

SENATE BILL NO. 1301

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR BEAN.

4951S.01I

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 620.2010 and 620.2020, RSMo, and to enact in lieu thereof two new sections relating to financial incentives for economic development.

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

Section A. Sections 620.2010 and 620.2020, RSMo, are
2 repealed and two new sections enacted in lieu thereof, to be
3 known as sections 620.2010 and 620.2020, to read as follows:

620.2010. 1. In exchange for the consideration
2 provided by the new tax revenues and other economic stimuli
3 that will be generated by the new jobs created, a qualified
4 company may, for a period of five years from the date the
5 new jobs are created, or for a period of six years from the
6 date the new jobs are created if the qualified company is an
7 existing Missouri business, retain an amount equal to the
8 withholding tax as calculated under subdivision (38) of
9 section 620.2005 from the new jobs that would otherwise be
10 withheld and remitted by the qualified company under the
11 provisions of sections 143.191 to 143.265 if:

12 (1) The qualified company creates ten or more new
13 jobs, and the average wage of the new payroll equals or
14 exceeds ninety percent of the county average wage;

15 (2) The qualified company creates two or more new jobs
16 at a project facility located in a rural area, the average
17 wage of the new payroll equals or exceeds ninety percent of
18 the county average wage, and the qualified company commits
19 to making at least one hundred thousand dollars of new

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

20 capital investment at the project facility within two years;
21 or

22 (3) The qualified company creates two or more new jobs
23 at a project facility located within a zone designated under
24 sections 135.950 to 135.963, the average wage of the new
25 payroll equals or exceeds eighty percent of the county
26 average wage, and the qualified company commits to making at
27 least one hundred thousand dollars in new capital investment
28 at the project facility within two years of approval.

29 2. In addition to any benefits available under
30 subsection 1 of this section, the department may award a
31 qualified company that satisfies subdivision (1) of
32 subsection 1 of this section additional tax credits, issued
33 each year for a period of five years from the date the new
34 jobs are created, or for a period of six years from the date
35 the new jobs are created if the qualified company is an
36 existing Missouri business, in an amount equal to or less
37 than six percent of new payroll; provided that in no event
38 may the total amount of benefits awarded to a qualified
39 company under this section exceed nine percent of new
40 payroll in any calendar year. The amount of tax credits
41 awarded to a qualified company under this subsection shall
42 not exceed the projected net fiscal benefit to the state, as
43 determined by the department, and shall not exceed the least
44 amount necessary to obtain the qualified company's
45 commitment to initiate the project. In determining the
46 amount of tax credits to award to a qualified company under
47 this subsection or a qualified manufacturing company under
48 subsection 3 of this section, the department shall consider
49 the following factors:

50 (1) The significance of the qualified company's need
51 for program benefits;

52 (2) The amount of projected net fiscal benefit to the
53 state of the project and the period in which the state would
54 realize such net fiscal benefit;

55 (3) The overall size and quality of the proposed
56 project, including the number of new jobs, new capital
57 investment, manufacturing capital investment, proposed
58 wages, growth potential of the qualified company, the
59 potential multiplier effect of the project, and similar
60 factors;

61 (4) The financial stability and creditworthiness of
62 the qualified company;

63 (5) The level of economic distress in the area;

64 (6) An evaluation of the competitiveness of
65 alternative locations for the project facility, as
66 applicable; and

67 (7) The percent of local incentives committed.

68 3. (1) The department may award tax credits to a
69 qualified manufacturing company that makes a manufacturing
70 capital investment of at least five hundred million dollars
71 not more than three years following the department's
72 approval of a notice of intent and the execution of an
73 agreement that meets the requirements of subsection 4 of
74 this section. Such tax credits shall be issued no earlier
75 than January 1, 2023, and may be issued each year for a
76 period of five years. A qualified manufacturing company may
77 qualify for an additional five-year period under this
78 subsection if it makes an additional manufacturing capital
79 investment of at least two hundred fifty million dollars
80 within five years of the department's approval of the
81 original notice of intent.

