

SECOND REGULAR SESSION

# HOUSE BILL NO. 3329

103RD GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE THOMPSON.

6238H.011

JOSEPH ENGLER, Chief Clerk

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## AN ACT

To repeal sections 99.1205, 100.260, 100.270, 100.293, 135.313, 135.500, 135.503, 135.505, 135.508, 135.516, 135.517, 135.520, 135.523, 135.526, 135.529, 135.530, 135.535, 135.545, 135.546, 135.679, 135.680, 135.682, 135.700, 135.710, 135.766, 135.800, 135.950, 135.953, 135.957, 135.960, 135.963, 135.967, 135.968, 135.970, 135.973, 135.1125, 137.123, 148.330, 148.350, 173.196, 190.465, 320.092, 320.093, 348.302, 348.304, 348.306, 348.308, 348.310, 348.312, 348.316, 348.318, 620.635, 620.638, 620.641, 620.644, 620.647, 620.650, 620.653, 620.1875, 620.1878, 620.1881, 620.1884, 620.1887, 620.1890, 620.1910, 620.2010, 620.2020, and 620.2600, RSMo, and section 348.300 as enacted by senate bill no. 7, ninety-sixth general assembly, first extraordinary session, and section 348.300 as enacted by house bill no. 1, ninety-fourth general assembly, first extraordinary session, and to enact in lieu thereof thirteen new sections relating to tax credits.

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

Section A. Sections 99.1205, 100.260, 100.270, 100.293, 135.313, 135.500, 135.503, 2 135.505, 135.508, 135.516, 135.517, 135.520, 135.523, 135.526, 135.529, 135.530, 135.535, 3 135.545, 135.546, 135.679, 135.680, 135.682, 135.700, 135.710, 135.766, 135.800, 135.950, 4 135.953, 135.957, 135.960, 135.963, 135.967, 135.968, 135.970, 135.973, 135.1125, 5 137.123, 148.330, 148.350, 173.196, 190.465, 320.092, 320.093, 348.302, 348.304, 6 348.306, 348.308, 348.310, 348.312, 348.316, 348.318, 620.635, 620.638, 620.641, 7 620.644, 620.647, 620.650, 620.653, 620.1875, 620.1878, 620.1881, 620.1884, 620.1887, 8 620.1890, 620.1910, 620.2010, 620.2020, and 620.2600, RSMo, and section 348.300 as 9 enacted by senate bill no. 7, ninety-sixth general assembly, first extraordinary session, and

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.

10 section 348.300 as enacted by house bill no. 1, ninety-fourth general assembly, first  
11 extraordinary session, are repealed and thirteen new sections enacted in lieu thereof, to be  
12 known as sections 100.260, 100.270, 100.293, 135.530, 135.800, 137.123, 148.330, 148.350,  
13 190.465, 320.092, 620.1910, 620.2010, and 620.2020, to read as follows:

100.260. 1. There are hereby created four special funds, to be known as the  
2 "Industrial Development and Reserve Fund", the "Industrial Development Guarantee Fund",  
3 the "Export Finance Fund", and the "Jobs Now Fund", into which the following may be  
4 deposited as and when received and designated for deposit in one of such funds:

5 (1) Any moneys appropriated by the general assembly for use by the board in  
6 carrying out the powers set forth in sections 100.250 to 100.297;

7 (2) Any moneys made available through the issuance of revenue bonds under the  
8 provisions of sections 100.250 to ~~100.295~~ **100.297**;

9 (3) Any moneys received from grants or which are given, donated, or contributed to  
10 the fund from any source;

11 (4) Any moneys received in repayment of loans or from application fees, reserve  
12 participation fees, guarantee fees and premium payments as provided for under sections  
13 100.250 to 100.297;

14 (5) Any moneys received as interest on deposits or as income on approved  
15 investments of the fund;

16 (6) Any moneys obtained from the issuance of revenue bonds or notes by the board;

17 (7) Any moneys that were in the industrial development fund authorized by this  
18 section, the economic development reserve authorized by section 620.215, or the industrial  
19 revenue bond guarantee fund authorized by section 620.240, respectively, as of September 28,  
20 1985; and

21 (8) Any moneys obtained from any other available source.

22 2. The development and reserve fund, the guarantee fund, the jobs now fund, and the  
23 export finance fund shall be administered by the board as provided in sections 100.250 to  
24 100.297. Separate accounts may be created within the development and reserve fund and the  
25 guarantee fund for moneys specifically appropriated, donated or otherwise received for  
26 industrial development purposes. The board may also create such other separate accounts  
27 within any of such funds as deemed necessary or appropriate by the board to carry out the  
28 duties and purposes of sections 100.250 to 100.297. All such separate accounts may be  
29 administered by a corporate trustee on behalf of the board upon the terms and conditions  
30 established by the board.

31 3. Moneys in the jobs now fund, the development and reserve fund, the guarantee  
32 fund, and the export finance fund shall be invested by the board in the manner prescribed by

33 the board and any interest earned on invested moneys shall accrue to the benefit of the  
34 respective fund.

35 4. None of the funds and accounts of the board shall be considered a state fund, and  
36 money deposited therein may not be appropriated therefrom, nor shall any money deposited  
37 therein be subject to the provisions of section 33.080.

38 5. The commissioner of administration shall annually calculate the increased amount  
39 of revenue to the state treasury due to the provisions of sections 135.155[~~5~~] **and** 135.286[~~5~~;  
40 ~~135.546, and subsection 7 of section 620.1039,~~] as enacted or modified by this act and shall  
41 allocate up to twelve million dollars of such revenue to the jobs now fund.

100.270. The board shall have the power to:

2 (1) Sue and be sued in its official name;

3 (2) Adopt and use an official seal;

4 (3) Confer with agencies of the state and development agencies, and with  
5 representatives of business, industry, and labor for the purpose of promoting the economic  
6 development of this state;

7 (4) Consider and review applications for loans to be made from the development and  
8 reserve fund or for loans, bonds or notes to be made by or secured by the development and  
9 reserve fund, the guarantee fund, the export finance fund or the infrastructure development  
10 fund or any other available money, under sections 100.250 to 100.297, and for grants or loans  
11 to be made by or secured by the jobs now fund;

12 (5) Enter into agreements with development agencies, borrowers, participating  
13 lenders and others to implement any of the provisions of sections 100.250 to 100.297;

14 (6) Direct disbursements from the development and reserve fund, the guarantee fund,  
15 the export finance fund, the infrastructure development fund, and the jobs now fund as  
16 provided in sections 100.250 to 100.297;

17 (7) Administer the development and reserve fund, the guarantee fund, the export  
18 finance fund, the infrastructure development fund, and the jobs now fund and invest any  
19 portion of such funds not required for immediate disbursement in obligations of the United  
20 States, or any agency or instrumentality of the United States, in obligations of the state of  
21 Missouri and its political subdivisions, in certificates of deposit and time deposits or other  
22 obligations of banks and savings and loan associations or in such other obligations as may be  
23 prescribed by the board;

24 (8) Apply for and accept gifts, grants, appropriations, loans or contributions to the  
25 development and reserve fund, the guarantee fund, the export finance fund, the infrastructure  
26 development fund, and the jobs now fund from any source, public or private, and enter into  
27 contracts or other transactions with any federal or state agency, any development agency,  
28 private organization, or any other source in furtherance of the purposes of sections 100.250 to

29 100.297, and do any and all things necessary in order to avail itself of such aid and  
30 cooperation;

31 (9) Issue, from time to time, its negotiable revenue bonds or notes in such principal  
32 amounts as, in its opinion, shall be necessary to provide sufficient funds for achieving its  
33 purposes;

34 (10) Establish reserves to secure bonds, notes and loans issued or made by the board,  
35 development agencies or participating lenders;

36 (11) Make, purchase, or participate in the making or purchase, of loans, bonds, or  
37 notes to finance the costs of projects;

38 (12) Procure insurance, letters of credit, or other form of credit enhancement, to  
39 secure the payment of principal and interest on any loans, bonds or notes or other obligations  
40 of the board;

41 (13) Purchase, receive, take by grant, gift, devise, bequest or otherwise, lease, or  
42 otherwise acquire, own, hold, improve, employ, use and otherwise deal in and with, real or  
43 personal property, or any interest therein, wherever situated;

44 (14) Sell, convey, lease, exchange, transfer or otherwise dispose of, all or any of its  
45 property, or any interest therein, wherever situated;

46 (15) Conduct hearings and other methods of examination, and authorize any of its  
47 members to do so, on any matter material for its information and necessary to the exercise of  
48 the duties of the board;

49 (16) Employ and fix the compensation of an executive director and such other agents  
50 or employees as it considers necessary;

51 (17) Adopt, alter, or repeal its own bylaws, rules, and regulations governing the  
52 manner in which its business may be transacted;

53 (18) Assess or charge a fee for each application it receives for funding for a project or  
54 a jobs now project and assess or charge other fees as the board determines to be reasonable to  
55 carry out its purposes, including, but not limited to, fees or premiums for loans made from the  
56 development and reserve fund and the export finance fund and for loans, bonds or notes  
57 secured by the development and reserve fund, the guarantee fund, the export finance fund or  
58 the infrastructure development fund or the jobs now fund;

59 (19) Make all expenditures which are incident and necessary to carry out its purposes  
60 and powers;

61 (20) Take such action, enter into such agreements and exercise all other powers and  
62 functions necessary or appropriate to carry out the duties and purposes set forth in sections  
63 100.250 to 100.297;

64 (21) Insure, coinsure, guarantee loans and make loans relating to qualified export  
65 transactions and adopt criteria, by means of rules and regulations, establishing which

66 exporters shall be eligible for the insurance, coinsurance, loan guarantees and loans which  
67 may be extended by the board;

68 (22) Do all things necessary to ensure full participation by the state of Missouri in any  
69 federal program which may relate to the construction, repair, replacement or further  
70 development of the infrastructure of the state and its political subdivisions;

71 (23) Receive funds from the federal government for deposit into the infrastructure  
72 development fund or the jobs now fund and authorize disbursements therefrom. The board  
73 may enter into agreements with agencies of the federal government and may, on behalf of the  
74 state of Missouri, do all things necessary to ensure full participation by the state of Missouri  
75 in any federal program which may relate to the repair, replacement or further development of  
76 the infrastructure of the state and its political subdivisions;

77 (24) Set guidelines and priorities for loans, loan guarantees or grants from the  
78 infrastructure development fund. The board is the sole state agency authorized to set such  
79 guidelines and priorities with respect to the infrastructure development fund on behalf of the  
80 state or any of its political subdivisions, and loans, loan guarantees, or grants shall only be  
81 made upon approval of the board;

82 (25) Make equity investments in or otherwise acquire ownership interests in: for-  
83 profit and not-for-profit federal- or state-authorized community development corporations;  
84 small business investment companies, including minority or specialized small business  
85 investment companies; and microloan corporations and similar lending institutions, when  
86 such investments are deemed to enhance the benefit of the public;

87 (26) Make investments in Missouri certified capital companies, as defined ~~[by]~~ **under**  
88 **this** subdivision ~~[(5) of subsection 2 of section 135.500]~~, or other investment companies for  
89 investment in qualified Missouri businesses, as defined ~~[by]~~ **under this** subdivision ~~[(14) of~~  
90 ~~subsection 2 of section 135.500]~~. All investments made by the board for the eventual  
91 investment in qualified Missouri businesses shall be matched by an equivalent investment  
92 made by the certified capital company or other investment firm for investment into qualified  
93 Missouri businesses. All investments made into Missouri qualified businesses under the  
94 provisions of this subdivision shall be in the form of equity or unsecured debt financing. No  
95 investment shall be made by the board under the provisions of this subdivision without the  
96 approval of the director of the department of economic development. **For the purposes of**  
97 **this subdivision the following terms mean:**

98 (a) "Certified capital company", any partnership, corporation, trust, or limited  
99 liability company, whether organized on a profit or not-for-profit basis, that is located,  
100 headquartered, and registered to conduct business in Missouri and has as its primary  
101 business activity the investment of cash in qualified Missouri businesses;

102           **(b) "Qualified Missouri business", an independently owned and operated**  
103 **business that is headquartered and located in Missouri and is in need of venture capital**  
104 **and cannot obtain conventional financing. Such business shall have no more than two**  
105 **hundred employees, at least eighty percent of whom are employed in Missouri. Such**  
106 **business shall be involved in commerce for the purpose of manufacturing, processing or**  
107 **assembling products, conducting research and development, or providing services in**  
108 **interstate commerce, but excluding retail, real estate, real estate development,**  
109 **insurance, and professional services provided by accountants, lawyers, or physicians.**  
110 **At the time a certified capital company or qualified investing entity makes an initial**  
111 **investment in a business, such business shall be a small business concern that meets the**  
112 **requirements of the United States Small Business Administration's qualification size**  
113 **standards for its venture capital program, as defined in Section 13 CFR 121.301(c) of**  
114 **the Small Business Investment Act of 1958, as amended. Any business that is classified**  
115 **as a qualified Missouri business at the time of the first investment in such business by a**  
116 **Missouri certified capital company or qualified investing entity shall, for a period of**  
117 **seven years from the date of such first investment, remain classified as a qualified**  
118 **Missouri business and may receive follow-on investments from any Missouri certified**  
119 **capital company or qualified investing entity and such follow-on investments shall be**  
120 **qualified investments regardless of whether such business meets the other qualifications**  
121 **of this subsection at the time of such follow-on investments; and**

122           (27) Make loans and grants from the jobs now fund in accordance with the provisions  
123 of section 100.293.

100.293. 1. This section~~[7]~~ **and** section 100.277~~[, and sections 135.950 to 135.973]~~  
2 shall be known and may be cited as the "Jobs Now Act".

3           2. There shall be created a "Jobs Now Recommendation Committee", comprised of  
4 representatives of the department of economic development, the department of agriculture,  
5 the department of natural resources, and the department of transportation. The committee  
6 shall establish application materials and procedures for development agencies to apply to the  
7 board for grants or low-interest or interest-free loans for the purpose of funding jobs now  
8 projects.

9           3. Applications shall be submitted simultaneously to the committee and the board.  
10 The committee shall review the applications and prepare and submit analyses and  
11 recommendations to the board for a determination as to approval or denial of grants or  
12 loans from the jobs now fund.

13           4. In reviewing applications, the board shall give preference to redevelopment  
14 projects that protect natural resources or rehabilitate existing dilapidated or inadequate  
15 infrastructure in areas defined under section 135.530.

16 5. After reviewing applications and such other information as the board may require,  
17 the board may grant all or a part of a grant or loan request, provided the board determines:

18 (1) The jobs now project:

19 (a) Will not happen without the grant or loan from the board; or

20 (b) Will have a significant local economic impact; or

21 (c) Demonstrates high levels of job creation;

22 (2) In the case of a low-interest or interest-free loan, the jobs now project will  
23 generate sufficient revenues or the borrower will otherwise have sufficient revenues available  
24 to enable the borrower to repay the loan to the jobs now fund, along with any interest to be  
25 charged; and

26 (3) No loan or grant may exceed two million dollars.

135.530. For the purposes of sections ~~[100.010,]~~ 100.710, 100.850, 135.110,  
2 ~~[135.200, 135.258, 135.313,]~~ 135.403, 135.405, ~~[135.503,]~~ 135.530, ~~[135.545,]~~ and 215.030,  
3 ~~[348.300, 348.302, and 620.1400 to 620.1460,]~~ "distressed community" means either a  
4 Missouri municipality within a metropolitan statistical area which has a median household  
5 income of under seventy percent of the median household income for the metropolitan  
6 statistical area, according to the United States Census Bureau's American Community Survey,  
7 based on the most recent of five-year period estimate data in which the final year of the  
8 estimate ends in either zero or five, or a United States census block group or contiguous group  
9 of block groups within a metropolitan statistical area which has a population of at least two  
10 thousand five hundred, and each block group having a median household income of under  
11 seventy percent of the median household income for the metropolitan area in Missouri,  
12 according to the United States Census Bureau's American Community Survey, based on the  
13 most recent of five-year period estimate data in which the final year of the estimate ends in  
14 either zero or five. In addition the definition shall include municipalities not in a metropolitan  
15 statistical area, with a median household income of under seventy percent of the median  
16 household income for the nonmetropolitan areas in Missouri according to the United States  
17 Census Bureau's American Community Survey, based on the most recent of five-year period  
18 estimate data in which the final year of the estimate ends in either zero or five or a census  
19 block group or contiguous group of block groups which has a population of at least two  
20 thousand five hundred with each block group having a median household income of under  
21 seventy percent of the median household income for the nonmetropolitan areas of Missouri,  
22 according to the United States Census Bureau's American Community Survey, based on the  
23 most recent of five-year period estimate data in which the final year of the estimate ends in  
24 either zero or five. In metropolitan statistical areas, the definition shall include areas that  
25 were designated as either a federal empowerment zone; or a federal enhanced enterprise

26 community; or a state enterprise zone that was originally designated before January 1, 1986,  
27 but shall not include expansions of such state enterprise zones done after March 16, 1988.

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, **and** the family farm breeding livestock loan tax credit  
10 created under section 348.505~~], the qualified beef tax credit created under section 135.679,~~  
11 ~~and the 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] show MO act** tax credit created  
18 pursuant to section 135.750, ~~[the enhanced enterprise zone created pursuant to sections~~  
19 ~~135.950 to 135.970, and the Missouri quality jobs program created pursuant to sections~~  
20 ~~620.1875 to 620.1900]~~ **and the Missouri works program established under sections**  
21 **620.2000 to 620.2020;**

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

27 (5) "Domestic and social tax credits", the youth opportunities tax credit created  
28 pursuant to section 135.460 and sections 620.1100 to 620.1103, the shelter for victims of  
29 domestic violence **or rape crisis center** created pursuant to section 135.550, the senior  
30 citizen or disabled person property tax credit created pursuant to sections 135.010 to 135.035,  
31 the adoption tax credit created pursuant to sections 135.325 to 135.339, the champion for  
32 children tax credit created pursuant to section 135.341, the maternity home tax credit created  
33 pursuant to section 135.600, the surviving spouse tax credit created pursuant to section  
34 135.090, the residential treatment agency tax credit created pursuant to section 135.1150, the  
35 pregnancy resource center tax credit created pursuant to section 135.630, the food pantry tax

36 credit created pursuant to section 135.647, the residential dwelling access tax credit created  
37 pursuant to section 135.562, the developmental disability care provider tax credit created  
38 under section 135.1180, the shared care tax credit created pursuant to section 192.2015, ~~the~~  
39 ~~health, hunger, and hygiene tax credit created pursuant to section 135.1125;~~ and the diaper  
40 bank tax credit created pursuant to section 135.621;

41 (6) "Entrepreneurial tax credits", the capital tax credit created pursuant to sections  
42 135.400 to ~~[135.429]~~ **135.432**, ~~[the certified capital company tax credit created pursuant to~~  
43 ~~sections 135.500 to 135.529, the seed capital tax credit created pursuant to sections 348.300~~  
44 ~~to 348.318, the new enterprise creation tax credit created pursuant to sections 620.635 to~~  
45 ~~620.653;]~~ the research tax credit created pursuant to section 620.1039, **and** the small business  
46 incubator tax credit created pursuant to section 620.495~~;~~ ~~the guarantee fee tax credit created~~  
47 ~~pursuant to section 135.766, and the new generation cooperative tax credit created pursuant to~~  
48 ~~sections 32.105 to 32.125];~~

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

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

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

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

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

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

68 (11) "Redevelopment tax credits", the historic preservation tax credit created pursuant  
69 to sections 253.545 to 253.559, the brownfield redevelopment program tax credit created  
70 pursuant to sections 447.700 to 447.718, the community development corporations tax credit  
71 created pursuant to sections 135.400 to ~~[135.430]~~ **135.432**, the infrastructure tax credit  
72 created pursuant to subsection 6 of section 100.286, the bond guarantee tax credit created

73 pursuant to section 100.297, **and** the disabled access tax credit created pursuant to section  
 74 135.490], ~~the new markets tax credit created pursuant to section 135.680, and the distressed~~  
 75 ~~areas land assemblage tax credit created pursuant to section 99.1205];~~

76 (12) "Tax credit program", any of the tax credit programs included in the definitions  
 77 of agricultural tax credits, business recruitment tax credits, community development tax  
 78 credits, domestic and social tax credits, entrepreneurial tax credits, environmental tax credits,  
 79 housing tax credits, redevelopment tax credits, and training and educational tax credits;

80 (13) "Training and educational tax credits", the Missouri ~~[works]~~ **one start** new jobs  
 81 tax credit and Missouri ~~[works]~~ **one start** retained jobs credit created pursuant to sections  
 82 620.800 to 620.809.

137.123. 1. Beginning January 1, 2022, for purposes of assessing all real property,  
 2 excluding land, or tangible personal property associated with a project that uses wind energy  
 3 directly to generate electricity, thirty-seven and one-half percent of the original costs shall be  
 4 the true value in money of such property. Such value shall begin the year immediately  
 5 following the year of construction of the property. The original costs shall reflect either:

6 (1) The actual and documented original property cost to the taxpayer, as shall be  
 7 provided by the taxpayer to the assessor; or

8 (2) In the absence of actual and documented original property cost to the taxpayer, the  
 9 estimated cost of the property by the assessor, using an authoritative cost guide.

10 2. Nothing in this section shall be construed to prohibit a project from engaging in  
 11 enhanced enterprise zone agreements ~~[under sections 135.950 to 135.973]~~ or similar tax  
 12 abatement agreements with state or local officials or to affect any existing enhanced  
 13 enterprise zone agreements.

148.330. 1. Every such company shall, on or before the first day of March in each  
 2 year, make a return, verified by the affidavit of its president and secretary, or other authorized  
 3 officers, to the director of the department of commerce and insurance stating the amount of all  
 4 premiums received on account of policies issued in this state by the company, whether in cash  
 5 or in notes, during the year ending on the thirty-first day of December, next preceding. Upon  
 6 receipt of such returns the director of the department of commerce and insurance shall verify  
 7 the same and certify the amount of tax due from the various companies on the basis and at the  
 8 rates provided in section 148.320, and shall certify the same to the director of revenue  
 9 together with the amount of the quarterly installments to be made as provided in subsection 2  
 10 of this section, on or before the thirtieth day of April of each year.

11 2. Beginning January 1, 1983, the amount of the tax due for that calendar year and  
 12 each succeeding calendar year thereafter shall be paid in four approximately equal estimated  
 13 quarterly installments, and a fifth reconciling installment. The first four installments shall be  
 14 based upon the tax for the immediately preceding ~~[taxable]~~ **tax** year ending on the thirty-first

15 day of December, next preceding. The quarterly installments shall be made on the first day of  
16 March, the first day of June, the first day of September and the first day of December.  
17 Immediately after receiving certification from the director of the department of commerce  
18 and insurance of the amount of tax due from the various companies the director of revenue  
19 shall notify and assess each company the amount of taxes on its premiums for the calendar  
20 year ending on the thirty-first day of December, next preceding. The director of revenue shall  
21 also notify and assess each company the amount of the estimated quarterly installments to be  
22 made for the calendar year. If the amount of the actual tax due for any year exceeds the total  
23 of the installments made for such year, the balance of the tax due shall be paid on the first day  
24 of June of the year following, together with the regular quarterly payment due at that time. If  
25 the total amount of the tax actually due is less than the total amount of the installments  
26 actually paid, the amount by which the amount paid exceeds the amount due shall be credited  
27 against the tax for the following year and deducted from the quarterly installment otherwise  
28 due on the first day of June. If the March first quarterly installment made by a company is  
29 less than the amount assessed by the director of revenue, the difference will be due on June  
30 first, but no interest will accrue to the state on the difference unless the amount paid by the  
31 company is less than eighty percent of one-fourth of the total amount of tax assessed by the  
32 director of revenue for the immediately preceding ~~taxable~~ tax year. The state treasurer,  
33 upon receiving the moneys paid as a tax upon such premiums to the director of revenue, shall  
34 place the moneys to the credit of a fund to be known as "The County Stock Insurance Fund",  
35 which is hereby created and established. The county stock insurance fund shall be included in  
36 the calculation of total state revenue pursuant to Article X, Section 18, of the Missouri  
37 Constitution.

38         3. If the estimated quarterly tax installments are not so paid, the director of revenue  
39 shall certify such fact to the director of the department of commerce and insurance who shall  
40 thereafter suspend such delinquent company or companies from the further transaction of  
41 business in this state until such taxes shall be paid and such companies shall be subject to the  
42 provisions of sections 148.410 to 148.461.

43         4. On or before the first day of September of each year the commissioner of  
44 administration shall apportion all moneys in the county stock insurance fund to the general  
45 revenue fund of the state, to the county treasurer and to the treasurer of the school district in  
46 which the principal office of the company paying the same is located. All premium tax  
47 credits described in ~~[sections 135.500 to 135.529 and]~~ sections 348.430 and 348.432 shall  
48 only reduce the amounts apportioned to the general revenue fund of the state and shall not  
49 reduce any moneys apportioned to any county treasurer or to the treasurer of the school  
50 district in which the principal office of the company paying the same is located.  
51 Apportionments shall be made in the same ratio which the rates of levy for the same year

52 for state purposes, for county purposes, and for all school district purposes, bear to each other;  
53 provided that any proceeds from such tax for prior years remaining on hand in the hands of  
54 the county collector or county treasurer undistributed on the effective date of sections 148.310  
55 to 148.460 and any proceeds of such tax for prior years collected thereafter shall be  
56 distributed and paid in accordance with the provisions of such sections. Whenever the word  
57 "county" occurs herein it shall be construed to include the city of St. Louis.

148.350. 1. Every such company or association shall, on or before the first day of  
2 March in each year, make a return, verified by the affidavit of its president and secretary or  
3 other authorized officers, to the director of the department of commerce and insurance stating  
4 the amount of all premiums received on account of policies issued in this state by such  
5 company, whether in cash or in notes, during the year ending on the thirty-first day of  
6 December, next preceding. Upon receipt of such returns, the director of the department of  
7 commerce and insurance shall verify the same and certify the amount of tax due from the  
8 various companies on the basis and at the rate provided in section 148.340, and shall certify  
9 the same to the director of revenue together with the amount of the quarterly installments to  
10 be made as provided in subsection 2 of this section, on or before the thirtieth day of April of  
11 each year.

12 2. Beginning January 1, 1983, the amount of the tax due for that calendar year and  
13 each succeeding calendar year thereafter shall be paid in four approximately equal estimated  
14 quarterly installments and a fifth reconciling installment. The first four installments shall be  
15 based upon the tax assessed for the immediately preceding ~~taxable~~ tax year ending on the  
16 thirty-first day of December, next preceding. The quarterly installment shall be made on the  
17 first day of March, the first day of June, the first day of September, and the first day of  
18 December. Immediately after receiving from the director of the department of commerce and  
19 insurance, certification of the amount of tax due from the various companies, the director of  
20 revenue shall notify and assess each company the amount of taxes on its premiums for the  
21 calendar year ending on the thirty-first day of December, next preceding. The director of  
22 revenue shall also notify and assess each company the amount of the estimated quarterly  
23 installments to be made for the calendar year. If the amount of the actual tax due for any year  
24 exceeds the total of the installments made for such year, the balance of the tax due shall be  
25 paid on the first day of June of the following year, together with the regular quarterly  
26 installment due at that time. If the total amount of the tax actually due is less than the total  
27 amount of the installments actually paid, the amount by which the amount paid exceeds the  
28 amount due shall be credited against the tax for the following year and deducted from the  
29 quarterly installment otherwise due on the first day of June. If the March first quarterly  
30 installment made by a company is less than the amount assessed by the director of revenue,  
31 the difference will be due on June first, but no interest will accrue to the state on the

32 difference unless the amount paid by the company is less than eighty percent of one-fourth of  
33 the total amount of tax assessed by the director of revenue for the immediately preceding  
34 ~~[taxable]~~ tax year. If the estimated quarterly tax installments are not so paid, the director of  
35 revenue shall certify such fact to the director of the department of commerce and insurance  
36 who shall thereafter suspend such delinquent company or companies from the further  
37 transaction of business in this state until such taxes shall be paid, and such companies shall be  
38 subject to the provisions of sections 148.410 to 148.461.

39 3. Upon receiving such money from the director of revenue, the state treasurer shall  
40 receipt one-half thereof into the general revenue fund of the state, and he shall place the  
41 remainder of such tax to the credit of a fund to be known as "The County Foreign Insurance  
42 Tax Fund", which is hereby created and established. ~~[All premium tax credits described in  
43 sections 135.500 to 135.529 shall only reduce the amount of moneys received by the general  
44 revenue fund of this state and shall not reduce any moneys received by the county foreign  
45 insurance tax fund.]~~

190.465. 1. In order to provide the best possible 911 technology and service to all  
2 areas of the state in the most efficient and economical manner possible, it is the public policy  
3 of this state to encourage the consolidation of emergency communications operations.

4 2. Any county, city, or 911 or emergency services board established under this chapter  
5 or section 321.243 may contract and cooperate with any other county, city, or 911 or  
6 emergency services board established under this chapter or section 321.243 as provided in  
7 sections 70.210 to 70.320. Any contracting counties or boards may seek assistance and  
8 advice from the Missouri 911 service board established in section 650.325 regarding the  
9 terms of the joint contract and the administration and operation of the contracting counties,  
10 cities, and boards.

11 3. If two or more counties, cities, 911 districts, or existing emergency  
12 communications entities desire to consolidate their emergency communications operations,  
13 a joint emergency communications entity may be established by the parties through an  
14 agreement identifying the conditions and provisions of the consolidation and the operation of  
15 the joint entity. This agreement may include the establishment of a joint governing body that  
16 may be comprised of the boards of the entities forming the agreement currently authorized by  
17 statute or an elected or appointed joint board authorized under section 70.260; provided that,  
18 the representation on the joint board of each of the entities forming the agreement shall be  
19 equal. If the entities entering into an agreement under this subsection decide that any 911  
20 service center responsible for the answering of 911 calls and the dispatch of assistance shall  
21 be physically located in a county other than a county with the lowest average county wage  
22 from the set of counties where the entities entering into an agreement under this subsection  
23 are located in whole or part, such entities shall provide a written reason for this decision to the

24 Missouri 911 service board and such document shall be considered a public record under  
 25 chapter 610. The county average wage comparison shall be conducted using the information  
 26 from the Missouri department of economic development~~[, which calculates such county~~  
 27 ~~average wages under section 135.950].~~

28 4. After August 28, 2018, no public safety answering point operation may be  
 29 established as a result of its separation from an existing public safety answering point  
 30 operation without a study by, and the approval of, the Missouri 911 service board.

31 5. No provision of this section shall be construed to prohibit or discourage in any  
 32 manner the formation of multiagency or multijurisdictional public safety answering point  
 33 operations.

320.092. 1. Tax credits issued pursuant to sections 135.400~~[;]~~ **to 135.432 and section**  
 2 135.750 ~~[and 320.093]~~ shall be subject to oversight provisions. Effective January 1, 2000,  
 3 notwithstanding the provisions of section 32.057, the board, department or authority issuing  
 4 tax credits shall annually report to the office of administration, president pro tem of the  
 5 senate, and the speaker of the house of representatives regarding the tax credits issued  
 6 pursuant to sections 135.400~~[;]~~ **to 135.432 and section 135.750 [and 320.093]** which were  
 7 issued in the previous fiscal year. The report shall contain, but not be limited to, the aggregate  
 8 number and dollar amount of tax credits issued by the board, department or authority, the  
 9 number and dollar amount of tax credits claimed by taxpayers, and the number and dollar  
 10 amount of tax credits unclaimed by taxpayers as well as the number of years allowed for  
 11 claims to be made. This report shall be delivered no later than November of each year.

12 2. The reporting requirements established pursuant to subsection 1 of this section  
 13 shall also apply to the department of economic development and the Missouri development  
 14 finance board established pursuant to section 100.265. The department and the Missouri  
 15 development finance board shall report on the tax credit programs which they respectively  
 16 administer that are authorized under the provisions of chapters 32, 100, 135, 178, 253, 348,  
 17 447 and 620.

620.1910. 1. This section shall be known and may be cited as the "Manufacturing  
 2 Jobs Act".

3 2. As used in this section, the following terms mean:

4 (1) "Approval", a document submitted by the department to the qualified  
 5 manufacturing company or qualified supplier that states the benefits that may be provided  
 6 under this section;

7 (2) "Average wage", **the new payroll divided by the number of new jobs;**

8 (3) "Capital investment", expenditures made by a qualified manufacturing company  
 9 to retool or reconfigure a manufacturing facility directly related to the manufacturing of a new  
 10 product or the expansion or modification of the manufacture of an existing product;

11           ~~[(3)]~~ **(4) "County average wage", the [same meaning as such term is defined in**  
12 ~~section 620.1878]~~ **average wages in each county as determined by the department for the**  
13 **most recently completed full calendar year. However, if the computed county average**  
14 **wage is above the statewide average wage, the statewide average wage shall be deemed**  
15 **the county average wage for such county for the purpose of determining eligibility. The**  
16 **department shall publish the county average wage for each county at least annually.**  
17 **Notwithstanding the provisions of this subdivision to the contrary, for any qualified**  
18 **company that in conjunction with its project is relocating employees from a Missouri**  
19 **county with a higher county average wage, the company shall obtain the endorsement of**  
20 **the governing body of the community from which jobs are being relocated or the county**  
21 **average wage for its project shall be the county average wage for the county from which**  
22 **the employees are being relocated;**

23           ~~[(4)]~~ **(5) "Department", the department of economic development;**

24           ~~[(5)]~~ **(6) "Facility", a building or buildings located in Missouri at which the qualified**  
25 **manufacturing company manufactures a product;**

26           ~~[(6)]~~ **(7) "Full-time job", a job for which a person is compensated for an average of at**  
27 **least thirty-five hours per week for a twelve-month period, and one for which the qualified**  
28 **manufacturing company or qualified supplier offers health insurance and pays at least fifty**  
29 **percent of such insurance premiums;**

30           ~~[(7)]~~ **(8) "NAICS industry classification", the most recent edition of the North**  
31 **American Industry Classification System as prepared by the Executive Office of the**  
32 **President, Office of Management and Budget;**

33           ~~[(8)]~~ **(9) "New job", the [same meaning as such term is defined in section 620.1878]**  
34 **number of full-time employees located at the project facility that exceeds the project**  
35 **facility base employment less any decrease in the number of full-time employees at**  
36 **related facilities below the related facility base employment. No job that was created**  
37 **prior to the date of the notice of intent shall be deemed a new job. An employee who**  
38 **spends less than fifty percent of the employee's work time at the facility is still**  
39 **considered to be located at the facility if the employee receives his or her directions and**  
40 **control from that facility, is on the facility's payroll, one hundred percent of the**  
41 **employee's income from such employment is Missouri income, and the employee is paid**  
42 **at or above the statewide average wage;**

43           **(10) "New payroll", the amount of taxable wages of full-time employees,**  
44 **excluding owners, located at the project facility that exceeds the project facility base**  
45 **payroll. If full-time employment at related facilities is below the related facility base**  
46 **employment, any decrease in payroll for full-time employees at the related facilities**

47 **below that related facility base payroll shall also be subtracted to determine new**  
48 **payroll;**

49 ~~[(9)]~~ (11) "New product", a new model or line of a manufactured good that has not  
50 been manufactured in Missouri by the qualified manufacturing company at any time prior to  
51 the date of the notice of intent, or an existing brand, model, or line of a manufactured good  
52 that is redesigned with more than seventy-five percent new exterior body parts and  
53 incorporates new powertrain options;

54 ~~[(10)]~~ (12) "Notice of intent", a form developed by the department, completed by the  
55 qualified manufacturing company or qualified supplier and submitted to the department  
56 which states the qualified manufacturing company's or qualified supplier's intent to create  
57 new jobs or retain current jobs and make additional capital investment, as applicable, and  
58 request benefits under this section. The notice of intent shall specify the minimum number of  
59 such new or retained jobs and the minimum amount of such capital investment;

60 ~~[(11)]~~ (13) "Qualified manufacturing company", a business with a NAICS code of  
61 33611 that:

62 (a) Manufactures goods at a facility in Missouri;

63 (b) In the case of the manufacture of a new product, commits to make a capital  
64 investment of at least seventy-five thousand dollars per retained job within no more than two  
65 years of the date the qualified manufacturing company begins to retain withholding tax under  
66 this section, or in the case of the modification or expansion of the manufacture of an existing  
67 product, commits to make a capital investment of at least fifty thousand dollars per retained  
68 job within no more than two years of the date the qualified manufacturing company begins to  
69 retain withholding tax under this section;

70 (c) Manufactures a new product or has commenced making capital improvements to  
71 the facility necessary for the manufacturing of such new product, or modifies or expands the  
72 manufacture of an existing product or has commenced making capital improvements to the  
73 facility necessary for the modification or expansion of the manufacture of such existing  
74 product; and

75 (d) Continues to meet the requirements of paragraphs (a) to (c) of this subdivision for  
76 the withholding period;

77 ~~[(12)]~~ (14) "Qualified supplier", a manufacturing company that:

78 (a) Attests to the department that it derives more than ten percent of the total annual  
79 sales of the company from sales to a qualified manufacturing company;

80 (b) Adds five or more new jobs;

81 (c) Has an average wage, as defined ~~in~~ **under this** section ~~[135.950]~~, for such new  
82 jobs that are equal to or exceed the lower of the county average wage for Missouri as

83 determined by the department using NAICS industry classifications, but not lower than sixty  
84 percent of the statewide average wage; and

85 (d) Provides health insurance for all full-time jobs and pays at least fifty percent of  
86 the premiums of such insurance;

87 ~~[(13)]~~ (15) "Retained job", the number of full-time jobs of persons employed by the  
88 qualified manufacturing company located at the facility that existed as of the last working day  
89 of the month immediately preceding the month in which notice of intent is submitted;

90 ~~[(14)]~~ (16) "Statewide average wage", an amount equal to the quotient of the sum of  
91 the total gross wages paid for the corresponding four calendar quarters divided by the average  
92 annual employment for such four calendar quarters, which shall be computed using the  
93 Quarterly Census of Employment and Wages Data for All Private Ownership Businesses in  
94 Missouri, as published by the Bureau of Labor Statistics of the United States Department of  
95 Labor;

96 ~~[(15)]~~ (17) "Withholding period", the seven- or ten-year period in which a qualified  
97 manufacturing company may receive benefits under this section;

98 ~~[(16)]~~ (18) "Withholding tax", the ~~[same meaning as such term is defined in section~~  
99 ~~620.1878]~~ **state withholding tax imposed by sections 143.191 to 143.265. For purposes of**  
100 **this program, the withholding tax shall be computed using a schedule as determined by**  
101 **the department based on average wages.**

102 3. The department shall respond within thirty days to a qualified manufacturing  
103 company or a qualified supplier who provides a notice of intent with either an approval or a  
104 rejection of the notice of intent. Failure to respond on behalf of the department shall result in  
105 the notice of intent being deemed an approval for the purposes of this section.

