

SECOND REGULAR SESSION

# HOUSE BILL NO. 3477

103RD GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE HEWKIN.

7480H.011

JOSEPH ENGLER, Chief Clerk

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## AN ACT

To repeal section 135.341, RSMo, and to enact in lieu thereof one new section relating to the champion for children tax credit.

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

Section A. Section 135.341, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 135.341, to read as follows:

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

- 2 (1) "CASA", an entity which receives funding from the court-appointed special  
3 advocate fund established under section 476.777, including an association based in this state,  
4 affiliated with a national association, organized to provide support to entities receiving  
5 funding from the court-appointed special advocate fund;
- 6 (2) "Child advocacy centers", the regional child assessment centers listed in  
7 subsection 2 of section 210.001, including an association based in this state, affiliated with a  
8 national association, and organized to provide support to entities listed in subsection 2 of  
9 section 210.001;
- 10 (3) "Contribution", the amount of donation to a qualified agency;
- 11 (4) "Crisis care center", entities contracted with this state which provide temporary  
12 care for children whose age ranges from birth through seventeen years of age whose parents  
13 or guardian are experiencing an unexpected and unstable or serious condition that requires  
14 immediate action resulting in short-term care, usually three to five continuous, uninterrupted  
15 days, for children who may be at risk for child abuse, neglect, or in an emergency situation;
- 16 (5) "Department", the department of revenue;
- 17 (6) "Director", the director of the department of revenue;

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 (7) "Qualified agency", CASA, child advocacy centers, or a crisis care center;

19 (8) "Tax liability", the tax due under chapter 143 other than taxes withheld under  
20 sections 143.191 to 143.265.

21 2. For all tax years beginning on or after January 1, 2013, and ending on or before  
22 December 31, 2024, a tax credit may be claimed in an amount equal to up to fifty percent of a  
23 verified contribution to a qualified agency and shall be named the champion for children tax  
24 credit. For all tax years beginning on or after January 1, 2025, a tax credit may be claimed in  
25 an amount not to exceed seventy percent of a verified contribution to a qualified agency. The  
26 minimum amount of any tax credit issued shall not be less than fifty dollars and shall be  
27 applied to taxes due under chapter 143, excluding sections 143.191 to 143.265. For all tax  
28 years beginning on or after January 1, 2025, a taxpayer shall not be allowed to claim a tax  
29 credit under this section in excess of fifty thousand dollars in any tax year. A contribution  
30 verification shall be issued to the taxpayer by the agency receiving the contribution. Such  
31 contribution verification shall include the taxpayer's name, Social Security number, amount of  
32 tax credit, amount of contribution, the name and address of the agency receiving the credit,  
33 and the date the contribution was made. The tax credit provided under this subsection shall  
34 be initially filed for the year in which the verified contribution is made.

35 3. The cumulative amount of the tax credits redeemed shall not exceed one million  
36 dollars for all fiscal years ending on or before June 30, 2019; one million five hundred  
37 thousand dollars for all fiscal years beginning on or after July 1, 2019, and ending on or  
38 before June 30, 2025; and two million five hundred thousand dollars for all fiscal years  
39 beginning on or after July 1, 2025, **and ending on or before June 30, 2027; and no**  
40 **restriction for all fiscal years beginning on or after July 1, 2027.** The amount available  
41 shall be equally divided among the three qualified agencies: CASA, child advocacy centers,  
42 or crisis care centers, to be used towards tax credits issued. In the event tax credits claimed  
43 under one agency do not total the allocated amount for that agency, the unused portion for that  
44 agency will be made available to the remaining agencies equally. In the event the total  
45 amount of tax credits claimed for any one agency exceeds the amount available for that  
46 agency, the amount redeemed shall and will be apportioned equally to all eligible taxpayers  
47 claiming the credit under that agency.

48 4. Prior to December thirty-first of each year, each qualified agency shall apply to the  
49 department of social services in order to verify their qualified agency status. Upon a  
50 determination that the agency is eligible to be a qualified agency, the department of social  
51 services shall provide a letter of eligibility to such agency. No later than February first of  
52 each year, the department of social services shall provide a list of qualified agencies to the  
53 department of revenue. All tax credit applications to claim the champion for children tax  
54 credit shall be filed between July first and April fifteenth of each fiscal year. A taxpayer shall

55 apply for the champion for children tax credit by attaching a copy of the contribution  
56 verification provided by a qualified agency to such taxpayer's income tax return.

57         5. Any amount of tax credit which exceeds the tax due or which is applied for and  
58 otherwise eligible for issuance but not issued shall not be refunded but may be carried over to  
59 any subsequent tax year, not to exceed a total of five years.

60         6. Tax credits may not be assigned, transferred or sold.

61         7. In the event a full or partial credit denial, due to the cumulative maximum amount  
62 of credits being redeemed for the fiscal year, causes an income tax balance due to be owed to  
63 the state by the taxpayer, the taxpayer shall not be held liable for any addition to tax, penalty,  
64 or interest on that income tax balance due, provided the balance is paid, or approved payment  
65 arrangements have been made, within sixty days from the issuance of the notice of credit  
66 denial.

67         8. The department may promulgate such rules or regulations as are necessary to  
68 administer the provisions of this section. Any rule or portion of a rule, as that term is defined  
69 in section 536.010, that is created under the authority delegated in this section shall become  
70 effective only if it complies with and is subject to all of the provisions of chapter 536 and, if  
71 applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the  
72 powers vested with the general assembly pursuant to chapter 536 to review, to delay the  
73 effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then  
74 the grant of rulemaking authority and any rule proposed or adopted after August 28, 2013,  
75 shall be invalid and void.

76         9. Pursuant to section 23.253, of the Missouri sunset act:

77         (1) The program authorized under this section shall be reauthorized as of August 28,  
78 2025, and shall expire on December 31, 2031, unless reauthorized by the general assembly;  
79 and

80         (2) This section shall terminate on September first of the calendar year immediately  
81 following the calendar year in which the program authorized under this section is sunset; and

82         (3) The provisions of this subsection shall not be construed to limit or in any way  
83 impair the department's ability to redeem tax credits authorized on or before the date the  
84 program authorized under this section expires or a taxpayer's ability to redeem such credits.

85         10. Beginning on March 29, 2013, any verified contribution to a qualified agency  
86 made on or after January 1, 2013, shall be eligible for tax credits as provided by this section.

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