82 (2) The maximum amount of tax credits that any one
83 qualified manufacturing company may receive under this

84 subsection shall not exceed five million dollars per
85 calendar year. The aggregate amount of tax credits awarded
86 to all qualified manufacturing companies under this
87 subsection shall not exceed ten million dollars per calendar
88 year.

89 (3) If, at the project facility at any time during the
90 project period, the qualified manufacturing company
91 discontinues the manufacturing of the new product, or
92 discontinues the modification or expansion of an existing
93 product, and does not replace it with a subsequent or
94 additional new product or with a modification or expansion
95 of an existing product, the company shall immediately cease
96 receiving any benefit awarded under this subsection for the
97 remainder of the project period and shall forfeit all rights
98 to retain or receive any benefit awarded under this
99 subsection for the remainder of such period.

100 (4) Notwithstanding any other provision of law to the
101 contrary, any qualified manufacturing company that is
102 awarded benefits under this section shall not simultaneously
103 receive tax credits or exemptions under sections 100.700 to
104 100.850 for the jobs created or retained or capital
105 improvement that qualified for benefits under this section.
106 The provisions of subsection 5 of section 285.530 shall not
107 apply to a qualified manufacturing company that is awarded
108 benefits under this section.

109 4. Upon approval of a notice of intent to receive tax
110 credits under subsection 2, 3, 6, or 7 of this section, the
111 department and the qualified company shall enter into a
112 written agreement covering the applicable project period.
113 The agreement shall specify, at a minimum:

114 (1) The committed number of new jobs, new payroll, and
115 new capital investment, or the manufacturing capital

116 investment and committed percentage of retained jobs for
117 each year during the project period;

118 (2) The date or time period during which the tax
119 credits shall be issued, which may be immediately or over a
120 period not to exceed two years from the date of approval of
121 the notice of intent;

122 (3) Clawback provisions, as may be required by the
123 department;

124 (4) Financial guarantee provisions as may be required
125 by the department, provided that financial guarantee
126 provisions shall be required by the department for tax
127 credits awarded under subsection 7 of this section; and

128 (5) Any other provisions the department may require.

129 5. In lieu of the benefits available under subsections
130 1 and 2 of this section, and in exchange for the
131 consideration provided by the new tax revenues and other
132 economic stimuli that will be generated by the new jobs
133 created by the program, a qualified company may, for a
134 period of five years from the date the new jobs are created,
135 or for a period of six years from the date the new jobs are
136 created if the qualified company is an existing Missouri
137 business, retain an amount equal to the withholding tax as
138 calculated under subdivision (38) of section 620.2005 from
139 the new jobs that would otherwise be withheld and remitted
140 by the qualified company under the provisions of sections
141 143.191 to 143.265 equal to:

142 (1) Six percent of new payroll for a period of five
143 years from the date the required number of new jobs were
144 created if the qualified company creates one hundred or more
145 new jobs and the average wage of the new payroll equals or
146 exceeds one hundred twenty percent of the county average

147 wage of the county in which the project facility is located;
148 or

149 (2) Seven percent of new payroll for a period of five
150 years from the date the required number of jobs were created
151 if the qualified company creates one hundred or more new
152 jobs and the average wage of the new payroll equals or
153 exceeds one hundred forty percent of the county average wage
154 of the county in which the project facility is located.

155 The department shall issue a refundable tax credit for any
156 difference between the amount of benefit allowed under this
157 subsection and the amount of withholding tax retained by the
158 company, in the event the withholding tax is not sufficient
159 to provide the entire amount of benefit due to the qualified
160 company under this subsection.

