

SECOND REGULAR SESSION

HOUSE COMMITTEE SUBSTITUTE NO. 2 FOR

HOUSE BILL NOS. 1882 & 3097

103RD GENERAL ASSEMBLY

4260H.05C

JOSEPH ENGLER, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for contributions to certain youth police initiatives.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be
2 known as section 135.463, to read as follows:

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

2 (1) "Department", the Missouri department of public safety;

3 (2) "Eligible entity", a not-for-profit organization that operates a youth police
4 initiative in an urban area in this state;

5 (3) "State tax liability", any liability incurred by an eligible entity pursuant to
6 the provisions of chapter 143 or chapter 148, exclusive of the provisions relating to the
7 withholding of tax as provided for in sections 143.191 to 143.265 and related provisions;

8 (4) "Tax credit", a credit against the tax otherwise due under chapter 143 or
9 chapter 148, excluding withholding tax imposed under sections 143.191 to 143.265;

10 (5) "Taxpayer", any individual, partnership, or corporation as described under
11 section 143.441 or 143.471 that is subject to the tax imposed under chapter 143,
12 excluding withholding tax imposed under sections 143.191 to 143.265;

13 (6) "Urban area", an urbanized area as defined by the United States Census
14 Bureau;

15 (7) "Youth police initiative", a program conducted by an eligible entity for the
16 purpose of engaging at-risk youth and local police officers in activities and conversation
17 to build trust and break down stereotypes between youth and police.

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 **2. For all tax years beginning on or after January 1, 2027, a taxpayer shall be**
19 **authorized to claim a tax credit against the taxpayer's state tax liability in an amount**
20 **equal to fifty percent of any contribution made to an eligible entity for the purpose of**
21 **funding a youth police initiative in an urban area in this state.**

22 **3. (1) Tax credits authorized pursuant to this section shall not be refundable, but**
23 **may be carried forward for five subsequent tax years or until the full tax credit is**
24 **redeemed, whichever occurs first.**

25 **(2) Tax credits authorized pursuant to this section shall not be transferred, sold,**
26 **or assigned.**

27 **(3) The total amount of tax credits that may be authorized pursuant to this**
28 **section shall not exceed one hundred fifty thousand dollars in any tax year.**

29 **4. (1) The department shall maintain a list of all eligible entities to which a**
30 **taxpayer may make a contribution that is eligible for a tax credit pursuant to this**
31 **section. Such list shall be updated at least annually and published on the department's**
32 **website.**

33 **(2) In order to redeem a tax credit pursuant to this section, a taxpayer shall**
34 **submit evidence of a contribution to an eligible entity to the department on forms to be**
35 **promulgated by the department. Such form shall include, but not be limited to:**

36 **(a) The taxpayer's name;**

37 **(b) The name of the eligible entity to which a contribution was made; and**

38 **(c) Documentation provided to the taxpayer by an eligible entity evidencing the**
39 **amount of the contribution made to such eligible entity.**

40 **5. The department may promulgate rules to implement the provisions of this**
41 **section. Any rule or portion of a rule, as that term is defined in section 536.010, that is**
42 **created under the authority delegated in this section shall become effective only if it**
43 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**
44 **section 536.028. This section and chapter 536 are nonseverable and if any of the powers**
45 **vested with the general assembly pursuant to chapter 536 to review, to delay the**
46 **effective date, or to disapprove and annul a rule are subsequently held unconstitutional,**
47 **then the grant of rulemaking authority and any rule proposed or adopted after August**
48 **28, 2026, shall be invalid and void.**

49 **6. Pursuant to section 23.253 of the Missouri sunset act:**

50 **(1) The program authorized pursuant to this section shall automatically sunset**
51 **six years after the effective date of this section unless reauthorized by an act of the**
52 **general assembly;**

53 **(2) This section shall terminate on September first of the calendar year**
54 **immediately following the calendar year in which the program authorized pursuant to**
55 **this section is sunset; and**

56 **(3) The provisions of this subsection shall not be construed to impair or impede**
57 **the state's fulfillment of any obligations, including the authorization, issuance, or**
58 **redemption of tax credits, incurred pursuant to this section prior to the date the**
59 **program authorized pursuant to this section is sunset.**

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