106 4. A qualified manufacturing company that manufactures a new product may, upon  
107 the department's approval of a notice of intent and the execution of an agreement that meets  
108 the requirements of subsection 9 of this section, but no earlier than January 1, 2012, retain one  
109 hundred percent of the withholding tax from full-time jobs at the facility for a period of ten  
110 years. A qualified manufacturing company that modifies or expands the manufacture of an  
111 existing product may, upon the department's approval of a notice of intent and the execution  
112 of an agreement that meets the requirements of subsection 9 of this section, but no earlier than  
113 January 1, 2012, retain fifty percent of the withholding tax from full-time jobs at the facility  
114 for a period of seven years. Except as otherwise allowed under subsection 7 of this section,  
115 the commencement of the withholding period may be delayed by no more than twenty-four  
116 months after execution of the agreement at the option of the qualified manufacturing  
117 company. ~~[Such qualified manufacturing company shall be eligible for participation in the~~  
118 ~~Missouri quality jobs program in sections 620.1875 to 620.1890 for any new jobs for which it~~

119 ~~does not retain withholding tax under this section, provided all qualifications for such~~  
120 ~~program are met.]~~

121         5. A qualified supplier may, upon approval of a notice of intent by the department,  
122 retain all withholding tax from new jobs for a period of three years from the date of approval  
123 of the notice of intent or for a period of five years if the supplier pays wages for the new jobs  
124 equal to or greater than one hundred twenty percent of county average wage.  
125 Notwithstanding any other provision of law to the contrary, a qualified supplier that is  
126 awarded benefits under this section shall not receive any tax credit or exemption or be entitled  
127 to retain withholding under sections 100.700 to 100.850, sections 135.100 to 135.150, **or**  
128 sections 135.200 to 135.286~~], section 135.535, sections 135.900 to 135.906, sections 135.950~~  
129 ~~to 135.970, or section 620.1881]~~ for the same jobs.

130         6. Notwithstanding any other provision of law to the contrary, the maximum amount  
131 of withholding tax that may be retained by any one qualified manufacturing company under  
132 this section shall not exceed ten million dollars per calendar year. The aggregate amount of  
133 withholding tax that may be retained by all qualified manufacturing companies under this  
134 section shall not exceed fifteen million dollars per calendar year.

135         7. Notwithstanding any other provision of law to the contrary, any qualified  
136 manufacturing company that is awarded benefits under this section shall not simultaneously  
137 receive tax credits or exemptions under sections 100.700 to 100.850, sections 135.100 to  
138 135.150, **or** sections 135.200 to 135.286~~], section 135.535, or sections 135.900 to 135.906]~~  
139 for the jobs created or retained or capital improvement which qualified for benefits under this  
140 section. The benefits available to the qualified manufacturing company under any other state  
141 programs for which the qualified manufacturing company is eligible and which utilize  
142 withholding tax from the jobs at the facility shall first be credited to the other state program  
143 before the applicable withholding period for benefits provided under this section shall begin.  
144 These other state programs include, but are not limited to, the Missouri ~~[works]~~ **one start** jobs  
145 training program under sections 620.800 to 620.809, the real property tax increment  
146 allocation redevelopment act under sections 99.800 to 99.865, or the Missouri downtown and  
147 rural economic stimulus act under sections 99.915 to 99.980. If any qualified manufacturing  
148 company also participates in the Missouri ~~[works]~~ **one start** jobs training program in sections  
149 620.800 to 620.809, such qualified manufacturing company shall not retain any withholding  
150 tax that has already been allocated for use in the new jobs training program. Any qualified  
151 manufacturing company or qualified supplier that is awarded benefits under this program and  
152 knowingly hires individuals who are not allowed to work legally in the United States shall  
153 immediately forfeit such benefits and shall repay the state an amount equal to any  
154 withholding taxes already retained. Subsection 5 of section 285.530 shall not apply to

155 qualified manufacturing companies or qualified suppliers which are awarded benefits under  
156 this program.

157 8. The department may promulgate rules to implement the provisions of this section.  
158 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under  
159 the authority delegated in this section shall become effective only if it complies with and is  
160 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section  
161 and chapter 536 are nonseverable and if any of the powers vested with the general assembly  
162 under chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
163 subsequently held unconstitutional, then the grant of rulemaking authority and any rule  
164 proposed or adopted after the effective date of this section shall be invalid and void.

165 9. Within six months of completion of a notice of intent required under this section,  
166 the qualified manufacturing company shall enter into an agreement with the department that  
167 memorializes the content of the notice of intent, the requirements of this section, and the  
168 consequences for failing to meet such requirements, which shall include the following:

169 (1) If the amount of capital investment made by the qualified manufacturing company  
170 is not made within the two-year period provided for such investment, the qualified  
171 manufacturing company shall immediately cease retaining any withholding tax with respect  
172 to jobs at the facility and it shall forfeit all rights to retain withholding tax for the remainder of  
173 the withholding period. In addition, the qualified manufacturing company shall repay any  
174 amounts of withholding tax retained plus interest of five percent per annum. However, in the  
175 event that such capital investment shortfall is due to economic conditions beyond the control  
176 of the qualified manufacturing company, the director may, at the qualified manufacturing  
177 company's request, suspend rather than terminate its privilege to retain withholding tax under  
178 this section for up to three years. Any such suspension shall extend the withholding period by  
179 the same amount of time. No more than one such suspension shall be granted to a qualified  
180 manufacturing company;

181 (2) If the qualified manufacturing company discontinues the manufacturing of the  
182 new product and does not replace it with a subsequent or additional new product  
183 manufactured at the facility at any time during the withholding period, the qualified  
184 manufacturing company shall immediately cease retaining any withholding tax with respect  
185 to jobs at that facility and it shall forfeit all rights to retain withholding tax for the remainder  
186 of the withholding period.

187 10. Prior to March first each year, the department shall provide a report to the general  
188 assembly including the names of participating qualified manufacturing companies or  
189 qualified suppliers, location of such companies or suppliers, the annual amount of benefits  
190 provided, the estimated net state fiscal impact including direct and indirect new state taxes  
191 derived, and the number of new jobs created or jobs retained.

192 11. Under section 23.253 of the Missouri sunset act:

193 (1) The provisions of the new program authorized under this section shall  
194 automatically sunset October 12, 2016, unless reauthorized by an act of the general assembly;  
195 and

196 (2) If such program is reauthorized, the program authorized under this section shall  
197 automatically sunset twelve years after the effective date of the reauthorization of this section;  
198 and

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

620.2010. 1. In exchange for the consideration provided by the new tax revenues and  
2 other economic stimuli that will be generated by the new jobs created, a qualified company  
3 may, for a period of five years from the date the new jobs are created, or for a period of six  
4 years from the date the new jobs are created if the qualified company is an existing Missouri  
5 business, retain an amount equal to the withholding tax as calculated under subdivision (38)  
6 of section 620.2005 from the new jobs that would otherwise be withheld and remitted by the  
7 qualified company under the provisions of sections 143.191 to 143.265 if:

8 (1) The qualified company creates ten or more new jobs, and the average wage of the  
9 new payroll equals or exceeds ninety percent of the county average wage;

10 (2) The qualified company creates two or more new jobs at a project facility located  
11 in a rural area, the average wage of the new payroll equals or exceeds ninety percent of the  
12 county average wage, and the qualified company commits to making at least one hundred  
13 thousand dollars of new capital investment at the project facility within two years; or

14 (3) The qualified company creates two or more new jobs at a project facility located  
15 within **[a] an enhanced enterprise zone** ~~[designated under sections 135.950 to 135.963]~~, the  
16 average wage of the new payroll equals or exceeds eighty percent of the county average  
17 wage, and the qualified company commits to making at least one hundred thousand dollars in  
18 new capital investment at the project facility within two years of approval.

19 2. In addition to any benefits available under subsection 1 of this section, the  
20 department may award a qualified company that satisfies subdivision (1) of subsection 1 of  
21 this section additional tax credits, issued each year for a period of five years from the date the  
22 new jobs are created, or for a period of six years from the date the new jobs are created if the  
23 qualified company is an existing Missouri business, in an amount equal to or less than six  
24 percent of new payroll; provided that in no event may the total amount of benefits awarded to  
25 a qualified company under this section exceed nine percent of new payroll in any calendar  
26 year. The amount of tax credits awarded to a qualified company under this subsection shall  
27 not exceed the projected net fiscal benefit to the state, as determined by the department, and  
28 shall not exceed the least amount necessary to obtain the qualified company's commitment to

29 initiate the project. In determining the amount of tax credits to award to a qualified company  
30 under this subsection or a qualified manufacturing company under subsection 3 of this  
31 section, the department shall consider the following factors:

32 (1) The significance of the qualified company's need for program benefits;

33 (2) The amount of projected net fiscal benefit to the state of the project and the period  
34 in which the state would realize such net fiscal benefit;

35 (3) The overall size and quality of the proposed project, including the number of new  
36 jobs, new capital investment, manufacturing capital investment, proposed wages, growth  
37 potential of the qualified company, the potential multiplier effect of the project, and similar  
38 factors;

39 (4) The financial stability and creditworthiness of the qualified company;

40 (5) The level of economic distress in the area;

41 (6) An evaluation of the competitiveness of alternative locations for the project  
42 facility, as applicable; and

43 (7) The percent of local incentives committed.

44 3. (1) The department may award tax credits to a qualified manufacturing company  
45 that makes a manufacturing capital investment of at least five hundred million dollars not  
46 more than three years following the department's approval of a notice of intent and the  
47 execution of an agreement that meets the requirements of subsection 4 of this section. Such  
48 tax credits shall be issued no earlier than January 1, 2023, and may be issued each year for a  
49 period of five years. A qualified manufacturing company may qualify for an additional five-  
50 year period under this subsection if it makes an additional manufacturing capital investment  
51 of at least two hundred fifty million dollars within five years of the department's approval of  
52 the original notice of intent.

53 (2) The maximum amount of tax credits that any one qualified manufacturing  
54 company may receive under this subsection shall not exceed five million dollars per calendar  
55 year. The aggregate amount of tax credits awarded to all qualified manufacturing companies  
56 under this subsection shall not exceed ten million dollars per calendar year.

57 (3) If, at the project facility at any time during the project period, the qualified  
58 manufacturing company discontinues the manufacturing of the new product, or discontinues  
59 the modification or expansion of an existing product, and does not replace it with a  
60 subsequent or additional new product or with a modification or expansion of an existing  
61 product, the company shall immediately cease receiving any benefit awarded under this  
62 subsection for the remainder of the project period and shall forfeit all rights to retain or  
63 receive any benefit awarded under this subsection for the remainder of such period.

64 (4) Notwithstanding any other provision of law to the contrary, any qualified  
65 manufacturing company that is awarded benefits under this section shall not simultaneously

66 receive tax credits or exemptions under sections 100.700 to 100.850 for the jobs created or  
67 retained or capital improvement that qualified for benefits under this section. The provisions  
68 of subsection 5 of section 285.530 shall not apply to a qualified manufacturing company that  
69 is awarded benefits under this section.

70 4. Upon approval of a notice of intent to receive tax credits under subsection 2, 3, 6,  
71 or 7 of this section, the department and the qualified company shall enter into a written  
72 agreement covering the applicable project period. The agreement shall specify, at a  
73 minimum:

74 (1) The committed number of new jobs, new payroll, and new capital investment, or  
75 the manufacturing capital investment and committed percentage of retained jobs for each year  
76 during the project period;

77 (2) The date or time period during which the tax credits shall be issued, which may be  
78 immediately or over a period not to exceed two years from the date of approval of the notice  
79 of intent;

80 (3) Clawback provisions, as may be required by the department;

81 (4) Financial guarantee provisions as may be required by the department, provided  
82 that financial guarantee provisions shall be required by the department for tax credits awarded  
83 under subsection 7 of this section; and

84 (5) Any other provisions the department may require.

85 5. In lieu of the benefits available under subsections 1 and 2 of this section, and in  
86 exchange for the consideration provided by the new tax revenues and other economic stimuli  
87 that will be generated by the new jobs created by the program, a qualified company may, for a  
88 period of five years from the date the new jobs are created, or for a period of six years from  
89 the date the new jobs are created if the qualified company is an existing Missouri business,  
90 retain an amount equal to the withholding tax as calculated under subdivision (38) of section  
91 620.2005 from the new jobs that would otherwise be withheld and remitted by the qualified  
92 company under the provisions of sections 143.191 to 143.265 equal to:

93 (1) Six percent of new payroll for a period of five years from the date the required  
94 number of new jobs were created if the qualified company creates one hundred or more new  
95 jobs and the average wage of the new payroll equals or exceeds one hundred twenty percent  
96 of the county average wage of the county in which the project facility is located; or

97 (2) Seven percent of new payroll for a period of five years from the date the required  
98 number of jobs were created if the qualified company creates one hundred or more new jobs  
99 and the average wage of the new payroll equals or exceeds one hundred forty percent of the  
100 county average wage of the county in which the project facility is located.

102 The department shall issue a refundable tax credit for any difference between the amount of  
103 benefit allowed under this subsection and the amount of withholding tax retained by the  
104 company, in the event the withholding tax is not sufficient to provide the entire amount of  
105 benefit due to the qualified company under this subsection.

106 6. In addition to the benefits available under subsection 5 of this section, the  
107 department may award a qualified company that satisfies the provisions of subsection 5 of  
108 this section additional tax credits, issued each year for a period of five years from the date the  
109 new jobs are created, or for a period of six years from the date the new jobs are created if the  
110 qualified company is an existing Missouri business, in an amount equal to or less than three  
111 percent of new payroll; provided that in no event may the total amount of benefits awarded to  
112 a qualified company under this section exceed nine percent of new payroll in any calendar  
113 year. The amount of tax credits awarded to a qualified company under this subsection shall  
114 not exceed the projected net fiscal benefit to the state, as determined by the department, and  
115 shall not exceed the least amount necessary to obtain the qualified company's commitment to  
116 initiate the project. In determining the amount of tax credits to award to a qualified company  
117 under this subsection, the department shall consider the factors provided under subsection 2  
118 of this section.

119 7. In lieu of the benefits available under subsections 1, 2, 5, and 6 of this section, and  
120 in exchange for the consideration provided by the new tax revenues and other economic  
121 stimuli that will be generated by the new jobs and new capital investment created by the  
122 program, the department may award a qualified company that satisfies the provisions of  
123 subdivision (1) of subsection 1 of this section tax credits, issued within one year following the  
124 qualified company's acceptance of the department's proposal for benefits, in an amount equal  
125 to or less than nine percent of new payroll. The amount of tax credits awarded to a qualified  
126 company under this subsection shall not exceed the projected net fiscal benefit to the state, as  
127 determined by the department, and shall not exceed the least amount necessary to obtain the  
128 qualified company's commitment to initiate the project. In determining the amount of tax  
129 credits to award to a qualified company under this subsection, the department shall consider  
130 the factors provided under subsection 2 of this section and the qualified company's  
131 commitment to new capital investment and new job creation within the state for a period of  
132 not less than ten years. For the purposes of this subsection, each qualified company shall  
133 have an average wage of the new payroll that equals or exceeds one hundred percent of the  
134 county average wage. Notwithstanding the provisions of section 620.2020 to the contrary,  
135 this subsection shall expire on June 30, 2025.

136 8. No benefits shall be available under this section for any qualified company that has  
137 performed significant, project-specific site work at the project facility, purchased machinery  
138 or equipment related to the project, or has publicly announced its intention to make new

139 capital investment or manufacturing capital investment at the project facility prior to receipt  
140 of a proposal for benefits under this section or approval of its notice of intent, whichever  
141 occurs first.

142 9. In lieu of any other benefits under this chapter, the department of economic  
143 development may award a tax credit to an industrial development authority for a qualified  
144 military project in an amount equal to the estimated withholding taxes associated with the  
145 part-time and full-time civilian and military new jobs located at the facility and directly  
146 impacted by the project. The amount of the tax credit shall be calculated by multiplying:

147 (1) The average percentage of tax withheld, as provided by the department of revenue  
148 to the department of economic development;

149 (2) The average salaries of the jobs directly created by the qualified military project;  
150 and

151 (3) The number of jobs directly created by the qualified military project.  
152

153 If the amount of the tax credit represents the least amount necessary to accomplish the  
154 qualified military project, the tax credits may be issued, but no tax credits shall be issued for a  
155 term longer than fifteen years. No qualified military project shall be eligible for tax credits  
156 under this subsection unless the department of economic development determines the  
157 qualified military project shall achieve a net positive fiscal impact to the state.

620.2020. 1. The department shall respond to a written request, by or on behalf of a  
2 qualified company or qualified military project, for a proposed benefit award under the  
3 provisions of this program within five business days of receipt of such request. The  
4 department shall respond to a written request, by or on behalf of a qualified manufacturing  
5 company, for a proposed benefit award under the provisions of this program within fifteen  
6 business days of receipt of such request. Such response shall contain either a proposal of  
7 benefits for the qualified company or qualified military project, or a written response refusing  
8 to provide such a proposal and stating the reasons for such refusal. A qualified company or  
9 qualified military project that intends to seek benefits under the program shall submit to the  
10 department a notice of intent. The department shall respond within thirty days to a notice of  
11 intent with an approval or a rejection, provided that the department may withhold approval or  
12 provide a contingent approval until it is satisfied that proper documentation of eligibility has  
13 been provided. The department shall certify or reject the qualifying company's plan outlined  
14 in their notice of intent as satisfying good faith efforts made to employ, at a minimum,  
15 commensurate with the percentage of minority populations in the state of Missouri, as  
16 reported in the previous decennial census, the following: racial minorities, contractors who  
17 are racial minorities, and contractors that, in turn, employ at a minimum racial minorities  
18 commensurate with the percentage of minority populations in the state of Missouri, as

19 reported in the previous decennial census. Failure to respond on behalf of the department  
20 shall result in the notice of intent being deemed approved. A qualified company receiving  
21 approval for program benefits may receive additional benefits for subsequent new jobs at the  
22 same facility after the full initial project period if the applicable minimum job requirements  
23 are met. There shall be no limit on the number of project periods a qualified company may  
24 participate in the program, and a qualified company may elect to file a notice of intent to  
25 begin a new project period concurrent with an existing project period if the applicable  
26 minimum job requirements are achieved, the qualified company provides the department with  
27 the required annual reporting, and the qualified company is in compliance with this program  
28 and any other state programs in which the qualified company is currently or has previously  
29 participated. However, the qualified company shall not receive any further program benefits  
30 under the original approval for any new jobs created after the date of the new notice of intent,  
31 and any jobs created before the new notice of intent shall not be included as new jobs for  
32 purposes of the benefit calculation for the new approval. When a qualified company has filed  
33 and received approval of a notice of intent and subsequently files another notice of intent, the  
34 department shall apply the definition of project facility under subdivision (24) of section  
35 620.2005 to the new notice of intent as well as all previously approved notices of intent and  
36 shall determine the application of the definitions of new job, new payroll, project facility base  
37 employment, and project facility base payroll accordingly.

38         2. Notwithstanding any provision of law to the contrary, the benefits available to the  
39 qualified company under any other state programs for which the company is eligible and  
40 which utilize withholding tax from the new or retained jobs of the company shall first be  
41 credited to the other state program before the withholding retention level applicable under this  
42 program will begin to accrue. If any qualified company also participates in a job training  
43 program utilizing withholding tax, the company shall retain no withholding tax under this  
44 program, but the department shall issue a refundable tax credit for the full amount of benefit  
45 allowed under this program. The calendar year annual maximum amount of tax credits which  
46 may be issued to a qualifying company that also participates in a job training program shall be  
47 increased by an amount equivalent to the withholding tax retained by that company under a  
48 jobs training program.

49         3. A qualified company or qualified military project receiving benefits under this  
50 program shall provide an annual report of the number of jobs, along with minority jobs  
51 created or retained, and such other information as may be required by the department to  
52 document the basis for program benefits available no later than ninety days prior to the end of  
53 the qualified company's or industrial development authority's tax year immediately following  
54 the tax year for which the benefits provided under the program are attributed. In such annual  
55 report, if the average wage is below the applicable percentage of the county average wage, the

56 qualified company or qualified military project has not maintained the employee insurance as  
57 required, if the department after a review determines the qualifying company fails to satisfy  
58 other aspects of their notice of intent, including failure to make good faith efforts to employ,  
59 at a minimum, commensurate with the percentage of minority populations in the state of  
60 Missouri, as reported in the previous decennial census, the following: racial minorities,  
61 contractors who are racial minorities, and contractors that, in turn, employ at a minimum  
62 racial minorities commensurate with the percentage of minority populations in the state of  
63 Missouri, as reported in the previous decennial census, or if the number of jobs is below the  
64 number required, the qualified company or qualified military project shall not receive tax  
65 credits or retain the withholding tax for the balance of the project period. If a statewide state  
66 of emergency exists for more than sixteen months, a qualified company or industrial  
67 development authority shall be entitled to a one-time suspension of program deadlines equal  
68 to the number of months such statewide state of emergency existed with any partial month  
69 rounded to the next whole. During such suspension, the qualified company or industrial  
70 development authority shall not be entitled to retain any withholding tax as calculated under  
71 subdivision (38) of section 620.2005 nor shall it earn any awarded tax credit or receive any  
72 tax credit under the program for the suspension period. The suspension period shall run  
73 consecutively and be available to a qualified company or industrial development authority  
74 that, during the statewide state of emergency, submitted notice of intent that was approved or  
75 that was in year one or a subsequent year of benefits under a program agreement with the  
76 department. The suspension period that runs consecutively and may be available to a  
77 qualified company or industrial development authority as provided in this subsection may  
78 apply retroactively. Any qualified company or industrial development authority requesting a  
79 suspension pursuant to this subsection shall submit notice to the department on its provided  
80 form identifying the requested start and end dates of the suspension, not to exceed the  
81 maximum number of months available under this subsection. Such notice shall be submitted  
82 to the department not later than the end of the twelfth month following the termination of the  
83 state of emergency. No suspension period shall start later than the date on which the state of  
84 emergency was terminated. The department and the qualified company or the industrial  
85 development authority shall enter into a program agreement or shall amend an existing  
86 program agreement, as applicable, stating the deadlines following the suspension period and  
87 updating the applicable wage requirements. Failure to timely file the annual report required  
88 under this section may result in the forfeiture of tax credits attributable to the year for which  
89 the reporting was required and a recapture of withholding taxes retained by the qualified  
90 company or qualified military project during such year.

91 4. The department may withhold the approval of any benefits under this program until  
92 it is satisfied that proper documentation has been provided, and shall reduce the benefits to

93 reflect any reduction in full-time employees or payroll. Upon approval by the department, the  
94 qualified company may begin the retention of the withholding taxes when it reaches the  
95 required number of jobs and the average wage meets or exceeds the applicable percentage of  
96 county average wage. Tax credits, if any, may be issued upon satisfaction by the department  
97 that the qualified company has exceeded the applicable percentage of county average wage  
98 and the required number of jobs; provided that, tax credits awarded under subsection 7 of  
99 section 620.2010 may be issued following the qualified company's acceptance of the  
100 department's proposal and pursuant to the requirements set forth in the written agreement  
101 between the department and the qualified company under subsection 4 of section 620.2010.

102         5. Any qualified company or qualified military project approved for benefits under  
103 this program shall provide to the department, upon request, any and all information and  
104 records reasonably required to monitor compliance with program requirements. This  
105 program shall be considered a business recruitment tax credit under subdivision (3) of  
106 subsection 2 of section 135.800, and any qualified company or qualified military project  
107 approved for benefits under this program shall be subject to the provisions of sections  
108 135.800 to 135.830.

109         6. Any taxpayer who is awarded benefits under this program who knowingly hires  
110 individuals who are not allowed to work legally in the United States shall immediately forfeit  
111 such benefits and shall repay the state an amount equal to any state tax credits already  
112 redeemed and any withholding taxes already retained.

113         7. (1) The maximum amount of tax credits that may be authorized under this program  
114 for any fiscal year shall be limited as follows, less the amount of any tax credits previously  
115 obligated for that fiscal year under any of the tax credit programs referenced in subsection 14  
116 of this section:

117             (a) For the fiscal year beginning on July 1, 2013, but ending on or before June 30,  
118 2014, no more than one hundred six million dollars in tax credits may be authorized;

119             (b) For the fiscal year beginning on July 1, 2014, but ending on or before June 30,  
120 2015, no more than one hundred eleven million dollars in tax credits may be authorized;

121             (c) For fiscal years beginning on or after July 1, 2015, but ending on or before June  
122 30, 2020, no more than one hundred sixteen million dollars in tax credits may be authorized  
123 for each fiscal year; and

124             (d) For all fiscal years beginning on or after July 1, 2020, no more than one hundred  
125 six million dollars in tax credits may be authorized for each fiscal year. The provisions of this  
126 paragraph shall not apply to tax credits issued to qualified companies under a notice of intent  
127 filed prior to July 1, 2020.

128         (2) For all fiscal years beginning on or after July 1, 2020, in addition to the amount of  
129 tax credits that may be authorized under paragraph (d) of subdivision (1) of this subsection,

130 an additional ten million dollars in tax credits may be authorized for each fiscal year for the  
131 purpose of the completion of infrastructure projects directly connected with the creation or  
132 retention of jobs under the provisions of sections 620.2000 to 620.2020 and an additional ten  
133 million dollars in tax credits may be authorized for each fiscal year for a qualified  
134 manufacturing company based on a manufacturing capital investment as set forth in section  
135 620.2010.

136 8. For all fiscal years beginning on or after July 1, 2020, the maximum total amount  
137 of withholding tax that may be authorized for retention for the creation of new jobs under the  
138 provisions of sections 620.2000 to 620.2020 by qualified companies with a project facility  
139 base employment of at least fifty shall not exceed seventy-five million dollars for each fiscal  
140 year. The provisions of this subsection shall not apply to withholding tax authorized for  
141 retention for the creation of new jobs by qualified companies with a project facility base  
142 employment of less than fifty.

143 9. For tax credits for the creation of new jobs under section 620.2010, the department  
144 shall allocate the annual tax credits based on the date of the approval, reserving such tax  
145 credits based on the department's best estimate of new jobs and new payroll of the project,  
146 and any other applicable factors in determining the amount of benefits available to the  
147 qualified company or qualified military project under this program; provided that, the  
148 department may reserve up to twenty-one and one-half percent of the maximum annual  
149 amount of tax credits that may be authorized under subsection 7 of this section for award  
150 under subsection 7 of section 620.2010. However, the annual issuance of tax credits shall be  
151 subject to annual verification of actual payroll by the department or, for qualified military  
152 projects, annual verification of average salary for the jobs directly created by the qualified  
153 military project. Any authorization of tax credits shall expire if, within two years from the  
154 date of commencement of operations, or approval if applicable, the qualified company has  
155 failed to meet the applicable minimum job requirements. The qualified company may retain  
156 authorized amounts from the withholding tax under the project once the applicable minimum  
157 job requirements have been met for the duration of the project period. No benefits shall be  
158 provided under this program until the qualified company or qualified military project meets  
159 the applicable minimum new job requirements or, for benefits awarded under subsection 7 of  
160 section 620.2010, until the qualified company has satisfied the requirements set forth in the  
161 written agreement between the department and the qualified company under subsection 4 of  
162 section 620.2010. In the event the qualified company or qualified military project does not  
163 meet the applicable minimum new job requirements, the qualified company or qualified  
164 military project may submit a new notice of intent or the department may provide a new  
165 approval for a new project of the qualified company or qualified military project at the project  
166 facility or other facilities.

167           10. Tax credits provided under this program may be claimed against taxes otherwise  
168 imposed by chapters 143 and 148, and may not be carried forward, but shall be claimed  
169 within one year of the close of the ~~[taxable]~~ tax year for which they were issued. Tax credits  
170 provided under this program may be transferred, sold, or assigned by filing a notarized  
171 endorsement thereof with the department that names the transferee, the amount of tax credit  
172 transferred, and the value received for the credit, as well as any other information reasonably  
173 requested by the department. For a qualified company with flow-through tax treatment to its  
174 members, partners, or shareholders, the tax credit shall be allowed to members, partners, or  
175 shareholders in proportion to their share of ownership on the last day of the qualified  
176 company's tax period.

177           11. Prior to the issuance of tax credits or the qualified company beginning to retain  
178 withholding taxes, the department shall verify through the department of revenue and any  
179 other applicable state department that the tax credit applicant does not owe any delinquent  
180 income, sales, or use tax or interest or penalties on such taxes, or any delinquent fees or  
181 assessments levied by any state department and through the department of commerce and  
182 insurance that the applicant does not owe any delinquent insurance taxes or other fees. Such  
183 delinquency shall not affect the approval, except that any tax credits issued shall be first  
184 applied to the delinquency and any amount issued shall be reduced by the applicant's tax  
185 delinquency. If the department of revenue, the department of commerce and insurance, or any  
186 other state department concludes that a taxpayer is delinquent after June fifteenth but before  
187 July first of any year and the application of tax credits to such delinquency causes a tax  
188 deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to  
189 satisfy the deficiency in which interest, penalties, and additions to tax shall be tolled. After  
190 applying all available credits toward a tax delinquency, the administering agency shall notify  
191 the appropriate department and that department shall update the amount of outstanding  
192 delinquent tax owed by the applicant. If any credits remain after satisfying all insurance,  
193 income, sales, and use tax delinquencies, the remaining credits shall be issued to the  
194 applicant, subject to the restrictions of other provisions of law.

195           12. The director of revenue shall issue a refund to the qualified company to the extent  
196 that the amount of tax credits allowed under this program exceeds the amount of the qualified  
197 company's tax liability under chapter 143 or 148.

198           13. An employee of a qualified company shall receive full credit for the amount of tax  
199 withheld as provided in section 143.211.

200           14. Notwithstanding any provision of law to the contrary, beginning August 28, 2013,  
201 no new benefits shall be authorized for any project that had not received from the department  
202 a proposal or approval for such benefits prior to August 28, 2013, under the development tax  
203 credit program created under sections 32.100 to 32.125~~], the rebuilding communities tax~~

204 ~~credit program created under section 135.535, the enhanced enterprise zone tax credit~~  
205 ~~program created under sections 135.950 to 135.973, and the Missouri quality jobs program~~  
206 ~~created under sections 620.1875 to 620.1890].~~ The provisions of this subsection shall not be  
207 construed to limit or impair the ability of any administering agency to authorize or issue  
208 benefits for any project that had received an approval or a proposal from the department under  
209 any of the programs referenced in this subsection prior to August 28, 2013, or the ability of  
210 any taxpayer to redeem any such tax credits or to retain any withholding tax under an  
211 approval issued prior to that date. The provisions of this subsection shall not be construed to  
212 limit or in any way impair the ability of any governing authority to provide any local  
213 abatement or designate a new zone under the enhanced enterprise zone program [~~created by~~  
214 ~~sections 135.950 to 135.963].~~ Notwithstanding any provision of law to the contrary, no  
215 qualified company that is awarded benefits under this program shall:

216 (1) Simultaneously receive benefits under the programs referenced in this subsection  
217 at the same capital investment; or

218 (2) Receive benefits under the provisions of section 620.1910 for the same jobs.

219 15. If any provision of sections 620.2000 to 620.2020 or application thereof to any  
220 person or circumstance is held invalid, the invalidity shall not affect other provisions or  
221 application of these sections which can be given effect without the invalid provisions or  
222 application, and to this end, the provisions of sections 620.2000 to 620.2020 are hereby  
223 declared severable.

224 16. By no later than January 1, 2014, and the first day of each calendar quarter  
225 thereafter, the department shall present a quarterly report to the general assembly detailing the  
226 benefits authorized under this program during the immediately preceding calendar quarter to  
227 the extent such information may be disclosed under state and federal law. The report shall  
228 include, at a minimum:

229 (1) A list of all approved and disapproved applicants for each tax credit;

230 (2) A list of the aggregate amount of new or retained jobs that are directly attributable  
231 to the tax credits authorized;

232 (3) A statement of the aggregate amount of new capital investment directly  
233 attributable to the tax credits authorized;

234 (4) Documentation of the estimated net state fiscal benefit for each authorized project  
235 and, to the extent available, the actual benefit realized upon completion of such project or  
236 activity; and

237 (5) The department's response time for each request for a proposed benefit award  
238 under this program.

239 17. The department may adopt such rules, statements of policy, procedures, forms,  
240 and guidelines as may be necessary to carry out the provisions of sections 620.2000 to

241 620.2020. Any rule or portion of a rule, as that term is defined in section 536.010, that is  
 242 created under the authority delegated in this section shall become effective only if it complies  
 243 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.  
 244 This section and chapter 536 are nonseverable and if any of the powers vested with the  
 245 general assembly pursuant to chapter 536 to review, to delay the effective date, or to  
 246 disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
 247 rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid  
 248 and void.

