

HB 1012 -- ADOPTION

SPONSOR: Christ

This bill establishes a fund and an accompanying tax credit known as the "Zero-Cost Adoption Fund Act".

There is created in the State Treasury the "Zero-Cost Adoption Fund", which will be administered by the Department of Social Services and of which moneys must be used, in the order of descending priority, to:

- (1) Support Missouri residents in paying for nonrecurring adoption expenses;
- (2) Provide post-adoption assistance;
- (3) Promote adoption and recruit potential adoptive families;
- (4) Support community-based intervention methods to prevent children from entering foster care; and
- (5) Award grants to implement adoption-sensitive care services in health care settings.

For all years beginning on or after January 1, 2026, a qualified taxpayer, as defined in the bill, is allowed to claim a tax credit against his or her state tax liability in an amount equal to 100% of his or her qualifying contribution to the Zero-Cost Adoption Fund established under the provisions of this bill.

The amount of the credit that is claimed cannot exceed 50% of the qualified taxpayer's state tax liability for the tax year for which the credit is claimed. Additionally, the tax credits authorized under the provisions of this bill cannot be transferred, sold, assigned, or otherwise conveyed, and are not refundable.

The cumulative amount of tax credits that can be allocated to qualified taxpayers in the first year of this program cannot exceed \$25 million, and such amount will be annually adjusted by the Department of Revenue for inflation; such annual increase will stop when the cumulative amount of tax credits that can be allocated reaches \$75 million.

The bill additionally outlines responsibilities of the Department, including rulemaking, reallocating unused tax credits, and establishing a procedure that ensures the cumulative amount of tax credits that can be allocated under the program will be allowed on

a first-come, first-served basis from the beginning of the calendar year until August 1.

This Act sunsets on December 31st, six years after the effective date.

This bill is similar to HCS HB 2547 (2024).