

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 3080**  
**103RD GENERAL ASSEMBLY**

6788H.03C

JOSEPH ENGLER, Chief Clerk

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**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, with an emergency clause.

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*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  
2 repealed and five new sections enacted in lieu thereof, to be known as sections 253.544,  
3 253.545, 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  
2 "Missouri Historic, Rural Revitalization, and Regulatory Streamlining Act".

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

3 (1) "Applicable percentage":

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

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

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

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

12 (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.

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

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

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

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

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

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

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

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

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

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

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

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

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

42 (b) A city not within a county;

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

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

6 costs and expenses of rehabilitation incurred after January 1, 1998, which shall include, but  
7 not be limited to, qualified rehabilitation expenditures as defined under Section 47(c)(2)(A) of  
8 the Internal Revenue Code of 1986, as amended, and the related regulations thereunder,  
9 provided the rehabilitation costs associated with rehabilitation and the expenses exceed fifty  
10 percent of the total basis in the property and the rehabilitation meets standards consistent with  
11 the standards of the Secretary of the United States Department of the Interior for  
12 rehabilitation as determined by the state historic preservation officer of the Missouri  
13 department of natural 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. Ten percent of the total costs and  
20 expenses of rehabilitation upon which the tax credit is based may be incurred for investigation  
21 assessments and building stabilization before the taxpayer submits the application for tax  
22 credits under sections 253.544 to 253.559. Such total costs and expenses of rehabilitation  
23 shall include, but not be limited to, qualified rehabilitation expenditures as defined under 26  
24 U.S.C. Section 47(c)(2)(A), as amended, and related regulations, if:

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

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

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

31 2. (1) The department shall not approve applications for tax credits for properties not  
32 located in a qualified census tract under the provisions of subsections 5 and 11 of section  
33 253.559 which, in the aggregate, exceed ninety million dollars, increased by any amount of  
34 tax credits for which approval shall be rescinded under the provisions of section 253.559.  
35 The limitations provided under this subsection shall not apply to applications approved under  
36 the provisions of subsection 5 of section 253.559 for projects to receive less than two hundred  
37 seventy-five thousand dollars in tax credits.

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

43 authorization of tax credit under either subdivision (1) of this subsection or this subdivision,  
44 but such projects shall first be authorized from the tax credit amount in this subdivision before  
45 being authorized from the tax credit amount in subdivision (1) of this subsection.

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

54 3. (1) For all applications for tax credits approved on or after January 1, 2010, no  
55 more than two hundred fifty thousand dollars in tax credits may be issued for eligible costs  
56 and expenses incurred in the rehabilitation of an eligible property that is a nonincome-  
57 producing single-family residential property occupied by the taxpayer applicant or any  
58 relative within the third degree of consanguinity or affinity of such applicant and that is either  
59 a certified historic structure or a structure in a certified historic district.

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

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

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

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

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

78 (b) Has received certification, by the state historic preservation officer, that the  
79 rehabilitation plan meets the qualified rehabilitation standards, and the rehabilitation costs

80 and expenses associated with such rehabilitation shall exceed fifty percent of the total basis in  
81 the property.

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

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

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

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

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

14 2. The assignee of the tax credits, hereinafter the assignee for purposes of this  
15 subsection, may use acquired credits to offset up to one hundred percent of the tax liabilities  
16 otherwise imposed pursuant to chapter 143 and chapter 148, except for sections 143.191 to  
17 143.265. The assignor shall perfect such transfer by notifying the department in writing  
18 within thirty calendar days following the effective date of the transfer and shall provide any  
19 information as may be required by the department to administer and carry out the provisions  
20 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. 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~~[5]~~ 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.

270 **14. The provisions of sections 253.544 to 253.559 are intended to and shall be**  
271 **retroactive from the effective date and shall apply to all applications for tax credits**  
272 **under sections 253.544 to 253.559 received by or approved by the department at any**  
273 **time on or after August 28, 2024.**

Section B. Because of the importance of protecting historic buildings in this state,  
2 section A of this act is deemed necessary for the immediate preservation of the public health,  
3 welfare, peace, and safety, and is hereby declared to be an emergency act within the meaning  
4 of the constitution, and section A of this act shall be in full force and effect upon its passage  
5 and approval.

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