social tax credit, as defined under section 135.800, and shall be subject to the provisions**
103 **of sections 135.800 to 135.830.**

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

113 **13. Under section 23.253 of the Missouri sunset act:**

114 **(1) The new program established under this section shall automatically sunset on**
115 **December thirty-first six years after the effective date of this section unless reauthorized**
116 **by an act of the general assembly;**

117 **(2) If such program is reauthorized, the program authorized under this section**
118 **shall automatically sunset on December thirty-first twelve years after the effective date**
119 **of the reauthorization of this section; and**

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

135.800. 1. The provisions of sections 135.800 to 135.830 shall be known and may
2 be cited as the "Tax Credit Accountability Act of 2004".

3 2. As used in sections 135.800 to 135.830, the following terms mean:

4 (1) "Administering agency", the state agency or department charged with
5 administering a particular tax credit program, as set forth by the program's enacting
6 statute; where no department or agency is set forth, the department of revenue;

7 (2) "Agricultural tax credits", the agricultural product utilization contributor tax credit
8 created pursuant to section 348.430, the new generation cooperative incentive tax credit
9 created pursuant to section 348.432, the family farm breeding livestock loan tax credit created
10 under section 348.505, the qualified beef tax credit created under section 135.679, and the
11 wine and grape production tax credit created pursuant to section 135.700;

12 (3) "Business recruitment tax credits", the business facility tax credit created pursuant
13 to sections 135.110 to 135.150 and section 135.258, the enterprise zone tax benefits created
14 pursuant to sections 135.200 to 135.270, the business use incentives for large-scale
15 development programs created pursuant to sections 100.700 to 100.850, the development tax
16 credits created pursuant to sections 32.100 to 32.125, the rebuilding communities tax credit
17 created pursuant to section 135.535, the film production tax credit created pursuant to section
18 135.750, the enhanced enterprise zone created pursuant to sections 135.950 to 135.970, and
19 the Missouri quality jobs program created pursuant to sections 620.1875 to 620.1900;

20 (4) "Community development tax credits", the neighborhood assistance tax credit
21 created pursuant to sections 32.100 to 32.125, the family development account tax credit
22 created pursuant to sections 208.750 to 208.775, the dry fire hydrant tax credit created
23 pursuant to section 320.093, and the transportation development tax credit created pursuant to
24 section 135.545;

25 (5) "Domestic and social tax credits", the youth opportunities tax credit created
26 pursuant to section 135.460 and sections 620.1100 to 620.1103, the shelter for victims of
27 domestic violence **or rape crisis center tax credit** created pursuant to section 135.550, the
28 senior citizen or disabled person property tax credit created pursuant to sections 135.010 to
29 135.035, the adoption tax credit created pursuant to sections 135.325 to 135.339, the
30 champion for children tax credit created pursuant to section 135.341, the maternity home tax
31 credit created pursuant to section 135.600, the surviving spouse tax credit created pursuant to
32 section 135.090, the residential treatment agency tax credit created pursuant to section
33 135.1150, the pregnancy resource center tax credit created pursuant to section 135.630, the
34 food pantry tax credit created pursuant to section 135.647, the residential dwelling access tax
35 credit created pursuant to section 135.562, the developmental disability care provider tax
36 credit created under section 135.1180, the shared care tax credit created pursuant to section
37 192.2015, the health, hunger, and hygiene tax credit created pursuant to section 135.1125,
38 ~~and~~ the diaper bank tax credit created pursuant to section 135.621, **and the nonprofit**
39 **organization donation tax credit created pursuant to section 135.440;**

40 (6) "Entrepreneurial tax credits", the capital tax credit created pursuant to sections
41 135.400 to 135.429, the certified capital company tax credit created pursuant to sections
42 135.500 to 135.529, the seed capital tax credit created pursuant to sections 348.300 to
43 348.318, the new enterprise creation tax credit created pursuant to sections 620.635 to
44 620.653, the research tax credit created pursuant to section 620.1039, the small business
45 incubator tax credit created pursuant to section 620.495, the guarantee fee tax credit created
46 pursuant to section 135.766, and the new generation cooperative tax credit created pursuant to
47 sections 32.105 to 32.125;

48 (7) "Environmental tax credits", the charcoal producer tax credit created pursuant to
49 section 135.313, the wood energy tax credit created pursuant to sections 135.300 to 135.311,
50 and the alternative fuel stations tax credit created pursuant to section 135.710;

51 (8) "Financial and insurance tax credits", the bank franchise tax credit created
52 pursuant to section 148.030, the bank tax credit for S corporations created pursuant to section
53 143.471, the exam fee tax credit created pursuant to section 148.400, the health insurance
54 pool tax credit created pursuant to section 376.975, the life and health insurance guaranty
55 **association** tax credit created pursuant to section 376.745, the property and casualty guaranty
56 **association** tax credit created pursuant to section 375.774, and the self-employed health
57 insurance tax credit created pursuant to section 143.119;

58 (9) "Housing tax credits", the neighborhood preservation tax credit created pursuant
59 to sections 135.475 to 135.487, the low-income housing tax credit created pursuant to
60 sections 135.350 to 135.363, and the affordable housing tax credit created pursuant to
61 sections 32.105 to 32.125;

62 (10) "Recipient", the individual or entity who both:

63 (a) Is the original applicant for a tax credit; and

64 (b) Who directly receives a tax credit or the right to transfer a tax credit under a tax
65 credit program, regardless as to whether the tax credit has been used or redeemed; a recipient
66 shall not include the transferee of a transferable tax credit;

67 (11) "Redevelopment tax credits", the historic preservation tax credit created pursuant
68 to sections 253.545 to 253.559, the brownfield redevelopment program tax credit created
69 pursuant to sections 447.700 to 447.718, the community development corporations tax credit
70 created pursuant to sections 135.400 to 135.430, the infrastructure tax credit created pursuant
71 to subsection 6 of section 100.286, the bond guarantee tax credit created pursuant to section
72 100.297, the disabled access tax credit created pursuant to section 135.490, the new markets
73 tax credit created pursuant to section 135.680, and the distressed areas land assemblage tax
74 credit created pursuant to section 99.1205;

75 (12) "Tax credit program", any of the tax credit programs included in the definitions
76 of agricultural tax credits, business recruitment tax credits, community development tax

77 credits, domestic and social tax credits, entrepreneurial tax credits, environmental tax credits,
78 housing tax credits, redevelopment tax credits, and training and educational tax credits;
79 (13) "Training and educational tax credits", the Missouri works new jobs tax credit
80 and Missouri works retained jobs credit created pursuant to sections 620.800 to 620.809.

✓