

HOUSE BILL NO. 3080

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE RIGGS.

6788H.011

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal sections 253.544, 253.545, 253.550, 253.557, and 253.559, RSMo, and to enact in lieu thereof five new sections relating to facilities of historic significance.

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

Section A. Sections 253.544, 253.545, 253.550, 253.557, and 253.559, RSMo, are repealed and five new sections enacted in lieu thereof, to be known as sections 253.544, 253.545, 253.550, 253.557, and 253.559, to read as follows:

253.544. Sections 253.544 to 253.559 [~~shall~~] **may** be known and [~~may be~~] cited as the "Missouri Historic, Rural Revitalization, and Regulatory Streamlining Act".

253.545. As used in sections 253.544 to 253.559, the following terms mean, unless the context requires otherwise:

(1) "Applicable percentage":

(a) For the rehabilitation of a property that receives or intends to receive a state tax credit under sections 135.350 to 135.363, twenty-five percent;

(b) For the rehabilitation of a property located in a qualifying county approved for a state tax credit and that is not a property that receives or intends to receive a state tax credit under sections 135.350 to 135.363, thirty-five percent; [~~or~~]

(c) For the rehabilitation of a property not located in a qualifying county approved for a tax credit, twenty-five percent; **or**

(d) **For the rehabilitation of a property that is a historic school, thirty-five percent;**

(2) "Certified historic structure", a building located in Missouri and either:

(a) Listed individually on the National Register of Historic Places; or

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.

15 (b) Located in a National Register-listed historic district or a local district that has
16 been certified by the United States Department of the Interior and certified by the Secretary of
17 the Interior or the state historic preservation office as a contributing resource in the district;

18 (3) "Deed in lieu of foreclosure or voluntary conveyance", a transfer of title from a
19 borrower to the lender to satisfy the mortgage debt and avoid foreclosure;

20 (4) "Department", the department of economic development;

21 (5) "Eligible property", property located in Missouri and offered or used for
22 residential or business purposes;

23 (6) "Eligible recipient", an individual taxpayer or nonprofit entity incurring expenses
24 in connection with an eligible property;

25 (7) "Historic theater", any historic theater that is a certified historic structure or is
26 located in a historic district;

27 (8) "Historic school", any historic school that is a certified historic structure or that is
28 located in a historic district;

29 (9) "Leasehold interest", a lease in an eligible property for a term of not less than
30 thirty years;

31 (10) "Principal", a managing partner, general partner, or president of a taxpayer;

32 (11) "Qualified census tract", a census tract or census block with a poverty rate of
33 twenty percent or higher as determined by a map and listing of census tracts which shall be
34 published by the department and updated on a five-year cycle, and which map and listing
35 shall depict census tracts with twenty percent poverty rate or higher, grouped by census tracts
36 with twenty percent to forty-two percent poverty, and forty-two percent to eighty-one percent
37 poverty as determined by the most current five-year figures published by the American
38 Community Survey conducted by the United States Census Bureau;

39 (12) "Qualified rehabilitation standards", the Secretary of the Interior's Standards for
40 Rehabilitation, codified under 36 CFR 67;

41 (13) "Qualifying county", any county or portion thereof in this state that is not:

42 (a) Within a city with more than four hundred thousand inhabitants and located in
43 more than one county; or

44 (b) A city not within a county;

45 (14) "Taxpayer", any person, firm, partnership, trust, estate, limited liability company,
46 or corporation.

253.550. 1. (1) Any taxpayer incurring costs and expenses for the rehabilitation of
2 eligible property, which is a certified historic structure or structure in a certified historic
3 district, may, subject to the provisions of this section and section 253.559, receive a credit
4 against the taxes imposed pursuant to chapters 143 and 148, except for sections 143.191 to
5 143.265, on such taxpayer in an amount equal to twenty-five percent of the total costs and

6 expenses of rehabilitation incurred after January 1, 1998, which shall include, but not be
7 limited to, qualified rehabilitation expenditures as defined under Section 47(c)(2)(A) of the
8 Internal Revenue Code of 1986, as amended, and the related regulations thereunder, provided
9 the rehabilitation costs associated with rehabilitation and the expenses exceed fifty percent of
10 the total basis in the property and the rehabilitation meets standards consistent with the
11 standards of the Secretary of the United States Department of the Interior for rehabilitation as
12 determined by the state historic preservation officer of the Missouri department of natural
13 resources.