249 18. Under section 23.253 of the Missouri sunset act:

250 (1) The provisions of the program authorized under sections 620.2000 to 620.2020  
 251 shall be reauthorized as of August 28, 2018, and shall expire on August 28, 2030; and

252 (2) If such program is reauthorized, the program authorized under this section shall  
 253 automatically sunset twelve years after the effective date of the reauthorization of sections  
 254 620.2000 to 620.2020; and

255 (3) Sections 620.2000 to 620.2020 shall terminate on September first of the calendar  
 256 year immediately following the calendar year in which the program authorized under sections  
 257 620.2000 to 620.2020 is sunset.

2 ~~[99.1205. 1. This section shall be known and may be cited as the~~  
 3 ~~"Distressed Areas Land Assemblage Tax Credit Act".~~

4 ~~2. As used in this section, the following terms mean:~~

5 ~~(1) "Acquisition costs", the purchase price for the eligible parcel, costs~~  
 6 ~~of environmental assessments, closing costs, real estate brokerage fees,~~  
 7 ~~reasonable demolition costs of vacant structures, and reasonable maintenance~~  
 8 ~~costs incurred to maintain an acquired eligible parcel for a period of five years~~  
 9 ~~after the acquisition of such eligible parcel. Acquisition costs shall not include~~  
 10 ~~costs for title insurance and survey, attorney's fees, relocation costs, fines, or~~  
 11 ~~bills from a municipality;~~

12 ~~(2) "Applicant", any person, firm, partnership, trust, limited liability~~  
 13 ~~company, or corporation which has:~~

14 ~~(a) Incurred, within an eligible project area, acquisition costs for the~~  
 15 ~~acquisition of land sufficient to satisfy the requirements under subdivision (8)~~  
 16 ~~of this subsection; and~~

17 ~~(b) Been appointed or selected, pursuant to a redevelopment~~  
 18 ~~agreement by a municipal authority, as a redeveloper or similar designation,~~  
 19 ~~under an economic incentive law, to redevelop an urban renewal area or a~~  
 20 ~~redevelopment area that includes all of an eligible project area or whose~~  
 21 ~~redevelopment plan or redevelopment area, which encompasses all of an~~  
 22 ~~eligible project area, has been approved or adopted under an economic~~  
 23 ~~incentive law. In addition to being designated the redeveloper, the applicant~~  
 24 ~~shall have been designated to receive economic incentives only after the~~  
 25 ~~municipal authority has considered the amount of the tax credits in adopting~~

25 such economic incentives as provided in subsection 8 of this section. The  
26 redevelopment agreement shall provide that:

27 a. The funds generated through the use or sale of the tax credits issued  
28 under this section shall be used to redevelop the eligible project area;

29 b. No more than seventy five percent of the urban renewal area  
30 identified in the urban renewal plan or the redevelopment area identified in the  
31 redevelopment plan may be redeveloped by the applicant; and

32 c. The remainder of the urban renewal area or the redevelopment area  
33 shall be redeveloped by co-redevelopers or redevelopers to whom the  
34 applicant has assigned its redevelopment rights and obligations under the  
35 urban renewal plan or the redevelopment plan;

36 (3) "Certificate", a tax credit certificate issued under this section;

37 (4) "Condemnation proceedings", any action taken by, or on behalf of,  
38 an applicant to initiate an action in a court of competent jurisdiction to use the  
39 power of eminent domain to acquire a parcel within the eligible project area.  
40 Condemnation proceedings shall include any and all actions taken after the  
41 submission of a notice of intended acquisition to an owner of a parcel within  
42 the eligible project area by a municipal authority or any other person or entity  
43 under section 523.250;

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

45 (6) "Economic incentive laws", any provision of Missouri law  
46 pursuant to which economic incentives are provided to redevelopers of a  
47 parcel or parcels to redevelop the land, such as tax abatement or payments in  
48 lieu of taxes, or redevelopment plans or redevelopment projects approved or  
49 adopted which include the use of economic incentives to redevelop the land.  
50 Economic incentive laws include, but are not limited to, the land clearance for  
51 redevelopment authority law under sections 99.300 to 99.660, the real property  
52 tax increment allocation redevelopment act under sections 99.800 to 99.865,  
53 the Missouri downtown and rural economic stimulus act under sections 99.915  
54 to 99.1060, and the downtown revitalization preservation program under  
55 sections 99.1080 to 99.1092;

56 (7) "Eligible parcel", a parcel:

57 (a) Which is located within an eligible project area;

58 (b) Which is to be redeveloped;

59 (c) On which the applicant has not commenced construction prior to  
60 November 28, 2007;

61 (d) Which has been acquired without the commencement of any  
62 condemnation proceedings with respect to such parcel brought by or on behalf  
63 of the applicant. Any parcel acquired by the applicant from a municipal  
64 authority shall not constitute an eligible parcel; and

65 (e) On which all outstanding taxes, fines, and bills levied by municipal  
66 governments that were levied by the municipality during the time period that  
67 the applicant held title to the eligible parcel have been paid in full;

68 (8) "Eligible project area", an area which shall have satisfied the  
69 following requirements:

70 (a) The eligible project area shall consist of at least seventy five acres  
71 and may include parcels within its boundaries that do not constitute an eligible  
72 parcel;

73 ~~(b) At least eighty percent of the eligible project area shall be located~~  
74 ~~within a Missouri qualified census tract area, as designated by the United~~  
75 ~~States Department of Housing and Urban Development under 26 U.S.C.~~  
76 ~~Section 42, or within a distressed community as that term is defined in section~~  
77 ~~135.530;~~

78 ~~(c) The eligible parcels acquired by the applicant within the eligible~~  
79 ~~project area shall total at least fifty acres, which may consist of contiguous and~~  
80 ~~noncontiguous parcels;~~

81 ~~(d) The average number of parcels per acre in an eligible project area~~  
82 ~~shall be four or more;~~

83 ~~(e) Less than five percent of the acreage within the boundaries of the~~  
84 ~~eligible project area shall consist of owner occupied residences which the~~  
85 ~~applicant has identified for acquisition under the urban renewal plan or the~~  
86 ~~redevelopment plan pursuant to which the applicant was appointed or selected~~  
87 ~~as the redeveloper or by which the person or entity was qualified as an~~  
88 ~~applicant under this section on the date of the approval or adoption of such~~  
89 ~~plan;~~

90 ~~(9) "Interest costs", interest, loan fees, and closing costs. Interest costs~~  
91 ~~shall not include attorney's fees;~~

92 ~~(10) "Maintenance costs", costs of boarding up and securing vacant~~  
93 ~~structures, costs of removing trash, and costs of cutting grass and weeds;~~

94 ~~(11) "Municipal authority", any city, town, village, county, public~~  
95 ~~body corporate and politic, political subdivision, or land trust of this state~~  
96 ~~established and authorized to own land within the state;~~

97 ~~(12) "Municipality", any city, town, village, or county;~~

98 ~~(13) "Parcel", a single lot or tract of land, and the improvements~~  
99 ~~thereon, owned by, or recorded as the property of, one or more persons or~~  
100 ~~entities;~~

101 ~~(14) "Redeveloped", the process of undertaking and carrying out a~~  
102 ~~redevelopment plan or urban renewal plan pursuant to which the conditions~~  
103 ~~which provided the basis for an eligible project area to be included in a~~  
104 ~~redevelopment plan or urban renewal plan are to be reduced or eliminated by~~  
105 ~~redevelopment or rehabilitation; and~~

106 ~~(15) "Redevelopment agreement", the redevelopment agreement or~~  
107 ~~similar agreement into which the applicant entered with a municipal authority~~  
108 ~~and which is the agreement for the implementation of the urban renewal plan~~  
109 ~~or redevelopment plan pursuant to which the applicant was appointed or~~  
110 ~~selected as the redeveloper or by which the person or entity was qualified as an~~  
111 ~~applicant under this section; and such appointment or selection shall have been~~  
112 ~~approved by an ordinance of the governing body of the municipality, or~~  
113 ~~municipalities, or in the case of any city not within a county, the board of~~  
114 ~~aldermen, in which the eligible project area is located. The redevelopment~~  
115 ~~agreement shall include a time line for redevelopment of the eligible project~~  
116 ~~area. The redevelopment agreement shall state that the named developer shall~~  
117 ~~be subject to the provisions of chapter 290.~~

118 ~~3. Any applicant shall be entitled to a tax credit against the taxes~~  
119 ~~imposed under chapters 143, 147, and 148, except for sections 143.191 to~~  
120 ~~143.265, in an amount equal to fifty percent of the acquisition costs, and one~~

121 hundred percent of the interest costs incurred for a period of five years after  
122 the acquisition of an eligible parcel. No tax credits shall be issued under this  
123 section until after January 1, 2008.

124 4. If the amount of such tax credit exceeds the total tax liability for the  
125 year in which the applicant is entitled to receive a tax credit, the amount that  
126 exceeds the state tax liability may be carried forward for credit against the  
127 taxes imposed under chapters 143, 147, and 148 for the succeeding six years,  
128 or until the full credit is used, whichever occurs first. The applicant shall not  
129 be entitled to a tax credit for taxes imposed under sections 143.191 to 143.265.  
130 Applicants entitled to receive such tax credits may transfer, sell, or assign the  
131 tax credits. Tax credits granted to a partnership, a limited liability company  
132 taxed as a partnership, or multiple owners of property shall be passed through  
133 to the partners, members, or owners respectively pro rata or pursuant to an  
134 executed agreement among the partners, members, or owners documenting an  
135 alternate distribution method.

136 5. A purchaser, transferee, or assignee of the tax credits authorized  
137 under this section may use acquired tax credits to offset up to one hundred  
138 percent of the tax liabilities otherwise imposed under chapters 143, 147, and  
139 148, except for sections 143.191 to 143.265. A seller, transferor, or assignor  
140 shall perfect such transfer by notifying the department in writing within thirty  
141 calendar days following the effective date of the transfer and shall provide any  
142 information as may be required by the department to administer and carry out  
143 the provisions of this section.

144 6. To claim tax credits authorized under this section, an applicant shall  
145 submit to the department an application for a certificate. An applicant shall  
146 identify the boundaries of the eligible project area in the application. The  
147 department shall verify that the applicant has submitted a valid application in  
148 the form and format required by the department. The department shall verify  
149 that the municipal authority held the requisite hearings and gave the requisite  
150 notices for such hearings in accordance with the applicable economic incentive  
151 act, and municipal ordinances. On an annual basis, an applicant may file for  
152 the tax credit for the acquisition costs, and for the tax credit for the interest  
153 costs, subject to the limitations of this section. If an applicant applying for the  
154 tax credit meets the criteria required under this section, the department shall  
155 issue a certificate in the appropriate amount. If an applicant receives a tax  
156 credit for maintenance costs as a part of the applicant's acquisition costs, the  
157 department shall post on its internet website the amount and type of  
158 maintenance costs and a description of the redevelopment project for which  
159 the applicant received a tax credit within thirty days after the department  
160 issues the certificate to the applicant.

161 7. The total aggregate amount of tax credits authorized under this  
162 section shall not exceed ninety five million dollars. At no time shall the  
163 annual amount of the tax credits issued under this section exceed twenty  
164 million dollars. If the tax credits that are to be issued under this section  
165 exceed, in any year, the twenty million dollar limitation, the department shall  
166 either:

167 (1) Issue tax credits to the applicant in the amount of twenty million  
 168 dollars, if there is only one applicant entitled to receive tax credits in that year;  
 169 or

170 (2) Issue the tax credits on a pro rata basis to all applicants entitled to  
 171 receive tax credits in that year. Any amount of tax credits, which an applicant  
 172 is, or applicants are, entitled to receive on an annual basis and are not issued  
 173 due to the twenty million dollar limitation, shall be carried forward for the  
 174 benefit of the applicant or applicants to subsequent years.  
 175

176 No tax credits provided under this section shall be authorized after August 28,  
 177 2013. Any tax credits which have been authorized on or before August 28,  
 178 2013, but not issued, may be issued, subject to the limitations provided under  
 179 this subsection, until all such authorized tax credits have been issued.

180 8. Upon issuance of any tax credits pursuant to this section, the  
 181 department shall report to the municipal authority the applicant's name and  
 182 address, the parcel numbers of the eligible parcels for which the tax credits  
 183 were issued, the itemized acquisition costs and interest costs for which tax  
 184 credits were issued, and the total value of the tax credits issued. The municipal  
 185 authority and the state shall not consider the amount of the tax credits as an  
 186 applicant's cost, but shall include the tax credits in any sources and uses and  
 187 cost benefit analysis reviewed or created for the purpose of awarding other  
 188 economic incentives. The amount of the tax credits shall not be considered an  
 189 applicant's cost in the evaluation of the amount of any award of any other  
 190 economic incentives, but shall be considered in measuring the reasonableness  
 191 of the rate of return to the applicant with respect to such award of other  
 192 economic incentives. The municipal authority shall provide the report to any  
 193 relevant commission, board, or entity responsible for the evaluation and  
 194 recommendation or approval of other economic incentives to assist in the  
 195 redevelopment of the eligible project area. Tax credits authorized under this  
 196 section shall constitute redevelopment tax credits, as such term is defined  
 197 under section 135.800, and shall be subject to all provisions applicable to  
 198 redevelopment tax credits provided under sections 135.800 to 135.830.

199 9. The department may promulgate rules to implement the provisions  
 200 of this section. Any rule or portion of a rule, as that term is defined in section  
 201 536.010, that is created under the authority delegated in this section shall  
 202 become effective only if it complies with and is subject to all of the provisions  
 203 of chapter 536 and, if applicable, section 536.028. This section and chapter  
 204 536 are nonseverable and if any of the powers vested with the general  
 205 assembly pursuant to chapter 536 to review, to delay the effective date, or to  
 206 disapprove and annul a rule are subsequently held unconstitutional, then the  
 207 grant of rulemaking authority and any rule proposed or adopted after August  
 208 28, 2007, shall be invalid and void.]

2 [135.313. 1. Any person, firm or corporation who engages in the  
 3 business of producing charcoal or charcoal products in the state of Missouri  
 4 shall be eligible for a tax credit on income taxes otherwise due pursuant to  
 5 chapter 143, except sections 143.191 to 143.261, as an incentive to implement  
 safe and efficient environmental controls. The tax credit shall be equal to fifty

6 percent of the purchase price of the best available control technology  
 7 equipment connected with the production of charcoal in the state of Missouri  
 8 or, if the taxpayer manufactures such equipment, fifty percent of the  
 9 manufacturing cost of the equipment, to and including the year the  
 10 equipment is put into service. The credit may be claimed for a period of  
 11 eight years beginning with the 1998 calendar year and is to be a tax credit  
 12 against the tax otherwise due.

13 ~~2. Any amount of credit which exceeds the tax due shall not be~~  
 14 ~~refunded but may be carried over to any subsequent taxable year, not to exceed~~  
 15 ~~seven years.~~

16 ~~3. The charcoal producer may elect to assign to a third party the~~  
 17 ~~approved tax credit. Certification of assignment and other appropriate forms~~  
 18 ~~must be filed with the Missouri department of revenue and the department of~~  
 19 ~~economic development.~~

20 ~~4. When applying for a tax credit, the charcoal producer specified in~~  
 21 ~~subsection 1 of this section shall make application for the credit to the division~~  
 22 ~~of environmental quality of the department of natural resources. The~~  
 23 ~~application shall identify the specific best available control technology~~  
 24 ~~equipment and the purchase price, or manufacturing cost of such equipment.~~  
 25 ~~The director of the department of natural resources is authorized to require~~  
 26 ~~permits to construct prior to the installation of best available control~~  
 27 ~~technology equipment and other information which he or she deems~~  
 28 ~~appropriate.~~

29 ~~5. The director of the department of natural resources in conjunction~~  
 30 ~~with the department of economic development shall certify to the department~~  
 31 ~~of revenue that the best available control technology equipment meets the~~  
 32 ~~requirements to obtain a tax credit as specified in this section.]~~

~~[135.500. 1. Sections 135.500 to 135.529 shall be known and may be~~  
 2 ~~cited as the "Missouri Certified Capital Company Law".~~

3 ~~2. As used in sections 135.500 to 135.529, the following terms mean:~~

4 ~~(1) "Affiliate of a certified company":~~

5 ~~(a) Any person, directly or indirectly owning, controlling or holding~~  
 6 ~~power to vote ten percent or more of the outstanding voting securities or other~~  
 7 ~~ownership interests of the Missouri certified capital company;~~

8 ~~(b) Any person ten percent or more of whose outstanding voting~~  
 9 ~~securities or other ownership interest are directly or indirectly owned,~~  
 10 ~~controlled or held with power to vote by the Missouri certified capital~~  
 11 ~~company;~~

12 ~~(c) Any person directly or indirectly controlling, controlled by, or~~  
 13 ~~under common control with the Missouri certified capital company;~~

14 ~~(d) A partnership in which the Missouri certified capital company is a~~  
 15 ~~general partner;~~

16 ~~(e) Any person who is an officer, director or agent of the Missouri~~  
 17 ~~certified capital company or an immediate family member of such officer,~~  
 18 ~~director or agent;~~

19 ~~(2) "Applicable percentage", one hundred percent;~~

20 (3) ~~"Capital in a qualified Missouri business", any debt, equity or~~  
21 ~~hybrid security, of any nature and description whatsoever, including a debt~~  
22 ~~instrument or security which has the characteristics of debt but which provides~~  
23 ~~for conversion into equity or equity participation instruments such as options~~  
24 ~~or warrants which are acquired by a Missouri certified capital company or a~~  
25 ~~qualified investing entity as a result of a transfer of cash to a business;~~

26 (4) ~~"Certified capital", an investment of cash by an investor in a~~  
27 ~~Missouri certified capital company;~~

28 (5) ~~"Certified capital company", any partnership, corporation, trust or~~  
29 ~~limited liability company, whether organized on a profit or not for profit basis,~~  
30 ~~that is located, headquartered and registered to conduct business in Missouri~~  
31 ~~that has as its primary business activity, the investment of cash in qualified~~  
32 ~~Missouri businesses, and which is certified by the department as meeting the~~  
33 ~~criteria of sections 135.500 to 135.529;~~

34 (6) ~~"Department", the Missouri department of economic development;~~

35 (7) ~~"Director", the director of the department of economic~~  
36 ~~development or a person acting under the supervision of the director;~~

37 (8) ~~"Investor", any insurance company that contributes cash;~~

38 (9) ~~"Liquidating distribution", payments to investors or to the certified~~  
39 ~~capital company from earnings;~~

40 (10) ~~"Person", any natural person or entity, including a corporation,~~  
41 ~~general or limited partnership, trust, limited liability company, or any~~  
42 ~~charitable organization which is exempt from federal income tax and whose~~  
43 ~~Missouri unrelated business taxable income, if any, would be subject to the~~  
44 ~~state income tax imposed under chapter 143;~~

45 (11) ~~"Qualified distribution", any distribution or payment to equity~~  
46 ~~holders of a certified capital company in connection with the following:~~

47 (a) ~~Reasonable costs and expenses of forming, syndicating, managing~~  
48 ~~and operating the certified capital company;~~

49 (b) ~~Management fees for managing and operating the certified capital~~  
50 ~~company; and~~

51 (c) ~~Any increase in federal or state taxes, penalties and interest,~~  
52 ~~including those related to state and federal income taxes, of equity owners of a~~  
53 ~~certified capital company which related to the ownership, management or~~  
54 ~~operation of a certified capital company;~~

55 (12) ~~"Qualified investing entity", any partnership, corporation, trust, or~~  
56 ~~limited liability company, whether organized on a for-profit or not-for-profit~~  
57 ~~basis, that:~~

58 (a) ~~Is registered to do business in this state;~~

59 (b) ~~Is a wholly owned subsidiary of a certified capital company or~~  
60 ~~otherwise affiliated with and under common control with a certified capital~~  
61 ~~company; and~~

62 (c) ~~Has been designated as a qualified investing entity by such~~  
63 ~~certified capital company. Such designation shall be effective upon delivery~~  
64 ~~by the certified capital company of written notice of the designation to the~~  
65 ~~department. A qualified investing entity may raise debt or equity capital for~~  
66 ~~investment, but such capital shall not be considered certified capital. Any~~  
67 ~~qualified investment made by a qualified investing entity after the effective~~

68 ~~date of this act shall be deemed to have been made by a certified capital~~  
 69 ~~company that designated the qualified investing entity as such; provided that~~  
 70 ~~no qualified investment may be deemed to have been made by more than one~~  
 71 ~~certified capital company;~~

72 ~~(13) "Qualified investment", the investment of cash by a Missouri~~  
 73 ~~certified capital company or a qualified investing entity in such a manner as to~~  
 74 ~~acquire capital in a qualified Missouri business;~~

75 ~~(14) "Qualified Missouri business", an independently owned and~~  
 76 ~~operated business, which is headquartered and located in Missouri and which~~  
 77 ~~is in need of venture capital and cannot obtain conventional financing. Such~~  
 78 ~~business shall have no more than two hundred employees, eighty percent of~~  
 79 ~~which are employed in Missouri. Such business shall be involved in~~  
 80 ~~commerce for the purpose of manufacturing, processing or assembling~~  
 81 ~~products, conducting research and development, or providing services in~~  
 82 ~~interstate commerce, but excluding retail, real estate, real estate development,~~  
 83 ~~insurance and professional services provided by accountants, lawyers or~~  
 84 ~~physicians. At the time a certified capital company or qualified investing~~  
 85 ~~entity makes an initial investment in a business, such business shall be a small~~  
 86 ~~business concern that meets the requirements of the United States Small~~  
 87 ~~Business Administration's qualification size standards for its venture capital~~  
 88 ~~program, as defined in Section 13 CFR 121.301(e) of the Small Business~~  
 89 ~~Investment Act of 1958, as amended. Any business which is classified as a~~  
 90 ~~qualified Missouri business at the time of the first investment in such business~~  
 91 ~~by a Missouri certified capital company or qualified investing entity shall, for~~  
 92 ~~a period of seven years from the date of such first investment, remain~~  
 93 ~~classified as a qualified Missouri business and may receive follow on~~  
 94 ~~investments from any Missouri certified capital company or qualified~~  
 95 ~~investing entity and such follow on investments shall be qualified~~  
 96 ~~investments even though such business may not meet the other~~  
 97 ~~qualifications of this subsection at the time of such follow on investments;~~

98 ~~(15) "State premium tax liability", any liability incurred by an~~  
 99 ~~insurance company pursuant to the provisions of section 148.320, 148.340,~~  
 100 ~~148.370 or 148.376, and any other related provisions, which may impose a tax~~  
 101 ~~upon the premium income of insurance companies after January 1, 1997.]~~

2 ~~[135.503. 1. Any investor that makes an investment of certified~~  
 3 ~~capital shall, in the year of investment, earn a vested credit against state~~  
 4 ~~premium tax liability equal to the applicable percentage of the investor's~~  
 5 ~~investment of certified capital. An investor shall be entitled to take up to ten~~  
 6 ~~percent of the vested credit in any taxable year of the investor. Any time after~~  
 7 ~~three years after August 28, 1996, the director, with the approval of the~~  
 8 ~~commissioner of administration, may reduce the applicable percentage on a~~  
 9 ~~prospective basis. Any such reduction in the applicable percentage by the~~  
 10 ~~director shall not have any effect on credits against state premium tax liability~~  
 11 ~~which have been claimed or will be claimed by any investor with respect to~~  
 12 ~~credits which have been earned and vested pursuant to an investment of~~  
~~certified capital prior to the effective date of any such change.~~

13           2. ~~An insurance company claiming a state premium tax credit earned~~  
14 ~~through an investment in a certified capital company shall not be required to~~  
15 ~~pay any additional retaliatory tax levied pursuant to section 375.916 as a result~~  
16 ~~of claiming such credit.~~

17           3. ~~The credit against state premium tax liability which is described in~~  
18 ~~subsection 1 of this section may not exceed the state premium tax liability of~~  
19 ~~the investor for any taxable year. All such credits against state premium tax~~  
20 ~~liability may be carried forward indefinitely until the credits are utilized. The~~  
21 ~~maximum amount of certified capital in one or more certified capital~~  
22 ~~companies for which earned and vested tax credits will be allowed in any year~~  
23 ~~to any one investor or its affiliates shall be limited to ten million dollars.~~

24           4. ~~Except as provided in subsection 5 of this section, the aggregate~~  
25 ~~amount of certified capital for which earned and vested credits against state~~  
26 ~~premium tax liability are allowed for all persons pursuant to sections 135.500~~  
27 ~~to 135.529 shall not exceed the following amounts: for calendar year 1996,~~  
28 ~~\$0.00; for calendar year 1997, an amount which would entitle all Missouri~~  
29 ~~certified capital company investors to take aggregate credits of five million~~  
30 ~~dollars; and for any year thereafter, an additional amount to be determined by~~  
31 ~~the director but not to exceed aggregate credits of ten million dollars for any~~  
32 ~~year with the approval of the commissioner of administration and reported to~~  
33 ~~the general assembly as provided in subsection 2 of section 33.282, provided~~  
34 ~~that the amount so determined shall not impair the ability of an investor with~~  
35 ~~earned and vested credits which have been allowed in previous years to take~~  
36 ~~them, pursuant to subsection 1 of this section. During any calendar year in~~  
37 ~~which the limitation described in this subsection will limit the amount of~~  
38 ~~certified capital for which earned and vested credits against state premium tax~~  
39 ~~liability are allowed, certified capital for which credits are allowed will be~~  
40 ~~allocated in order of priority based upon the date of filing of information~~  
41 ~~described in subdivision (1) of subsection 5 of section 135.516. Certified~~  
42 ~~capital limited in any calendar year by the application of the provisions of this~~  
43 ~~subsection shall be allowed and allocated in the immediately succeeding~~  
44 ~~calendar year in the order of priority set forth in this subsection. The~~  
45 ~~department shall make separate allocations of certified capital for which~~  
46 ~~credits are allowed under the limitations described in this subsection and under~~  
47 ~~the limitations described in subsection 5 of this section.~~

48           5. ~~In addition to the maximum amount pursuant to subsection 4 of this~~  
49 ~~section, the aggregate amount of certified capital for which earned and vested~~  
50 ~~credits against state premium tax liability are allowed for persons pursuant to~~  
51 ~~sections 135.500 to 135.529 shall be the following: for calendar year 1999 and~~  
52 ~~for any year thereafter, an amount to be determined by the director which~~  
53 ~~would entitle all Missouri certified capital company investors to take aggregate~~  
54 ~~credits not to exceed four million dollars for any year with the approval of the~~  
55 ~~commissioner of administration and reported to the general assembly as~~  
56 ~~provided in subsection 2 of section 33.282, provided that the amount so~~  
57 ~~determined shall not impair the ability of an investor with earned and vested~~  
58 ~~credits which have been allowed in previous years or pursuant to the~~  
59 ~~provisions of subsection 4 of this section to take them, pursuant to subsection~~  
60 ~~1 of this section. For purposes of any requirement regarding the schedule of~~

61 ~~qualified investments for certified capital for which earned and vested credits~~  
62 ~~against state premium tax liability are allowed pursuant to this subsection only;~~  
63 ~~the definition of a "qualified Missouri business" as set forth in subdivision (14)~~  
64 ~~of subsection 2 of section 135.500 means a Missouri business that is located in~~  
65 ~~a distressed community as defined in section 135.530, and meets all of the~~  
66 ~~requirements of subdivision (14) of subsection 2 of section 135.500. During~~  
67 ~~any calendar year in which the limitation described in this subsection limits the~~  
68 ~~amount of additional certified capital for which earned and vested credits~~  
69 ~~against state premium tax liability are allowed, additional certified capital for~~  
70 ~~which credits are allowed shall be allocated in order of priority based upon the~~  
71 ~~date of filing of information described in subdivision (1) of subsection 5 of~~  
72 ~~section 135.516 with respect to such additional certified capital. The~~  
73 ~~department shall make separate allocations of certified capital for which~~  
74 ~~credits are allowed under the limitations described in this subsection and under~~  
75 ~~the limitations described in subsection 4 of this section. No limitation~~  
76 ~~applicable to any certified capital company with respect to certified capital for~~  
77 ~~which credits are allowed pursuant to subsection 4 of this section shall limit~~  
78 ~~the amount of certified capital for which credits are allowed pursuant to this~~  
79 ~~subsection. No limitation applicable to any certified capital company with~~  
80 ~~respect to certified capital for which credits are allowed pursuant to this~~  
81 ~~subsection shall limit the amount of certified capital for which credits are~~  
82 ~~allowed pursuant to subsection 4 of this section.~~

83 ~~6. The department shall advise any Missouri certified capital company,~~  
84 ~~in writing, within fifteen days after receiving the filing described in~~  
85 ~~subdivision (1) of subsection 5 of section 135.516 whether the limitations of~~  
86 ~~subsection 3 of this section then in effect will be applicable with respect to the~~  
87 ~~investments and credits described in such filing with the department.]~~

2 ~~[135.505. A Missouri certified capital company shall have a funding~~  
3 ~~period of one year from the date of receiving certification from the director.~~  
4 ~~All investments in the Missouri certified capital company shall be made within~~  
5 ~~such three hundred sixty-five day funding period.]~~

2 ~~[135.508. The department may certify profit or not for profit entities~~  
3 ~~which submit an application to be designated as a Missouri certified capital~~  
4 ~~company. The department shall review the organizational documents for each~~  
5 ~~applicant for certification and the business history of the applicant, determine~~  
6 ~~that the Missouri certified capital company's cash, marketable securities and~~  
7 ~~other liquid assets are at least five hundred thousand dollars, determine that the~~  
8 ~~liquid asset base for certified companies is at least five hundred thousand~~  
9 ~~dollars at all times during the company's participation in the program~~  
10 ~~authorized by sections 135.500 to 135.529, and determine that the officers and~~  
11 ~~the board of directors, partners, trustees or managers are thoroughly~~  
12 ~~acquainted with the requirements of sections 135.500 to 135.529. No~~  
13 ~~insurance company which receives tax credits permitted under sections~~  
14 ~~135.500 to 135.529 for an investment in a Missouri certified capital company~~  
15 ~~shall, individually or with or through one or more affiliates, be a managing~~  
~~general partner of or control the direction of investments of that Missouri~~

16 ~~certified capital company. Within seventy five days of application, the~~  
17 ~~department shall either issue the certification and notify the department of~~  
18 ~~revenue and the director of the department of commerce and insurance of such~~  
19 ~~certification or shall refuse the certification and communicate in detail to the~~  
20 ~~applicant the grounds for the refusal, including the suggestions for the removal~~  
21 ~~of those grounds. The department shall be responsible for the administration~~  
22 ~~of the tax credits authorized by sections 135.500 to 135.529. No rule or~~  
23 ~~portion of a rule promulgated under the authority of sections 135.500 to~~  
24 ~~135.529 shall become effective unless it has been promulgated pursuant to the~~  
25 ~~provisions of chapter 536. All rulemaking authority delegated prior to June~~  
26 ~~27, 1997, is of no force and effect and repealed; however, nothing in this~~  
27 ~~section shall be interpreted to repeal or affect the validity of any rule filed or~~  
28 ~~adopted prior to June 27, 1997, if such rule complied with the provisions of~~  
29 ~~chapter 536. The provisions of this section and chapter 536 are nonseverable~~  
30 ~~and if any of the powers vested with the general assembly pursuant to chapter~~  
31 ~~536, including the ability to review, to delay the effective date, or to~~  
32 ~~disapprove and annul a rule or portion of a rule, are subsequently held~~  
33 ~~unconstitutional, then the purported grant of rulemaking authority and any rule~~  
34 ~~so proposed and contained in the order of rulemaking shall be invalid and~~  
35 ~~void.]~~

2 ~~[135.516. 1. To continue to be certified, a Missouri certified capital~~  
3 ~~company shall make qualified investments according to the following~~  
4 ~~schedule:~~  
5 ~~(1) Within two years after the date on which a Missouri certified~~  
6 ~~capital company is designated as a Missouri certified capital company at least~~  
7 ~~twenty five percent of its certified capital shall be, or have been, placed in~~  
8 ~~qualified investments;~~  
9 ~~(2) Within three years after the date on which a Missouri certified~~  
10 ~~capital company is designated as a Missouri certified capital company at least~~  
11 ~~forty percent of its certified capital shall be, or have been, placed in qualified~~  
12 ~~investments;~~  
13 ~~(3) Within four years after the date on which a Missouri certified~~  
14 ~~capital company is designated as a Missouri certified capital company, at least~~  
15 ~~fifty percent of its total certified capital shall be, or have been, placed in~~  
16 ~~qualified investments. A Missouri certified capital company may not make an~~  
17 ~~investment in an affiliate of the certified capital company. For the purposes of~~  
18 ~~this subsection, if a legal entity is not an affiliate before a certified capital~~  
19 ~~company initially invests in the entity, it will not be an affiliate if a certified~~  
20 ~~capital company provides additional investment in such entity subsequent to~~  
21 ~~its initial investment;~~  
22 ~~(4) A certified capital company, at least fifteen working days prior to~~  
23 ~~making what it determines to be an initial qualified investment in a specific~~  
24 ~~qualified Missouri business, shall certify to the department that the company in~~  
25 ~~which it or a qualified investing entity proposes to invest is a qualified~~  
26 ~~Missouri business. The certified capital company shall state the amount of~~  
27 ~~capital it or a qualified investing entity intends to invest and the name of the~~  
~~business in which it or a qualified investing entity intends to invest. The~~

28 certified capital company shall also provide to the department an explanation  
29 of its determination that the business meets the definition of a qualified  
30 Missouri business. If the department determines that the business does not  
31 meet the definition of a qualified Missouri business, it shall, within the fifteen-  
32 working day period prior to the making of the proposed investment, notify the  
33 certified capital company of its determination and an explanation thereof. If  
34 the department fails to notify the certified capital company with respect to the  
35 proposed investment within the fifteen working day period prior to the making  
36 of the proposed investment, the company in which the certified capital  
37 company or a qualified investing entity proposes to invest shall be deemed to  
38 be a qualified Missouri business. If a certified capital company fails to notify  
39 the department prior to making an initial investment in a business, the  
40 department may subsequently determine that the business in which the  
41 certified capital company or a qualified investing entity invested was not a  
42 qualified Missouri business even though the business, at the time of the  
43 investment, met the requirements of subdivision (15) of subsection 2 of section  
44 135.500;

45 ~~(5) All certified capital which is not required to be placed in qualified~~  
46 ~~investments or which has been placed in qualified investments and can be~~  
47 ~~received by the company, may be held or invested in such manner as the~~  
48 ~~Missouri certified capital company, in its discretion, deems appropriate. The~~  
49 ~~proceeds of all certified capital which is received by a certified capital~~  
50 ~~company after it was originally placed in qualified investments may be placed~~  
51 ~~again in qualified investments and shall count toward any requirement in~~  
52 ~~sections 135.500 to 135.529 with respect to placing certified capital in~~  
53 ~~qualified investments.~~

54 ~~2. A certified capital company may make qualified distributions at any~~  
55 ~~time. In order to make distributions, other than qualified distributions, a~~  
56 ~~certified capital company must have made cumulative qualified investments,~~  
57 ~~including those made through a qualified investing entity, in an amount~~  
58 ~~cumulatively equal to at least one hundred percent of its certified capital.~~  
59 ~~Cumulative distributions to equity holders, other than qualified distributions,~~  
60 ~~in excess of the certified capital company's original certified capital and any~~  
61 ~~additional capital contributions to the certified capital company shall be~~  
62 ~~subject to audit by a nationally recognized certified public accounting firm~~  
63 ~~acceptable to the department, at the expense of the certified capital company.~~  
64 ~~The audit shall determine whether aggregate cumulative distributions to all~~  
65 ~~investors and equity holders, other than qualified distributions, when~~  
66 ~~combined with all tax credits utilized by investors pursuant to sections~~  
67 ~~135.500 to 135.529, have resulted in an annual internal rate of return of fifteen~~  
68 ~~percent computed on the sum of total original certified capital of the certified~~  
69 ~~capital company and any additional capital contributions to the certified capital~~  
70 ~~company. Twenty five percent of distributions made, other than qualified~~  
71 ~~distributions, in excess of the amount required to produce a fifteen percent~~  
72 ~~annual internal rate of return, as determined by the audit, shall be payable by~~  
73 ~~the certified capital company to the Missouri development finance board.~~  
74 ~~Distributions or payments to debt holders of a certified capital company,~~  
75 ~~however, may be made without restriction with respect to debt owed to them~~

76 by a certified capital company. A debt holder that is also an investor or equity  
 77 holder of a certified capital company may receive distributions or payments  
 78 with respect to such debt without restriction.