161 6. In addition to the benefits available under
162 subsection 5 of this section, the department may award a
163 qualified company that satisfies the provisions of
164 subsection 5 of this section additional tax credits, issued
165 each year for a period of five years from the date the new
166 jobs are created, or for a period of six years from the date
167 the new jobs are created if the qualified company is an
168 existing Missouri business, in an amount equal to or less
169 than three percent of new payroll; provided that in no event
170 may the total amount of benefits awarded to a qualified
171 company under this section exceed nine percent of new
172 payroll in any calendar year. The amount of tax credits
173 awarded to a qualified company under this subsection shall
174 not exceed the projected net fiscal benefit to the state, as
175 determined by the department, and shall not exceed the least
176 amount necessary to obtain the qualified company's
177 commitment to initiate the project. In determining the

178 amount of tax credits to award to a qualified company under
179 this subsection, the department shall consider the factors
180 provided under subsection 2 of this section.

181 7. In lieu of the benefits available under subsections
182 1, 2, 5, and 6 of this section, and in exchange for the
183 consideration provided by the new tax revenues and other
184 economic stimuli that will be generated by the new jobs and
185 new capital investment created by the program, the
186 department may award a qualified company that satisfies the
187 provisions of subdivision (1) of subsection 1 of this
188 section tax credits, issued within one year following the
189 qualified company's acceptance of the department's proposal
190 for benefits, in an amount equal to or less than nine
191 percent of new payroll. The amount of tax credits awarded
192 to a qualified company under this subsection shall not
193 exceed the projected net fiscal benefit to the state, as
194 determined by the department, and shall not exceed the least
195 amount necessary to obtain the qualified company's
196 commitment to initiate the project. In determining the
197 amount of tax credits to award to a qualified company under
198 this subsection, the department shall consider the factors
199 provided under subsection 2 of this section and the
200 qualified company's commitment to new capital investment and
201 new job creation within the state for a period of not less
202 than ten years. For the purposes of this subsection, each
203 qualified company shall have an average wage of the new
204 payroll that equals or exceeds one hundred percent of the
205 county average wage. [Notwithstanding the provisions of
206 section 620.2020 to the contrary, this subsection shall
207 expire on June 30, 2025.]

208 8. No benefits shall be available under this section
209 for any qualified company that has performed significant,

210 project-specific site work at the project facility,
211 purchased machinery or equipment related to the project, or
212 has publicly announced its intention to make new capital
213 investment or manufacturing capital investment at the
214 project facility prior to receipt of a proposal for benefits
215 under this section or approval of its notice of intent,
216 whichever occurs first.

217 9. In lieu of any other benefits under this chapter,
218 the department of economic development may award a tax
219 credit to an industrial development authority for a
220 qualified military project in an amount equal to the
221 estimated withholding taxes associated with the part-time
222 and full-time civilian and military new jobs located at the
223 facility and directly impacted by the project. The amount
224 of the tax credit shall be calculated by multiplying:

225 (1) The average percentage of tax withheld, as
226 provided by the department of revenue to the department of
227 economic development;

228 (2) The average salaries of the jobs directly created
229 by the qualified military project; and

230 (3) The number of jobs directly created by the
231 qualified military project.

232 If the amount of the tax credit represents the least amount
233 necessary to accomplish the qualified military project, the
234 tax credits may be issued, but no tax credits shall be
235 issued for a term longer than fifteen years. No qualified
236 military project shall be eligible for tax credits under
237 this subsection unless the department of economic
238 development determines the qualified military project shall
239 achieve a net positive fiscal impact to the state.

620.2020. 1. The department shall respond to a
2 written request, by or on behalf of a qualified company or
3 qualified military project, for a proposed benefit award
4 under the provisions of this program within five business
5 days of receipt of such request. The department shall
6 respond to a written request, by or on behalf of a qualified
7 manufacturing company, for a proposed benefit award under
8 the provisions of this program within fifteen business days
9 of receipt of such request. Such response shall contain
10 either a proposal of benefits for the qualified company or
11 qualified military project, or a written response refusing
12 to provide such a proposal and stating the reasons for such
13 refusal. A qualified company or qualified military project
14 that intends to seek benefits under the program shall submit
15 to the department a notice of intent. The department shall
16 respond within thirty days to a notice of intent with an
17 approval or a rejection, provided that the department may
18 withhold approval or provide a contingent approval until it
19 is satisfied that proper documentation of eligibility has
20 been provided. The department shall certify or reject the
21 qualifying company's plan outlined in their notice of intent
22 as satisfying good faith efforts made to employ, at a
23 minimum, commensurate with the percentage of minority
24 populations in the state of Missouri, as reported in the
25 previous decennial census, the following: racial
26 minorities, contractors who are racial minorities, and
27 contractors that, in turn, employ at a minimum racial
28 minorities commensurate with the percentage of minority
29 populations in the state of Missouri, as reported in the
30 previous decennial census. Failure to respond on behalf of
31 the department shall result in the notice of intent being
32 deemed approved. A qualified company receiving approval for