14 (2) Any taxpayer incurring costs and expenses for the rehabilitation of eligible
15 property that is in a qualifying county and is a certified historic structure shall, subject to the
16 provisions of this section and section 253.559, receive a credit against the taxes imposed
17 under chapters 143 and 148, excluding withholding tax imposed under sections 143.191 to
18 143.265, on such taxpayer in an amount equal to thirty-five percent of the total costs and
19 expenses of rehabilitation incurred on or after July 1, ~~2024~~ **2026**. Ten percent of the total
20 costs and expenses of rehabilitation upon which the tax credit is based may be incurred for
21 investigation assessments and building stabilization before the taxpayer submits the
22 application for tax credits under sections 253.544 to 253.559. Such total costs and
23 expenses of rehabilitation shall include, but not be limited to, qualified rehabilitation
24 expenditures as defined under 26 U.S.C. Section 47(c)(2)(A), as amended, and related
25 regulations, if:

26 (a) Such qualified rehabilitation expenditures exceed fifty percent of the total basis in
27 the property; and

28 (b) The rehabilitation meets the qualified rehabilitation standards of the Secretary of
29 the United States Department of the Interior for rehabilitation of historic structures.

30 (3) State historic rehabilitation standards shall not be more restrictive than the
31 Secretary of the Interior's Standards for Rehabilitation set forth under 36 CFR 67.

32 2. (1) The department shall not approve applications for tax credits for properties not
33 located in a qualified census tract under the provisions of subsections 5 and 11 of section
34 253.559 which, in the aggregate, exceed ninety million dollars, increased by any amount of
35 tax credits for which approval shall be rescinded under the provisions of section 253.559.
36 The limitations provided under this subsection shall not apply to applications approved under
37 the provisions of subsection 5 of section 253.559 for projects to receive less than ~~two~~
38 ~~hundred seventy-five~~ **four hundred ninety-five** thousand dollars in tax credits.

39 (2) For each fiscal year beginning on or after July 1, 2018, the department shall
40 authorize an amount up to, but not to exceed, an additional thirty million dollars in tax credits
41 issued under subsections 5 and 11 of section 253.559, provided that such tax credits are
42 authorized solely for projects located in a qualified census tract. Projects that receive

43 preliminary approval that are located within a qualified census tract may receive an
44 authorization of tax credit under either subdivision (1) of this subsection or this subdivision,
45 but such projects shall first be authorized from the tax credit amount in this subdivision before
46 being authorized from the tax credit amount in subdivision (1) of this subsection.

47 (3) For each fiscal year beginning on or after July 1, 2018, if the maximum amount of
48 tax credits allowed in any fiscal year as provided under subdivisions (1) and (2) of this
49 subsection is authorized, the maximum amount of tax credits allowed under subdivisions (1)
50 and (2) of this subsection shall be adjusted by the percentage increase in the Consumer Price
51 Index for All Urban Consumers, or its successor index, as such index is defined and officially
52 reported by the United States Department of Labor, or its successor agency. Only one such
53 adjustment shall be made for each instance in which the provisions of this subdivision apply.
54 The director of the department shall publish such adjusted amount.

55 3. (1) For all applications for tax credits approved on or after January 1, 2010, no
56 more than two hundred fifty thousand dollars in tax credits may be issued for eligible costs
57 and expenses incurred in the rehabilitation of an eligible property that is a nonincome-
58 producing single-family residential property occupied by the taxpayer applicant or any
59 relative within the third degree of consanguinity or affinity of such applicant and that is either
60 a certified historic structure or a structure in a certified historic district.

