

SECOND REGULAR SESSION

HOUSE BILL NO. 3214

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE COSTLOW.

6932H.011

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal section 143.071, RSMo, and to enact in lieu thereof two new sections relating to manufacturing incentives.

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

Section A. Section 143.071, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 143.071 and 620.1920, to read as follows:

143.071. 1. For all tax years beginning before September 1, 1993, a tax is hereby imposed upon the Missouri taxable income of corporations in an amount equal to five percent of Missouri taxable income.

2. For all tax years beginning on or after September 1, 1993, and ending on or before December 31, 2019, a tax is hereby imposed upon the Missouri taxable income of corporations in an amount equal to six and one-fourth percent of Missouri taxable income.

3. For all tax years beginning on or after January 1, 2020, a tax is hereby imposed upon the Missouri taxable income of corporations in an amount equal to four percent of Missouri taxable income.

4. The provisions of this section shall not apply to out-of-state businesses operating under sections 190.270 to 190.285.

5. For all tax years beginning on or after January 1, 2027, the provisions of this section shall not apply to qualified manufacturing companies. For the purposes of this section, a "qualified manufacturing company" means a firm, partnership, joint venture, association, or private or public corporation registered to do business in Missouri that is classified by the North American Industry Classification System (NAICS) manufacturing codes 31-33, 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.

18 (1) Owns all of its property in this state; or

19 (2) Owns property in the state with an adjusted basis for Missouri state tax
20 purposes in the amount of at least one million dollars at the close of the tax year.

620.1920. 1. This section shall be known and may be cited as the
2 "Manufacturing Opportunity Zones Act".

3 2. As used in this section, the term "Manufacturing Opportunity Zone" means a
4 qualified opportunity zone designated in this state under 26 U.S.C. Sections 1400Z-1 and
5 1400Z-2. The zones shall have the elements necessary for large manufacturing
6 developments including, but not limited to, transportation, proximity to large electrical
7 transmission capacity, adequate water and gas resources, and data connectivity.

8 3. The department of economic development shall create a fast-track advanced
9 permitting process for sites within the zones designated under this section.

10 4. The department of economic development in cooperation with the department
11 of natural resources shall prepare and publish a report on the website by January
12 fifteenth each year that includes, but is not limited to, utility readiness, capacity, and
13 deficits of the zones.

14 5. (1) The public service commission shall cooperate with the department of
15 economic development to identify an electrical corporation in small-scale or pilot
16 innovative technology projects including, but not limited to, renewable generation,
17 micro grids, or energy storage, if the small-scale or pilot project is designed to advance
18 the electrical cooperation's operational knowledge of deploying such technologies,
19 including to gain efficiencies that result in customer savings and benefits as the
20 technology is scaled across the grid or network. The technologies shall be used within
21 the manufacturing opportunity zones to maintain sufficient capacity to meet the on-
22 going demand. The department of economic development may transfer funds from the
23 manufacturing opportunity zone utility fund established under subsection 6 of this
24 section to the public service commission to establish access to utilities that are missing
25 from the manufacturing opportunity zones.

26 (2) For purposes of this subsection, "electrical corporation" shall mean the same
27 as defined in section 386.020, but shall not include an electrical corporation as described
28 in subsection 2 of section 393.110.

29 (3) The department of economic development shall cooperate with the public
30 service commission to develop rules and regulations as required for the administration
31 of this subsection.

32 6. (1) There is hereby created in the state treasury the "Manufacturing
33 Opportunity Zone Utility Fund". Moneys deposited in the fund shall consist of moneys
34 collected from a one-percent user fee charged on all electric, water, and gas within the

35 manufacturing opportunity zone and any amounts which may be received from grants,
36 gifts, bequests, the state or federal government, or any other source.

37 (2) The state treasurer shall be custodian of the fund. In accordance with
38 sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund
39 shall be a dedicated fund and, upon appropriation, moneys in this fund shall be used
40 solely for the purposes as provided in this section.

41 (3) Notwithstanding the provisions of section 33.080 to the contrary, any moneys
42 remaining in the fund at the end of the biennium shall not revert to the credit of the
43 general revenue fund.

44 (4) The state treasurer shall invest moneys in the fund in the same manner as
45 other funds are invested. Any interest and moneys earned on such investments shall be
46 credited to the fund.

47 7. The department of economic development shall develop and implement a
48 single-purpose small business loan guarantee program under this section to supplement
49 the federal guarantees for manufacturing investments in the manufacturing opportunity
50 zones. A ten-percent guarantee not to exceed a total combined guarantee of ninety
51 percent shall be available to all small business association loans taken out by
52 manufacturing or technology companies within the manufacturing opportunity zone.

53 8. The department of economic development shall promulgate rules and
54 regulations necessary to carry out the provisions of this section. The rules and
55 regulations shall be designed to encourage maximum involvement and participation by
56 lenders and financial institutions in the loan guarantee program and the eligibility
57 requirements of the applicants. Any rule or portion of a rule, as that term is defined in
58 section 536.010, that is created under the authority delegated in this section shall
59 become effective only if it complies with and is subject to all of the provisions of chapter
60 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable
61 and if any of the powers vested with the general assembly pursuant to chapter 536 to
62 review, to delay the effective date, or to disapprove and annul a rule are subsequently
63 held unconstitutional, then the grant of rulemaking authority and any rule proposed or
64 adopted after August 28, 2026, shall be invalid and void.

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