79 3. No qualified investment may be made at a cost to a Missouri  
 80 certified capital company greater than fifteen percent of the total certified  
 81 capital under management of the Missouri certified capital company at the  
 82 time of investment.

83 4. Documents and other materials submitted by Missouri certified  
 84 capital companies or by businesses for purposes of the continuance of  
 85 certification may be deemed "closed records" pursuant to the provisions of  
 86 section 620.014.

87 5. Each Missouri certified capital company shall report the following  
 88 to the department:

89 (1) As soon as practicable after the receipt of certified capital, the  
 90 name of each investor from which the certified capital was received, the  
 91 amount of each investor's investment of certified capital and tax credits  
 92 computed without regard to any limitations under subsection 3 of section  
 93 135.503, and the date on which the certified capital was received;

94 (2) On a quarterly basis, the amount of the Missouri certified capital  
 95 company's certified capital at the end of the quarter, whether or not the  
 96 Missouri certified capital company has invested, together with any  
 97 investments made by a qualified investing entity that are deemed to have  
 98 been made by the certified capital company, more than fifteen percent of the  
 99 total certified capital under management in any one company, and all qualified  
 100 investments that the Missouri certified capital company has made or has been  
 101 deemed to have been made through a qualified investing entity;

102 (3) Each Missouri certified capital company shall provide annual  
 103 audited financial statements to the department which include an opinion of an  
 104 independent certified public accountant to the department within ninety days  
 105 of the close of the fiscal year. At the same time, the certified capital company  
 106 shall also provide audited financial statements for any qualified investing  
 107 entity that has made qualified investments on its behalf, unless the financial  
 108 results of such qualified investing entity are included in the consolidated  
 109 financial statements of the certified capital company. The audit shall address  
 110 the methods of operation and conduct of the business of the Missouri certified  
 111 capital company to determine if the Missouri certified capital company is  
 112 complying with the statutes and program rules and that the funds received by  
 113 the Missouri certified capital company have been invested as required within  
 114 the time limits provided by sections 135.500 to 135.529.]

2 [135.517. In order for investments of a qualifying investing entity to  
 3 be counted as qualified investments pursuant to sections 135.500 to 135.529,  
 4 each such investment of a qualifying investing entity must have received prior  
 approval from the department.]

2 [135.520. 1. The division of finance shall conduct an annual review of  
 3 each Missouri certified capital company and any qualified investing entities  
 designated by it to determine if the Missouri certified capital company is

4 abiding by the requirements of certifications, to advise the Missouri certified  
5 capital company as to the certification status of its qualified investments and to  
6 ensure that no investment has been made in violation of sections 135.500 to  
7 135.529. The cost of the annual review shall be paid by each Missouri  
8 certified capital company according to a reasonable fee schedule adopted by  
9 the department. The division of finance shall report its findings to the  
10 department as soon as practicable following completion of the audit.

11 ~~2. Any material violation of sections 135.500 to 135.529 shall be~~  
12 ~~grounds for decertification under this section. If the department determines~~  
13 ~~that a company is not in compliance with any requirements for continuing in~~  
14 ~~certification, it shall, by written notice, inform the officers of the company and~~  
15 ~~the board of directors, managers, trustees or general partners that they may be~~  
16 ~~decertified in one hundred twenty days from the date of mailing of the notice,~~  
17 ~~unless they correct the deficiencies and are again in compliance with the~~  
18 ~~requirements for certification.~~

19 ~~3. At the end of the one hundred twenty day grace period, if the~~  
20 ~~Missouri certified capital company is still not in compliance, the department~~  
21 ~~may send a notice of decertification to the company and to the directors of the~~  
22 ~~department of revenue and department of commerce and insurance.~~  
23 ~~Decertification of a Missouri certified capital company prior to the certified~~  
24 ~~capital company meeting all requirements of subdivisions (1) to (3) of~~  
25 ~~subsection 1 of section 135.516 shall cause the recapture of all premium tax~~  
26 ~~credits previously claimed by an investor and the forfeiture of all future credits~~  
27 ~~to be claimed by an investor with respect to its investment in the certified~~  
28 ~~capital company. Decertification of a Missouri certified capital company after~~  
29 ~~it has met all requirements of subdivisions (1) to (3) of subsection 1 of section~~  
30 ~~135.516 shall cause the forfeiture of premium tax credits for the taxable year~~  
31 ~~of the investor in which the decertification arose and for future taxable years~~  
32 ~~with no recapture of tax credits obtained by an investor with respect to the~~  
33 ~~investor's tax years which ended before the decertification occurred. Once a~~  
34 ~~certified capital company has made cumulative qualified investments,~~  
35 ~~including those made through a qualified investing entity and deemed to~~  
36 ~~have been made by the certified capital company, in an amount equal to at least~~  
37 ~~one hundred percent of its certified capital, all future premium tax credits to be~~  
38 ~~claimed by investors with respect to said certified capital company pursuant to~~  
39 ~~sections 135.500 to 135.529 shall be nonforfeitable. Once a certified capital~~  
40 ~~company has made cumulative qualified investments, including those made~~  
41 ~~through a qualified investing entity and deemed to have been made by the~~  
42 ~~certified capital company, in an amount equal to at least one hundred percent~~  
43 ~~of its certified capital and has met all other requirements under sections~~  
44 ~~135.500 to 135.529, it shall no longer be subject to regulation by the~~  
45 ~~department except with respect to the payment of distributions to the Missouri~~  
46 ~~development finance board.]~~

2 [135.523. The department may revoke the certification of a Missouri  
3 certified capital company if any material representation to the department in  
connection with the application process proves to have been falsely made or if

4 the application materially violates any requirement established by the  
5 department pursuant to sections 135.500 to 135.529.]

2 [135.526. All investments for which tax credits are claimed under the  
3 provisions of sections 135.500 to 135.529 shall satisfy the conditions of being  
4 registered or specifically exempt from registration by provisions or regulations  
under chapter 409.]

2 [135.529. 1. The tax credit established pursuant to sections 135.500 to  
3 135.529 may be sold or transferred in accordance with regulations adopted by  
4 the department. Any such sale or transfer shall not affect the time schedule for  
5 taking the tax credit, as provided in sections 135.500 to 135.529. Any  
6 premium tax credits recaptured pursuant to section 135.520 shall be the  
7 liability of the taxpayer which actually claimed the credit. In approving the  
8 sale or transfer of the credit pursuant to this section, the department may  
9 require the transferor or the transferee or both the transferor and the transferee  
10 to execute guarantees or post bonds with respect to any potential credit  
recapture.

11 2. No rule or portion of a rule promulgated under the authority of  
12 sections 135.500 to 135.529 shall become effective unless it has been  
13 promulgated pursuant to the provisions of chapter 536. The department shall  
14 make and promulgate emergency rules and regulations consistent with the  
15 provisions of sections 135.500 to 135.529 as are necessary or useful to carry  
16 out the provisions of sections 135.500 to 135.529, pursuant to section 536.025.

17 3. Every final order, decision, license or other official act of the  
18 director pursuant to sections 135.500 to 135.529 is subject to administrative  
19 review in accordance with chapter 621.]

2 [135.535. 1. A corporation, limited liability corporation, partnership  
3 or sole proprietorship, which moves its operations from outside Missouri or  
4 outside a distressed community into a distressed community, or which  
5 commences operations in a distressed community on or after January 1, 1999,  
6 and in either case has more than seventy five percent of its employees at the  
7 facility in the distressed community, and which has fewer than one hundred  
8 employees for whom payroll taxes are paid, and which is a manufacturing,  
9 biomedical, medical devices, scientific research, animal research, computer  
10 software design or development, computer programming, including internet,  
11 web hosting, and other information technology, wireless or wired or other  
12 telecommunications or a professional firm shall receive a forty percent credit  
13 against income taxes owed pursuant to chapter 143, 147 or 148, other than  
14 taxes withheld pursuant to sections 143.191 to 143.265, for each of the three  
15 years after such move, if approved by the department of economic  
16 development, which shall issue a certificate of eligibility if the department  
17 determines that the taxpayer is eligible for such credit. The maximum amount  
18 of credits per taxpayer set forth in this subsection shall not exceed one hundred  
19 twenty five thousand dollars for each of the three years for which the credit is  
20 claimed. The department of economic development, by means of rule or  
regulation promulgated pursuant to the provisions of chapter 536, shall assign

21 appropriate North American Industry Classification System numbers to the  
22 companies which are eligible for the tax credits provided for in this section.  
23 Such three-year credits shall be awarded only one time to any company which  
24 moves its operations from outside of Missouri or outside of a distressed  
25 community into a distressed community or to a company which commences  
26 operations within a distressed community. A taxpayer shall file an application  
27 for certification of the tax credits for the first year in which credits are claimed  
28 and for each of the two succeeding taxable years for which credits are claimed.

29 2. Employees of such facilities physically working and earning wages  
30 for that work within a distressed community whose employers have been  
31 approved for tax credits pursuant to subsection 1 of this section by the  
32 department of economic development for whom payroll taxes are paid shall  
33 also be eligible to receive a tax credit against individual income tax, imposed  
34 pursuant to chapter 143, equal to one and one-half percent of their gross salary  
35 paid at such facility earned for each of the three years that the facility receives  
36 the tax credit provided by this section, so long as they were qualified  
37 employees of such entity. The employer shall calculate the amount of such  
38 credit and shall report the amount to the employee and the department of  
39 revenue.

40 3. A tax credit against income taxes owed pursuant to chapter 143, 147  
41 or 148, other than the taxes withheld pursuant to sections 143.191 to 143.265,  
42 in lieu of the credit against income taxes as provided in subsection 1 of this  
43 section, may be taken by such an entity in a distressed community in an  
44 amount of forty percent of the amount of funds expended for computer  
45 equipment and its maintenance, medical laboratories and equipment, research  
46 laboratory equipment, manufacturing equipment, fiber optic equipment, high  
47 speed telecommunications, wiring or software development expense up to a  
48 maximum of seventy-five thousand dollars in tax credits for such equipment or  
49 expense per year per entity and for each of three years after commencement in  
50 or moving operations into a distressed community.

51 4. A corporation, partnership or sole partnership, which has no more  
52 than one hundred employees for whom payroll taxes are paid, which is already  
53 located in a distressed community and which expends funds for such  
54 equipment pursuant to subsection 3 of this section in an amount exceeding its  
55 average of the prior two years for such equipment, shall be eligible to receive a  
56 tax credit against income taxes owed pursuant to chapters 143, 147 and 148 in  
57 an amount equal to the lesser of seventy-five thousand dollars or twenty-five  
58 percent of the funds expended for such additional equipment per such entity.  
59 Tax credits allowed pursuant to this subsection or subsection 1 of this section  
60 may be carried back to any of the three prior tax years and carried forward to  
61 any of the next five tax years.

62 5. An existing corporation, partnership or sole proprietorship that is  
63 located within a distressed community and that relocates employees from  
64 another facility outside of the distressed community to its facility within the  
65 distressed community, and an existing business located within a distressed  
66 community that hires new employees for that facility may both be eligible for  
67 the tax credits allowed by subsections 1 and 3 of this section. To be eligible  
68 for such tax credits, such a business, during one of its tax years, shall employ

69 within a distressed community at least twice as many employees as were  
70 employed at the beginning of that tax year. A business hiring employees shall  
71 have no more than one hundred employees before the addition of the new  
72 employees. This subsection shall only apply to a business which is a  
73 manufacturing, biomedical, medical devices, scientific research, animal  
74 research, computer software design or development, computer programming  
75 or telecommunications business, or a professional firm.

76 ~~6. Tax credits shall be approved for applicants meeting the~~  
77 ~~requirements of this section in the order that such applications are received.~~  
78 ~~Certificates of tax credits issued in accordance with this section may be~~  
79 ~~transferred, sold or assigned by notarized endorsement which names the~~  
80 ~~transferee.~~

81 ~~7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of~~  
82 ~~this section shall be for an amount of no more than ten million dollars for each~~  
83 ~~year beginning in 1999. The total maximum credit for all entities already~~  
84 ~~located in distressed communities and claiming credits pursuant to subsection~~  
85 ~~4 of this section shall be seven hundred and fifty thousand dollars. The~~  
86 ~~department of economic development in approving taxpayers for the credit as~~  
87 ~~provided for in subsection 6 of this section shall use information provided by~~  
88 ~~the department of revenue regarding taxes paid in the previous year, or~~  
89 ~~projected taxes for those entities newly established in the state, as the method~~  
90 ~~of determining when this maximum will be reached and shall maintain a~~  
91 ~~record of the order of approval. Any tax credit not used in the period for~~  
92 ~~which the credit was approved may be carried over until the full credit has~~  
93 ~~been allowed.~~

94 ~~8. A Missouri employer relocating into a distressed community and~~  
95 ~~having employees covered by a collective bargaining agreement at the facility~~  
96 ~~from which it is relocating shall not be eligible for the credits in subsection 1,~~  
97 ~~3, 4 or 5 of this section, and its employees shall not be eligible for the credit in~~  
98 ~~subsection 2 of this section if the relocation violates or terminates a collective~~  
99 ~~bargaining agreement covering employees at the facility, unless the affected~~  
100 ~~collective bargaining unit concurs with the move.~~

101 ~~9. Notwithstanding any provision of law to the contrary, no taxpayer~~  
102 ~~shall earn the tax credits allowed in this section and the tax credits otherwise~~  
103 ~~allowed in section 135.110, or the tax credits, exemptions, and refund~~  
104 ~~otherwise allowed in sections 135.200, 135.220, 135.225 and 135.245,~~  
105 ~~respectively, for the same business for the same tax period.]~~

2 [135.545. A taxpayer shall be allowed a credit for taxes paid pursuant  
3 to chapter 143, 147 or 148 in an amount equal to fifty percent of a qualified  
4 investment in transportation development for aviation, mass transportation,  
5 including parking facilities for users of mass transportation, railroads, ports,  
6 including parking facilities and limited access roads within ports, waterborne  
7 transportation, bicycle and pedestrian paths, or rolling stock located in a  
8 distressed community as defined in section 135.530, and which are part of a  
9 development plan approved by the appropriate local agency. If the department  
10 of economic development determines the investment has been so approved,  
the department shall grant the tax credit in order of date received. A taxpayer

11 may carry forward any unused tax credit for up to ten years and may carry it  
 12 back for the previous three years until such credit has been fully claimed.  
 13 Certificates of tax credit issued in accordance with this section may be  
 14 transferred, sold or assigned by notarized endorsement which names the  
 15 transferee. The tax credits allowed pursuant to this section shall be for an  
 16 amount of no more than ten million dollars for each year. This credit shall  
 17 apply to returns filed for all taxable years beginning on or after January 1,  
 18 1999. Any unused portion of the tax credit authorized pursuant to this section  
 19 shall be available for use in the future by those entities until fully claimed. For  
 20 purposes of this section, a "taxpayer" shall include any charitable organization  
 21 that is exempt from federal income tax and whose Missouri unrelated business  
 22 taxable income, if any, would be subject to the state income tax imposed under  
 23 chapter 143.]

2 [~~135.546. For all tax years beginning on or after January 1, 2005, no~~  
 3 ~~tax credits shall be approved, awarded, or issued to any person or entity~~  
 4 ~~claiming any tax credit under section 135.545; if an organization has been~~  
 5 ~~allocated credits for contribution based credits prior to January 1, 2005, the~~  
 6 ~~organization may issue such credits prior to January 1, 2007, for qualified~~  
~~contributions.]~~

2 [~~135.679. 1. This section shall be known and may be cited as the~~  
 3 ~~"Qualified Beef Tax Credit Act".~~  
 4 ~~2. As used in this section, the following terms mean:~~  
 5 ~~(1) "Agricultural property", any real and personal property, including~~  
 6 ~~but not limited to buildings, structures, improvements, equipment, and~~  
 7 ~~livestock, that is used in or is to be used in this state by residents of this~~  
 8 ~~state for:~~  
 9 ~~(a) The operation of a farm or ranch; and~~  
 10 ~~(b) Grazing, feeding, or the care of livestock;~~  
 11 ~~(2) "Authority", the agricultural and small business development~~  
 12 ~~authority established in chapter 348;~~  
 13 ~~(3) "Backgrounded", any additional weight at the time of the first~~  
 14 ~~qualifying sale, before being finished, above the established baseline weight;~~  
 15 ~~(4) "Baseline weight", the average weight in the immediate past two~~  
 16 ~~years of all beef animals sold that are thirty months of age or younger,~~  
 17 ~~categorized by sex. Baseline weight for qualified beef animals that are~~  
 18 ~~physically out of state but whose ownership is retained by a resident of this~~  
 19 ~~state shall be established by the average transfer weight in the immediate past~~  
 20 ~~two years of all beef animals that are thirty months of age or younger and that~~  
 21 ~~are transferred out of state but whose ownership is retained by a resident of~~  
 22 ~~this state, categorized by sex. The established baseline weight shall be~~  
 23 ~~effective for a period of three years. If the taxpayer is a qualifying beef animal~~  
 24 ~~producer with fewer than two years of production, the baseline weight shall be~~  
 25 ~~established by the available average weight in the immediate past year of all~~  
 26 ~~beef animals sold that are thirty months of age or younger, categorized by sex.~~  
 27 ~~If the qualifying beef animal producer has no previous production, the baseline~~  
~~weight shall be established by the authority;~~

- 28 (5) ~~"Finished", the period from backgrounded to harvest;~~  
29 (6) ~~"Qualifying beef animal", any beef animal that is certified by the~~  
30 ~~authority, that was born in this state after August 28, 2008, that was raised and~~  
31 ~~backgrounded or finished in this state by the taxpayer, excluding any beef~~  
32 ~~animal more than thirty months of age as verified by certified written birth~~  
33 ~~records;~~  
34 (7) ~~"Qualifying sale", the first time a qualifying beef animal is sold in~~  
35 ~~this state after the qualifying beef animal is backgrounded, and a subsequent~~  
36 ~~sale if the weight of the qualifying beef animal at the time of the subsequent~~  
37 ~~sale is greater than the weight of the qualifying beef animal at the time of the~~  
38 ~~first qualifying sale of such beef animal;~~  
39 (8) ~~"Tax credit", a credit against the tax otherwise due under chapter~~  
40 ~~143, excluding withholding tax imposed by sections 143.191 to 143.265, or~~  
41 ~~otherwise due under chapter 147;~~  
42 (9) ~~"Taxpayer", any individual or entity who:~~  
43 (a) ~~Is subject to the tax imposed in chapter 143, excluding withholding~~  
44 ~~tax imposed by sections 143.191 to 143.265, or the tax imposed in chapter~~  
45 ~~147;~~  
46 (b) ~~In the case of an individual, is a resident of this state as verified by~~  
47 ~~a 911 address or in the absence of a 911 system, a physical address; and~~  
48 (c) ~~Owns or rents agricultural property and principal place of business~~  
49 ~~is located in this state.~~  
50 3. (1) ~~For all tax years beginning on or after January 1, 2009, but~~  
51 ~~ending on or before December 31, 2021, a taxpayer shall be allowed a tax~~  
52 ~~credit for the first qualifying sale and for a subsequent qualifying sale of all~~  
53 ~~qualifying beef animals.~~  
54 (2) ~~The tax credit amount for the first qualifying sale shall be ten cents~~  
55 ~~per pound for qualifying sale weights under six hundred pounds and twenty-~~  
56 ~~five cents per pound for qualifying sale weights of six hundred pounds or~~  
57 ~~greater, shall be based on the backgrounded weight of all qualifying beef~~  
58 ~~animals at the time of the first qualifying sale, and shall be calculated as~~  
59 ~~follows:~~  
60 (a) ~~If the qualifying sale weight is under six hundred pounds, the~~  
61 ~~qualifying sale weight minus the baseline weight multiplied by ten cents, as~~  
62 ~~long as the qualifying sale weight is equal to or greater than one hundred~~  
63 ~~pounds above the baseline weight; or~~  
64 (b) ~~If the qualifying sale weight is six hundred pounds or greater, the~~  
65 ~~qualifying sale weight minus the baseline weight multiplied by twenty five~~  
66 ~~cents, as long as the qualifying sale weight is equal to or greater than one~~  
67 ~~hundred pounds above the baseline weight.~~  
68 (3) ~~The tax credit amount for each subsequent qualifying sale shall be~~  
69 ~~ten cents per pound for qualifying sale weights under six hundred pounds and~~  
70 ~~twenty five cents per pound for qualifying sale weights of six hundred pounds~~  
71 ~~or greater, shall be based on the backgrounded weight of all qualifying beef~~  
72 ~~animals at the time of the subsequent qualifying sale, and shall be calculated as~~  
73 ~~follows:~~  
74 (a) ~~If the qualifying sale weight is under six hundred pounds, the~~  
75 ~~qualifying sale weight minus the baseline weight multiplied by ten cents, as~~

76 long as the qualifying sale weight is equal to or greater than one hundred  
77 pounds above the baseline weight; or

78 (b) If the qualifying sale weight is six hundred pounds or greater, the  
79 qualifying sale weight minus the baseline weight multiplied by twenty five  
80 cents, as long as the qualifying sale weight is equal to or greater than one  
81 hundred pounds above the baseline weight.

82  
83 ~~The authority may waive no more than twenty five percent of the one-~~  
84 ~~hundred pound weight gain requirement, but any such waiver shall be based~~  
85 ~~on a disaster declaration issued by the U.S. Department of Agriculture.~~

86 4. ~~The amount of the tax credit claimed shall not exceed the amount of~~  
87 ~~the taxpayer's state tax liability for the tax year for which the credit is claimed.~~  
88 ~~No tax credit claimed under this section shall be refundable. The tax credit~~  
89 ~~shall be claimed in the tax year in which the qualifying sale of the qualifying~~  
90 ~~beef occurred, but any amount of credit that the taxpayer is prohibited by this~~  
91 ~~section from claiming in a tax year may be carried forward to any of the~~  
92 ~~taxpayer's four subsequent tax years. The total amount of tax credits that any~~  
93 ~~taxpayer may claim shall not exceed fifteen thousand dollars per year. No~~  
94 ~~taxpayer shall be allowed to claim tax credits under this section for more than~~  
95 ~~three years. The amount of tax credits that may be issued to all eligible~~  
96 ~~applicants claiming tax credits authorized in this section and section 135.686~~  
97 ~~in a calendar year shall not exceed two million dollars. Tax credits shall be~~  
98 ~~issued on an as received application basis until the calendar year limit is~~  
99 ~~reached. Any credits not issued in any calendar year shall expire and shall not~~  
100 ~~be issued in any subsequent years.~~

101 5. ~~To claim the tax credit allowed under this section, the taxpayer shall~~  
102 ~~submit to the authority an application for the tax credit on a form provided by~~  
103 ~~the authority and any application fee imposed by the authority. The~~  
104 ~~application shall be filed with the authority at the end of each calendar year in~~  
105 ~~which a qualified sale was made and for which a tax credit is claimed under~~  
106 ~~this section. The application shall include any certified documentation and~~  
107 ~~information required by the authority. All required information obtained by~~  
108 ~~the authority shall be confidential and not disclosed except by court order,~~  
109 ~~subpoena, or as otherwise provided by law. If the taxpayer and the qualified~~  
110 ~~sale meet all criteria required by this section and approval is granted by the~~  
111 ~~authority, the authority shall issue a tax credit certificate in the appropriate~~  
112 ~~amount. Tax credit certificates issued under this section may be assigned,~~  
113 ~~transferred, sold, or otherwise conveyed, and the new owner of the tax credit~~  
114 ~~certificate shall have the same rights in the tax credit as the original taxpayer.~~  
115 ~~Whenever a tax credit certificate is assigned, transferred, sold or otherwise~~  
116 ~~conveyed, a notarized endorsement shall be filed with the authority specifying~~  
117 ~~the name and address of the new owner of the tax credit certificate or the value~~  
118 ~~of the tax credit.~~

119 6. ~~Any information provided under this section shall be confidential~~  
120 ~~information, to be shared with no one except state and federal animal health~~  
121 ~~officials, except as provided in subsection 5 of this section.~~

122           7. The authority shall, at least annually, submit a report to the Missouri  
 123 ~~general assembly reviewing the costs and benefits of the program established~~  
 124 ~~under this section.~~

125           8. The authority may promulgate rules to implement the provisions of  
 126 this section. Any rule or portion of a rule, as that term is defined in section  
 127 536.010, that is created under the authority delegated in this section shall  
 128 become effective only if it complies with and is subject to all of the provisions  
 129 of chapter 536 and, if applicable, section 536.028. This section and chapter  
 130 536 are nonseverable and if any of the powers vested with the general  
 131 assembly pursuant to chapter 536 to review, to delay the effective date, or to  
 132 disapprove and annul a rule are subsequently held unconstitutional, then the  
 133 grant of rulemaking authority and any rule proposed or adopted after August  
 134 28, 2007, shall be invalid and void.

135           9. This section shall not be subject to the Missouri sunset act, sections  
 136 23.250 to 23.298.]

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

2           (1) "Adjusted purchase price", the product of:

3           (a) The amount paid to the issuer of a qualified equity investment for  
 4 such qualified equity investment; and

5           (b) The following fraction:

6           a. The numerator shall be the dollar amount of qualified low income  
 7 community investments held by the issuer in this state as of the credit  
 8 allowance date during the applicable tax year; and

9           b. The denominator shall be the total dollar amount of qualified low-  
 10 income community investments held by the issuer in all states as of the credit  
 11 allowance date during the applicable tax year;

12           c. For purposes of calculating the amount of qualified low income  
 13 community investments held by an issuer, an investment shall be considered  
 14 held by an issuer even if the investment has been sold or repaid; provided that  
 15 the issuer reinvests an amount equal to the capital returned to or recovered by  
 16 the issuer from the original investment, exclusive of any profits realized, in  
 17 another qualified low income community investment within twelve months of  
 18 the receipt of such capital. An issuer shall not be required to reinvest capital  
 19 returned from qualified low income community investments after the sixth  
 20 anniversary of the issuance of the qualified equity investment, the proceeds of  
 21 which were used to make the qualified low income community investment,  
 22 and the qualified low income community investment shall be considered held  
 23 by the issuer through the seventh anniversary of the qualified equity  
 24 investment's issuance;

25           (2) "Applicable percentage", zero percent for each of the first two  
 26 credit allowance dates, seven percent for the third credit allowance date, and  
 27 eight percent for the next four credit allowance dates;

28           (3) "Credit allowance date", with respect to any qualified equity  
 29 investment:

30           (a) The date on which such investment is initially made; and

31           (b) Each of the six anniversary dates of such date thereafter;

32 ~~(4) "Long term debt security", any debt instrument issued by a~~  
33 ~~qualified community development entity, at par value or a premium, with an~~  
34 ~~original maturity date of at least seven years from the date of its issuance, with~~  
35 ~~no acceleration of repayment, amortization, or prepayment features prior to its~~  
36 ~~original maturity date, and with no distribution, payment, or interest features~~  
37 ~~related to the profitability of the qualified community development entity or~~  
38 ~~the performance of the qualified community development entity's investment~~  
39 ~~portfolio. The foregoing shall in no way limit the holder's ability to accelerate~~  
40 ~~payments on the debt instrument in situations where the issuer has defaulted~~  
41 ~~on covenants designed to ensure compliance with this section or Section 45D~~  
42 ~~of the Internal Revenue Code of 1986, as amended;~~

43 ~~(5) "Qualified active low income community business", the meaning~~  
44 ~~given such term in Section 45D of the Internal Revenue Code of 1986, as~~  
45 ~~amended; provided that any business that derives or projects to derive fifteen~~  
46 ~~percent or more of its annual revenue from the rental or sale of real estate shall~~  
47 ~~not be considered to be a qualified active low income community business;~~

48 ~~(6) "Qualified community development entity", the meaning given~~  
49 ~~such term in Section 45D of the Internal Revenue Code of 1986, as amended;~~  
50 ~~provided that such entity has entered into an allocation agreement with the~~  
51 ~~Community Development Financial Institutions Fund of the U.S. Treasury~~  
52 ~~Department with respect to credits authorized by Section 45D of the Internal~~  
53 ~~Revenue Code of 1986, as amended, which includes the state of Missouri~~  
54 ~~within the service area set forth in such allocation agreement;~~

55 ~~(7) "Qualified equity investment", any equity investment in, or long-~~  
56 ~~term debt security issued by, a qualified community development entity that:~~  
57 ~~(a) Is acquired after September 4, 2007, at its original issuance solely~~  
58 ~~in exchange for cash;~~

59 ~~(b) Has at least eighty five percent of its cash purchase price used by~~  
60 ~~the issuer to make qualified low income community investments; and~~

61 ~~(c) Is designated by the issuer as a qualified equity investment under~~  
62 ~~this subdivision and is certified by the department of economic development~~  
63 ~~as not exceeding the limitation contained in subsection 2 of this section. This~~  
64 ~~term shall include any qualified equity investment that does not meet the~~  
65 ~~provisions of paragraph (a) of this subdivision if such investment was a~~  
66 ~~qualified equity investment in the hands of a prior holder;~~

67 ~~(8) "Qualified low income community investment", any capital or~~  
68 ~~equity investment in, or loan to, any qualified active low income community~~  
69 ~~business. With respect to any one qualified active low income community~~  
70 ~~business, the maximum amount of qualified low income community~~  
71 ~~investments made in such business, on a collective basis with all of its~~  
72 ~~affiliates, that may be used from the calculation of any numerator described in~~  
73 ~~subparagraph a. of paragraph (b) of subdivision (1) of this subsection shall be~~  
74 ~~ten million dollars whether issued to one or several qualified community~~  
75 ~~development entities;~~

76 ~~(9) "Tax credit", a credit against the tax otherwise due under chapter~~  
77 ~~143, excluding withholding tax imposed in sections 143.191 to 143.265, or~~  
78 ~~otherwise due under section 375.916 or chapter 147, 148, or 153;~~

79           (10) ~~"Taxpayer", any individual or entity subject to the tax imposed in~~  
80 ~~chapter 143, excluding withholding tax imposed in sections 143.191 to~~  
81 ~~143.265, or the tax imposed in section 375.916 or chapter 147, 148, or 153.~~

82           2. ~~A taxpayer that makes a qualified equity investment earns a vested~~  
83 ~~right to tax credits under this section. On each credit allowance date of such~~  
84 ~~qualified equity investment the taxpayer, or subsequent holder of the qualified~~  
85 ~~equity investment, shall be entitled to a tax credit during the taxable year~~  
86 ~~including such credit allowance date. The tax credit amount shall be equal to~~  
87 ~~the applicable percentage of the adjusted purchase price paid to the issuer of~~  
88 ~~such qualified equity investment. The amount of the tax credit claimed shall~~  
89 ~~not exceed the amount of the taxpayer's state tax liability for the tax year for~~  
90 ~~which the tax credit is claimed. No tax credit claimed under this section shall~~  
91 ~~be refundable or transferable. Tax credits earned by a partnership, limited~~  
92 ~~liability company, S-corporation, or other pass-through entity may be allocated~~  
93 ~~to the partners, members, or shareholders of such entity for their direct use in~~  
94 ~~accordance with the provisions of any agreement among such partners,~~  
95 ~~members, or shareholders. Any amount of tax credit that the taxpayer is~~  
96 ~~prohibited by this section from claiming in a taxable year may be carried~~  
97 ~~forward to any of the taxpayer's five subsequent taxable years. The~~  
98 ~~department of economic development shall limit the monetary amount of~~  
99 ~~qualified equity investments permitted under this section to a level necessary~~  
100 ~~to limit tax credit utilization at no more than twenty-five million dollars of tax~~  
101 ~~credits in any fiscal year. Such limitation on qualified equity investments shall~~  
102 ~~be based on the anticipated utilization of credits without regard to the potential~~  
103 ~~for taxpayers to carry forward tax credits to later tax years.~~

104           3. ~~The issuer of the qualified equity investment shall certify to the~~  
105 ~~department of economic development the anticipated dollar amount of such~~  
106 ~~investments to be made in this state during the first twelve-month period~~  
107 ~~following the initial credit allowance date. If on the second credit allowance~~  
108 ~~date, the actual dollar amount of such investments is different than the amount~~  
109 ~~estimated, the department of economic development shall adjust the credits~~  
110 ~~arising on the second allowance date to account for such difference.~~

111           4. ~~The department of economic development shall recapture the tax~~  
112 ~~credit allowed under this section with respect to such qualified equity~~  
113 ~~investment under this section if:~~

114           (1) ~~Any amount of the federal tax credit available with respect to a~~  
115 ~~qualified equity investment that is eligible for a tax credit under this section is~~  
116 ~~recaptured under Section 45D of the Internal Revenue Code of 1986, as~~  
117 ~~amended; or~~

118           (2) ~~The issuer redeems or makes principal repayment with respect to a~~  
119 ~~qualified equity investment prior to the seventh anniversary of the issuance of~~  
120 ~~such qualified equity investment. Any tax credit that is subject to recapture~~  
121 ~~shall be recaptured from the taxpayer that claimed the tax credit on a return.~~

122           5. ~~The department of economic development shall promulgate rules to~~  
123 ~~implement the provisions of this section, including recapture provisions on a~~  
124 ~~sealed proportional basis, and to administer the allocation of tax credits issued~~  
125 ~~for qualified equity investments, which shall be conducted on a first come,~~  
126 ~~first serve basis. Any rule or portion of a rule, as that term is defined in~~

127 ~~section 536.010, that is created under the authority delegated in this section~~  
 128 ~~shall become effective only if it complies with and is subject to all of the~~  
 129 ~~provisions of chapter 536 and, if applicable, section 536.028. This section and~~  
 130 ~~chapter 536 are nonseverable and if any of the powers vested with the general~~  
 131 ~~assembly pursuant to chapter 536 to review, to delay the effective date, or to~~  
 132 ~~disapprove and annul a rule are subsequently held unconstitutional, then the~~  
 133 ~~grant of rulemaking authority and any rule proposed or adopted after~~  
 134 ~~September 4, 2007, shall be invalid and void.~~

135 ~~6. For fiscal years following fiscal year 2010, qualified equity~~  
 136 ~~investments shall not be made under this section unless reauthorization is~~  
 137 ~~made pursuant to this subsection. For all fiscal years following fiscal year~~  
 138 ~~2010, unless the general assembly adopts a concurrent resolution granting~~  
 139 ~~authority to the department of economic development to approve qualified~~  
 140 ~~equity investments for the Missouri new markets development program and~~  
 141 ~~clearly describing the amount of tax credits available for the next fiscal year,~~  
 142 ~~or otherwise complies with the provisions of this subsection, no qualified~~  
 143 ~~equity investments may be permitted to be made under this section. The~~  
 144 ~~amount of available tax credits contained in such a resolution shall not exceed~~  
 145 ~~the limitation provided under subsection 2 of this section. In any year in~~  
 146 ~~which the provisions of this section shall sunset pursuant to subsection 7 of~~  
 147 ~~this section, reauthorization shall be made by general law and not by~~  
 148 ~~concurrent resolution. Nothing in this subsection shall preclude a taxpayer~~  
 149 ~~who makes a qualified equity investment prior to the expiration of authority to~~  
 150 ~~make qualified equity investments from claiming tax credits relating to such~~  
 151 ~~qualified equity investment for each applicable credit allowance date.~~