61 (2) For all applications for tax credits, an amount equal to the applicable percentage
62 may be issued for eligible costs and expenses incurred in the rehabilitation of an eligible
63 property that is a nonincome-producing single-family residential property occupied by the
64 taxpayer applicant or any relative within the third degree of consanguinity or affinity of such
65 applicant and that is either a certified historic structure or a structure in a certified historic
66 district. For properties not located in a qualifying county, tax credits shall not be issued under
67 this subdivision unless the property is located in a distressed community, as defined under
68 section 135.530.

69 4. The limitations on tax credit authorization provided under the provisions of
70 subsection 2 of this section shall not apply to:

71 (1) Any application submitted by a taxpayer, which has received approval from the
72 department prior to October 1, 2018; or

73 (2) Any taxpayer applying for tax credits, provided under this section, which, on or
74 before October 1, 2018, has filed an application with the department evidencing that such
75 taxpayer:

76 (a) Has incurred costs and expenses for an eligible property which exceed the lesser
77 of five percent of the total project costs or one million dollars and received an approved Part I
78 from the Secretary of the United States Department of Interior; or

79 (b) Has received certification, by the state historic preservation officer, that the
80 rehabilitation plan meets the qualified rehabilitation standards, and the rehabilitation costs
81 and expenses associated with such rehabilitation shall exceed fifty percent of the total basis in
82 the property.

83 5. A single-resource certified historic structure of more than one million gross square
84 feet with a Part I approval or on the National Register before January 1, [~~2024~~] **2026**, shall be
85 subject to the dollar caps under subsection 2 of this section, provided that, for any such
86 projects that are eligible for tax credits in an amount exceeding sixty million dollars, the total
87 amount of tax credits for such project counted toward the annual limits provided in subsection
88 2 of this section shall be spread over a period of six years with one-sixth of such amount
89 allocated each year if:

90 (1) The project otherwise meets all the requirements of this section;

91 (2) The project meets the ten percent incurred costs test under subsection 9 of section
92 253.559 within thirty-six months after an award is issued; and

93 (3) The taxpayer agrees with the department of economic development, on a form
94 prescribed by the department, to then claim the entire award of the original "state historical
95 tax credits" over three state fiscal years with the initial year being the calendar year when the
96 tax credits are issued.

253.557. 1. If the amount of such credit exceeds the total tax liability for the year in
2 which the rehabilitated property is placed in service, the amount that exceeds the state tax
3 liability may be carried back to any of the three preceding years and carried forward for credit
4 against the taxes imposed pursuant to chapter 143 and chapter 148, except for sections
5 143.191 to 143.265 for the succeeding ten years, or until the full credit is used, whichever
6 occurs first. Not-for-profit entities including, but not limited to, corporations organized as
7 not-for-profit corporations pursuant to chapter 355 shall be eligible for the tax credits
8 authorized under sections 253.544 to 253.559. Taxpayers eligible for tax credits may transfer,
9 sell, or assign the credits. Credits granted to a partnership, a limited liability company taxed
10 as a partnership, or multiple owners of property shall be passed through to the partners,
11 members, or owners respectively pro rata or pursuant to an executed agreement among the
12 partners, members, or owners documenting an alternate distribution method.

13 2. The assignee of the tax credits, hereinafter the assignee for purposes of this
14 subsection, may use acquired credits to offset up to one hundred percent of the tax liabilities
15 otherwise imposed pursuant to chapter 143 and chapter 148, except for sections 143.191 to
16 143.265. The assignor shall perfect such transfer by notifying the department in writing
17 within thirty calendar days following the effective date of the transfer and shall provide any
18 information as may be required by the department **of natural resources** to administer and
19 carry out the provisions of this section.

253.559. 1. To obtain approval for tax credits allowed under sections 253.544 to 253.559, a taxpayer shall submit an application for tax credits to the department **of natural resources**. The department shall establish an application cycle that allows for year-round submission and year-round receipt and review of such applications. Each application for approval, including any applications received for supplemental allocations of tax credits as provided under subsection 11 of this section, shall be prioritized for review and approval, in the order of the date on which the application was postmarked, with the oldest postmarked date receiving priority. Applications postmarked on the same day shall go through a lottery process to determine the order in which such applications shall be reviewed.