33 program benefits may receive additional benefits for
34 subsequent new jobs at the same facility after the full
35 initial project period if the applicable minimum job
36 requirements are met. There shall be no limit on the number
37 of project periods a qualified company may participate in
38 the program, and a qualified company may elect to file a
39 notice of intent to begin a new project period concurrent
40 with an existing project period if the applicable minimum
41 job requirements are achieved, the qualified company
42 provides the department with the required annual reporting,
43 and the qualified company is in compliance with this program
44 and any other state programs in which the qualified company
45 is currently or has previously participated. However, the
46 qualified company shall not receive any further program
47 benefits under the original approval for any new jobs
48 created after the date of the new notice of intent, and any
49 jobs created before the new notice of intent shall not be
50 included as new jobs for purposes of the benefit calculation
51 for the new approval. When a qualified company has filed
52 and received approval of a notice of intent and subsequently
53 files another notice of intent, the department shall apply
54 the definition of project facility under subdivision (24) of
55 section 620.2005 to the new notice of intent as well as all
56 previously approved notices of intent and shall determine
57 the application of the definitions of new job, new payroll,
58 project facility base employment, and project facility base
59 payroll accordingly.

60 2. Notwithstanding any provision of law to the
61 contrary, the benefits available to the qualified company
62 under any other state programs for which the company is
63 eligible and which utilize withholding tax from the new or
64 retained jobs of the company shall first be credited to the

65 other state program before the withholding retention level
66 applicable under this program will begin to accrue.

67 **(1)** If any qualified company also participates in a
68 job training program utilizing withholding tax, the company
69 shall retain no withholding tax under this program, but the
70 department shall issue a refundable tax credit for the full
71 amount of benefit allowed under this program. The calendar
72 year annual maximum amount of tax credits which may be
73 issued to a qualifying company that also participates in a
74 job training program shall be increased by an amount
75 equivalent to the withholding tax retained by that company
76 under **or remitted to the state for the purposes of** a jobs
77 training program.

78 **(2)** If any qualified company receiving benefits
79 available under subsections 2, 3, or 6 of section 620.2010
80 or section 620.2015 is located in an advanced industrial
81 manufacturing zone created pursuant to section 68.075 or a
82 targeted industrial manufacturing enhancement zone created
83 pursuant to section 620.2250, the department may authorize
84 the qualified company to receive refundable tax credits
85 instead of retaining all or a portion of withholding tax,
86 unless otherwise restricted by law. The calendar year
87 annual maximum amount of tax credits which may be issued to
88 a qualified company that is located in an advanced
89 industrial manufacturing zone or targeted industrial
90 manufacturing enhancement zone may be increased by the
91 department in an amount equivalent to the amount of
92 withholding tax remitted to the state for the purposes of an
93 advanced industrial manufacturing zone or targeted
94 industrial manufacturing enhancement zone.