152 ~~7. Under section 23.253 of the Missouri sunset act:~~

153 ~~(1) The provisions of the new program authorized under this section~~  
 154 ~~shall automatically sunset six years after September 4, 2007, unless~~  
 155 ~~reauthorized by an act of the general assembly; and~~

156 ~~(2) If such program is reauthorized, the program authorized under this~~  
 157 ~~section shall automatically sunset twelve years after the effective date of the~~  
 158 ~~reauthorization of this section; and~~

159 ~~(3) This section shall terminate on September first of the calendar year~~  
 160 ~~immediately following the calendar year in which the program authorized~~  
 161 ~~under this section is sunset. However, nothing in this subsection shall preclude~~  
 162 ~~a taxpayer who makes a qualified equity investment prior to sunset of this~~  
 163 ~~section under the provisions of section 23.253 from claiming tax credits~~  
 164 ~~relating to such qualified equity investment for each credit allowance date.]~~

2 ~~[135.682. 1. The director of the department of economic development~~  
 3 ~~or the director's designee shall issue letter rulings regarding the tax credit~~  
 4 ~~program authorized under section 135.680, subject to the terms and conditions~~  
 5 ~~set forth in this section. The director of the department of economic~~  
 6 ~~development may impose additional terms and conditions consistent with this~~  
 7 ~~section to requests for letter rulings by regulation promulgated under chapter~~  
 8 ~~536. For the purposes of this section, the term "letter ruling" means a written~~  
 9 ~~interpretation of law to a specific set of facts provided by the applicant~~  
~~requesting a letter ruling.~~

10 ~~2. The director or director's designee shall respond to a request for a~~  
 11 ~~letter ruling within sixty days of receipt of such request. The applicant may~~  
 12 ~~provide a draft letter ruling for the department's consideration. The applicant~~  
 13 ~~may withdraw the request for a letter ruling, in writing, prior to the issuance of~~  
 14 ~~the letter ruling. The director or the director's designee may refuse to issue a~~  
 15 ~~letter ruling for good cause, but must list the specific reasons for refusing to~~  
 16 ~~issue the letter ruling. Good cause includes, but is not limited to:~~

17 ~~(1) The applicant requests the director to determine whether a statute~~  
 18 ~~is constitutional or a regulation is lawful;~~

19 ~~(2) The request involves a hypothetical situation or alternative plans;~~

20 ~~(3) The facts or issues presented in the request are unclear, overbroad,~~  
 21 ~~insufficient, or otherwise inappropriate as a basis upon which to issue a letter~~  
 22 ~~ruling; and~~

23 ~~(4) The issue is currently being considered in a rulemaking procedure,~~  
 24 ~~contested case, or other agency or judicial proceeding that may definitely~~  
 25 ~~resolve the issue.~~

26 ~~3. Letter rulings shall bind the director and the director's agents and~~  
 27 ~~their successors until such time as the taxpayer or its shareholders, members,~~  
 28 ~~or partners, as applicable, claim all of such tax credits on a Missouri tax return,~~  
 29 ~~subject to the terms and conditions set forth in properly published regulations.~~  
 30 ~~The letter ruling shall apply only to the applicant.~~

31 ~~4. Letter rulings issued under the authority of this section shall not be a~~  
 32 ~~rule as defined in section 536.010 in that it is an interpretation issued by the~~  
 33 ~~department with respect to a specific set of facts and intended to apply only to~~  
 34 ~~that specific set of facts, and therefore shall not be subject to the rulemaking~~  
 35 ~~requirements of chapter 536.~~

36 ~~5. Information in letter ruling requests as described in section 620.014~~  
 37 ~~shall be closed to the public. Copies of letter rulings shall be available to the~~  
 38 ~~public provided that the applicant identifying information and otherwise~~  
 39 ~~protected information is redacted from the letter ruling as provided in~~  
 40 ~~subsection 1 of section 610.024.]~~

2 ~~[135.700. For all tax years beginning on or after January 1, 1999, a~~  
 3 ~~grape grower or wine producer shall be allowed a tax credit against the state~~  
 4 ~~tax liability incurred pursuant to chapter 143, exclusive of the provisions~~  
 5 ~~relating to the withholding of tax as provided in sections 143.191 to 143.265,~~  
 6 ~~in an amount equal to twenty five percent of the purchase price of all new~~  
 7 ~~equipment and materials used directly in the growing of grapes or the~~  
 8 ~~production of wine in the state. Each grower or producer shall apply to the~~  
 9 ~~department of economic development and specify the total amount of such~~  
 10 ~~new equipment and materials purchased during the calendar year. The~~  
 11 ~~department of economic development shall certify to the department of~~  
 12 ~~revenue the amount of such tax credit to which a grape grower or wine~~  
 13 ~~producer is entitled pursuant to this section. The provisions of this section~~  
 14 ~~notwithstanding, a grower or producer may only apply for and receive the~~  
 15 ~~credit authorized by this section for five tax periods.]~~

~~[135.710. 1. As used in this section, the following terms mean:~~

2           (1) ~~"Alternative fuel vehicle refueling property", property in this state~~  
 3 ~~owned by an eligible applicant and used for storing alternative fuels and for~~  
 4 ~~dispensing such alternative fuels into fuel tanks of motor vehicles owned by~~  
 5 ~~such eligible applicant or private citizens;~~

6           (2) ~~"Alternative fuels", any motor fuel at least seventy percent of the~~  
 7 ~~volume of which consists of one or more of the following:~~

8           (a) ~~Ethanol;~~

9           (b) ~~Natural gas;~~

10          (c) ~~Compressed natural gas, or CNG;~~

11          (d) ~~Liquified natural gas, or LNG;~~

12          (e) ~~Liquified petroleum gas, or LP gas, propane, or autogas;~~

13          (f) ~~Any mixture of biodiesel and diesel fuel, without regard to any use~~  
 14 ~~of kerosene;~~

15          (g) ~~Hydrogen;~~

16          (3) ~~"Department", the department of economic development;~~

17          (4) ~~"Electric vehicle recharging property", property in this state owned~~  
 18 ~~by an eligible applicant and used for recharging electric motor vehicles owned~~  
 19 ~~by such eligible applicant or private citizens;~~

20          (5) ~~"Eligible applicant", a business entity or private citizen that is the~~  
 21 ~~owner of an electric vehicle recharging property or an alternative fuel vehicle~~  
 22 ~~refueling property;~~

23          (6) ~~"Qualified Missouri contractor", a contractor whose principal place~~  
 24 ~~of business is located in Missouri and has been located in Missouri for a period~~  
 25 ~~of not less than five years;~~

26          (7) ~~"Qualified property", an electric vehicle recharging property or an~~  
 27 ~~alternative fuel vehicle refueling property which, if constructed after August~~  
 28 ~~28, 2014, was constructed with at least fifty one percent of the costs being paid~~  
 29 ~~to qualified Missouri contractors for the:~~

30          (a) ~~Fabrication of premanufactured equipment or process piping used~~  
 31 ~~in the construction of such facility;~~

32          (b) ~~Construction of such facility; and~~

33          (c) ~~General maintenance of such facility during the time period in~~  
 34 ~~which such facility receives any tax credit under this section.~~

35  
 36 ~~If no qualified Missouri contractor is located within seventy five miles of the~~  
 37 ~~property, the requirement that fifty one percent of the costs shall be paid to~~  
 38 ~~qualified Missouri contractors shall not apply.~~

39          2. ~~For all tax years beginning on or after January 1, 2015, but before~~  
 40 ~~January 1, 2018, any eligible applicant who installs and operates a qualified~~  
 41 ~~property shall be allowed a credit against the tax otherwise due under chapter~~  
 42 ~~143, excluding withholding tax imposed by sections 143.191 to 143.265, or~~  
 43 ~~due under chapter 147 or chapter 148 for any tax year in which the applicant is~~  
 44 ~~constructing the qualified property. The credit allowed in this section per~~  
 45 ~~eligible applicant who is a private citizen shall not exceed fifteen hundred~~  
 46 ~~dollars or per eligible applicant that is a business entity shall not exceed the~~  
 47 ~~lesser of twenty thousand dollars or twenty percent of the total costs directly~~  
 48 ~~associated with the purchase and installation of any alternative fuel storage and~~

49 dispensing equipment or any recharging equipment on any qualified property,  
50 which shall not include the following:

51 (1) ~~Costs associated with the purchase of land upon which to place a~~  
52 ~~qualified property;~~

53 (2) ~~Costs associated with the purchase of an existing qualified~~  
54 ~~property; or~~

55 (3) ~~Costs for the construction or purchase of any structure.~~

56 ~~3. Tax credits allowed by this section shall be claimed by the eligible~~  
57 ~~applicant at the time such applicant files a return for the tax year in which the~~  
58 ~~storage and dispensing or recharging facilities were placed in service at a~~  
59 ~~qualified property, and shall be applied against the income tax liability~~  
60 ~~imposed by chapter 143, chapter 147, or chapter 148 after all other credits~~  
61 ~~provided by law have been applied. The cumulative amount of tax credits~~  
62 ~~which may be claimed by eligible applicants claiming all credits authorized in~~  
63 ~~this section shall not exceed one million dollars in any calendar year, subject to~~  
64 ~~appropriations.~~

65 ~~4. If the amount of the tax credit exceeds the eligible applicant's tax~~  
66 ~~liability, the difference shall not be refundable. Any amount of credit that an~~  
67 ~~eligible applicant is prohibited by this section from claiming in a taxable year~~  
68 ~~may be carried forward to any of such applicant's two subsequent taxable~~  
69 ~~years. Tax credits allowed under this section may be assigned, transferred,~~  
70 ~~sold, or otherwise conveyed.~~

71 ~~5. Any qualified property, for which an eligible applicant receives tax~~  
72 ~~credits under this section, which ceases to sell alternative fuel or recharge~~  
73 ~~electric vehicles shall cause the forfeiture of such eligible applicant's tax~~  
74 ~~credits provided under this section for the taxable year in which the qualified~~  
75 ~~property ceased to sell alternative fuel or recharge electric vehicles and for~~  
76 ~~future taxable years with no recapture of tax credits obtained by an eligible~~  
77 ~~applicant with respect to such applicant's tax years which ended before the sale~~  
78 ~~of alternative fuel or recharging of electric vehicles ceased.~~

79 ~~6. The director of revenue shall establish the procedure by which the~~  
80 ~~tax credits in this section may be claimed, and shall establish a procedure by~~  
81 ~~which the cumulative amount of tax credits is apportioned equally among all~~  
82 ~~eligible applicants claiming the credit. To the maximum extent possible, the~~  
83 ~~director of revenue shall establish the procedure described in this subsection in~~  
84 ~~such a manner as to ensure that eligible applicants can claim all the tax credits~~  
85 ~~possible up to the cumulative amount of tax credits available for the taxable~~  
86 ~~year. No eligible applicant claiming a tax credit under this section shall be~~  
87 ~~liable for any interest or penalty for filing a tax return after the date fixed for~~  
88 ~~filing such return as a result of the apportionment procedure under this~~  
89 ~~subsection.~~

90 ~~7. Any eligible applicant desiring to claim a tax credit under this~~  
91 ~~section shall submit the appropriate application for such credit with the~~  
92 ~~department. The application for a tax credit under this section shall include~~  
93 ~~any information required by the department. The department shall review the~~  
94 ~~applications and certify to the department of revenue each eligible applicant~~  
95 ~~that qualifies for the tax credit.~~

96           8. ~~The department and the department of revenue may promulgate~~  
 97 ~~rules to implement the provisions of this section. Any rule or portion of a rule,~~  
 98 ~~as that term is defined in section 536.010, that is created under the authority~~  
 99 ~~delegated in this section shall become effective only if it complies with and is~~  
 100 ~~subject to all of the provisions of chapter 536 and, if applicable, section~~  
 101 ~~536.028. This section and chapter 536 are nonseverable and if any of the~~  
 102 ~~powers vested with the general assembly pursuant to chapter 536 to review, to~~  
 103 ~~delay the effective date, or to disapprove and annul a rule are subsequently~~  
 104 ~~held unconstitutional, then the grant of rulemaking authority and any rule~~  
 105 ~~proposed or adopted after August 28, 2008, shall be invalid and void.~~

106           9. ~~The provisions of section 23.253 of the Missouri sunset act~~  
 107 ~~notwithstanding:~~

108           (1) ~~The provisions of the new program authorized under this section~~  
 109 ~~shall automatically sunset three years after December 31, 2014, unless~~  
 110 ~~reauthorized by an act of the general assembly; and~~

111           (2) ~~If such program is reauthorized, the program authorized under this~~  
 112 ~~section shall automatically sunset six years after the effective date of the~~  
 113 ~~reauthorization of this section; and~~

114           (3) ~~This section shall terminate on December thirty first of the~~  
 115 ~~calendar year immediately following the calendar year in which the program~~  
 116 ~~authorized under this section is sunset; and~~

117           (4) ~~The provisions of this subsection shall not be construed to limit or~~  
 118 ~~in any way impair the department's ability to redeem tax credits authorized on~~  
 119 ~~or before the date the program authorized under this section expires or a~~  
 120 ~~taxpayer's ability to redeem such tax credits.]~~

2           ~~[135.766. An eligible small business, as defined in Section 44 of the~~  
 3 ~~Internal Revenue Code, shall be allowed a credit against the tax otherwise due~~  
 4 ~~pursuant to chapter 143, not including sections 143.191 to 143.265, in an~~  
 5 ~~amount equal to any amount paid by the eligible small business to the United~~  
 6 ~~States Small Business Administration as a guaranty fee pursuant to obtaining~~  
 7 ~~Small Business Administration guaranteed financing and to programs~~  
 8 ~~administered by the United States Department of Agriculture for rural~~  
 9 ~~development or farm service agencies. No tax credits provided under this~~  
 10 ~~section shall be authorized on or after the thirtieth day following the effective~~  
 11 ~~date of this act. The provisions of this subsection shall not be construed to~~  
 12 ~~limit or in any way impair the department's ability to issue tax credits~~  
 13 ~~authorized prior to the thirtieth day following the effective date of this act, or a~~  
~~taxpayer's ability to redeem such tax credits.]~~

2           ~~[135.950. The following terms, whenever used in sections 135.950 to~~  
 3 ~~135.970 mean:~~

4           (1) ~~"Average wage", the new payroll divided by the number of new~~  
 5 ~~jobs;~~

6           (2) ~~"Blighted area", the same meaning as defined pursuant to section~~  
 7 ~~99.805;~~

8           (3) ~~"Board", an enhanced enterprise zone board established pursuant~~  
~~to section 135.957;~~

9           (4) ~~"Commencement of commercial operations" shall be deemed to~~  
10 ~~occur during the first taxable year for which the new business facility is first~~  
11 ~~put into use by the taxpayer in the enhanced business enterprise in which the~~  
12 ~~taxpayer intends to use the new business facility;~~

13           (5) ~~"County average wage", the average wages in each county as~~  
14 ~~determined by the department for the most recently completed full calendar~~  
15 ~~year. However, if the computed county average wage is above the statewide~~  
16 ~~average wage, the statewide average wage shall be deemed the county average~~  
17 ~~wage for such county for the purpose of determining eligibility. The~~  
18 ~~department shall publish the county average wage for each county at least~~  
19 ~~annually. Notwithstanding the provisions of this subdivision to the contrary,~~  
20 ~~for any taxpayer that in conjunction with their project is relocating employees~~  
21 ~~from a Missouri county with a higher county average wage, such taxpayer~~  
22 ~~shall obtain the endorsement of the governing body of the community from~~  
23 ~~which jobs are being relocated or the county average wage for their project~~  
24 ~~shall be the county average wage for the county from which the employees are~~  
25 ~~being relocated;~~

26           (6) ~~"Department", the department of economic development;~~

27           (7) ~~"Director", the director of the department of economic~~  
28 ~~development;~~

29           (8) ~~"Employee", a person employed by the enhanced business~~  
30 ~~enterprise that is scheduled to work an average of at least one thousand hours~~  
31 ~~per year, and such person at all times has health insurance offered to him or~~  
32 ~~her, which is partially paid for by the employer;~~

33           (9) ~~"Enhanced business enterprise", an industry or one of a cluster of~~  
34 ~~industries that is either:~~

35           (a) ~~Identified by the department as critical to the state's economic~~  
36 ~~security and growth; or~~

37           (b) ~~Will have an impact on industry cluster development, as identified~~  
38 ~~by the governing authority in its application for designation of an enhanced~~  
39 ~~enterprise zone and approved by the department; but excluding gambling~~  
40 ~~establishments (NAICS industry group 7132), retail trade (NAICS sectors 44~~  
41 ~~and 45), educational services (NAICS sector 61), religious organizations~~  
42 ~~(NAICS industry group 8131), public administration (NAICS sector 92), and~~  
43 ~~food and drinking places (NAICS subsector 722), however, notwithstanding~~  
44 ~~provisions of this section to the contrary, headquarters or administrative~~  
45 ~~offices of an otherwise excluded business may qualify for benefits if the~~  
46 ~~offices serve a multistate territory. In the event a national, state, or regional~~  
47 ~~headquarters operation is not the predominant activity of a project facility, the~~  
48 ~~new jobs and investment of such headquarters operation is considered eligible~~  
49 ~~for benefits under this section if the other requirements are satisfied. Service~~  
50 ~~industries may be eligible only if a majority of its annual revenues will be~~  
51 ~~derived from out of the state;~~

52           (10) ~~"Existing business facility", any facility in this state which was~~  
53 ~~employed by the taxpayer claiming the credit in the operation of an enhanced~~  
54 ~~business enterprise immediately prior to an expansion, acquisition, addition, or~~  
55 ~~replacement;~~

56 ~~(11) "Facility", any building used as an enhanced business enterprise~~  
57 ~~located within an enhanced enterprise zone, including the land on which the~~  
58 ~~facility is located and all machinery, equipment, and other real and depreciable~~  
59 ~~tangible personal property acquired for use at and located at or within such~~  
60 ~~facility and used in connection with the operation of such facility;~~

61 ~~(12) "Facility base employment", the greater of the number of~~  
62 ~~employees located at the facility on the date of the notice of intent, or for the~~  
63 ~~twelve month period prior to the date of the notice of intent, the average~~  
64 ~~number of employees located at the facility, or in the event the project facility~~  
65 ~~has not been in operation for a full twelve month period, the average number~~  
66 ~~of employees for the number of months the facility has been in operation prior~~  
67 ~~to the date of the notice of intent;~~

68 ~~(13) "Facility base payroll", the total amount of taxable wages paid by~~  
69 ~~the enhanced business enterprise to employees of the enhanced business~~  
70 ~~enterprise located at the facility in the twelve months prior to the notice of~~  
71 ~~intent, not including the payroll of owners of the enhanced business enterprise~~  
72 ~~unless the enhanced business enterprise is participating in an employee stock~~  
73 ~~ownership plan. For the purposes of calculating the benefits under this~~  
74 ~~program, the amount of base payroll shall increase each year based on the~~  
75 ~~consumer price index or other comparable measure, as determined by the~~  
76 ~~department;~~

77 ~~(14) "Governing authority", the body holding primary legislative~~  
78 ~~authority over a county or incorporated municipality;~~

79 ~~(15) "Megaproject", any manufacturing or assembling facility,~~  
80 ~~approved by the department for construction and operation within an~~  
81 ~~enhanced enterprise zone, which satisfies the following:~~

82 ~~(a) The new capital investment is projected to exceed three hundred~~  
83 ~~million dollars over a period of eight years from the date of approval by the~~  
84 ~~department;~~

85 ~~(b) The number of new jobs is projected to exceed one thousand over a~~  
86 ~~period of eight years beginning on the date of approval by the department;~~

87 ~~(c) The average wage of new jobs to be created shall exceed the~~  
88 ~~county average wage;~~

89 ~~(d) The taxpayer shall offer health insurance to all new jobs and pay at~~  
90 ~~least eighty percent of such insurance premiums; and~~

91 ~~(e) An acceptable plan of repayment, to the state, of the tax credits~~  
92 ~~provided for the megaproject has been provided by the taxpayer;~~

93 ~~(16) "NAICS", the 1997 edition of the North American Industry~~  
94 ~~Classification System as prepared by the Executive Office of the President,~~  
95 ~~Office of Management and Budget. Any NAICS sector, subsector, industry~~  
96 ~~group or industry identified in this section shall include its corresponding~~  
97 ~~classification in subsequent federal industry classification systems;~~

98 ~~(17) "New business facility", a facility that does not produce or~~  
99 ~~generate electrical energy from a renewable energy resource and satisfies the~~  
100 ~~following requirements:~~

101 ~~(a) Such facility is employed by the taxpayer in the operation of an~~  
102 ~~enhanced business enterprise. Such facility shall not be considered a new~~  
103 ~~business facility in the hands of the taxpayer if the taxpayer's only activity with~~

104 ~~respect to such facility is to lease it to another person or persons. If the~~  
105 ~~taxpayer employs only a portion of such facility in the operation of an~~  
106 ~~enhanced business enterprise, and leases another portion of such facility to~~  
107 ~~another person or persons or does not otherwise use such other portions in the~~  
108 ~~operation of an enhanced business enterprise, the portion employed by the~~  
109 ~~taxpayer in the operation of an enhanced business enterprise shall be~~  
110 ~~considered a new business facility, if the requirements of paragraphs (b), (c),~~  
111 ~~and (d) of this subdivision are satisfied;~~

112 ~~(b) Such facility is acquired by, or leased to, the taxpayer after~~  
113 ~~December 31, 2004. A facility shall be deemed to have been acquired by, or~~  
114 ~~leased to, the taxpayer after December 31, 2004, if the transfer of title to the~~  
115 ~~taxpayer, the transfer of possession pursuant to a binding contract to transfer~~  
116 ~~title to the taxpayer, or the commencement of the term of the lease to the~~  
117 ~~taxpayer occurs after December 31, 2004;~~

118 ~~(c) If such facility was acquired by the taxpayer from another taxpayer~~  
119 ~~and such facility was employed immediately prior to the acquisition by~~  
120 ~~another taxpayer in the operation of an enhanced business enterprise, the~~  
121 ~~operation of the same or a substantially similar enhanced business enterprise is~~  
122 ~~not continued by the taxpayer at such facility; and~~

123 ~~(d) Such facility is not a replacement business facility, as defined in~~  
124 ~~subdivision (27) of this section;~~

125 ~~(18) "New business facility employee", an employee of the taxpayer in~~  
126 ~~the operation of a new business facility during the taxable year for which the~~  
127 ~~credit allowed by section 135.967 is claimed, except that truck drivers and rail~~  
128 ~~and barge vehicle operators and other operators of rolling stock for hire shall~~  
129 ~~not constitute new business facility employees;~~

130 ~~(19) "New business facility investment", the value of real and~~  
131 ~~depreciable tangible personal property, acquired by the taxpayer as part of the~~  
132 ~~new business facility, which is used by the taxpayer in the operation of the new~~  
133 ~~business facility, during the taxable year for which the credit allowed by~~  
134 ~~135.967 is claimed, except that trucks, truck trailers, truck semitrailers, rail~~  
135 ~~vehicles, barge vehicles, aircraft and other rolling stock for hire, track,~~  
136 ~~switches, barges, bridges, tunnels, and rail yards and spurs shall not constitute~~  
137 ~~new business facility investments. The total value of such property during~~  
138 ~~such taxable year shall be:~~

139 ~~(a) Its original cost if owned by the taxpayer; or~~

140 ~~(b) Eight times the net annual rental rate, if leased by the taxpayer.~~  
141 ~~The net annual rental rate shall be the annual rental rate paid by the taxpayer~~  
142 ~~less any annual rental rate received by the taxpayer from subrentals. The new~~  
143 ~~business facility investment shall be determined by dividing by twelve the sum~~  
144 ~~of the total value of such property on the last business day of each calendar~~  
145 ~~month of the taxable year. If the new business facility is in operation for less~~  
146 ~~than an entire taxable year, the new business facility investment shall be~~  
147 ~~determined by dividing the sum of the total value of such property on the last~~  
148 ~~business day of each full calendar month during the portion of such taxable~~  
149 ~~year during which the new business facility was in operation by the number of~~  
150 ~~full calendar months during such period;~~

151 ~~(20) "New job", the number of employees located at the facility that~~  
152 ~~exceeds the facility base employment less any decrease in the number of the~~  
153 ~~employees at related facilities below the related facility base employment. No~~  
154 ~~job that was created prior to the date of the notice of intent shall be deemed a~~  
155 ~~new job;~~

156 ~~(21) "Notice of intent", a form developed by the department which is~~  
157 ~~completed by the enhanced business enterprise and submitted to the~~  
158 ~~department which states the enhanced business enterprise's intent to hire~~  
159 ~~new jobs and request benefits under such program;~~

160 ~~(22) "Related facility", a facility operated by the enhanced business~~  
161 ~~enterprise or a related company in this state that is directly related to the~~  
162 ~~operation of the project facility;~~

163 ~~(23) "Related facility base employment", the greater of:~~

164 ~~(a) The number of employees located at all related facilities on the~~  
165 ~~date of the notice of intent; or~~

166 ~~(b) For the twelve-month period prior to the date of the notice of~~  
167 ~~intent, the average number of employees located at all related facilities of the~~  
168 ~~enhanced business enterprise or a related company located in this state;~~

169 ~~(24) "Related taxpayer":~~

170 ~~(a) A corporation, partnership, trust, or association controlled by the~~  
171 ~~taxpayer;~~

172 ~~(b) An individual, corporation, partnership, trust, or association in~~  
173 ~~control of the taxpayer; or~~

174 ~~(c) A corporation, partnership, trust or association controlled by an~~  
175 ~~individual, corporation, partnership, trust or association in control of the~~  
176 ~~taxpayer. "Control of a corporation" shall mean ownership, directly or~~  
177 ~~indirectly, of stock possessing at least fifty percent of the total combined~~  
178 ~~voting power of all classes of stock entitled to vote, "control of a partnership or~~  
179 ~~association" shall mean ownership of at least fifty percent of the capital or~~  
180 ~~profits interest in such partnership or association, and "control of a trust" shall~~  
181 ~~mean ownership, directly or indirectly, of at least fifty percent of the beneficial~~  
182 ~~interest in the principal or income of such trust; ownership shall be determined~~  
183 ~~as provided in Section 318 of the Internal Revenue Code of 1986, as amended;~~

184 ~~(25) "Renewable energy generation zone", an area which has been~~  
185 ~~found, by a resolution or ordinance adopted by the governing authority having~~  
186 ~~jurisdiction of such area, to be a blighted area and which contains land,~~  
187 ~~improvements, or a lock and dam site which is unutilized or underutilized for~~  
188 ~~the production, generation, conversion, and conveyance of electrical energy~~  
189 ~~from a renewable energy resource;~~

190 ~~(26) "Renewable energy resource", shall include:~~

191 ~~(a) Wind;~~

192 ~~(b) Solar thermal sources or photovoltaic cells and panels;~~

193 ~~(c) Dedicated crops grown for energy production;~~

194 ~~(d) Cellulosic agricultural residues;~~

195 ~~(e) Plant residues;~~

196 ~~(f) Methane from landfills, agricultural operations, or wastewater~~  
197 ~~treatment;~~

198 ~~(g) Thermal depolymerization or pyrolysis for converting waste~~  
 199 ~~material to energy;~~  
 200 ~~(h) Clean and untreated wood such as pallets;~~  
 201 ~~(i) Hydroelectric power, which shall include electrical energy~~  
 202 ~~produced or generated by hydroelectric power generating equipment, as~~  
 203 ~~such term is defined in section 137.010;~~  
 204 ~~(j) Fuel cells using hydrogen produced by one or more of the~~  
 205 ~~renewable resources provided in paragraphs (a) to (i) of this subdivision; or~~  
 206 ~~(k) Any other sources of energy, not including nuclear energy, that are~~  
 207 ~~certified as renewable by rule by the department of economic development;~~  
 208 ~~(27) "Replacement business facility", a facility otherwise described in~~  
 209 ~~subdivision (17) of this section, hereafter referred to in this subdivision as~~  
 210 ~~"new facility", which replaces another facility, hereafter referred to in this~~  
 211 ~~subdivision as "old facility", located within the state, which the taxpayer or a~~  
 212 ~~related taxpayer previously operated but discontinued operating on or before~~  
 213 ~~the close of the first taxable year for which the credit allowed by this section is~~  
 214 ~~claimed. A new facility shall be deemed to replace an old facility if the~~  
 215 ~~following conditions are met:~~  
 216 ~~(a) The old facility was operated by the taxpayer or a related taxpayer~~  
 217 ~~during the taxpayer's or related taxpayer's taxable period immediately~~  
 218 ~~preceding the taxable year in which commencement of commercial~~  
 219 ~~operations occurs at the new facility; and~~  
 220 ~~(b) The old facility was employed by the taxpayer or a related taxpayer~~  
 221 ~~in the operation of an enhanced business enterprise and the taxpayer continues~~  
 222 ~~the operation of the same or substantially similar enhanced business enterprise~~  
 223 ~~at the new facility. Notwithstanding the preceding provisions of this~~  
 224 ~~subdivision, a facility shall not be considered a replacement business facility if~~  
 225 ~~the taxpayer's new business facility investment, as computed in subdivision~~  
 226 ~~(19) of this section, in the new facility during the tax period for which the~~  
 227 ~~credits allowed in section 135.967 are claimed exceed one million dollars and~~  
 228 ~~if the total number of employees at the new facility exceeds the total number~~  
 229 ~~of employees at the old facility by at least two;~~  
 230 ~~(28) "Same or substantially similar enhanced business enterprise", an~~  
 231 ~~enhanced business enterprise in which the nature of the products produced or~~  
 232 ~~sold, or activities conducted, are similar in character and use or are produced,~~  
 233 ~~sold, performed, or conducted in the same or similar manner as in another~~  
 234 ~~enhanced business enterprise.]~~

2 ~~[135.953. 1. For purposes of sections 135.950 to 135.970, an area~~  
 3 ~~shall meet the following criteria in order to qualify as an enhanced enterprise~~  
 4 ~~zone:~~  
 5 ~~(1) The area shall be a blighted area, have pervasive poverty,~~  
 6 ~~unemployment and general distress; and~~  
 7 ~~(2) At least sixty percent of the residents living in the area have~~  
 8 ~~incomes below ninety percent of the median income of all residents:~~  
 9 ~~(a) Within the state of Missouri, according to the last decennial census~~  
~~or other appropriate source as approved by the director; or~~

10           ~~(b) Within the county or city not within a county in which the area is~~  
11 ~~located, according to the last decennial census or other appropriate source as~~  
12 ~~approved by the director; and~~

13           ~~(3) The resident population of the area shall be at least five hundred~~  
14 ~~but not more than one hundred thousand at the time of designation as an~~  
15 ~~enhanced enterprise zone if the area lies within a metropolitan statistical area,~~  
16 ~~as established by the United States Census Bureau, or if the area does not lie~~  
17 ~~within a metropolitan statistical area, the resident population of the area at the~~  
18 ~~time of designation shall be at least five hundred but not more than forty~~  
19 ~~thousand inhabitants. If the population of the jurisdiction of the governing~~  
20 ~~authority does not meet the minimum population requirements set forth in this~~  
21 ~~subdivision, the population of the area must be at least fifty percent of the~~  
22 ~~population of the jurisdiction. However, no enhanced enterprise zone shall be~~  
23 ~~created which consists of the total area within the political boundaries of a~~  
24 ~~county;~~

25           ~~(4) The level of unemployment of persons, according to the most~~  
26 ~~recent data available from the United States Bureau of Census and approved~~  
27 ~~by the director, within the area is equal to or exceeds the average rate of~~  
28 ~~unemployment for:~~

29           ~~(a) The state of Missouri over the previous twelve months; or~~  
30           ~~(b) The county or city not within a county over the previous twelve~~  
31 ~~months; and~~

32           ~~(5) No finding of blight under this chapter shall be used to meet the~~  
33 ~~conditions for blight under any other statute of this state.~~

34           ~~2. Notwithstanding the requirements of subsection 1 of this section to~~  
35 ~~the contrary, an enhanced enterprise zone may be established in an area located~~  
36 ~~within a county for which public and individual assistance has been requested~~  
37 ~~by the governor pursuant to Section 401 of the Robert T. Stafford Disaster~~  
38 ~~Relief and Emergency Assistance Act, 42 U.S.C. 5121, et seq., for an~~  
39 ~~emergency proclaimed by the governor pursuant to section 44.100 due to a~~  
40 ~~natural disaster of major proportions, if the area to be designated is blighted~~  
41 ~~and sustained severe damage as a result of such natural disaster, as determined~~  
42 ~~by the state emergency management agency. An application for designation as~~  
43 ~~an enhanced enterprise zone pursuant to this subsection shall be made before~~  
44 ~~the expiration of one year from the date the governor requested federal relief~~  
45 ~~for the area sought to be designated.~~

46           ~~3. Notwithstanding the requirements of subsection 1 of this section to~~  
47 ~~the contrary, an enhanced enterprise zone may be designated in a county of~~  
48 ~~declining population if it meets the requirements of subdivisions (1), (3) and~~  
49 ~~either (2) or (4) of subsection 1 of this section. For the purposes of this~~  
50 ~~subsection, a "county of declining population" is one that has lost one percent~~  
51 ~~or more of its population as demonstrated by comparing the most recent~~  
52 ~~decennial census population to the next most recent decennial census~~  
53 ~~population for the county.~~

54           ~~4. In addition to meeting the requirements of subsection 1, 2, or 3 of~~  
55 ~~this section, an area, to qualify as an enhanced enterprise zone, shall be~~  
56 ~~demonstrated by the governing authority to have either:~~

57           ~~(1) The potential to create sustainable jobs in a targeted industry; or~~

58 ~~(2) A demonstrated impact on local industry cluster development.~~  
 59 ~~5. Notwithstanding the requirements of subsections 1 and 4 of this~~  
 60 ~~section to the contrary, a renewable energy generation zone may be designated~~  
 61 ~~as an enhanced enterprise zone if the renewable energy generation zone meets~~  
 62 ~~the criteria set forth in subdivision (25) of section 135.950.]~~

2 ~~[135.957. 1. A governing authority planning to seek designation of an~~  
 3 ~~enhanced enterprise zone shall establish an enhanced enterprise zone board.~~  
 4 ~~The number of members on the board shall be seven. One member of the~~  
 5 ~~board shall be appointed by the school district or districts located within the~~  
 6 ~~area proposed for designation as an enhanced enterprise zone. One member of~~  
 7 ~~the board shall be appointed by other affected taxing districts. The remaining~~  
 8 ~~five members shall be chosen by the chief elected official of the county or~~  
 9 ~~municipality.~~

10 ~~2. The school district member and the affected taxing district member~~  
 11 ~~shall each have initial terms of five years. Of the five members appointed by~~  
 12 ~~the chief elected official, two shall have initial terms of four years, two shall~~  
 13 ~~have initial terms of three years, and one shall have an initial term of two~~  
 14 ~~years. Thereafter, members shall serve terms of five years. Each~~  
 15 ~~commissioner shall hold office until a successor has been appointed. All~~  
 16 ~~vacancies shall be filled in the same manner as the original appointment. For~~  
 17 ~~inefficiency or neglect of duty or misconduct in office, a member of the board~~  
 18 ~~may be removed by the applicable appointing authority.~~