2. Each application shall be reviewed by the department for approval. In order to receive approval, an application, other than applications submitted under the provisions of subsection 11 of this section, shall include:

(1) Proof of ownership or site control. Proof of ownership shall include evidence that the taxpayer is the fee simple owner of the eligible property, such as a warranty deed or a county assessor record as proof of ownership. Proof of site control may be evidenced by a leasehold interest or an option to acquire such an interest. If the taxpayer is in the process of acquiring fee simple ownership, proof of site control shall include an executed sales contract or an executed option to purchase the eligible property;

(2) Floor plans of the existing structure, architectural plans, and, where applicable, plans of the proposed alterations to the structure, as well as proposed additions;

(3) The estimated cost of rehabilitation, the anticipated total costs of the project, the actual basis of the property, as shown by proof of actual acquisition costs, the anticipated total labor costs, the estimated project start date, and the estimated project completion date;

(4) Proof that the property is an eligible property and a certified historic structure or a structure in a certified historic district or part 1 of a federal application or a draft National Register of Historic Places nomination has been submitted to the state historic preservation office. In such instances, the application may proceed as a preliminary application concurrent with the associated federal process for nomination to the National Register of Historic Places;

(5) A copy of land use plans; and

(6) Any other information the department may reasonably require to review the project for approval.

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Only the property for which a property address is provided in the application shall be reviewed for approval. Once selected for review, a taxpayer shall not be permitted to request the review of another property for approval in the place of the property contained in such application. Any disapproved application shall be removed from the review process. If an application is removed from the review process, the department shall notify the taxpayer in

38 writing of the decision to remove such application. Disapproved applications shall lose
39 priority in the review process. A disapproved application, which is removed from the review
40 process, may be resubmitted, but shall be deemed to be a new submission for purposes of the
41 priority procedures described in this section.

42 3. (1) In evaluating an application for tax credits submitted under this section, the
43 department shall also consider:

44 (a) The amount of projected net fiscal benefit of the project to the state and local
45 municipality as calculated based on reasonable methods;

46 (b) The overall size and quality of the proposed project, including, but not limited to:

47 a. The estimated number of new jobs or housing units, or both, to be created by the
48 project;

49 b. The estimated number of construction jobs and professional jobs associated with
50 the project that are included in total project costs;

51 c. Capital improvements created by a project and the potential of future community
52 investments and improvements;

53 d. Increased revenues from sales or property taxes;

54 e. The potential multiplier effect of the project; and

55 f. Other similar factors; and

56 (c) Input from the local elected officials in the local municipality in which the
57 proposed project is located as to the importance of the proposed project to the municipality.

58 (2) The provisions of this subsection shall not apply to historic schools or theaters or
59 applications for projects to receive less than two hundred seventy-five thousand dollars in tax
60 credits.

61 4. (1) The department shall promptly notify the state historic preservation office of
62 each preliminary application for tax credits. After receipt of such notice, the state historic
63 preservation office shall determine whether a rehabilitation satisfies the qualified
64 rehabilitation standards within sixty days of a taxpayer filing an initial application for tax
65 credits. The determination shall be based upon evidence that the rehabilitation will meet
66 qualified rehabilitation standards, and that evidence shall consist of one of the following:

67 (a) Preliminary approval by the state historic preservation office; or

68 (b) An approved part 2 of the federal application, which the state historic preservation
69 office shall forward directly to the department without any additional review by such office.

70 (2) If the state historic preservation office approves the application for tax credits
71 within the sixty-day determination period established in subdivision (1) of this subsection,
72 such office shall forward the application with any review comments to the National Park
73 Service and shall forward any such review comments to the applicant. If such office fails to
74 approve the application within the sixty-day determination period, such office shall forward

75 the application without any comments to the National Park Service and shall have no further
76 opportunity to submit any comments on such application.

77 (3) Conditions on a state preliminary application or on part 2 of a federal application
78 shall not delay preliminary state approval but shall be addressed by the applicant for final
79 approval of such application.

80 (4) Any application for state tax credits that does not include an application for
81 federal tax credits or a nomination to the federal National Register of Historic Places shall be
82 reviewed by the state historic preservation office within sixty days of a notice received under
83 subdivision (1) of this subsection.