95 3. A qualified company or qualified military project
96 receiving benefits under this program shall provide an

97 annual report of the number of jobs, along with minority
98 jobs created or retained, and such other information as may
99 be required by the department to document the basis for
100 program benefits available no later than ninety days prior
101 to the end of the qualified company's or industrial
102 development authority's tax year immediately following the
103 tax year for which the benefits provided under the program
104 are attributed. In such annual report, if the average wage
105 is below the applicable percentage of the county average
106 wage, the qualified company or qualified military project
107 has not maintained the employee insurance as required, if
108 the department after a review determines the qualifying
109 company fails to satisfy other aspects of their notice of
110 intent, including failure to make good faith efforts to
111 employ, at a minimum, commensurate with the percentage of
112 minority populations in the state of Missouri, as reported
113 in the previous decennial census, the following: racial
114 minorities, contractors who are racial minorities, and
115 contractors that, in turn, employ at a minimum racial
116 minorities commensurate with the percentage of minority
117 populations in the state of Missouri, as reported in the
118 previous decennial census, or if the number of jobs is below
119 the number required, the qualified company or qualified
120 military project shall not receive tax credits or retain the
121 withholding tax for the balance of the project period. If a
122 statewide state of emergency exists for more than sixteen
123 months, a qualified company or industrial development
124 authority shall be entitled to a one-time suspension of
125 program deadlines equal to the number of months such
126 statewide state of emergency existed with any partial month
127 rounded to the next whole. During such suspension, the
128 qualified company or industrial development authority shall

129 not be entitled to retain any withholding tax as calculated
130 under subdivision (38) of section 620.2005 nor shall it earn
131 any awarded tax credit or receive any tax credit under the
132 program for the suspension period. The suspension period
133 shall run consecutively and be available to a qualified
134 company or industrial development authority that, during the
135 statewide state of emergency, submitted notice of intent
136 that was approved or that was in year one or a subsequent
137 year of benefits under a program agreement with the
138 department. The suspension period that runs consecutively
139 and may be available to a qualified company or industrial
140 development authority as provided in this subsection may
141 apply retroactively. Any qualified company or industrial
142 development authority requesting a suspension pursuant to
143 this subsection shall submit notice to the department on its
144 provided form identifying the requested start and end dates
145 of the suspension, not to exceed the maximum number of
146 months available under this subsection. Such notice shall
147 be submitted to the department not later than the end of the
148 twelfth month following the termination of the state of
149 emergency. No suspension period shall start later than the
150 date on which the state of emergency was terminated. The
151 department and the qualified company or the industrial
152 development authority shall enter into a program agreement
153 or shall amend an existing program agreement, as applicable,
154 stating the deadlines following the suspension period and
155 updating the applicable wage requirements. Failure to
156 timely file the annual report required under this section
157 may result in the forfeiture of tax credits attributable to
158 the year for which the reporting was required and a
159 recapture of withholding taxes retained by the qualified
160 company or qualified military project during such year.

161 4. The department may withhold the approval of any
162 benefits under this program until it is satisfied that
163 proper documentation has been provided, and shall reduce the
164 benefits to reflect any reduction in full-time employees or
165 payroll. Upon approval by the department, the qualified
166 company may begin the retention of the withholding taxes
167 when it reaches the required number of jobs and the average
168 wage meets or exceeds the applicable percentage of county
169 average wage. Tax credits, if any, may be issued upon
170 satisfaction by the department that the qualified company
171 has exceeded the applicable percentage of county average
172 wage and the required number of jobs; provided that, tax
173 credits awarded under subsection 7 of section 620.2010 may
174 be issued following the qualified company's acceptance of
175 the department's proposal and pursuant to the requirements
176 set forth in the written agreement between the department
177 and the qualified company under subsection 4 of section
178 620.2010.

179 5. Any qualified company or qualified military project
180 approved for benefits under this program shall provide to
181 the department, upon request, any and all information and
182 records reasonably required to monitor compliance with
183 program requirements. This program shall be considered a
184 business recruitment tax credit under subdivision (3) of
185 subsection 2 of section 135.800, and any qualified company
186 or qualified military project approved for benefits under
187 this program shall be subject to the provisions of sections
188 135.800 to 135.830.

189 6. Any taxpayer who is awarded benefits under this
190 program who knowingly hires individuals who are not allowed
191 to work legally in the United States shall immediately
192 forfeit such benefits and shall repay the state an amount

193 equal to any state tax credits already redeemed and any
194 withholding taxes already retained.