19 ~~3. A majority of the members shall constitute a quorum of such board~~  
 20 ~~for the purpose of conducting business and exercising the powers of the board~~  
 21 ~~and for all other purposes. Action may be taken by the board upon a vote of a~~  
 22 ~~majority of the members present.~~

23 ~~4. The members of the board annually shall elect a chair from among~~  
 24 ~~the members.~~

25 ~~5. The role of the board shall be to conduct the activities necessary to~~  
 26 ~~advise the governing authority on the designation of an enhanced enterprise~~  
 27 ~~zone and any other advisory duties as determined by the governing authority.~~  
 28 ~~The role of the board after the designation of an enhanced enterprise zone shall~~  
 29 ~~be review and assessment of zone activities as it relates to the annual reports as~~  
~~set forth in section 135.960.]~~

2 ~~[135.960. 1. Any governing authority that desires to have any portion~~  
 3 ~~of a city or unincorporated area of a county under its control designated as an~~  
 4 ~~enhanced enterprise zone shall hold a public hearing for the purpose of~~  
 5 ~~obtaining the opinion and suggestions of those persons who will be affected by~~  
 6 ~~such designation.~~

7 ~~2. After a public hearing is held as required in subsection 1 of this~~  
 8 ~~section, the governing authority may, by a majority vote of the members of the~~  
 9 ~~governing authority, adopt an ordinance or resolution designating a specific~~  
 10 ~~area as an enhanced enterprise zone. Such ordinance shall include, in addition~~  
 11 ~~to a description of the physical, social, and economic characteristics of the~~  
 12 ~~area:~~

~~(1) A plan to provide adequate police protection within the area;~~

13                   (2) ~~A specific and practical process for individual businesses to obtain~~  
 14 ~~waivers from burdensome local regulations, ordinances, and orders which~~  
 15 ~~serve to discourage economic development within the area to be designated an~~  
 16 ~~enhanced enterprise zone, except that such waivers shall not substantially~~  
 17 ~~endanger the health or safety of the employees of any such business or the~~  
 18 ~~residents of the area;~~

19                   (3) ~~A description of what other specific actions will be taken to~~  
 20 ~~support and encourage private investment within the area;~~

21                   (4) ~~A plan to ensure that resources are available to assist area residents~~  
 22 ~~to participate in increased development through self-help efforts and in~~  
 23 ~~ameliorating any negative effects of designation of the area as an enhanced~~  
 24 ~~enterprise zone;~~

25                   (5) ~~A statement describing the projected positive and negative effects~~  
 26 ~~of designation of the area as an enhanced enterprise zone;~~

27                   (6) ~~A specific plan to provide assistance to any person or business~~  
 28 ~~dislocated as a result of activities within the enhanced enterprise zone. Such~~  
 29 ~~plan shall determine the need of dislocated persons for relocation assistance;~~  
 30 ~~provide, prior to displacement, information about the type, location, and price~~  
 31 ~~of comparable housing or commercial property; provide information~~  
 32 ~~concerning state and federal programs for relocation assistance and provide~~  
 33 ~~other advisory services to displaced persons. Public agencies may choose to~~  
 34 ~~provide assistance under the Uniform Relocation and Real Property~~  
 35 ~~Acquisition Act, 42 U.S.C. Section 4601, et seq., to meet the requirements~~  
 36 ~~of this subdivision; and~~

37                   (7) ~~A description or plan that demonstrates the requirements of~~  
 38 ~~subsection 4 of section 135.953.~~

39                   3. ~~An enhanced enterprise zone designation shall expire in twenty-five~~  
 40 ~~years.~~

41                   4. ~~Each designated enhanced enterprise zone board shall report to the~~  
 42 ~~director on an annual basis regarding the status of the zone and business~~  
 43 ~~activity within the zone.]~~

2                   [135.963. 1. ~~Improvements made to real property as such term is~~  
 3 ~~defined in section 137.010 which are made in an enhanced enterprise zone~~  
 4 ~~subsequent to the date such zone or expansion thereto was designated may,~~  
 5 ~~upon approval of an authorizing resolution or ordinance by the governing~~  
 6 ~~authority having jurisdiction of the area in which the improvements are made,~~  
 7 ~~be exempt, in whole or in part, from assessment and payment of ad valorem~~  
 8 ~~taxes of one or more affected political subdivisions. Improvements made to~~  
 9 ~~real property, as such term is defined in section 137.010, which are locally~~  
 10 ~~assessed and in a renewable energy generation zone designated as an enhanced~~  
 11 ~~enterprise zone, subsequent to the date such enhanced enterprise zone or~~  
 12 ~~expansion thereto was designated, may, upon approval of an authorizing~~  
 13 ~~resolution or ordinance by the governing authority having jurisdiction of the~~  
 14 ~~area in which the improvements are made, be exempt, in whole or in part, from~~  
 15 ~~assessment and payment of ad valorem taxes of one or more affected political~~  
~~subdivisions. In addition to enhanced business enterprises, a speculative~~

16 ~~industrial or warehouse building constructed by a public entity or a private~~  
17 ~~entity if the land is leased by a public entity may be subject to such exemption.~~

18 ~~2. Such authorizing resolution shall specify the percent of the~~  
19 ~~exemption to be granted, the duration of the exemption to be granted, and the~~  
20 ~~political subdivisions to which such exemption is to apply and any other terms,~~  
21 ~~conditions, or stipulations otherwise required. A copy of the resolution shall~~  
22 ~~be provided to the director within thirty calendar days following adoption of~~  
23 ~~the resolution by the governing authority.~~

24 ~~3. No exemption shall be granted until the governing authority holds a~~  
25 ~~public hearing for the purpose of obtaining the opinions and suggestions of~~  
26 ~~residents of political subdivisions to be affected by the exemption from~~  
27 ~~property taxes. The governing authority shall send, by certified mail, a notice~~  
28 ~~of such hearing to each political subdivision in the area to be affected and shall~~  
29 ~~publish notice of such hearing in a newspaper of general circulation in the area~~  
30 ~~to be affected by the exemption at least twenty days prior to the hearing but not~~  
31 ~~more than thirty days prior to the hearing. Such notice shall state the time,~~  
32 ~~location, date, and purpose of the hearing.~~

33 ~~4. Notwithstanding subsection 1 of this section, at least one half of the~~  
34 ~~ad valorem taxes otherwise imposed on subsequent improvements to real~~  
35 ~~property located in an enhanced enterprise zone of enhanced business~~  
36 ~~enterprises or speculative industrial or warehouse buildings as indicated in~~  
37 ~~subsection 1 of this section shall become and remain exempt from assessment~~  
38 ~~and payment of ad valorem taxes of any political subdivision of this state or~~  
39 ~~municipality thereof, if said political subdivision or municipality levies ad~~  
40 ~~valorem taxes, for a period of not less than ten years following the date such~~  
41 ~~improvements were assessed, provided the improved properties are used for~~  
42 ~~enhanced business enterprises. The exemption for speculative buildings is~~  
43 ~~subject to the approval of the governing authority for a period not to exceed~~  
44 ~~two years if the building is owned by a private entity and five years if the~~  
45 ~~building is owned or ground leased by a public entity. This shall not preclude~~  
46 ~~the building receiving an exemption for the remaining time period established~~  
47 ~~by the governing authority if it was occupied by an enhanced business~~  
48 ~~enterprise. The two and five year time periods indicated for speculative~~  
49 ~~buildings shall not be an addition to the local abatement time period for such~~  
50 ~~facility.~~

51 ~~5. No exemption shall be granted for a period more than twenty-five~~  
52 ~~years, provided, however, that during the ten years prior to the expiration of an~~  
53 ~~enhanced enterprise zone no exemption shall be granted for a period of more~~  
54 ~~than ten years.~~

55 ~~6. The provisions of subsection 1 of this section shall not apply to~~  
56 ~~improvements made to real property begun prior to August 28, 2004.~~

57 ~~7. The abatement referred to in this section shall not relieve the~~  
58 ~~assessor or other responsible official from ascertaining the amount of the~~  
59 ~~equalized assessed value of all taxable property annually as required by section~~  
60 ~~99.855, 99.957, or 99.1042 and shall not have the effect of reducing the~~  
61 ~~payments in lieu of taxes referred to in subdivision (2) of subsection 1 of~~  
62 ~~section 99.845, subdivision (2) of subsection 3 of section 99.957, or~~  
63 ~~subdivision (2) of subsection 3 of section 99.1042 unless such reduction is~~

64 set forth in the plan approved by the governing body of the municipality  
65 pursuant to subdivision (1) of subsection 1 of section 99.820, section 99.942,  
66 or section 99.1027.]

2 ~~[135.967. 1. A taxpayer who establishes a new business facility may,~~  
3 ~~upon approval by the department, be allowed a credit, each tax year for up to~~  
4 ~~ten tax years, in an amount determined as set forth in this section, against the~~  
5 ~~tax imposed by chapter 143, excluding withholding tax imposed by sections~~  
6 ~~143.191 to 143.265. No taxpayer shall receive multiple ten-year periods for~~  
7 ~~subsequent expansions at the same facility.~~

8 ~~2. Notwithstanding any provision of law to the contrary, any taxpayer~~  
9 ~~who establishes a new business facility in an enhanced enterprise zone and is~~  
10 ~~awarded state tax credits under this section may not also receive tax credits~~  
11 ~~under sections 135.100 to 135.150, sections 135.200 to 135.286, or section~~  
12 ~~135.535, and may not simultaneously receive tax credits under sections~~  
13 ~~620.1875 to 620.1890 at the same facility.~~

14 ~~3. No credit shall be issued pursuant to this section unless:~~

15 ~~(1) The number of new business facility employees engaged or~~  
16 ~~maintained in employment at the new business facility for the taxable year for~~  
17 ~~which the credit is claimed equals or exceeds two; and~~

18 ~~(2) The new business facility investment for the taxable year for which~~  
19 ~~the credit is claimed equals or exceeds one hundred thousand dollars.~~

20 ~~4. The annual amount of credits allowed for an approved enhanced~~  
21 ~~business enterprise shall be the lesser of:~~

22 ~~(1) The annual amount authorized by the department for the enhanced~~  
23 ~~business enterprise, which shall be limited to the projected state economic~~  
24 ~~benefit, as determined by the department; or~~

25 ~~(2) The sum calculated based upon the following:~~

26 ~~(a) A credit of four hundred dollars for each new business facility~~  
27 ~~employee employed within an enhanced enterprise zone;~~

28 ~~(b) An additional credit of four hundred dollars for each new business~~  
29 ~~facility employee who is a resident of an enhanced enterprise zone;~~

30 ~~(c) An additional credit of four hundred dollars for each new business~~  
31 ~~facility employee who is paid by the enhanced business enterprise a wage that~~  
32 ~~exceeds the average wage paid within the county in which the facility is~~  
33 ~~located, as determined by the department; and~~

34 ~~(d) A credit equal to two percent of new business facility investment~~  
35 ~~within an enhanced enterprise zone.~~

36 ~~5. Prior to January 1, 2007, in no event shall the department authorize~~  
37 ~~more than four million dollars annually to be issued for all enhanced business~~  
38 ~~enterprises. After December 31, 2006, in no event shall the department~~  
39 ~~authorize more than twenty-four million dollars annually to be issued for all~~  
40 ~~enhanced business enterprises.~~

41 ~~6. If a facility, which does not constitute a new business facility, is~~  
42 ~~expanded by the taxpayer, the expansion shall be considered eligible for the~~  
43 ~~credit allowed by this section if:~~

44 ~~(1) The taxpayer's new business facility investment in the expansion~~  
~~during the tax period in which the credits allowed in this section are claimed~~

45 ~~exceeds one hundred thousand dollars and if the number of new business~~  
46 ~~facility employees engaged or maintained in employment at the expansion~~  
47 ~~facility for the taxable year for which credit is claimed equals or exceeds two,~~  
48 ~~and the total number of employees at the facility after the expansion is at least~~  
49 ~~two greater than the total number of employees before the expansion; and~~

50 ~~(2) The taxpayer's investment in the expansion and in the original~~  
51 ~~facility prior to expansion shall be determined in the manner provided in~~  
52 ~~subdivision (19) of section 135.950.~~

53 ~~7. The number of new business facility employees during any taxable~~  
54 ~~year shall be determined by dividing by twelve the sum of the number of~~  
55 ~~individuals employed on the last business day of each month of such taxable~~  
56 ~~year. If the new business facility is in operation for less than the entire taxable~~  
57 ~~year, the number of new business facility employees shall be determined by~~  
58 ~~dividing the sum of the number of individuals employed on the last business~~  
59 ~~day of each full calendar month during the portion of such taxable year during~~  
60 ~~which the new business facility was in operation by the number of full~~  
61 ~~calendar months during such period. For the purpose of computing the credit~~  
62 ~~allowed by this section in the case of a facility which qualifies as a new~~  
63 ~~business facility under subsection 6 of this section, and in the case of a new~~  
64 ~~business facility which satisfies the requirements of paragraph (c) of~~  
65 ~~subdivision (17) of section 135.950, or subdivision (25) of section 135.950,~~  
66 ~~the number of new business facility employees at such facility shall be reduced~~  
67 ~~by the average number of individuals employed, computed as provided in this~~  
68 ~~subsection, at the facility during the taxable year immediately preceding the~~  
69 ~~taxable year in which such expansion, acquisition, or replacement occurred~~  
70 ~~and shall further be reduced by the number of individuals employed by the~~  
71 ~~taxpayer or related taxpayer that was subsequently transferred to the new~~  
72 ~~business facility from another Missouri facility and for which credits~~  
73 ~~authorized in this section are not being earned, whether such credits are~~  
74 ~~earned because of an expansion, acquisition, relocation, or the establishment~~  
75 ~~of a new facility.~~

76 ~~8. In the case where a new business facility employee who is a resident~~  
77 ~~of an enhanced enterprise zone for less than a twelve-month period is~~  
78 ~~employed for less than a twelve-month period, the credits allowed by~~  
79 ~~paragraph (b) of subdivision (2) of subsection 4 of this section shall be~~  
80 ~~determined by multiplying four hundred dollars by a fraction, the numerator of~~  
81 ~~which is the number of calendar days during the taxpayer's tax year for which~~  
82 ~~such credits are claimed, in which the employee was a resident of an enhanced~~  
83 ~~enterprise zone, and the denominator of which is three hundred sixty-five.~~

84 ~~9. For the purpose of computing the credit allowed by this section in~~  
85 ~~the case of a facility which qualifies as a new business facility pursuant to~~  
86 ~~subsection 6 of this section, and in the case of a new business facility which~~  
87 ~~satisfies the requirements of paragraph (c) of subdivision (17) of section~~  
88 ~~135.950 or subdivision (25) of section 135.950, the amount of the taxpayer's~~  
89 ~~new business facility investment in such facility shall be reduced by the~~  
90 ~~average amount, computed as provided in subdivision (19) of section 135.950~~  
91 ~~for new business facility investment, of the investment of the taxpayer, or~~  
92 ~~related taxpayer immediately preceding such expansion or replacement or at~~

93 the time of acquisition. Furthermore, the amount of the taxpayer's new  
 94 business facility investment shall also be reduced by the amount of investment  
 95 employed by the taxpayer or related taxpayer which was subsequently  
 96 transferred to the new business facility from another Missouri facility and for  
 97 which credits authorized in this section are not being earned, whether such  
 98 credits are earned because of an expansion, acquisition, relocation, or the  
 99 establishment of a new facility.

100 ~~10. For a taxpayer with flow through tax treatment to its members,~~  
 101 ~~partners, or shareholders, the credit shall be allowed to members, partners, or~~  
 102 ~~shareholders in proportion to their share of ownership on the last day of the~~  
 103 ~~taxpayer's tax period.~~

104 ~~11. Credits may not be carried forward but shall be claimed for the~~  
 105 ~~taxable year during which commencement of commercial operations occurs at~~  
 106 ~~such new business facility, and for each of the nine succeeding taxable years~~  
 107 ~~for which the credit is issued.~~

108 ~~12. Certificates of tax credit authorized by this section may be~~  
 109 ~~transferred, sold, or assigned by filing a notarized endorsement thereof with~~  
 110 ~~the department that names the transferee, the amount of tax credit transferred,~~  
 111 ~~and the value received for the credit, as well as any other information~~  
 112 ~~reasonably requested by the department. The sale price cannot be less than~~  
 113 ~~seventy-five percent of the par value of such credits.~~

114 ~~13. The director of revenue shall issue a refund to the taxpayer to the~~  
 115 ~~extent that the amount of credits allowed in this section exceeds the amount of~~  
 116 ~~the taxpayer's income tax.~~

117 ~~14. Prior to the issuance of tax credits, the department shall verify~~  
 118 ~~through the department of revenue, or any other state department, that the tax~~  
 119 ~~credit applicant does not owe any delinquent income, sales, or use tax or~~  
 120 ~~interest or penalties on such taxes, or any delinquent fees or assessments levied~~  
 121 ~~by any state department and through the department of commerce and~~  
 122 ~~insurance that the applicant does not owe any delinquent insurance taxes.~~  
 123 ~~Such delinquency shall not affect the authorization of the application for such~~  
 124 ~~tax credits, except that the amount of credits issued shall be reduced by the~~  
 125 ~~applicant's tax delinquency. If the department of revenue or the department of~~  
 126 ~~commerce and insurance, or any other state department, concludes that a~~  
 127 ~~taxpayer is delinquent after June fifteenth but before July first of any year and~~  
 128 ~~the application of tax credits to such delinquency causes a tax deficiency on~~  
 129 ~~behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to~~  
 130 ~~satisfy the deficiency in which interest, penalties, and additions to tax shall be~~  
 131 ~~tolled. After applying all available credits toward a tax delinquency, the~~  
 132 ~~administering agency shall notify the appropriate department, and that~~  
 133 ~~department shall update the amount of outstanding delinquent tax owed by~~  
 134 ~~the applicant. If any credits remain after satisfying all insurance, income,~~  
 135 ~~sales, and use tax delinquencies, the remaining credits shall be issued to the~~  
 136 ~~applicant, subject to the restrictions of other provisions of law.]~~

2 [135.968. 1. A taxpayer who establishes a megaproject, approved by  
 3 the department, within an enhanced enterprise zone shall, in exchange for the  
 consideration provided by new tax revenues and other economic stimuli that

4 will be generated from the new jobs created by the megaproject, be allowed an  
5 ~~income tax credit equal to the percentage of actual new annual payroll of the~~  
6 ~~taxpayer attributable to employees directly related to the manufacturing and~~  
7 ~~assembly process and administration, as provided under subsection 4 of this~~  
8 ~~section. A taxpayer seeking approval of a megaproject shall submit an~~  
9 ~~application to the department. The department shall not approve any~~  
10 ~~megaproject after December 31, 2008. The department shall not approve any~~  
11 ~~credits for megaprojects to be issued prior to January 1, 2013, and in no event~~  
12 ~~shall the department authorize more than forty million dollars to be issued~~  
13 ~~annually for all megaprojects. The total amount of credits issued under this~~  
14 ~~section shall not exceed two hundred forty million dollars.~~

15 ~~2. In considering applications for approval of megaprojects, the~~  
16 ~~department may approve an application if:~~

17 ~~(1) The taxpayer's project is financially sound and the taxpayer has~~  
18 ~~adequately demonstrated an ability to successfully undertake and complete the~~  
19 ~~megaproject. This determination shall be supported by a professional third-~~  
20 ~~party market feasibility analysis conducted on behalf of the state by a firm~~  
21 ~~with direct experience with the industry of the proposed megaproject, and by a~~  
22 ~~professional third-party financial analysis of the taxpayer's ability to complete~~  
23 ~~the project;~~

24 ~~(2) The taxpayer's plan of repayment to the state of the amount of tax~~  
25 ~~credits provided is reasonable and sound;~~

26 ~~(3) The taxpayer's megaproject will create new jobs that were not jobs~~  
27 ~~previously performed by employees of the taxpayer or a related taxpayer in~~  
28 ~~Missouri;~~

29 ~~(4) Local taxing entities are providing a significant level of incentives~~  
30 ~~for the megaproject relative to the projected new local tax revenues created by~~  
31 ~~the megaproject;~~

32 ~~(5) There is at least one other state or foreign country that the taxpayer~~  
33 ~~verifies is being considered for the project, and receiving megaproject tax~~  
34 ~~credits is a major factor in the taxpayer's decision to go forward with the~~  
35 ~~project and not receiving the credit will result in the taxpayer not creating new~~  
36 ~~jobs in Missouri;~~

37 ~~(6) The megaproject will be located in an enhanced enterprise zone~~  
38 ~~which constitutes an economic or social liability and a detriment to the public~~  
39 ~~health, safety, morals, or welfare in its present condition and use;~~

40 ~~(7) The completion of the megaproject will serve an essential public~~  
41 ~~municipal purpose by creating a substantial number of new jobs for citizens,~~  
42 ~~increasing their purchasing power, improving their living conditions, and~~  
43 ~~relieving the demand for unemployment and welfare assistance thereby~~  
44 ~~promoting the economic development of the enhanced enterprise zone, the~~  
45 ~~municipality, and the state; and~~

46 ~~(8) The creation of new jobs will assist the state in providing the~~  
47 ~~services needed to protect the health, safety, and social and economic well-~~  
48 ~~being of the citizens of the state.~~

49 ~~3. Prior to final approval of an application, a binding contract shall be~~  
50 ~~executed between the taxpayer and the department of economic development~~  
51 ~~which shall include, but not be limited to:~~

52 ~~(1) A repayment plan providing for cash payment to the state general~~  
53 ~~revenue fund which shall result in a positive internal rate of return to the state~~  
54 ~~and fully comply with the provisions of the World Trade Organization~~  
55 ~~Agreement on Subsidies and Countervailing Measures. The rate of return~~  
56 ~~shall be commercially reasonable and, over the life of the project, exceed one~~  
57 ~~hundred and fifty percent of the state's borrowing costs based on the AAA-~~  
58 ~~rated twenty-year tax-exempt bond rate average over a twenty-year borrowing~~  
59 ~~period. The rate shall be verified by a professional third-party financial~~  
60 ~~analysis;~~

61 ~~(2) The taxpayer's obligation to construct a facility of at least one~~  
62 ~~million square feet within five years from the date of approval;~~

63 ~~(3) A requirement that the issuance of tax credits authorized under this~~  
64 ~~section shall cease and the taxpayer shall immediately submit payment, to the~~  
65 ~~state general revenue fund, in an amount equal to all credits previously issued~~  
66 ~~less any amounts previously repaid, increased by an additional amount that~~  
67 ~~shall provide the state a reasonable rate of return, in the event the taxpayer:~~

68 ~~(a) Fails to construct a facility of at least one million square feet within~~  
69 ~~five years of the date of approval;~~

70 ~~(b) Fails to make a scheduled payment as required by the repayment~~  
71 ~~plan; or~~

72 ~~(c) Fails to compensate new jobs at rate equal to or in excess of the~~  
73 ~~county average wage or fails to offer health insurance to all such new jobs and~~  
74 ~~pay at least eighty percent of such premiums; and~~

75 ~~(4) A requirement that the department shall suspend issuance of tax~~  
76 ~~credits authorized under this section if, at any point, the total amount of tax~~  
77 ~~credits issued less the total amount of repayments received equals one hundred~~  
78 ~~and fifty-five million dollars.~~

79 ~~4. Upon approval of an application by the department, tax credits shall~~  
80 ~~be issued annually for a period not to exceed eight years from the~~  
81 ~~commencement of commercial operations of the megaproject. The eight-~~  
82 ~~year period for the issuance of megaproject tax credits may extend beyond the~~  
83 ~~expiration of the enhanced enterprise zone. The maximum percentage of the~~  
84 ~~annual payroll of the taxpayer for new jobs located at the megaproject which~~  
85 ~~may be approved or issued by the department for tax credits shall not exceed:~~

86 ~~(1) Eighty percent for the first three years that tax credits will be~~  
87 ~~issued for the megaproject;~~

88 ~~(2) Sixty percent for the next two subsequent years;~~

89 ~~(3) Fifty percent for the next two subsequent years; and~~

90 ~~(4) Thirty percent for the remaining year.~~

91  
92 ~~In no event shall the department issue more than forty million dollars annually~~  
93 ~~in megaproject tax credits to any taxpayer. In any given year, the amount of~~  
94 ~~tax credits issued shall be the lesser of forty million dollars, the applicable~~  
95 ~~annual payroll percentage, or the amount of tax credits remaining unissued~~  
96 ~~under the two hundred forty million dollar limitation on megaproject tax credit~~  
97 ~~issuance provided under subsection 1 of this section.~~

98 ~~5. Tax credits issued under this section may be claimed against the tax~~  
99 ~~imposed by chapter 143, excluding withholding tax imposed by sections~~

100 ~~143.191 to 143.265. For taxpayers with flow-through tax treatment of its~~  
101 ~~members, partners, or shareholders, the credit shall be allowed to members,~~  
102 ~~partners, or shareholders in proportion to their share of ownership on the last~~  
103 ~~day of the taxpayer's tax period. The director of revenue shall issue a refund to~~  
104 ~~a taxpayer to the extent the amount of credits allowed in this section exceeds~~  
105 ~~the amount of the taxpayer's income tax liability in the year redemption is~~  
106 ~~authorized. An owner of tax credits issued under this section shall not be~~  
107 ~~required to have any Missouri income tax liability in order to redeem such tax~~  
108 ~~credits and receive a refund. The director of revenue shall prepare a form to~~  
109 ~~permit the owner of such tax credits to obtain a refund.~~

110 ~~6. Certificates of tax credits authorized under this section may be~~  
111 ~~transferred, sold, or assigned by filing a notarized endorsement thereof with~~  
112 ~~the department that names the transferee, the amount of tax credit transferred,~~  
113 ~~and the value received for the credit, as well as any other information~~  
114 ~~reasonably requested by the department. Upon such transfer, sale, or~~  
115 ~~assignment, the transferee shall be the owner of such tax credits entitled to~~  
116 ~~claim the tax credits or any refunds with respect thereto issued to the taxpayer.~~  
117 ~~Tax credits may not be carried forward past the year of issuance. Tax credits~~  
118 ~~authorized by this section may not be pledged or used to secure any bonds or~~  
119 ~~other indebtedness issued by the state or any political subdivision of the state.~~  
120 ~~Once such tax credits have been issued, nothing shall prohibit the owner of the~~  
121 ~~tax credits from pledging the tax credits to any lender or other third party.~~

122 ~~7. Any taxpayer issued tax credits under this section shall provide an~~  
123 ~~annual report to the department and the house and senate appropriations~~  
124 ~~committees of the number of new jobs located at the megaproject, the new~~  
125 ~~annual payroll of such new jobs, and such other information as may be~~  
126 ~~required by the department to document the basis for benefits under this~~  
127 ~~section. The department may withhold the approval of the annual issuance of~~  
128 ~~any tax credits until it is satisfied that proper documentation has been~~  
129 ~~provided, and shall reduce the tax credits to reflect any reduction in new~~  
130 ~~payroll. If the department determines the average wage is below the county~~  
131 ~~average wage, or the taxpayer has not maintained employee health insurance~~  
132 ~~as required, the taxpayer shall not receive tax credits for that year.~~

133 ~~8. Notwithstanding any provision of law to the contrary, any taxpayer~~  
134 ~~who is awarded tax credits under this section shall not also receive tax credits~~  
135 ~~under sections 135.100 to 135.150, sections 135.200 to 135.286, section~~  
136 ~~135.535, or sections 620.1875 to 620.1890.~~

137 ~~9. Any action brought in any court contesting the approval of a~~  
138 ~~megaproject and the issuance of the tax credits, or any other action undertaken~~  
139 ~~pursuant to this section related to such megaproject, shall be filed within~~  
140 ~~ninety days following approval of the megaproject by the department.~~

141 ~~10. Records and documents relating to a proposed megaproject shall~~  
142 ~~be deemed closed records until such time as the application has been approved.~~  
143 ~~Provisions of this subsection to the contrary notwithstanding, records~~  
144 ~~containing business plan information which may endanger the~~  
145 ~~competitiveness of the business shall remain closed.~~

146                   11. Notwithstanding any provision of this section to the contrary, no  
 147 taxpayer who receives megaproject tax credits authorized under this section or  
 148 any related taxpayer shall employ, prior to January 1, 2022, directly:

149                   (1) Any elected public official of this state holding office as of January  
 150 1, 2008;

151                   (2) Any director, deputy director, division director, or employee  
 152 directly involved in negotiations between the department of economic  
 153 development and a taxpayer relative to the megaproject who was employed  
 154 as of January 1, 2008, by the department.]

2                   [135.970. The department may adopt such rules, statements of policy,  
 3 procedures, forms, and guidelines as may be necessary to carry out the  
 4 provisions of sections 135.950 to 135.970. Any rule or portion of a rule, as  
 5 that term is defined in section 536.010, that is created under the authority  
 6 delegated in this section shall become effective only if it complies with and is  
 7 subject to all of the provisions of chapter 536 and, if applicable, section  
 8 536.028. This section and chapter 536 are nonseverable and if any of the  
 9 powers vested with the general assembly pursuant to chapter 536 to review, to  
 10 delay the effective date, or to disapprove and annul a rule are subsequently  
 11 held unconstitutional, then the grant of rulemaking authority and any rule  
 proposed or adopted after August 28, 2004, shall be invalid and void.]

2                   [135.973. After January 1, 2007, all enterprise zones designated before  
 3 January 1, 2006, shall be eligible to receive the tax benefits under sections  
 135.950 to 135.970.]

2                   [135.1125. 1. As used in this section, the following terms shall mean:

3                   (1) "Certificate", a tax credit certificate issued under this section;

4                   (2) "Department", the Missouri department of social services;

5                   (3) "Eligible donation", a donation of cash, stock, bonds or other  
 6 marketable securities, or real property made to an eligible provider;

7                   (4) "Eligible provider", an organization that provides funding for  
 8 unmet health, hunger, and hygiene needs of children in school;

9                   (5) "Taxpayer", a person, firm, partner in a firm, corporation, or a  
 10 shareholder in an S corporation doing business in the state of Missouri and  
 11 subject to the state income tax imposed in chapter 143, an insurance company  
 12 paying an annual tax on its gross premium receipts in this state, any other  
 13 financial institution paying taxes to the state of Missouri or any political  
 14 subdivision of this state under chapter 148, or any charitable organization  
 15 which is exempt from federal income tax and whose Missouri unrelated  
 16 business taxable income, if any, would be subject to the state income tax  
 imposed under chapter 143.

17                   2. For all taxable years beginning on or after January 1, 2019, any  
 18 taxpayer shall be allowed a credit against the taxes otherwise due under  
 19 chapter 143 or 148, excluding withholding tax under sections 143.191 to  
 20 143.265, in an amount equal to fifty percent of the amount of an eligible  
 21 donation. The amount of the tax credit claimed shall not exceed the amount of  
 22 the taxpayer's state income tax liability in the tax year for which the credit is

23 ~~claimed. Any amount of credit that the taxpayer is prohibited by this section~~  
 24 ~~from claiming in a tax year shall not be refundable, but may be carried forward~~  
 25 ~~to any of the taxpayer's four subsequent taxable years.~~

26 ~~3. To claim the credit authorized in this section, a provider may submit~~  
 27 ~~to the department an application for the tax credit authorized by this section on~~  
 28 ~~behalf of taxpayers. The department shall verify that the provider has~~  
 29 ~~submitted the following items accurately and completely:~~

30 ~~(1) A valid application in the form and format required by the~~  
 31 ~~department;~~

32 ~~(2) A statement attesting to the eligible donation received, which shall~~  
 33 ~~include the name and taxpayer identification number of the individual making~~  
 34 ~~the eligible donation, the amount of the eligible donation, and the date the~~  
 35 ~~eligible donation was received by the provider; and~~

36 ~~(3) A payment from the eligible provider in an amount equal to fifty~~  
 37 ~~percent of the eligible donation.~~

38  
 39 ~~If the provider applying for the tax credit meets all criteria required by this~~  
 40 ~~subsection, the department shall issue a certificate in the appropriate amount.~~

41 ~~4. Tax credits issued under this section may be assigned, transferred,~~  
 42 ~~sold, or otherwise conveyed, and the new owner of the tax credit shall have the~~  
 43 ~~same rights in the credit as the taxpayer. Whenever a certificate is assigned,~~  
 44 ~~transferred, sold, or otherwise conveyed, a notarized endorsement shall be~~  
 45 ~~filed with the department specifying the name and address of the new owner of~~  
 46 ~~the tax credit or the value of the credit.~~

47 ~~5. The department shall promulgate rules to implement the provisions~~  
 48 ~~of this section. Any rule or portion of a rule, as that term is defined in section~~  
 49 ~~536.010, that is created under the authority delegated in this section shall~~  
 50 ~~become effective only if it complies with and is subject to all of the provisions~~  
 51 ~~of chapter 536 and, if applicable, section 536.028. This section and chapter~~  
 52 ~~536 are nonseverable and if any of the powers vested with the general~~  
 53 ~~assembly pursuant to chapter 536 to review, to delay the effective date, or to~~  
 54 ~~disapprove and annul a rule are subsequently held unconstitutional, then the~~  
 55 ~~grant of rulemaking authority and any rule proposed or adopted after August~~  
 56 ~~28, 2018, shall be invalid and void.~~

57 ~~6. Pursuant to section 23.253 of the Missouri sunset act:~~

58 ~~(1) The provisions of this section shall automatically sunset six years~~  
 59 ~~after August 28, 2018, unless reauthorized by an act of the general assembly;~~  
 60 ~~and~~

61 ~~(2) If such program is reauthorized, the program authorized under this~~  
 62 ~~section shall automatically sunset twelve years after the effective date of the~~  
 63 ~~reauthorization of this section; and~~

64 ~~(3) This section shall terminate on September first of the calendar year~~  
 65 ~~immediately following the calendar year in which the program authorized~~  
 66 ~~under this section is sunset.]~~

2 ~~[173.196. 1. Any business firm, as defined in section 32.105, may~~  
 3 ~~make a donation to the "Missouri Higher Education Scholarship Donation~~  
~~Fund", which is hereby created in the state treasury. A donating business firm~~

4 shall receive a tax credit as provided in this section equal to fifty percent of the  
 5 amount of the donation, except that tax credits shall be awarded each fiscal  
 6 year in the order donations are received and the amount of tax credits  
 7 authorized shall total no more than two hundred and fifty thousand dollars for  
 8 each fiscal year.

9 2. The department of revenue shall grant tax credits approved under  
 10 this section which shall be applied in the order specified in subsection 1 of  
 11 section 32.115 until used. The tax credits provided under this section shall be  
 12 refundable, and any tax credit not used in the fiscal year in which approved  
 13 may be carried over the next five succeeding calendar or fiscal years until the  
 14 full credit has been claimed. Notwithstanding any other law to the contrary,  
 15 any tax credits granted under this section may be assigned, transferred, sold, or  
 16 otherwise conveyed without consent or approval. Such taxpayer, hereinafter  
 17 the assignor for purposes of this section, may sell, assign, exchange, or  
 18 otherwise transfer earned tax credits:

19 (1) For no less than seventy five percent of the par value of such  
 20 credits; and

21 (2) In an amount not to exceed one hundred percent of annual earned  
 22 credits.

23 3. No tax credit authorized under this section may be applied against  
 24 any tax applied in a tax year beginning prior to January 1, 1995.

25 4. All revenues credited to the fund shall be used, subject to  
 26 appropriations, to provide scholarships authorized under sections 173.197 to  
 27 173.199, and for no other purpose.

28 5. For all tax years beginning on or after January 1, 2005, no tax  
 29 credits shall be authorized, awarded, or issued to any person or entity claiming  
 30 any tax credit under this section.]