84 (5) (a) An application for state tax credits may provide information indicating that
85 the project is a phased rehabilitation project as described under 26 U.S.C. Section 47, as
86 amended. Such application for a phased rehabilitation project shall include at least the
87 following:

88 a. A schedule of the phases of the project with a beginning and end date for each
89 phase and the expected costs for the whole project. The applicant may submit detailed plans
90 for the project at a later time within the application process;

91 b. The adjusted total basis of such project, which shall be submitted with the schedule
92 of phases of the project; and

93 c. A statement that the applicant agrees to begin each phase of such project within
94 twelve months of the start date for such phase listed in the schedule of the phases.

95 (b) The applicant may submit a preliminary certification of costs upon the completion
96 of each phase of the project.

97 (c) Upon approval of the cost certification submitted and the work completed on each
98 phase of such project, the department shall issue eighty percent of the amount of the state tax
99 credit for which the taxpayer is approved under this section. The remaining twenty percent of
100 the amount of the state tax credit for which the taxpayer is approved under this section shall
101 be issued upon the final approval of the project under this section.

102 (6) If the department determines that the amount of tax credits issued to a taxpayer
103 under subdivision (5) of this subsection is in excess of the total amount of tax credits such
104 taxpayer is eligible to receive, the department shall notify such taxpayer, and such taxpayer
105 shall repay the department an amount equal to such excess.

106 5. If the department deems the application sufficient, the taxpayer shall be notified in
107 writing of the approval for an amount of tax credits equal to the amount provided under
108 section 253.550 less any amount of tax credits previously approved. Such approvals shall be
109 granted to applications in the order of priority established under this section and shall require
110 full compliance thereafter with all other requirements of law as a condition to any claim for
111 such credits. If the department disapproves an application, the taxpayer shall be notified in

112 writing of the reasons for such disapproval. A disapproved application may be resubmitted.
113 If the scope of a project for which an application has been approved under this section
114 materially changes, the taxpayer shall be eligible to receive additional tax credits in the year
115 in which the department is notified of and approves of such change in scope, subject to the
116 provisions of subsection 2 of section 253.550 and subsection 7 of this section, if applicable;
117 however, if such project was originally approved prior to August 28, 2018, the department
118 shall evaluate the change in scope of the project under the criteria in effect prior to such date.
119 A change in project scope shall be considered material under this subsection if:

120 (1) The project was not previously subject to a material change in scope for which
121 additional tax credits were approved; and

122 (2) The requested amount of tax credits for the project after the change in scope is
123 higher than the originally approved amount of tax credits.

124 6. Following approval of an application, the identity of the taxpayer contained in such
125 application shall not be modified except:

126 (1) The taxpayer may add partners, members, or shareholders as part of the ownership
127 structure, so long as the principal remains a principal of the taxpayer, provided however, that
128 subsequent to the commencement of renovation and the expenditure of at least ten percent of
129 the proposed rehabilitation budget, removal of the principal for failure to perform duties and
130 the appointment of a new principal thereafter shall not constitute a change of the principal; or

131 (2) Where the ownership of the project is changed due to a foreclosure, deed in lieu of
132 a foreclosure or voluntary conveyance, or a transfer in bankruptcy.

133 7. In the event that the department grants approval for tax credits equal to the total
134 amount available or authorized, as applicable, under subsection 2 of section 253.550, or
135 sufficient that when totaled with all other approvals, the amount available or authorized, as
136 applicable, under subsection 2 of section 253.550 is exhausted, all taxpayers with applications
137 then awaiting approval or thereafter submitted for approval shall be notified by the
138 department that no additional approvals shall be granted during the fiscal year and shall be
139 notified of the priority given to such taxpayer's application then awaiting approval. Such
140 applications shall be kept on file by the department and shall be considered for approval for
141 tax credits in the order established in this section in the event that additional credits become
142 available due to the rescission of approvals or when a new fiscal year's allocation of credits
143 becomes available for approval or authorized, as applicable.