195 7. (1) The maximum amount of tax credits that may be
196 authorized under this program for any fiscal year shall be
197 limited as follows, less the amount of any tax credits
198 previously obligated for that fiscal year under any of the
199 tax credit programs referenced in subsection [14] 15 of this
200 section:

201 (a) For the fiscal year beginning on July 1, 2013, but
202 ending on or before June 30, 2014, no more than one hundred
203 six million dollars in tax credits may be authorized;

204 (b) For the fiscal year beginning on July 1, 2014, but
205 ending on or before June 30, 2015, no more than one hundred
206 eleven million dollars in tax credits may be authorized;

207 (c) For fiscal years beginning on or after July 1,
208 2015, but ending on or before June 30, 2020, no more than
209 one hundred sixteen million dollars in tax credits may be
210 authorized for each fiscal year; and

211 (d) For all fiscal years beginning on or after July 1,
212 2020, **but ending on or before June 30, 2025**, no more than
213 one hundred six million dollars in tax credits may be
214 authorized for each fiscal year. The provisions of this
215 paragraph shall not apply to tax credits issued to qualified
216 companies under a notice of intent filed prior to July 1,
217 2020.

218 (2) For all fiscal years beginning on or after July 1,
219 2020, **but ending on or before June 30, 2025**, in addition to
220 the amount of tax credits that may be authorized under
221 paragraph (d) of subdivision (1) of this subsection, an
222 additional ten million dollars in tax credits may be
223 authorized for each fiscal year for the purpose of the
224 completion of infrastructure projects directly connected

225 with the creation or retention of jobs under the provisions
226 of sections 620.2000 to 620.2020 and an additional ten
227 million dollars in tax credits may be authorized for each
228 fiscal year for a qualified manufacturing company based on a
229 manufacturing capital investment as set forth in section
230 620.2010.

231 8. For all fiscal years beginning on or after July 1,
232 2020, **but ending on or before June 30, 2025**, the maximum
233 total amount of withholding tax that may be authorized for
234 retention for the creation of new jobs under the provisions
235 of sections 620.2000 to 620.2020 by qualified companies with
236 a project facility base employment of at least fifty shall
237 not exceed seventy-five million dollars for each fiscal
238 year. The provisions of this subsection shall not apply to
239 withholding tax authorized for retention for the creation of
240 new jobs by qualified companies with a project facility base
241 employment of less than fifty.

242 9. **For all fiscal years beginning on or after July 1,**
243 **2025, the department may authorize:**

244 (1) **No more than one hundred eighty-one million**
245 **dollars in benefits, whether tax credits or retained amounts**
246 **equal to all or a portion of withholding tax, for retention**
247 **and creation of new jobs under the program by qualified**
248 **companies. The provisions of this subdivision shall not**
249 **apply to withholding tax authorized for retention for the**
250 **creation of new jobs by qualified companies with a project**
251 **facility base employment of less than fifty;**

252 (2) **An additional ten million dollars in tax credits**
253 **for the purpose of the completion of infrastructure projects**
254 **directly connected with the creation or retention of jobs**
255 **under the provisions of the program; and**

256 **(3) An additional ten million dollars in tax credits**
257 **may be authorized for each fiscal year for a qualified**
258 **manufacturing company based on a manufacturing capital**
259 **investment as set forth in section 620.2010.**

260 **[9.] 10.** For tax credits for the creation of new jobs
261 under section 620.2010, the department shall allocate the
262 annual tax credits based on the date of the approval,
263 reserving such tax credits based on the department's best
264 estimate of new jobs and new payroll of the project, and any
265 other applicable factors in determining the amount of
266 benefits available to the qualified company or qualified
267 military project under this program; provided that:

268 **(1) For fiscal years ending on or before June 30,**
269 **2025,** the department may reserve up to twenty-one and one-
270 half percent of the maximum annual amount of tax credits
271 that may be authorized under subsection 7 of this section
272 for award under subsection 7 of section 620.2010;

273 **(2) For all fiscal years beginning on or after July 1,**
274 **2025,** the department may reserve up to twenty-one percent of
275 the maximum annual amount of benefits that may be authorized
276 under subsection 9 of this section for award under
277 subsection 7 of section 620.2010.