2 [320.093. 1. Any person, firm or corporation who purchases a dry fire  
 3 hydrant, as defined in section 320.273, or provides an acceptable means of  
 4 water storage for such dry fire hydrant including a pond, tank or other storage  
 5 facility with the primary purpose of fire protection within the state of Missouri,  
 6 shall be eligible for a credit on income taxes otherwise due pursuant to chapter  
 7 143, except sections 143.191 to 143.261, as an incentive to implement safe and  
 8 efficient fire protection controls. The tax credit, not to exceed five thousand  
 9 dollars, shall be equal to fifty percent of the cost in actual expenditure for any  
 10 new water storage construction, equipment, development and installation of  
 11 the dry hydrant, including pipes, valves, hydrants and labor for each such  
 12 installation of a dry hydrant or new water storage facility. The amount of the  
 13 tax credit claimed for in-kind contributions shall not exceed twenty five  
 14 percent of the total amount of the contribution for which the tax credit is  
 15 claimed.

16 2. Any amount of credit which exceeds the tax due shall not be  
 17 refunded but may be carried over to any subsequent taxable year, not to exceed  
 18 seven years. The person, firm or corporation may elect to assign to a third  
 19 party the approved tax credit. The certificate of assignment and other  
 20 appropriate forms shall be filed with the Missouri department of revenue and  
 the department of economic development.

21           3. ~~The person, firm or corporation shall make application for the credit~~  
 22 ~~to the department of economic development after receiving approval of the~~  
 23 ~~state fire marshal. The fire marshal shall establish by rule promulgated~~  
 24 ~~pursuant to chapter 536 the requirements to be met based on the National~~  
 25 ~~Resources Conservation Service's Dry Hydrant Standard. The state fire~~  
 26 ~~marshal or designated local representative shall review and authorize the~~  
 27 ~~construction and installation of any dry fire hydrant site. Only approved dry~~  
 28 ~~fire hydrant sites shall be eligible for tax credits as indicated in this section.~~  
 29 ~~Under no circumstance shall such authority deny any entity the ability to~~  
 30 ~~provide a dry fire hydrant site when tax credits are not requested.~~

31           4. ~~The department of public safety shall certify to the department of~~  
 32 ~~revenue that the dry hydrant system meets the requirements to obtain a tax~~  
 33 ~~credit as specified in subsection 5 of this section.~~

34           5. ~~In order to qualify for a tax credit under this section, a dry hydrant~~  
 35 ~~or new water storage facility shall meet the following minimum requirements:~~

36           (1) ~~Each body of water or water storage structure shall be able to~~  
 37 ~~provide two hundred fifty gallons per minute for a continuous two-hour period~~  
 38 ~~during a fifty year drought or freeze at a vertical lift of eighteen feet;~~

39           (2) ~~Each dry hydrant shall be located within twenty five feet of an all-~~  
 40 ~~weather roadway and shall be accessible to fire protection equipment;~~

41           (3) ~~Dry hydrants shall be located a reasonable distance from other dry~~  
 42 ~~or pressurized hydrants; and~~

43           (4) ~~The site shall provide a measurable economic improvement~~  
 44 ~~potential for rural development.~~

45           6. ~~New credits shall not be awarded under this section after August 28,~~  
 46 ~~2010. The total amount of all tax credits allowed pursuant to this section is~~  
 47 ~~five hundred thousand dollars in any one fiscal year as approved by the~~  
 48 ~~director of the department of economic development.~~

49           7. ~~Any rule or portion of a rule, as that term is defined in section~~  
 50 ~~536.010, that is created under the authority delegated in this section shall~~  
 51 ~~become effective only if it complies with and is subject to all of the provisions~~  
 52 ~~of chapter 536 and, if applicable, section 536.028. This section and chapter~~  
 53 ~~536 are nonseverable and if any of the powers vested with the general~~  
 54 ~~assembly pursuant to chapter 536 to review, to delay the effective date or to~~  
 55 ~~disapprove and annul a rule are subsequently held unconstitutional, then the~~  
 56 ~~grant of rulemaking authority and any rule proposed or adopted after August~~  
 57 ~~28, 2007, shall be invalid and void.]~~

2           [348.300. As used in sections 348.300 to 348.318, the following terms  
 3 mean:

4           (1) ~~"Commercial activity located in Missouri", any research,~~  
 5 ~~development, prototype fabrication, and subsequent precommercialization~~  
 6 ~~activity, or any activity related thereto, conducted in Missouri for the purpose~~  
 7 ~~of producing a service or a product or process for manufacture, assembly or~~  
 8 ~~sale or developing a service based on such a product or process by any person,~~  
 9 ~~corporation, partnership, joint venture, unincorporated association, trust or~~  
~~other organization doing business in Missouri. Subsequent to January 1, 1999,~~

10 a commercial activity located in Missouri shall mean only such activity that is  
11 ~~located within a distressed community, as defined in section 135.530;~~

12 ~~(2) "Follow-up capital", capital provided to a commercial activity~~  
13 ~~located in Missouri in which a qualified fund has previously invested seed~~  
14 ~~capital or start up capital and which does not exceed ten times the amount of~~  
15 ~~such seed and start up capital;~~

16 ~~(3) "Person", any individual, corporation, partnership, or other entity,~~  
17 ~~including any charitable corporation which is exempt from federal income tax~~  
18 ~~and whose Missouri unrelated business taxable income, if any, would be~~  
19 ~~subject to the state income tax imposed under chapter 143;~~

20 ~~(4) "Qualified contribution", cash contribution to a qualified fund;~~

21 ~~(5) "Qualified economic development organization", any corporation~~  
22 ~~organized under the provisions of chapter 355 which has as of January 1, 1991,~~  
23 ~~obtained a contract with the department of economic development to operate~~  
24 ~~an innovation center to promote, assist and coordinate the research and~~  
25 ~~development of new services, products or processes in the state of Missouri;~~  
26 ~~and the Missouri technology corporation organized pursuant to the provisions~~  
27 ~~of sections 348.250 to 348.275;~~

28 ~~(6) "Qualified fund", any corporation, partnership, joint venture,~~  
29 ~~unincorporated association, trust or other organization which is established~~  
30 ~~under the laws of Missouri after December 31, 1985, which meets all of the~~  
31 ~~following requirements established by this subdivision. The fund shall have as~~  
32 ~~its sole purpose and business the making of investments, of which at least~~  
33 ~~ninety percent of the dollars invested shall be qualified investments. The fund~~  
34 ~~shall enter into a contract with one or more qualified economic development~~  
35 ~~organizations which shall entitle the qualified economic development~~  
36 ~~organizations to receive not less than ten percent of all distributions of~~  
37 ~~equity and dividends or other earnings of the fund. Such contracts shall~~  
38 ~~require the qualified fund to transfer to the Missouri technology corporation~~  
39 ~~organized pursuant to the provisions of sections 348.250 to 348.275 this~~  
40 ~~interest and make corresponding distributions thereto in the event the qualified~~  
41 ~~economic development organization holding such interest is dissolved or~~  
42 ~~ceases to do business for a period of one year or more;~~

43 ~~(7) "Qualified investment", any investment of seed capital, start up~~  
44 ~~capital, or follow up capital in any commercial activity located in Missouri;~~

45 ~~(8) "Seed capital", capital provided to a commercial activity located in~~  
46 ~~Missouri for research, development and precommercialization activities to~~  
47 ~~prove a concept for a new product or process or service, and for activities~~  
48 ~~related thereto;~~

49 ~~(9) "Start up capital", capital provided to a commercial activity located~~  
50 ~~in Missouri for use in preproduction product development or service~~  
51 ~~development or initial marketing thereof, and for activities related thereto;~~

52 ~~(10) "State tax liability", any state tax liability incurred by a taxpayer~~  
53 ~~under the provisions of chapters 143, 147 and 148, exclusive of the provisions~~  
54 ~~relating to the withholding of tax as provided for in sections 143.191 to~~  
55 ~~143.265 and related provisions;~~

56 ~~(11) "Uninvested capital", the amount of any distribution, other than of~~  
57 ~~earnings, by a qualified fund made within five years of the issuance of a~~

58 ~~certificate of tax credit as provided by sections 348.300 to 348.318; or the~~  
 59 ~~portion of all qualified contributions to a qualified fund which are not invested~~  
 60 ~~as qualified investments within five years of the issuance of a certificate of tax~~  
 61 ~~credit as provided by sections 348.300 to 348.318 to the extent that the amount~~  
 62 ~~not so invested exceeds ten percent of all such qualified contributions.]~~

2 ~~[348.300. As used in sections 348.300 to 348.318, the following terms~~  
 3 ~~mean:~~

4 (1) ~~"Commercial activity located in Missouri", any research,~~  
 5 ~~development, prototype fabrication, and subsequent precommercialization~~  
 6 ~~activity, or any activity related thereto, conducted in Missouri for the purpose~~  
 7 ~~of producing a service or a product or process for manufacture, assembly or~~  
 8 ~~sale or developing a service based on such a product or process by any person,~~  
 9 ~~corporation, partnership, joint venture, unincorporated association, trust or~~  
 10 ~~other organization doing business in Missouri. Subsequent to January 1, 1999,~~  
 11 ~~a commercial activity located in Missouri shall mean only such activity that is~~  
 12 ~~located within a distressed community, as defined in section 135.530;~~

13 (2) ~~"Follow up capital", capital provided to a commercial activity~~  
 14 ~~located in Missouri in which a qualified fund has previously invested seed~~  
 15 ~~capital or start-up capital and which does not exceed ten times the amount of~~  
 16 ~~such seed and start-up capital;~~

17 (3) ~~"Person", any individual, corporation, partnership, or other entity,~~  
 18 ~~including any charitable corporation which is exempt from federal income tax~~  
 19 ~~and whose Missouri unrelated business taxable income, if any, would be~~  
 20 ~~subject to the state income tax imposed under chapter 143;~~

21 (4) ~~"Qualified contribution", cash contribution to a qualified fund;~~

22 (5) ~~"Qualified economic development organization", any corporation~~  
 23 ~~organized under the provisions of chapter 355 which has as of January 1, 1991,~~  
 24 ~~obtained a contract with the department of economic development to operate~~  
 25 ~~an innovation center to promote, assist and coordinate the research and~~  
 26 ~~development of new services, products or processes in the state of Missouri;~~  
 27 ~~and the Missouri technology corporation organized pursuant to the provisions~~  
 28 ~~of sections 348.253 to 348.266;~~

29 (6) ~~"Qualified fund", any corporation, partnership, joint venture,~~  
 30 ~~unincorporated association, trust or other organization which is established~~  
 31 ~~under the laws of Missouri after December 31, 1985, which meets all of the~~  
 32 ~~following requirements established by this subdivision. The fund shall have as~~  
 33 ~~its sole purpose and business the making of investments, of which at least~~  
 34 ~~ninety percent of the dollars invested shall be qualified investments. The fund~~  
 35 ~~shall enter into a contract with one or more qualified economic development~~  
 36 ~~organizations which shall entitle the qualified economic development~~  
 37 ~~organizations to receive not less than ten percent of all distributions of~~  
 38 ~~equity and dividends or other earnings of the fund. Such contracts shall~~  
 39 ~~require the qualified fund to transfer to the Missouri technology corporation~~  
 40 ~~organized pursuant to the provisions of sections 348.253 to 348.266 this~~  
 41 ~~interest and make corresponding distributions thereto in the event the qualified~~  
 42 ~~economic development organization holding such interest is dissolved or~~  
 ceases to do business for a period of one year or more;

- 43           (7) ~~"Qualified investment", any investment of seed capital, start-up~~  
 44 ~~capital, or follow up capital in any commercial activity located in Missouri;~~  
 45           (8) ~~"Seed capital", capital provided to a commercial activity located in~~  
 46 ~~Missouri for research, development and precommercialization activities to~~  
 47 ~~prove a concept for a new product or process or service, and for activities~~  
 48 ~~related thereto;~~  
 49           (9) ~~"Start-up capital", capital provided to a commercial activity located~~  
 50 ~~in Missouri for use in preproduction product development or service~~  
 51 ~~development or initial marketing thereof, and for activities related thereto;~~  
 52           (10) ~~"State tax liability", any state tax liability incurred by a taxpayer~~  
 53 ~~under the provisions of chapters 143, 147 and 148, exclusive of the provisions~~  
 54 ~~relating to the withholding of tax as provided for in sections 143.191 to~~  
 55 ~~143.265 and related provisions;~~  
 56           (11) ~~"Uninvested capital", the amount of any distribution, other than of~~  
 57 ~~earnings, by a qualified fund made within five years of the issuance of a~~  
 58 ~~certificate of tax credit as provided by sections 348.300 to 348.318; or the~~  
 59 ~~portion of all qualified contributions to a qualified fund which are not invested~~  
 60 ~~as qualified investments within five years of the issuance of a certificate of tax~~  
 61 ~~credit as provided by sections 348.300 to 348.318 to the extent that the amount~~  
 62 ~~not so invested exceeds ten percent of all such qualified contributions.]~~

2           ~~[348.302. 1. Any person who makes a qualified contribution to a~~  
 3 ~~qualified fund shall be entitled to receive a tax credit equal to fifty percent of~~  
 4 ~~the amount of the qualified contribution. The tax credit shall be evidenced by~~  
 5 ~~a tax credit certificate in accordance with the provisions of sections 348.300 to~~  
 6 ~~348.318 and may be used to satisfy the state tax liability of the owner of such~~  
 7 ~~certificate that becomes due in the tax year in which the qualified contribution~~  
 8 ~~is made, or in any of the ten tax years thereafter. No person may receive a tax~~  
 9 ~~credit pursuant to sections 348.300 to 348.318 unless that person presents a tax~~  
 10 ~~credit certificate to the department of revenue for payment of such state tax~~  
 11 ~~liability.~~

12           ~~2. The amount of such qualified contributions which can be made is~~  
 13 ~~limited so that the aggregate of all tax credits authorized under the provisions~~  
 14 ~~of sections 348.300 to 348.318 shall not exceed nine million dollars. All tax~~  
 15 ~~credits authorized under the provisions of this section may be transferred, sold~~  
~~or assigned.]~~

2           ~~[348.304. The total amount of credit evidenced by certificates of tax~~  
 3 ~~credit issued to taxpayers at the request of any one qualified economic~~  
 4 ~~development organization shall not exceed two million dollars; except that,~~  
 5 ~~this two million dollar limitation shall not apply to certificates of tax credit~~  
 6 ~~issued after January 1, 1996. Prior to January 1, 1996, any qualified economic~~  
 7 ~~development organization may enter into a contractual agreement with any~~  
 8 ~~other qualified economic development organization to allocate to the latter any~~  
 9 ~~portion of the two million dollars of tax credits which it is authorized to issue~~  
 10 ~~to taxpayers under the provisions of this section. The certificate of tax credit~~  
 11 ~~may be issued in one aggregate certificate or in a reasonable number of~~  
~~multiple certificates in regard to one qualified contribution. Any issued~~

12 ~~certificate may be surrendered in exchange for new certificates not to exceed~~  
13 ~~in value the value of the issued certificate. The number and denomination of~~  
14 ~~multiple certificates, if issued, shall be determined by the director of the~~  
15 ~~department of economic development.]~~

2 ~~[348.306. No person shall receive, by issuance, transfer or assignment,~~  
3 ~~certificates of tax credit issued under the provisions of sections 348.300 to~~  
4 ~~348.318 in an amount in excess of one million dollars. Subject to the~~  
5 ~~provisions of this section, certificates of tax credit issued in accordance with~~  
6 ~~sections 348.300 to 348.318 may be transferred or assigned by notarized~~  
~~endorsement thereof which names the transferee.]~~

2 ~~[348.308. 1. The director of the department of economic development~~  
3 ~~shall be responsible for the administration and issuance of the certificate of tax~~  
4 ~~credits authorized by sections 348.300 to 348.318. The director of the~~  
5 ~~department of economic development shall issue a certificate of tax credit at~~  
6 ~~the request of any qualified economic development organization. Each request~~  
7 ~~shall include a true copy of the documents creating the qualified fund and the~~  
8 ~~interest of the qualified economic development organization in the qualified~~  
9 ~~fund, the name of the person who is to receive a certificate of tax credit, the~~  
10 ~~type of state tax liability, as specified in subdivision (10) of section 348.300,~~  
11 ~~against which the tax credit is to be used, and the amount of the certificate of~~  
12 ~~tax credit to be issued to the person making the qualified contribution. Each~~  
13 ~~request shall be acknowledged under oath by the person making the qualified~~  
14 ~~contribution and the president of the qualified economic development~~  
15 ~~organization.]~~

16 ~~2. In the event that two or more qualified economic development~~  
17 ~~organizations have an interest in a qualified fund, either or both of such~~  
18 ~~qualified economic development organizations may request issuance of~~  
19 ~~certificates of tax credit in accordance with the provisions of sections~~  
~~348.300 to 348.318 to persons contributing to qualified funds.]~~

2 ~~[348.310. The Missouri department of revenue shall accept a~~  
3 ~~certificate of tax credit in lieu of other payment in such amount as is equal~~  
4 ~~to the lesser of the amount of the tax or the remaining unused amount of the~~  
5 ~~credit as indicated on the certificate of tax credit; and shall indicate on the~~  
6 ~~certificate of tax credit the amount of tax thereby paid, the date of such~~  
7 ~~payment, and the remainder of the unused credit available to the taxpayer after~~  
8 ~~such payment. The certificate of tax credit shall be returned to the director of~~  
9 ~~the department of economic development. The director of the department of~~  
10 ~~economic development shall issue a new certificate to the proper owner for~~  
~~any unused balance.]~~

2 ~~[348.312. No provision of sections 348.300 to 348.318 shall be~~  
3 ~~construed to require a qualified economic development organization to accept~~  
4 ~~an interest in any fund, nor shall any provision of sections 348.300 to 348.318~~  
~~be construed to limit or restrict the terms and conditions on which a qualified~~

5 ~~economic development organization may agree to accept an interest in any~~  
6 ~~fund.]~~

2 ~~[348.316. 1. Each qualified fund, on or before the due date of its~~  
3 ~~federal income tax return, shall make a report for a period corresponding to the~~  
4 ~~qualified fund's federal income tax year. The report shall be made on a form~~  
5 ~~required by the department of economic development. It shall be verified by~~  
6 ~~the affidavit of the fund's president, or another authorized officer, to the~~  
7 ~~department of economic development. It shall state the amount of all~~  
8 ~~uninvested capital, whether distributions of equity or funds not invested in~~  
9 ~~qualified investments, and it shall contain other such information as may be~~  
10 ~~required by the director of the department of economic development.~~

11 ~~2. Upon the receipt of such returns, the director of the department of~~  
12 ~~economic development shall verify the same and certify the amount of tax due~~  
13 ~~from the various funds to the director of revenue within sixty days from the~~  
14 ~~date of the return. The director of revenue shall send each qualified fund a~~  
15 ~~notice of tax due within thirty days of the date of certification by the~~  
16 ~~department of economic development. The qualified fund shall pay the tax as~~  
~~provided in the notice within thirty days of the date of such notice.]~~

2 ~~[348.318. Except as otherwise specifically provided in sections~~  
3 ~~348.300 to 348.318, interest and penalty provisions and procedural matters~~  
4 ~~under the provisions of sections 348.300 to 348.318 shall be determined~~  
5 ~~pursuant to and in the manner prescribed in the following sections of the~~  
6 ~~revised statutes of Missouri, the state income tax law, governing similar~~  
7 ~~procedures thereunder: sections 143.271 to 143.301, 143.511, 143.551 to~~  
8 ~~143.571, 143.611 to 143.751, 143.771, 143.791 to 143.861, 143.881 to~~  
~~143.971, and 143.986.]~~

2 ~~[620.635. Sections 620.635 to 620.653 shall be known and may be~~  
~~cited as the "Missouri New Enterprise Creation Act".]~~

2 ~~[620.638. As used in sections 620.635 to 620.653, the following terms~~  
3 ~~mean:~~

4 ~~(1) "Committed contributions", the total amount of qualified~~  
5 ~~contributions that are committed to a qualifying fund by contractual~~  
6 ~~agreement;~~

7 ~~(2) "Corporation", the Missouri technology corporation as established~~  
8 ~~pursuant to section 348.251;~~

9 ~~(3) "Department", the department of economic development;~~

10 ~~(4) "Director", the director of the department of economic~~  
11 ~~development;~~

12 ~~(5) "Follow-up capital", capital provided to a qualified business in~~  
13 ~~which a qualified fund has previously invested seed capital or start-up capital.~~  
14 ~~No more than forty percent of the qualified contributions to a qualified fund~~  
15 ~~may be used for follow-up capital, and no qualified contributions which~~  
16 ~~generate tax credits before the second round of allocations as authorized by~~  
~~section 620.650 shall be used for follow-up capital investments;~~

17           ~~(6) "Person", any individual, corporation, partnership, limited liability~~  
18 ~~company or other entity, including any charitable organization which is~~  
19 ~~exempt from federal income tax and whose Missouri unrelated business~~  
20 ~~taxable income, if any, would be subject to the state income tax imposed under~~  
21 ~~chapter 143;~~

22           ~~(7) "Positive cash flow", total cash receipts from sales or services, but~~  
23 ~~not from investments or loans, exceeding total cash expenditures as calculated~~  
24 ~~on a fiscal year basis;~~

25           ~~(8) "Qualified business", any independently owned and operated~~  
26 ~~business which is headquartered and located in Missouri and which is involved~~  
27 ~~in or intends to be involved in commerce for the purpose of manufacturing,~~  
28 ~~processing or assembling products, conducting research and development, or~~  
29 ~~providing services in interstate commerce. Such a business shall maintain its~~  
30 ~~headquarters in Missouri for a period of at least three years from the date of~~  
31 ~~receipt of a qualified investment or be subject to penalties pursuant to section~~  
32 ~~620.017;~~

33           ~~(9) "Qualified contribution", cash contributions to a qualified fund~~  
34 ~~pursuant to the terms of contractual agreements made between the qualified~~  
35 ~~fund and a qualified economic development organization authorized by the~~  
36 ~~corporation to enter into such contracts;~~

37           ~~(10) "Qualified economic development organization", any corporation~~  
38 ~~organized pursuant to the provisions of chapter 355 that, as of January 1, 1991,~~  
39 ~~had obtained a contract with the department to operate an innovation center to~~  
40 ~~promote, assist and coordinate the research and development of new services,~~  
41 ~~products or processes in this state;~~

42           ~~(11) "Qualified fund", a fund established by any corporation,~~  
43 ~~partnership, joint venture, unincorporated association, trust or other~~  
44 ~~organization established pursuant to the laws of Missouri and approved by~~  
45 ~~the corporation;~~

46           ~~(12) "Qualified investment", any investment of seed capital, start-up~~  
47 ~~capital or follow-up capital in a qualified business that does not cause more~~  
48 ~~than ten percent of all the qualified contributions to a qualified fund to be~~  
49 ~~invested in a single qualified business;~~

50           ~~(13) "Seed capital", capital provided to a qualified business for~~  
51 ~~research, development and precommercialization activities to prove a concept~~  
52 ~~for a new product, process or service, and for activities related thereto;~~  
53 ~~provided that, seed capital shall not be provided to any business which in a~~  
54 ~~past fiscal year has experienced a positive cash flow;~~

55           ~~(14) "Start-up capital", capital provided to a qualified business for use~~  
56 ~~in preproduction product development, service development or initial~~  
57 ~~marketing thereof; provided that, start up capital shall not be provided to~~  
58 ~~any business which has experienced a positive cash flow in a past fiscal year;~~

59           ~~(15) "Uninvested capital", that portion of any qualified contribution to~~  
60 ~~a qualified fund, other than management fees not to exceed three percent per~~  
61 ~~year of committed contributions, qualified investments and other expenses or~~  
62 ~~fees authorized by the corporation, that is not invested as a qualified~~  
63 ~~investment within ten years of its receipt.]~~

2 ~~[620.641.—The powers and duties of the Missouri seed capital~~  
3 ~~investment board shall be transferred to the Missouri technology corporation~~  
4 ~~effective August 28, 2011, and the Missouri seed capital investment board~~  
~~shall be dissolved.]~~

2 ~~[620.644.—1.—The Missouri seed capital and commercialization~~  
3 ~~strategy shall be jointly developed and approved by the boards of directors of~~  
4 ~~all of the qualified economic development organizations and submitted as one~~  
5 ~~plan to the corporation for its approval. The board shall not approve any~~  
6 ~~qualified fund, exclusive of the fund approved by the corporation, unless such~~  
7 ~~fund is described in the Missouri seed capital and commercialization strategy.~~  
8 ~~The strategy shall include a proposal for the establishment and operation of~~  
9 ~~between one and four qualified funds in Missouri, including the fund approved~~  
10 ~~by the corporation pursuant to the provisions of section 620.653. The initial~~  
11 ~~strategy shall be submitted to the board no later than July 1, 2000, and shall be~~  
12 ~~approved or rejected by the board within three months of receipt. No tax~~  
13 ~~credits authorized pursuant to the provisions of sections 620.635 to 620.653~~  
14 ~~shall be awarded until such strategy has been approved by the board, other~~  
15 ~~than tax credits authorized for qualified contributions to the fund approved by~~  
16 ~~the corporation.~~

17 ~~2.—The department shall authorize the use of up to twenty million~~  
18 ~~dollars in tax credits by the approved qualified funds, in aggregate pursuant to~~  
19 ~~the provisions of section 620.650, with not more than five million dollars of~~  
20 ~~tax credits being issued in any one year.~~

21 ~~3.—The corporation shall approve the professional managers employed~~  
22 ~~by the qualified funds according to criteria similar to that used by the U.S.~~  
23 ~~Small Business Administration's Small Business Investment Corporation~~  
24 ~~Program.~~

25 ~~4.—The department may promulgate any rules and regulations~~  
26 ~~necessary to administer the provisions of sections 620.635 to 620.653. No~~  
27 ~~rule or regulation or portion of a rule or regulation promulgated pursuant to the~~  
28 ~~authority of this section shall become effective unless it has been promulgated~~  
29 ~~pursuant to the provisions of chapter 536.~~

30 ~~5.—The corporation shall report the following to the department:~~

31 ~~(1) As soon as practicable after the receipt of a qualified contribution~~  
32 ~~the name of each person from which the qualified contribution was received,~~  
33 ~~the amount of each contributor's qualified contribution and the tax credits~~  
34 ~~computed pursuant to this section;~~

35 ~~(2) On a quarterly basis, the amount of qualified investments made to~~  
36 ~~any qualified business;~~

37 ~~(3) On a quarterly basis, verification that the investment of seed~~  
38 ~~capital, start up capital, or follow up capital in a qualified business does not~~  
39 ~~direct more than ten percent of all the qualified contributions to a qualified~~  
40 ~~fund to be invested in a single qualifying business.~~

41 ~~6.—Each qualified fund shall provide annual audited financial~~  
42 ~~statements, including the opinion of an independent certified public~~  
43 ~~accountant, to the department within ninety days of the close of the state~~  
~~fiscal year. The audit shall address the methods of operation and conduct of~~

44 the business of the qualified economic development organization to determine  
45 compliance with the statutes and program and program rules and that the  
46 qualified contributions received by the qualified fund have been invested as  
47 required by this section.]

2 ~~[620.647. 1. The corporation may authorize each qualified economic~~  
3 ~~development organization to enter into contractual agreements with any~~  
4 ~~qualified fund allowing such qualified fund to offer tax credits authorized~~  
5 ~~pursuant to the provisions of sections 620.635 to 620.653 to those persons~~  
6 ~~making qualified contributions to the qualified fund. The corporation shall~~  
7 ~~establish policies and procedures requiring each authorized qualified economic~~  
8 ~~development organization to secure from each qualified fund and its investors~~  
9 ~~the maximum fund equity interest possible, as dictated by market conditions,~~  
10 ~~in exchange for the use of the tax credits. All tax credits authorized pursuant~~  
11 ~~to sections 620.635 to 620.653 shall be administered by the department.~~

12 ~~2. Each qualified fund shall enter into a contract with one or more~~  
13 ~~qualified economic development organizations which shall entitle all qualified~~  
14 ~~economic development organizations in existence at that time to receive and~~  
15 ~~share equally all distributions of equity and dividends or other earnings of the~~  
16 ~~fund that are generated as a result of any equity interest secured as a result of~~  
17 ~~actions taken to comply with subsection 1 of this section. Such contracts shall~~  
18 ~~require the qualified funds to transfer to the corporation all distributions of~~  
19 ~~dividends or other earnings of the fund that are owed to any qualified~~  
20 ~~economic development organization that has dissolved or has ceased doing~~  
21 ~~business for a period of one year or more.~~

22 ~~3. All distributions of dividends, earnings, equity or the like owed~~  
23 ~~pursuant to the provisions of sections 620.635 to 620.653 to a qualified~~  
24 ~~economic development organization by any qualified fund shall be paid to the~~  
25 ~~qualified economic development organization. The qualified economic~~  
26 ~~development organization shall use such payments solely for reinvestment in~~  
27 ~~qualified funds in order to provide ongoing seed capital, start-up capital and~~  
28 ~~follow-up capital for Missouri businesses. No qualified economic~~  
29 ~~development organization may transfer any dividends, earnings, equity or~~  
30 ~~the like owed it pursuant to sections 620.635 to 620.653 to any other person or~~  
~~entity without the approval of the corporation.]~~

2 ~~[620.650. 1. The sole purpose of each qualified fund is to make~~  
3 ~~investments. One hundred percent of investments made from qualified~~  
4 ~~contributions shall be qualified investments.~~

5 ~~2. Any person who makes a qualified contribution to a qualified fund~~  
6 ~~shall receive a tax credit against the tax otherwise due pursuant to chapter 143,~~  
7 ~~chapter 147, or chapter 148, other than taxes withheld pursuant to sections~~  
8 ~~143.191 to 143.265, in an amount equal to one hundred percent of such~~  
9 ~~person's qualified contribution.~~

10 ~~3. Such person shall submit to the department an application for the~~  
11 ~~tax credit on a form provided by the department. The department shall award~~  
12 ~~tax credits in the order the applications are received and based upon the~~  
~~strategy approved by the corporation. Tax credits issued pursuant to this~~

13 section may be claimed for the tax year in which the qualified contribution is  
 14 made or in any of the following ten years, and may be assigned, transferred or  
 15 sold.

16 4. ~~There is hereby imposed on each qualified fund a tax equal to~~  
 17 ~~fifteen percent of the qualified fund's uninvested capital at the close of such~~  
 18 ~~qualified fund's tax year. For purposes of tax computation, any distribution~~  
 19 ~~made by a qualified fund during a tax year is deemed made at the end of such~~  
 20 ~~tax year. Each tax year, every qualified fund shall remit the tax imposed by~~  
 21 ~~this section to the director of the department of revenue for deposit in the state~~  
 22 ~~treasury to the credit of the general revenue fund.]~~

2 ~~[620.653. The provisions of sections 620.635 to 620.650 to the~~  
 3 ~~contrary notwithstanding, one qualified fund shall be approved by the~~  
 4 ~~corporation as soon as practicable after July 8, 1999. Such fund need not be~~  
 5 ~~initially incorporated into the seed capital and commercialization strategy until~~  
 6 ~~after the appointment of the board. After the appointment of the board, all~~  
 7 ~~powers exercised by the corporation in relation to that fund shall be transferred~~  
 8 ~~to the board. After the dissolution of the board, all powers exercised by the~~  
 9 ~~board shall be transferred to the corporation. The corporation shall approve~~  
 10 ~~the professional fund manager employed by the qualified fund established by~~  
 11 ~~this section.]~~

2 ~~[620.1875. Sections 620.1875 to 620.1890 shall be known and may be~~  
 3 ~~cited as the "Missouri Quality Jobs Act".]~~

2 ~~[620.1878. For the purposes of sections 620.1875 to 620.1890, the~~  
 3 ~~following terms shall mean:~~

3 ~~(1) "Approval", a document submitted by the department to the~~  
 4 ~~qualified company that states the benefits that may be provided by this~~  
 5 ~~program;~~

6 ~~(2) "Average wage", the new payroll divided by the number of new~~  
 7 ~~jobs;~~

8 ~~(3) "Commencement of operations", the starting date for the qualified~~  
 9 ~~company's first new employee, which must be no later than twelve months~~  
 10 ~~from the date of the approval;~~

11 ~~(4) "County average wage", the average wages in each county as~~  
 12 ~~determined by the department for the most recently completed full calendar~~  
 13 ~~year. However, if the computed county average wage is above the statewide~~  
 14 ~~average wage, the statewide average wage shall be deemed the county average~~  
 15 ~~wage for such county for the purpose of determining eligibility. The~~  
 16 ~~department shall publish the county average wage for each county at least~~  
 17 ~~annually. Notwithstanding the provisions of this subdivision to the contrary,~~  
 18 ~~for any qualified company that in conjunction with their project is relocating~~  
 19 ~~employees from a Missouri county with a higher county average wage, the~~  
 20 ~~company shall obtain the endorsement of the governing body of the~~  
 21 ~~community from which jobs are being relocated or the county average wage~~  
 22 ~~for their project shall be the county average wage for the county from which~~  
 23 ~~the employees are being relocated;~~

- 24 (5) "Department", the Missouri department of economic development;  
25 ~~(6) "Director", the director of the department of economic~~  
26 ~~development;~~  
27 (7) "Employee", a person employed by a qualified company;  
28 (8) "Full time employee", an employee of the qualified company that  
29 is scheduled to work an average of at least thirty-five hours per week for a  
30 twelve-month period, and one for which the qualified company offers health  
31 insurance and pays at least fifty percent of such insurance premiums;  
32 (9) "High impact project", a qualified company that, within two years  
33 from commencement of operations, creates one hundred or more new jobs;  
34 (10) "Local incentives", the present value of the dollar amount of  
35 direct benefit received by a qualified company for a project facility from one  
36 or more local political subdivisions, but shall not include loans or other funds  
37 provided to the qualified company that must be repaid by the qualified  
38 company to the political subdivision;  
39 (11) "NAICS", the 1997 edition of the North American Industry  
40 Classification System as prepared by the Executive Office of the President,  
41 Office of Management and Budget. Any NAICS sector, subsector, industry  
42 group or industry identified in this section shall include its corresponding  
43 classification in subsequent federal industry classification systems;  
44 (12) "New direct local revenue", the present value of the dollar amount  
45 of direct net new tax revenues of the local political subdivisions likely to be  
46 produced by the project over a ten-year period as calculated by the department,  
47 excluding local earnings tax, and net new utility revenues, provided the local  
48 incentives include a discount or other direct incentives from utilities owned or  
49 operated by the political subdivision;  
50 (13) "New investment", the purchase or leasing of new tangible assets  
51 to be placed in operation at the project facility, which will be directly related to  
52 the new jobs;  
53 (14) "New job", the number of full-time employees located at the  
54 project facility that exceeds the project facility base employment less any  
55 decrease in the number of full-time employees at related facilities below the  
56 related facility base employment. No job that was created prior to the date of  
57 the notice of intent shall be deemed a new job. An employee that spends less  
58 than fifty percent of the employee's work time at the facility is still considered  
59 to be located at a facility if the employee receives his or her directions and  
60 control from that facility, is on the facility's payroll, one hundred percent of the  
61 employee's income from such employment is Missouri income, and the  
62 employee is paid at or above the state average wage;  
63 (15) "New payroll", the amount of taxable wages of full-time  
64 employees, excluding owners, located at the project facility that exceeds the  
65 project facility base payroll. If full-time employment at related facilities is  
66 below the related facility base employment, any decrease in payroll for full-  
67 time employees at the related facilities below that related facility base payroll  
68 shall also be subtracted to determine new payroll;  
69 (16) "Notice of intent", a form developed by the department,  
70 completed by the qualified company and submitted to the department which

71 ~~states the qualified company's intent to hire new jobs and request benefits~~  
72 ~~under this program;~~