144 8. All taxpayers with applications receiving approval on or after July 1, 2019, shall
145 submit within one hundred twenty days following the award of credits evidence of the
146 capacity of the applicant to finance the costs and expenses for the rehabilitation of the eligible
147 property in the form of a line of credit or letter of commitment subject to the lender's
148 termination for a material adverse change impacting the extension of credit. If the department

149 determines that a taxpayer has failed to comply with the requirements under this subsection,
150 then the department shall notify the applicant of such failure and the applicant shall have a
151 thirty-day period from the date of such notice to submit additional evidence to remedy the
152 failure.

153 9. All taxpayers with applications receiving approval on or after the effective date of
154 this act shall commence rehabilitation within twenty-four months of the date of issuance of
155 the letter from the department granting the approval for tax credits. "Commencement of
156 rehabilitation" shall mean that as of the date in which actual physical work, contemplated by
157 the architectural plans submitted with the application, has begun, the taxpayer has incurred no
158 less than ten percent of the estimated costs of rehabilitation provided in the application.
159 Taxpayers with approval of a project shall submit evidence of compliance with the provisions
160 of this subsection. Taxpayers shall notify the department of any loss of site control or of any
161 failure to exercise any option to obtain site control within the prescribed time period within
162 ten days of such loss or failure. If the department determines that a taxpayer has lost or failed
163 to obtain site control of the eligible property or otherwise failed to comply with the
164 requirements provided under this section, the approval for the amount of tax credits for such
165 taxpayer shall be rescinded. A taxpayer may voluntarily forfeit such approval at any time by
166 written notice to the department. Any approval rescinded or forfeited under this subsection
167 shall then be included in the total amount of tax credits available in the year of such rescission
168 or forfeiture, provided under subsection 2 of section 253.550, from which approvals may be
169 granted. Any taxpayer whose approval is rescinded or forfeited under this subsection shall be
170 notified of such from the department and, upon receipt of such notice, may submit a new
171 application for the project. If a taxpayer's approval is rescinded or forfeited under this
172 subsection and such taxpayer later submits a new application for the same project, any
173 expenditures eligible for tax credits under section 253.550 that are incurred by such taxpayer
174 from and after the date of the rescinded or forfeited approval shall remain eligible
175 expenditures for the purposes of determining the amount of tax credits that may be approved
176 under section 253.550.

177 10. (1) (a) To claim the credit authorized under sections 253.544 to 253.559, a
178 taxpayer with approval shall apply for final approval and issuance of tax credits from the
179 department, which shall determine the final amount of eligible rehabilitation costs and
180 expenses and whether the completed rehabilitation meets the qualified rehabilitation
181 standards.

182 (b) Evidence that the completed rehabilitation meets the qualified rehabilitation
183 standards shall be shown by one of the following:

- 184 a. Final approval by the state historic preservation office; or
185 b. An approved part 3 of the federal application.

186 (c) The state historic preservation office shall review each final application within
187 sixty days and then forward the application to the National Park Service and send copies of
188 any review comments to the applicant. If the state historic preservation office fails to review
189 the application within sixty days, the application shall be forwarded without comments to the
190 National Park Service and the state historic preservation office shall have no further
191 opportunity to submit comments on such application.

192 (d) An award of tax credits under sections 253.544 to 253.559 shall be contingent on
193 and awarded upon the listing of such eligible property on the National Register of Historic
194 Places.

195 (2) Within seventy-five days of the department's receipt of all materials required by
196 the department for an application for final approval and issuance of tax credits, which shall
197 include a state approval by the state historic preservation office or an approved part 3 of the
198 federal application for projects receiving federal rehabilitation credits, the department shall
199 issue to the taxpayer tax credit certificates in the amount of seventy-five percent of the lesser
200 of:

201 (a) The total amount of the tax credits for which the taxpayer is eligible as provided in
202 the taxpayer's certification of qualified expenses submitted with an application for final
203 approval; or

204 (b) The total amount of tax credits approved for such project under subsection 3 of
205 this section, including any amounts approved in connection with a material change in the
206 scope of the project.