278 However, the annual issuance of tax credits shall be subject
279 to annual verification of actual payroll by the department
280 or, for qualified military projects, annual verification of
281 average salary for the jobs directly created by the
282 qualified military project. Any authorization of tax
283 credits shall expire if, within two years from the date of
284 commencement of operations, or approval if applicable, the
285 qualified company has failed to meet the applicable minimum
286 job requirements. The qualified company may retain

287 authorized amounts from the withholding tax under the
288 project once the applicable minimum job requirements have
289 been met for the duration of the project period. No
290 benefits shall be provided under this program until the
291 qualified company or qualified military project meets the
292 applicable minimum new job requirements or, for benefits
293 awarded under subsection 7 of section 620.2010, until the
294 qualified company has satisfied the requirements set forth
295 in the written agreement between the department and the
296 qualified company under subsection 4 of section 620.2010.
297 In the event the qualified company or qualified military
298 project does not meet the applicable minimum new job
299 requirements, the qualified company or qualified military
300 project may submit a new notice of intent or the department
301 may provide a new approval for a new project of the
302 qualified company or qualified military project at the
303 project facility or other facilities.

304 [10.] 11. Tax credits provided under this program may
305 be claimed against taxes otherwise imposed by chapters 143
306 and 148, and may not be carried forward, but shall be
307 claimed within one year of the close of the taxable year for
308 which they were issued. Tax credits provided under this
309 program may be transferred, sold, or assigned by filing a
310 notarized endorsement thereof with the department that names
311 the transferee, the amount of tax credit transferred, and
312 the value received for the credit, as well as any other
313 information reasonably requested by the department. For a
314 qualified company with flow-through tax treatment to its
315 members, partners, or shareholders, the tax credit shall be
316 allowed to members, partners, or shareholders in proportion
317 to their share of ownership on the last day of the qualified
318 company's tax period.

319 [11.] 12. Prior to the issuance of tax credits or the
320 qualified company beginning to retain withholding taxes, the
321 department shall verify through the department of revenue
322 and any other applicable state department that the tax
323 credit applicant does not owe any delinquent income, sales,
324 or use tax or interest or penalties on such taxes, or any
325 delinquent fees or assessments levied by any state
326 department and through the department of commerce and
327 insurance that the applicant does not owe any delinquent
328 insurance taxes or other fees. Such delinquency shall not
329 affect the approval, except that any tax credits issued
330 shall be first applied to the delinquency and any amount
331 issued shall be reduced by the applicant's tax delinquency.
332 If the department of revenue, the department of commerce and
333 insurance, or any other state department concludes that a
334 taxpayer is delinquent after June fifteenth but before July
335 first of any year and the application of tax credits to such
336 delinquency causes a tax deficiency on behalf of the
337 taxpayer to arise, then the taxpayer shall be granted thirty
338 days to satisfy the deficiency in which interest, penalties,
339 and additions to tax shall be tolled. After applying all
340 available credits toward a tax delinquency, the
341 administering agency shall notify the appropriate department
342 and that department shall update the amount of outstanding
343 delinquent tax owed by the applicant. If any credits remain
344 after satisfying all insurance, income, sales, and use tax
345 delinquencies, the remaining credits shall be issued to the
346 applicant, subject to the restrictions of other provisions
347 of law.

348 [12.] 13. The director of revenue shall issue a refund
349 to the qualified company to the extent that the amount of
350 tax credits allowed under this program exceeds the amount of

351 the qualified company's tax liability under chapter 143 or
352 148.

353 [13.] 14. An employee of a qualified company shall
354 receive full credit for the amount of tax withheld as
355 provided in section 143.211.

