

FIRST REGULAR SESSION

HOUSE BILL NO. 1242

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE JORDAN.

1981H.011

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal section 135.352, RSMo, and to enact in lieu thereof one new section relating to the low-income housing tax credit.

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

Section A. Section 135.352, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 135.352, to read as follows:

135.352. 1. A taxpayer owning an interest in a qualified Missouri project shall, subject to the limitations provided under the provisions of subsection 3 of this section, be allowed a state tax credit, whether or not allowed a federal tax credit, to be termed the Missouri low-income housing tax credit, if the commission issues an eligibility statement for that project.

2. For qualified Missouri projects placed in service after January 1, 1997, the Missouri low-income housing tax credit available to a project shall be such amount as the commission shall determine is necessary to ensure the feasibility of the project, up to an amount equal to the federal low-income housing tax credit for a qualified Missouri project, for a federal tax period, and such amount shall be subtracted from the amount of state tax otherwise due for the same tax period.

3. No more than six million dollars in tax credits shall be authorized each fiscal year for projects financed through tax-exempt bond issuance.

4. The Missouri low-income housing tax credit shall be taken against the taxes and in the order specified pursuant to section 32.115. The credit authorized by this section shall not be refundable. Any amount of credit that exceeds the tax due for a taxpayer's ~~taxable~~ **tax**

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

17 year may be carried back to any of the taxpayer's three prior ~~[taxable]~~ tax years or carried
18 forward to any of the taxpayer's five subsequent ~~[taxable]~~ tax years.

19 5. All or any portion of Missouri tax credits issued in accordance with the provisions
20 of sections 135.350 to 135.362 may be allocated to parties who are eligible pursuant to the
21 provisions of subsection 1 of this section. Beginning January 1, 1995, for qualified projects
22 which began on or after January 1, 1994, an owner of a qualified Missouri project shall certify
23 to the director the amount of credit allocated to each taxpayer. The owner of the project shall
24 provide to the director appropriate information so that the low-income housing tax credit can
25 be properly allocated. **Beginning August 28, 2025, priority may be given to qualified**
26 **Missouri projects located in a disaster area and meeting the additional requirements**
27 **under subsection 6 of this section, with the remaining tax credits to be distributed based**
28 **on the order in which they are claimed.**

29 6. (1) **Beginning August 28, 2025, tax credits issued under the provisions of**
30 **sections 135.350 to 135.362 may be allocated with priority first to eligible taxpayers with**
31 **qualified Missouri projects that are located in a federally declared natural disaster area**
32 **under the Robert T. Stafford Disaster Relief and Emergency Assistance Act, as**
33 **amended, 42 U.S.C. 5121, et seq. and, in addition to the criteria required under sections**
34 **135.350 to 135.363, meet the criteria provided under this subsection.**

35 (2) **In order to be eligible for priority allocation, a qualified Missouri project**
36 **located in a natural disaster area shall be a recipient of federal Community**
37 **Development Block Grant Disaster Recovery (CDBG-DR) grant funds allocated by**
38 **the U.S. Department of Housing and Urban Development authorized under Title I of the**
39 **Housing and Community Development Act of 1974, as amended, or awarded a grant of**
40 **funds from a local affordable housing trust fund for the administration of the CDBG-**
41 **DR funds established by a local governmental entity in receipt of such funds.**

42 (3) **The taxpayer developing the qualified Missouri project shall submit a letter**
43 **of intent to the director of the department of economic development or to the local**
44 **governmental entity authorized to oversee and distribute the grant or award of the**
45 **CDBG-DR funds. The letter of intent shall verify that such project has been awarded**
46 **such funds and will be receiving or has received such funds for the purpose of the**
47 **project described. The letter of intent shall be completed on a form that shall be**
48 **prepared by the department. It need not contain an estimate of the amounts of the tax**
49 **credits for which the taxpayer may become eligible. The letter of intent shall be**
50 **submitted to the director at least fifteen days prior to the placement of the project into**
51 **service. The director shall approve or deny the letter of intent and return such to the**
52 **taxpayer within fifteen days of its receipt.**

53 **(4) Once the taxpayer developing the qualified Missouri project has successfully**
54 **completed and received an approved letter of intent relating to the project and receipt of**
55 **such funds for the purpose of funding the proposed affordable housing development**
56 **project, the approved letter of intent shall be submitted with the application to the**
57 **commission for the tax credits authorized under the provisions of sections 135.350 to**
58 **135.363.**

59 **(5) The committee in conjunction with the department of economic development**
60 **may establish additional program criteria, evaluation methods, forms, and procedures**
61 **for the priority allocation of tax credits claimed under the provisions of this subsection**
62 **and may promulgate additional rules and regulations necessary to administer the**
63 **additional provisions of this subsection.**

64 7. In the event that recapture of Missouri low-income housing tax credits is required
65 pursuant to subsection 2 of section 135.355, any statement submitted to the director as
66 provided in this section shall include the proportion of the state credit required to be
67 recaptured, the identity of each taxpayer subject to the recapture and the amount of credit
68 previously allocated to such taxpayer.

69 ~~[7.]~~ **8.** The director of the department may promulgate rules and regulations necessary
70 to administer the provisions of this section. No rule or portion of a rule promulgated pursuant
71 to the authority of this section shall become effective unless it has been promulgated pursuant
72 to the provisions of section 536.024.

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