73 ~~(17) "Percent of local incentives", the amount of local incentives~~  
74 ~~divided by the amount of new direct local revenue;~~

75 ~~(18) "Program", the Missouri quality jobs program provided in~~  
76 ~~sections 620.1875 to 620.1890;~~

77 ~~(19) "Project facility", the building used by a qualified company at~~  
78 ~~which the new jobs and new investment will be located. A project facility may~~  
79 ~~include separate buildings that are located within fifteen miles of each other or~~  
80 ~~within the same county such that their purpose and operations are interrelated;~~

81 ~~(20) "Project facility base employment", the greater of the number of~~  
82 ~~full time employees located at the project facility on the date of the notice of~~  
83 ~~intent or for the twelve month period prior to the date of the notice of intent,~~  
84 ~~the average number of full time employees located at the project facility. In~~  
85 ~~the event the project facility has not been in operation for a full twelve month~~  
86 ~~period, the average number of full time employees for the number of months~~  
87 ~~the project facility has been in operation prior to the date of the notice of~~  
88 ~~intent;~~

89 ~~(21) "Project facility base payroll", the total amount of taxable wages~~  
90 ~~paid by the qualified company to full time employees of the qualified~~  
91 ~~company located at the project facility in the twelve months prior to the notice~~  
92 ~~of intent, not including the payroll of the owners of the qualified company~~  
93 ~~unless the qualified company is participating in an employee stock ownership~~  
94 ~~plan. For purposes of calculating the benefits under this program, the amount~~  
95 ~~of base payroll shall increase each year based on an appropriate measure, as~~  
96 ~~determined by the department;~~

97 ~~(22) "Project period", the time period that the benefits are provided to~~  
98 ~~a qualified company;~~

99 ~~(23) "Qualified company", a firm, partnership, joint venture,~~  
100 ~~association, private or public corporation whether organized for profit or~~  
101 ~~not, or headquarters of such entity registered to do business in Missouri that is~~  
102 ~~the owner or operator of a project facility, offers health insurance to all full-~~  
103 ~~time employees of all facilities located in this state, and pays at least fifty~~  
104 ~~percent of such insurance premiums. For the purposes of sections 620.1875 to~~  
105 ~~620.1890, the term "qualified company" shall not include:~~

106 ~~(a) Gambling establishments (NAICS industry group 7132);~~

107 ~~(b) Retail trade establishments (NAICS sectors 44 and 45);~~

108 ~~(c) Food and drinking places (NAICS subsector 722);~~

109 ~~(d) Public utilities (NAICS 221 including water and sewer services);~~

110 ~~(e) Any company that is delinquent in the payment of any~~  
111 ~~nonprotested taxes or any other amounts due the state or federal government~~  
112 ~~or any other political subdivision of this state;~~

113 ~~(f) Any company that has filed for or has publicly announced its~~  
114 ~~intention to file for bankruptcy protection. However, a company that has filed~~  
115 ~~for or has publicly announced its intention to file for bankruptcy between~~  
116 ~~January 1, 2009, and December 31, 2009, may be a qualified company~~  
117 ~~provided that such company:~~

118 a. ~~Certifies to the department that it plans to reorganize and not to~~  
 119 ~~liquidate; and~~

120 b. ~~After its bankruptcy petition has been filed, it produces proof, in a~~  
 121 ~~form and at times satisfactory to the department, that it is not delinquent in~~  
 122 ~~filing any tax returns or making any payment due to the state of Missouri,~~  
 123 ~~including but not limited to all tax payments due after the filing of the~~  
 124 ~~bankruptcy petition and under the terms of the plan of reorganization.—~~

125  
 126 ~~Any taxpayer who is awarded benefits under this subsection and who files for~~  
 127 ~~bankruptcy under Chapter 7 of the United States Bankruptcy Code, Title 11~~  
 128 ~~U.S.C., shall immediately notify the department and shall forfeit such benefits~~  
 129 ~~and shall repay the state an amount equal to any state tax credits already~~  
 130 ~~redeemed and any withholding taxes already retained;~~

- 131 ~~(g) Educational services (NAICS sector 61);~~
- 132 ~~(h) Religious organizations (NAICS industry group 8131);~~
- 133 ~~(i) Public administration (NAICS sector 92);~~
- 134 ~~(j) Ethanol distillation or production; or~~
- 135 ~~(k) Biodiesel production.—~~

136  
 137 ~~Notwithstanding any provision of this section to the contrary, the headquarters~~  
 138 ~~or administrative offices of an otherwise excluded business may qualify for~~  
 139 ~~benefits if the offices serve a multistate territory. In the event a national, state,~~  
 140 ~~or regional headquarters operation is not the predominant activity of a project~~  
 141 ~~facility, the new jobs and investment of such headquarters operation is~~  
 142 ~~considered eligible for benefits under this section if the other requirements are~~  
 143 ~~satisfied;~~

144 ~~(24) "Qualified renewable energy sources" shall not be construed to~~  
 145 ~~include ethanol distillation or production or biodiesel production; however, it~~  
 146 ~~shall include:~~

- 147 ~~(a) Open-looped biomass;~~
- 148 ~~(b) Close-looped biomass;~~
- 149 ~~(c) Solar;~~
- 150 ~~(d) Wind;~~
- 151 ~~(e) Geothermal; and~~
- 152 ~~(f) Hydropower;~~

153 ~~(25) "Related company" means:~~

154 ~~(a) A corporation, partnership, trust, or association controlled by the~~  
 155 ~~qualified company;~~

156 ~~(b) An individual, corporation, partnership, trust, or association in~~  
 157 ~~control of the qualified company; or~~

158 ~~(c) Corporations, partnerships, trusts or associations controlled by an~~  
 159 ~~individual, corporation, partnership, trust or association in control of the~~  
 160 ~~qualified company. As used in this subdivision, "control of a corporation"~~  
 161 ~~shall mean ownership, directly or indirectly, of stock possessing at least fifty~~  
 162 ~~percent of the total combined voting power of all classes of stock entitled to~~  
 163 ~~vote, "control of a partnership or association" shall mean ownership of at least~~  
 164 ~~fifty percent of the capital or profits interest in such partnership or association,~~  
 165 ~~"control of a trust" shall mean ownership, directly or indirectly, of at least fifty~~

166 percent of the beneficial interest in the principal or income of such trust, and  
167 ownership shall be determined as provided in Section 318 of the Internal  
168 Revenue Code of 1986, as amended;

169 (26) "Related facility", a facility operated by the qualified company or  
170 a related company located in this state that is directly related to the operations  
171 of the project facility;

172 (27) "Related facility base employment", the greater of the number of  
173 full time employees located at all related facilities on the date of the notice of  
174 intent or for the twelve month period prior to the date of the notice of intent,  
175 the average number of full time employees located at all related facilities of  
176 the qualified company or a related company located in this state;

177 (28) "Related facility base payroll", the total amount of taxable wages  
178 paid by the qualified company to full time employees of the qualified  
179 company located at a related facility in the twelve months prior to the filing of  
180 the notice of intent, not including the payroll of the owners of the qualified  
181 company unless the qualified company is participating in an employee stock  
182 ownership plan. For purposes of calculating the benefits under this program,  
183 the amount of related facility base payroll shall increase each year based on an  
184 appropriate measure, as determined by the department;

185 (29) "Rural area", a county in Missouri with a population less than  
186 seventy five thousand or that does not contain an individual city with a  
187 population greater than fifty thousand according to the most recent federal  
188 decennial census;

189 (30) "Small and expanding business project", a qualified company that  
190 within two years of the date of the approval creates a minimum of twenty new  
191 jobs if the project facility is located in a rural area or a minimum of forty new  
192 jobs if the project facility is not located in a rural area and creates fewer than  
193 one hundred new jobs regardless of the location of the project facility;

194 (31) "Tax credits", tax credits issued by the department to offset the  
195 state income taxes imposed by chapters 143 and 148, or which may be sold or  
196 refunded as provided for in this program;

197 (32) "Technology business project", a qualified company that within  
198 two years of the date of the approval creates a minimum of ten new jobs  
199 involved in the operations of a company:

200 (a) Which is a technology company, as determined by a regulation  
201 promulgated by the department under the provisions of section 620.1884 or  
202 classified by NAICS codes;

203 (b) Which owns or leases a facility which produces electricity derived  
204 from qualified renewable energy sources, or produces fuel for the generation  
205 of electricity from qualified renewable energy sources, but does not include  
206 any company that has received the alcohol mixture credit, alcohol credit, or  
207 small ethanol producer credit pursuant to 26 U.S.C. Section 40 of the tax code  
208 in the previous tax year;

209 (c) Which researches, develops, or manufactures power system  
210 technology for: aerospace; space; defense; hybrid vehicles; or implantable or  
211 wearable medical devices; or

212 ~~(d) Which is a clinical molecular diagnostic laboratory focused on~~  
213 ~~detecting and monitoring infections in immunocompromised patient~~  
214 ~~populations;~~

215 ~~(33) "Withholding tax", the state tax imposed by sections 143.191 to~~  
216 ~~143.265. For purposes of this program, the withholding tax shall be computed~~  
217 ~~using a schedule as determined by the department based on average wages.]~~

2 ~~[620.1881. 1. The department of economic development shall respond~~  
3 ~~within thirty days to a company who provides a notice of intent with either an~~  
4 ~~approval or a rejection of the notice of intent. The department shall give~~  
5 ~~preference to qualified companies and projects targeted at an area of the state~~  
6 ~~which has recently been classified as a disaster area by the federal government.~~  
7 ~~Failure to respond on behalf of the department of economic development shall~~  
8 ~~result in the notice of intent being deemed an approval for the purposes of this~~  
9 ~~section. A qualified company who is provided an approval for a project shall~~  
10 ~~be allowed a benefit as provided in this program in the amount and duration~~  
11 ~~provided in this section. A qualified company may receive additional periods~~  
12 ~~for subsequent new jobs at the same facility after the full initial period if the~~  
13 ~~minimum thresholds are met as set forth in sections 620.1875 to 620.1890.~~  
14 ~~There is no limit on the number of periods a qualified company may~~  
15 ~~participate in the program, as long as the minimum thresholds are achieved~~  
16 ~~and the qualified company provides the department with the required reporting~~  
17 ~~and is in proper compliance for this program or other state programs. A~~  
18 ~~qualified company may elect to file a notice of intent to start a new project~~  
19 ~~period concurrent with an existing project period if the minimum thresholds~~  
20 ~~are achieved and the qualified company provides the department with the~~  
21 ~~required reporting and is in proper compliance for this program and other state~~  
22 ~~programs; however, the qualified company may not receive any further benefit~~  
23 ~~under the original approval for jobs created after the date of the new notice of~~  
24 ~~intent, and any jobs created before the new notice of intent may not be~~  
25 ~~included as new jobs for the purpose of benefit calculation in relation to the~~  
26 ~~new approval. When a qualified company has filed and received approval of a~~  
27 ~~notice of intent and subsequently files another notice of intent, the department~~  
28 ~~shall apply the definition of project facility under subdivision (19) of section~~  
29 ~~620.1878 to the new notice of intent as well as all previously approved notices~~  
30 ~~of intent and shall determine the application of the definitions of new job, new~~  
31 ~~payroll, project facility base employment, and project facility base payroll~~  
32 ~~accordingly.~~

33 ~~2. Notwithstanding any provision of law to the contrary, any qualified~~  
34 ~~company that is awarded benefits under this program may not simultaneously~~  
35 ~~receive tax credits or exemptions under sections 135.100 to 135.150, sections~~  
36 ~~135.200 to 135.286, section 135.535, or sections 135.900 to 135.906 at the~~  
37 ~~same project facility. The benefits available to the company under any other~~  
38 ~~state programs for which the company is eligible and which utilize~~  
39 ~~withholding tax from the new jobs of the company must first be credited to~~  
40 ~~the other state program before the withholding retention level applicable under~~  
41 ~~the Missouri quality jobs act will begin to accrue. These other state programs~~  
~~include, but are not limited to, the Missouri works jobs training program under~~

42 ~~sections 620.800 to 620.809, the real property tax increment allocation~~  
43 ~~redevelopment act, sections 99.800 to 99.865, or the Missouri downtown and~~  
44 ~~rural economic stimulus act under sections 99.915 to 99.980. If any qualified~~  
45 ~~company also participates in the Missouri works jobs training program in~~  
46 ~~sections 620.800 to 620.809, the company shall retain no withholding tax, but~~  
47 ~~the department shall issue a refundable tax credit for the full amount of benefit~~  
48 ~~allowed under this subdivision. The calendar year annual maximum amount~~  
49 ~~of tax credits which may be issued to a qualifying company that also~~  
50 ~~participates in the new job training program shall be increased by an amount~~  
51 ~~equivalent to the withholding tax retained by that company under the new jobs~~  
52 ~~training program. However, if the combined benefits of the quality jobs~~  
53 ~~program and the new jobs training program exceed the projected state benefit~~  
54 ~~of the project, as determined by the department of economic development~~  
55 ~~through a cost-benefit analysis, the increase in the maximum tax credits shall~~  
56 ~~be limited to the amount that would not cause the combined benefits to exceed~~  
57 ~~the projected state benefit. Any taxpayer who is awarded benefits under this~~  
58 ~~program who knowingly hires individuals who are not allowed to work legally~~  
59 ~~in the United States shall immediately forfeit such benefits and shall repay the~~  
60 ~~state an amount equal to any state tax credits already redeemed and any~~  
61 ~~withholding taxes already retained.~~

62 ~~3. The types of projects and the amount of benefits to be provided are:~~

63 ~~(1) Small and expanding business projects: in exchange for the~~  
64 ~~consideration provided by the new tax revenues and other economic stimuli~~  
65 ~~that will be generated by the new jobs created by the program, a qualified~~  
66 ~~company may retain an amount equal to the withholding tax as calculated~~  
67 ~~under subdivision (33) of section 620.1878 from the new jobs that would~~  
68 ~~otherwise be withheld and remitted by the qualified company under the~~  
69 ~~provisions of sections 143.191 to 143.265 for a period of three years from the~~  
70 ~~date the required number of new jobs were created if the average wage of the~~  
71 ~~new payroll equals or exceeds the county average wage or for a period of five~~  
72 ~~years from the date the required number of new jobs were created if the~~  
73 ~~average wage of the new payroll equals or exceeds one hundred twenty~~  
74 ~~percent of the county average wage;~~

75 ~~(2) Technology business projects: in exchange for the consideration~~  
76 ~~provided by the new tax revenues and other economic stimuli that will be~~  
77 ~~generated by the new jobs created by the program, a qualified company may~~  
78 ~~retain an amount equal to a maximum of five percent of new payroll for a~~  
79 ~~period of five years from the date the required number of jobs were created~~  
80 ~~from the withholding tax of the new jobs that would otherwise be withheld and~~  
81 ~~remitted by the qualified company under the provisions of sections 143.191 to~~  
82 ~~143.265 if the average wage of the new payroll equals or exceeds the county~~  
83 ~~average wage. An additional one-half percent of new payroll may be added to~~  
84 ~~the five percent maximum if the average wage of the new payroll in any year~~  
85 ~~exceeds one hundred twenty percent of the county average wage in the county~~  
86 ~~in which the project facility is located, plus an additional one-half percent of~~  
87 ~~new payroll may be added if the average wage of the new payroll in any year~~  
88 ~~exceeds one hundred forty percent of the average wage in the county in which~~  
89 ~~the project facility is located. The department shall issue a refundable tax~~

90 credit for any difference between the amount of benefit allowed under this  
91 subdivision and the amount of withholding tax retained by the company, in the  
92 event the withholding tax is not sufficient to provide the entire amount of  
93 benefit due to the qualified company under this subdivision;

94 (3) High impact projects: in exchange for the consideration provided  
95 by the new tax revenues and other economic stimuli that will be generated by  
96 the new jobs created by the program, a qualified company may retain an  
97 amount from the withholding tax of the new jobs that would otherwise be  
98 withheld and remitted by the qualified company under the provisions of  
99 sections 143.191 to 143.265, equal to three percent of new payroll for a period  
100 of five years from the date the required number of jobs were created if the  
101 average wage of the new payroll equals or exceeds the county average wage of  
102 the county in which the project facility is located. For high-impact projects in  
103 a facility located within two adjacent counties, the new payroll shall equal or  
104 exceed the higher county average wage of the adjacent counties. The  
105 percentage of payroll allowed under this subdivision shall be three and one-  
106 half percent of new payroll if the average wage of the new payroll in any year  
107 exceeds one hundred twenty percent of the county average wage in the county  
108 in which the project facility is located. The percentage of payroll allowed  
109 under this subdivision shall be four percent of new payroll if the average wage  
110 of the new payroll in any year exceeds one hundred forty percent of the county  
111 average wage in the county in which the project facility is located. An  
112 additional one percent of new payroll may be added to these percentages if  
113 local incentives equal between ten percent and twenty four percent of the new  
114 direct local revenue; an additional two percent of new payroll is added to these  
115 percentages if the local incentives equal between twenty five percent and  
116 forty nine percent of the new direct local revenue; or an additional three  
117 percent of payroll is added to these percentages if the local incentives equal  
118 fifty percent or more of the new direct local revenue. The department shall  
119 issue a refundable tax credit for any difference between the amount of benefit  
120 allowed under this subdivision and the amount of withholding tax retained by  
121 the company, in the event the withholding tax is not sufficient to provide the  
122 entire amount of benefit due to the qualified company under this subdivision;

123 (4) Job retention projects: a qualified company may receive a tax  
124 credit for the retention of jobs in this state, provided the qualified company and  
125 the project meets all of the following conditions:

126 (a) For each of the twenty four months preceding the year in which  
127 application for the program is made the qualified company must have  
128 maintained at least one thousand full-time employees at the employer's site in  
129 the state at which the jobs are based, and the average wage of such employees  
130 must meet or exceed the county average wage;

131 (b) The qualified company retained at the project facility the level of  
132 full-time employees that existed in the taxable year immediately preceding the  
133 year in which application for the program is made;

134 (c) The qualified company is considered to have a significant  
135 statewide effect on the economy, and has been determined to represent a  
136 substantial risk of relocation from the state by the quality jobs advisory task  
137 force established in section 620.1887; provided, however, until such time as

138 the initial at-large members of the quality jobs advisory task force are  
139 appointed, this determination shall be made by the director of the department  
140 of economic development;

141 (d) The qualified company in the project facility will cause to be  
142 invested a minimum of seventy million dollars in new investment prior to the  
143 end of two years or will cause to be invested a minimum of thirty million  
144 dollars in new investment prior to the end of two years and maintain an annual  
145 payroll of at least seventy million dollars during each of the years for which a  
146 credit is claimed; and

147 (e) The local taxing entities shall provide local incentives of at least  
148 fifty percent of the new direct local revenues created by the project over a ten-  
149 year period.—

150  
151 The quality jobs advisory task force may recommend to the department of  
152 economic development that appropriate penalties be applied to the company  
153 for violating the agreement. The amount of the job retention credit granted  
154 may be equal to up to fifty percent of the amount of withholding tax generated  
155 by the full time jobs at the project facility for a period of five years. The  
156 calendar year annual maximum amount of tax credit that may be issued to any  
157 qualified company for a job retention project or combination of job retention  
158 projects shall be seven hundred fifty thousand dollars per year, but the  
159 maximum amount may be increased up to one million dollars if such action is  
160 proposed by the department and approved by the quality jobs advisory task  
161 force established in section 620.1887; provided, however, until such time as  
162 the initial at-large members of the quality jobs advisory task force are  
163 appointed, this determination shall be made by the director of the department  
164 of economic development. In considering such a request, the task force shall  
165 rely on economic modeling and other information supplied by the department  
166 when requesting the increased limit on behalf of the job retention project. In  
167 no event shall the total amount of all tax credits issued for the entire job  
168 retention program under this subdivision exceed three million dollars annually.  
169 Notwithstanding the above, no tax credits shall be issued for job retention  
170 projects approved by the department after August 30, 2013;

171 (5) Small business job retention and flood survivor relief: a qualified  
172 company may receive a tax credit under sections 620.1875 to 620.1890 for the  
173 retention of jobs and flood survivor relief in this state for each job retained  
174 over a three-year period, provided that:

175 (a) The qualified company did not receive any state or federal benefits,  
176 incentives, or tax relief or abatement in locating its facility in a flood plain;

177 (b) The qualified company and related companies have fewer than one  
178 hundred employees at the time application for the program is made;

179 (c) The average wage of the qualified company's and related  
180 companies' employees must meet or exceed the county average wage;

181 (d) All of the qualified company's and related companies' facilities are  
182 located in this state;

183 (e) The facilities at the primary business site in this state have been  
184 directly damaged by floodwater rising above the level of a five hundred year

185 ~~flood at least two years, but fewer than eight years, prior to the time~~  
186 ~~application is made;~~

187 ~~(f) The qualified company made significant efforts to protect the~~  
188 ~~facilities prior to any impending danger from rising floodwaters;~~

189 ~~(g) For each year it receives tax credits under sections 620.1875 to~~  
190 ~~620.1890, the qualified company and related companies retained, at the~~  
191 ~~company's facilities in this state, at least the level of full-time, year-round~~  
192 ~~employees that existed in the taxable year immediately preceding the year in~~  
193 ~~which application for the program is made; and~~

194 ~~(h) In the years it receives tax credits under sections 620.1875 to~~  
195 ~~620.1890, the company cumulatively invests at least two million dollars in~~  
196 ~~capital improvements in facilities and equipment located at such facilities that~~  
197 ~~are not located within a five hundred year flood plain as designated by the~~  
198 ~~Federal Emergency Management Agency, and amended from time to time.~~  
199 ~~The amount of the small business job retention and flood survivor relief credit~~  
200 ~~granted may be equal to up to one hundred percent of the amount of~~  
201 ~~withholding tax generated by the full-time jobs at the project facility for a~~  
202 ~~period of three years. The calendar year annual maximum amount of tax credit~~  
203 ~~that may be issued to any qualified company for a small business job retention~~  
204 ~~and survivor relief project shall be two hundred fifty thousand dollars per year,~~  
205 ~~but the maximum amount may be increased up to five hundred thousand~~  
206 ~~dollars if such action is proposed by the department and approved by the~~  
207 ~~quality jobs advisory task force established in section 620.1887. In~~  
208 ~~considering such a request, the task force shall rely on economic modeling~~  
209 ~~and other information supplied by the department when requesting an increase~~  
210 ~~in the limit on behalf of the small business job retention and flood survivor~~  
211 ~~relief project. In no event shall the total amount of all tax credits issued for the~~  
212 ~~entire small business job retention and flood survivor relief program under this~~  
213 ~~subdivision exceed five hundred thousand dollars annually. Notwithstanding~~  
214 ~~the provisions of this subdivision to the contrary, no tax credits shall be issued~~  
215 ~~for small business job retention and flood survivor relief projects approved by~~  
216 ~~the department after August 30, 2010.~~

217 ~~4. The qualified company shall provide an annual report of the number~~  
218 ~~of jobs and such other information as may be required by the department to~~  
219 ~~document the basis for the benefits of this program. The department may~~  
220 ~~withhold the approval of any benefits until it is satisfied that proper~~  
221 ~~documentation has been provided, and shall reduce the benefits to reflect any~~  
222 ~~reduction in full-time employees or new payroll. Upon approval by the~~  
223 ~~department, the qualified company may begin the retention of the withholding~~  
224 ~~taxes when it reaches the minimum number of new jobs and the average wage~~  
225 ~~exceeds the county average wage. Tax credits, if any, may be issued upon~~  
226 ~~satisfaction by the department that the qualified company has exceeded the~~  
227 ~~county average wage and the minimum number of new jobs. In such annual~~  
228 ~~report, if the average wage is below the county average wage, the qualified~~  
229 ~~company has not maintained the employee insurance as required, or if the~~  
230 ~~number of new jobs is below the minimum, the qualified company shall not~~  
231 ~~receive tax credits or retain the withholding tax for the balance of the benefit~~  
232 ~~period. In the case of a qualified company that initially filed a notice of intent~~

233 and received an approval from the department for high-impact benefits and the  
234 minimum number of new jobs in an annual report is below the minimum for  
235 high-impact projects, the company shall not receive tax credits for the balance  
236 of the benefit period but may continue to retain the withholding taxes if it  
237 otherwise meets the requirements of a small and expanding business under this  
238 program.

239 5. ~~The maximum calendar year annual tax credits issued for the entire~~  
240 ~~program shall not exceed eighty million dollars. Notwithstanding any~~  
241 ~~provision of law to the contrary, the maximum annual tax credits authorized~~  
242 ~~under section 135.535 are hereby reduced from ten million dollars to eight~~  
243 ~~million dollars, with the balance of two million dollars transferred to this~~  
244 ~~program. There shall be no limit on the amount of withholding taxes that may~~  
245 ~~be retained by approved companies under this program.~~

246 6. ~~The department shall allocate the annual tax credits based on the~~  
247 ~~date of the approval, reserving such tax credits based on the department's best~~  
248 ~~estimate of new jobs and new payroll of the project, and the other factors in the~~  
249 ~~determination of benefits of this program. However, the annual issuance of tax~~  
250 ~~credits is subject to the annual verification of the actual new payroll. The~~  
251 ~~allocation of tax credits for the period assigned to a project shall expire if,~~  
252 ~~within two years from the date of commencement of operations, or approval if~~  
253 ~~applicable, the minimum thresholds have not been achieved. The qualified~~  
254 ~~company may retain authorized amounts from the withholding tax under this~~  
255 ~~section once the minimum new jobs thresholds are met for the duration of the~~  
256 ~~project period. No benefits shall be provided under this program until the~~  
257 ~~qualified company meets the minimum new jobs thresholds. In the event the~~  
258 ~~qualified company does not meet the minimum new job threshold, the~~  
259 ~~qualified company may submit a new notice of intent or the department may~~  
260 ~~provide a new approval for a new project of the qualified company at the~~  
261 ~~project facility or other facilities.~~

262 7. ~~For a qualified company with flow-through tax treatment to its~~  
263 ~~members, partners, or shareholders, the tax credit shall be allowed to members,~~  
264 ~~partners, or shareholders in proportion to their share of ownership on the last~~  
265 ~~day of the qualified company's tax period.~~

266 8. ~~Tax credits may be claimed against taxes otherwise imposed by~~  
267 ~~chapters 143 and 148, and may not be carried forward but shall be claimed~~  
268 ~~within one year of the close of the taxable year for which they were issued,~~  
269 ~~except as provided under subdivision (4) of subsection 3 of this section.~~

270 9. ~~Tax credits authorized by this section may be transferred, sold, or~~  
271 ~~assigned by filing a notarized endorsement thereof with the department that~~  
272 ~~names the transferee, the amount of tax credit transferred, and the value~~  
273 ~~received for the credit, as well as any other information reasonably requested~~  
274 ~~by the department.~~

275 10. ~~Prior to the issuance of tax credits, the department shall verify~~  
276 ~~through the department of revenue, or any other state department, that the tax~~  
277 ~~credit applicant does not owe any delinquent income, sales, or use tax or~~  
278 ~~interest or penalties on such taxes, or any delinquent fees or assessments levied~~  
279 ~~by any state department and through the department of commerce and~~  
280 ~~insurance that the applicant does not owe any delinquent insurance taxes.~~

281 Such delinquency shall not affect the authorization of the application for such  
 282 tax credits, except that at issuance credits shall be first applied to the  
 283 delinquency and any amount issued shall be reduced by the applicant's tax  
 284 delinquency. If the department of revenue or the department of commerce and  
 285 insurance, or any other state department, concludes that a taxpayer is  
 286 delinquent after June fifteenth but before July first of any year and the  
 287 application of tax credits to such delinquency causes a tax deficiency on behalf  
 288 of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy  
 289 the deficiency in which interest, penalties, and additions to tax shall be tolled.  
 290 After applying all available credits toward a tax delinquency, the administering  
 291 agency shall notify the appropriate department and that department shall  
 292 update the amount of outstanding delinquent tax owed by the applicant. If any  
 293 credits remain after satisfying all insurance, income, sales, and use tax  
 294 delinquencies, the remaining credits shall be issued to the applicant, subject to  
 295 the restrictions of other provisions of law.

296 11. Except as provided under subdivision (4) of subsection 3 of this  
 297 section, the director of revenue shall issue a refund to the qualified company to  
 298 the extent that the amount of credits allowed in this section exceeds the  
 299 amount of the qualified company's income tax.

300 12. An employee of a qualified company will receive full credit for the  
 301 amount of tax withheld as provided in section 143.211.

302 13. If any provision of sections 620.1875 to 620.1890 or application  
 303 thereof to any person or circumstance is held invalid, the invalidity shall not  
 304 affect other provisions or application of these sections which can be given  
 305 effect without the invalid provisions or application, and to this end, the  
 306 provisions of sections 620.1875 to 620.1890 are hereby declared severable.]

2 [620.1884. The department may adopt such rules, statements of policy,  
 3 procedures, forms, and guidelines as may be necessary to carry out the  
 4 provisions of sections 620.1875 to 620.1890. Any rule or portion of a rule, as  
 5 that term is defined in section 536.010, that is created under the authority  
 6 delegated in this section shall become effective only if it complies with and is  
 7 subject to all of the provisions of chapter 536 and, if applicable, section  
 8 536.028. This section and chapter 536 are nonseverable and if any of the  
 9 powers vested with the general assembly pursuant to chapter 536 to review, to  
 10 delay the effective date, or to disapprove and annul a rule are subsequently  
 11 held unconstitutional, then the grant of rulemaking authority and any rule  
 proposed or adopted after August 28, 2005, shall be invalid and void.]

2 [620.1887. There is hereby created a volunteer task force, to be known  
 3 as the "Quality Jobs Advisory Task Force", which shall consist of the  
 4 chairperson of the economic development committee of the Missouri senate or  
 5 his or her designee, a member of the economic development committee of the  
 6 Missouri senate appointed by the minority leader of the Missouri senate, the  
 7 chairperson of the economic development committee of the Missouri house of  
 8 representatives or his or her designee, a member of the economic development  
 9 committee of the Missouri house of representatives appointed by the minority  
 leader of the Missouri house of representatives, the director of the department

10 of economic development or his or her designee, and two members to be  
 11 appointed by the governor with the advice and consent of the senate.]

2 [620.1890. Prior to March first each year, the department will provide  
 3 a report on the program to the general assembly including the names of  
 4 participating companies, location of such companies, the annual amount of  
 5 benefits provided, the estimated net state fiscal impact (direct and indirect new  
 6 state taxes derived from the project), the number of new jobs created or jobs  
 7 retained, the average wages of each project, and the types of qualified  
 companies using the program.]

2 [620.2600. 1. This section shall be known and may be cited as the  
 "Innovation Campus Tax Credit Act".

3 2. As used in this section, the following terms mean:

4 (1) "Certificate", a tax credit certificate issued under this section;

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

6 (3) "Eligible donation", donations received from a taxpayer by  
 7 innovation campuses that are to be used solely for projects that advance  
 8 learning in the areas of science, technology, engineering, and mathematics.  
 9 Eligible donations may include cash, publicly traded stocks and bonds, and  
 10 real estate that shall and will be valued and documented according to the rules  
 11 promulgated by the department of economic development;

12 (4) "Innovation education campus" or "innovation campus", as defined  
 13 in section 178.1100, an educational partnership consisting of at least one of  
 14 each of the following entities:

15 (a) A local Missouri high school or K-12 school district;

16 (b) A Missouri four-year public or private higher education institution;

17 (c) A Missouri-based business or businesses; and

18 (d) A Missouri two-year public higher education institution or state  
 19 technical college of Missouri;

20 (5) "Taxpayer", any of the following individuals or entities who make  
 21 an eligible donation to any innovation campus:

22 (a) A person, firm, partner in a firm, corporation, or a shareholder in  
 23 an S corporation doing business in the state of Missouri and subject to the state  
 24 income tax imposed in chapter 143;

25 (b) A corporation subject to the annual corporation franchise tax  
 26 imposed in chapter 147;

27 (c) An insurance company paying an annual tax on its gross premium  
 28 receipts in this state;

29 (d) Any other financial institution paying taxes to the state of Missouri  
 30 or any political subdivisions of this state under chapter 148;

31 (e) An individual subject to the state income tax imposed in chapter  
 32 143;

33 (f) Any charitable organization which is exempt from federal income  
 34 tax and whose Missouri unrelated business taxable income, if any, would be  
 35 subject to the state income tax imposed under chapter 143.

36 3. For all taxable years beginning on or after January 1, 2015, any  
 37 taxpayer shall be allowed a credit against the taxes otherwise due under

38 ~~chapters 147, 148, or 143, excluding withholding tax imposed by sections~~  
39 ~~143.191 to 143.265, in an amount equal to fifty percent of the amount of an~~  
40 ~~eligible donation, subject to the restrictions in this section. The amount of the~~  
41 ~~tax credit claimed shall not exceed the amount of the taxpayer's state income~~  
42 ~~tax liability in the tax year for which the credit is claimed. Any amount of~~  
43 ~~credit that the taxpayer is prohibited by this section from claiming in a tax year~~  
44 ~~shall not be refundable, but may be carried forward to any of the taxpayer's~~  
45 ~~four subsequent taxable years.~~

46 ~~4. To claim the credit authorized in this section, an innovation campus~~  
47 ~~may submit to the department an application for the tax credit authorized by~~  
48 ~~this section on behalf of taxpayers. The department shall verify that the~~  
49 ~~innovation campus has submitted the following items:~~

50 ~~(1) A valid application in the form and format required by the~~  
51 ~~department;~~

52 ~~(2) A statement attesting to the eligible donation received, which shall~~  
53 ~~include the name and taxpayer identification number of the individual or~~  
54 ~~taxpayer making the eligible donation, the amount of the eligible donation, and~~  
55 ~~the date the eligible donation was received by the innovation campus; and~~

56 ~~(3) Payment from the innovation campus equal to the value of the tax~~  
57 ~~credit for which application is made.—~~

58  
59 ~~If the innovation campus applying for the tax credit meets all criteria required~~  
60 ~~by this subsection, the department shall issue a certificate in the appropriate~~  
61 ~~amount.~~

62 ~~5. Tax credits issued under this section may be assigned, transferred,~~  
63 ~~sold, or otherwise conveyed, and the new owner of the tax credit shall have the~~  
64 ~~same rights in the credit as the taxpayer. Whenever a certificate is assigned,~~  
65 ~~transferred, sold, or otherwise conveyed, a notarized endorsement shall be~~  
66 ~~filed with the department specifying the name and address of the new owner of~~  
67 ~~the tax credit and the value of the credit.~~

68 ~~6. The department may promulgate rules to implement the provisions~~  
69 ~~of this section. Any rule or portion of a rule, as that term is defined in section~~  
70 ~~536.010, that is created under the authority delegated in this section shall~~  
71 ~~become effective only if it complies with and is subject to all of the provisions~~  
72 ~~of chapter 536 and, if applicable, section 536.028. This section and chapter~~  
73 ~~536 are nonseverable and if any of the powers vested with the general~~  
74 ~~assembly under and pursuant to chapter 536 to review, to delay the effective~~  
75 ~~date, or to disapprove and annul a rule are subsequently held unconstitutional,~~  
76 ~~then the grant of rulemaking authority and any rule proposed or adopted after~~  
77 ~~August 28, 2014, shall be invalid and void.~~

78 ~~7. Under section 23.253 of the Missouri sunset act:~~

79 ~~(1) The program authorized under this section shall expire six years~~  
80 ~~after August 28, 2014, unless reauthorized by an act of the general assembly;~~  
81 ~~and~~

82 ~~(2) If such program is reauthorized, the program authorized under this~~  
83 ~~section shall automatically sunset twelve years after August 28, 2014; and~~

84                   (3) ~~This section shall terminate on September first of the calendar year~~  
85 ~~immediately following the calendar year in which the program authorized~~  
86 ~~under this section is sunset.]~~

✓