356 [14.] 15. Notwithstanding any provision of law to the
357 contrary, beginning August 28, 2013, no new benefits shall
358 be authorized for any project that had not received from the
359 department a proposal or approval for such benefits prior to
360 August 28, 2013, under the development tax credit program
361 created under sections 32.100 to 32.125, the rebuilding
362 communities tax credit program created under section
363 135.535, the enhanced enterprise zone tax credit program
364 created under sections 135.950 to 135.973, and the Missouri
365 quality jobs program created under sections 620.1875 to
366 620.1890. The provisions of this subsection shall not be
367 construed to limit or impair the ability of any
368 administering agency to authorize or issue benefits for any
369 project that had received an approval or a proposal from the
370 department under any of the programs referenced in this
371 subsection prior to August 28, 2013, or the ability of any
372 taxpayer to redeem any such tax credits or to retain any
373 withholding tax under an approval issued prior to that
374 date. The provisions of this subsection shall not be
375 construed to limit or in any way impair the ability of any
376 governing authority to provide any local abatement or
377 designate a new zone under the enhanced enterprise zone
378 program created by sections 135.950 to 135.963.
379 Notwithstanding any provision of law to the contrary, no
380 qualified company that is awarded benefits under this
381 program shall:

382 (1) Simultaneously receive benefits under the programs
383 referenced in this subsection at the same capital
384 investment; or

385 (2) Receive benefits under the provisions of section
386 620.1910 for the same jobs.

387 [15.] 16. If any provision of sections 620.2000 to
388 620.2020 or application thereof to any person or
389 circumstance is held invalid, the invalidity shall not
390 affect other provisions or application of these sections
391 which can be given effect without the invalid provisions or
392 application, and to this end, the provisions of sections
393 620.2000 to 620.2020 are hereby declared severable.

394 [16.] 17. By no later than January 1, 2014, and the
395 first day of each calendar quarter thereafter, the
396 department shall present a quarterly report to the general
397 assembly detailing the benefits authorized under this
398 program during the immediately preceding calendar quarter to
399 the extent such information may be disclosed under state and
400 federal law. The report shall include, at a minimum:

401 (1) A list of all approved and disapproved applicants
402 for each tax credit;

403 (2) A list of the aggregate amount of new or retained
404 jobs that are directly attributable to the tax credits
405 authorized;

406 (3) A statement of the aggregate amount of new capital
407 investment directly attributable to the tax credits
408 authorized;

409 (4) Documentation of the estimated net state fiscal
410 benefit for each authorized project and, to the extent
411 available, the actual benefit realized upon completion of
412 such project or activity; and

413 (5) The department's response time for each request
414 for a proposed benefit award under this program.

415 [17.] 18. The department may adopt such rules,
416 statements of policy, procedures, forms, and guidelines as
417 may be necessary to carry out the provisions of sections
418 620.2000 to 620.2020. Any rule or portion of a rule, as
419 that term is defined in section 536.010, that is created
420 under the authority delegated in this section shall become
421 effective only if it complies with and is subject to all of
422 the provisions of chapter 536 and, if applicable, section
423 536.028. This section and chapter 536 are nonseverable and
424 if any of the powers vested with the general assembly
425 pursuant to chapter 536 to review, to delay the effective
426 date, or to disapprove and annul a rule are subsequently
427 held unconstitutional, then the grant of rulemaking
428 authority and any rule proposed or adopted after August 28,
429 2013, shall be invalid and void.

430 [18.] 19. Under section 23.253 of the Missouri sunset
431 act:

432 (1) The provisions of the program authorized under
433 sections 620.2000 to 620.2020 shall be reauthorized as of
434 August 28, 2018, and shall expire on August 28, 2030; and

435 (2) If such program is reauthorized, the program
436 authorized under this section shall automatically sunset
437 twelve years after the effective date of the reauthorization
438 of sections 620.2000 to 620.2020; and

439 (3) Sections 620.2000 to 620.2020 shall terminate on
440 September first of the calendar year immediately following
441 the calendar year in which the program authorized under
442 sections 620.2000 to 620.2020 is sunset.

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