

HB 2654 -- TAX CREDIT FOR CERTAIN CAPITAL INVESTMENTS

SPONSOR: Knight

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Economic Development by a vote of 15 to 0.

The Missouri Works program is currently authorized to provide various incentives for the creation and retention of new and existing jobs. This bill authorizes the Department of Economic Development to issue tax credits to qualified companies that expend at least \$50 million in new capital investments for a project within two years of submitting a notice of intent with the Department.

The Department must respond to a notice of intent within 30 days, provided, that a failure to respond within 30 days must not be construed as an approval of a notice of intent.

Tax credits authorized by the bill must not exceed 2.5% of the new capital investment made during the three-year period from the notice of intent. Tax credits authorized by the bill must count toward the maximum amount of Missouri Works incentives allowed in a fiscal year, as provided under current law.

The amount of tax credits proposed and awarded to a qualified company must not exceed the least amount necessary to obtain the qualified company's commitment to initiate the project.

A qualified company receiving benefits provided in this bill must provide an annual report that includes certain information, detailed in the bill, to the Department.

Any qualified company that receives benefits provided in this bill must not simultaneously receive benefits from the New or Expanded Business Facility Tax Credit or certain benefits provided in the Missouri Works Program for the same jobs, wages, or new capital investments that qualified the company for the tax credits in this bill.

This bill is similar to SB 1443 (2026).

PROPOSERS: Supporters say that this bill is pro-business and will stimulate and grow the Missouri economy. This bill will add jobs to Missouri as businesses invest in Missouri businesses. This bill will make Missouri competitive with the states that are

near Missouri. The bill will make Missouri more appealing to businesses to move to the State. Some say that Missouri has a short window to attract businesses returning from other countries to establish their business here in Missouri, and this bill will help do that.

Testifying in person for the bill were Representative Knight; Associated Industries of Missouri; Aaron Griesheimer; Andrea Sitzes, Missouri Economic Development Council; Greater St. Louis Inc.; Missouri Chamber of Commerce and Industry; Jeff Meredith, Carthage Economic Development Corporation; Marcie Lawson, Bootheel Progress With Partnership; Michael Eaton, Missouri Association of Manufacturers; Michelle Hataway, Department of Economic Development; Missouri Soybean Association; Greater Kansas City Chamber of Commerce, Civic Counsel of Greater Kansas City; and Southeast Missouri Regional Economic Development, Inc.

OPPONENTS: There was no opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.