207 (3) Within one hundred twenty days of the department's receipt of all materials
208 required by the department for an application of final approval and issuance of tax credits for
209 a project, the department shall, unless such project is under appeal under subsection 13 of this
210 section:

211 (a) Make a final determination of the total costs and expenses of rehabilitation and the
212 amount of tax credits to be issued for such costs and expenses;

213 (b) Notify the taxpayer in writing of its final determination; and

214 (c) Issue to the taxpayer tax credit certificates in an amount equal to the remaining
215 amount of tax credits such taxpayer is eligible to receive, as determined by the department,
216 but was not issued in the initial tax credit issuance under subdivision (2) of this subsection.

217 (4) If the department determines that the amount of tax credits issued to a taxpayer in
218 the initial tax credit issuance under subdivision (2) of this subsection is in excess of the total
219 amount of tax credits such taxpayer is eligible to receive, the department shall notify such
220 taxpayer, and such taxpayer shall repay the department an amount equal to such excess.

221 (5) For financial institutions credits authorized pursuant to sections 253.544 to
222 253.559 shall be deemed to be economic development credits for purposes of section

223 148.064. The approval of all applications and the issuing of certificates of eligible credits to
224 taxpayers shall be performed by the department. The department shall inform a taxpayer of
225 final approval by letter and shall issue, to the taxpayer, tax credit certificates. The taxpayer
226 shall attach the certificate to all Missouri income tax returns on which the credit is claimed.

227 11. Except as expressly provided in this subsection, tax credit certificates shall be
228 issued in the final year that costs and expenses of rehabilitation of the project are incurred, or
229 within the twelve-month period immediately following the conclusion of such rehabilitation.
230 In the event the amount of eligible rehabilitation costs and expenses incurred by a taxpayer
231 would result in the issuance of an amount of tax credits in excess of the amount provided
232 under such taxpayer's approval granted under subsection 5 of this section, such taxpayer may
233 apply to the department for issuance of tax credits in an amount equal to such excess.
234 Applications for issuance of tax credits in excess of the amount provided under a taxpayer's
235 application shall be made on a form prescribed by the department. Such applications shall be
236 subject to all provisions regarding priority provided under subsection 1 of this section.

237 12. The department shall determine, on an annual basis, the overall economic impact
238 to the state from the rehabilitation of eligible property.

239 13. (1) With regard to an application submitted under sections 253.544 to 253.559,
240 an applicant or an applicant's duly authorized representative may appeal any official decision,
241 including all preliminary or final approvals, denials of approvals, or dollar amounts of issued
242 tax credits, made by the department of economic development or the state historic
243 preservation office. Such an appeal shall constitute an administrative review of the decision
244 and shall not be conducted as an adjudicative proceeding.

245 (2) The department shall establish an equitable appeals process.

246 (3) The appeals process shall incorporate an independent review panel consisting of
247 members of the private sector and the department.

248 (4) The department shall name an independent appeals officer as chair.

249 (5) An appeal shall be submitted to the designated appeals officer or review panel in
250 writing within thirty days of receipt by the applicant or the applicant's duly authorized
251 representative of the decision that is the subject of the appeal and shall include all information
252 the appellant wishes the appeals officer or review panel to consider in deciding the appeal.

253 (6) Within fourteen days of receipt of an appeal, the appeals officer or review panel
254 shall notify the department of economic development or the state historic preservation office
255 that an appeal is pending, identify the decision being appealed, and forward a copy of the
256 information submitted by the appellant. The department of economic development or the
257 state historic preservation office may submit a written response to the appeal within thirty
258 days.

259 (7) The appellant shall be entitled to one meeting with the appeals officer or review
260 panel to discuss the appeal, and the appeals officer or review panel may schedule additional
261 meetings at the officer's or panel's discretion. The department of economic development or
262 the state historic preservation office may appear at any such meeting.

263 (8) The appeals officer or review panel shall consider the record of the decision in
264 question; any further written submissions by the appellant, department of economic
265 development, or state historic preservation office; and other available information and shall
266 deliver a written decision to all parties as promptly as circumstances permit but no later than
267 ninety days after the initial receipt of an appeal by the appeals officer or review panel.

268 (9) The appeals officer and the members of the review panel shall serve without
269 compensation.

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