

FIRST EXTRAORDINARY SESSION
[P E R F E C T E D]
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 8
96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR MAYER.

Offered September 13, 2011.

Senate Substitute adopted, September 13, 2011.

Taken up for Perfection September 13, 2011. Bill declared Perfected and Ordered Printed, as amended.

TERRY L. SPIELER, Secretary.

0031S.07P

AN ACT

To repeal sections 32.115, 100.286, 100.297, 135.090, 135.313, 135.326, 135.327, 135.350, 135.352, 135.460, 135.478, 135.484, 135.490, 135.535, 135.550, 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.680, 135.700, 135.815, 135.825, 135.1150, 143.119, 178.760, 178.761, 178.762, 178.763, 178.764, 178.892, 178.893, 178.894, 178.895, 178.896, 208.770, 253.550, 253.557, 253.559, 348.430, 348.432, 348.434, 348.500, 348.505, 447.708, 620.470, 620.472, 620.474, 620.475, 620.476, 620.478, 620.479, 620.480, 620.481, 620.482, 620.495, and 660.055, RSMo, and to enact in lieu thereof fifty-five new sections relating to taxation, with an emergency clause.

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

Section A. Sections 32.115, 100.286, 100.297, 135.090, 135.313, 135.326,
2 135.327, 135.350, 135.352, 135.460, 135.478, 135.484, 135.490, 135.535, 135.550,
3 135.562, 135.575, 135.600, 135.630, 135.647, 135.679, 135.680, 135.700, 135.815,
4 135.825, 135.1150, 143.119, 178.760, 178.761, 178.762, 178.763, 178.764, 178.892,
5 178.893, 178.894, 178.895, 178.896, 208.770, 253.550, 253.557, 253.559, 348.430,
6 348.432, 348.434, 348.500, 348.505, 447.708, 620.470, 620.472, 620.474, 620.475,
7 620.476, 620.478, 620.479, 620.480, 620.481, 620.482, 620.495, and 660.055,
8 RSMo, are repealed and fifty-five new sections enacted in lieu thereof, to be
9 known as sections 32.115, 67.2050, 67.3000, 67.3005, 100.286, 100.297, 135.090,

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

10 135.326, 135.327, 135.350, 135.352, 135.460, 135.478, 135.484, 135.490, 135.535,
11 135.550, 135.562, 135.600, 135.630, 135.647, 135.679, 135.680, 135.700, 135.815,
12 135.825, 135.1150, 135.1180, 135.1500, 135.1507, 135.1509, 135.1511, 135.1519,
13 135.1521, 144.810, 208.770, 253.550, 253.557, 253.559, 348.430, 348.432, 348.434,
14 348.500, 447.708, 620.495, 620.800, 620.803, 620.806, 620.809, 620.2000,
15 620.2005, 620.2010, 620.2015, 620.2020, and 660.055, to read as follows:

32.115. 1. The department of revenue shall grant a tax credit, to be
2 applied in the following order until used, against:

3 (1) The annual tax on gross premium receipts of insurance companies in
4 chapter 148;

5 (2) The tax on banks determined pursuant to subdivision (2) of subsection
6 2 of section 148.030;

7 (3) The tax on banks determined in subdivision (1) of subsection 2 of
8 section 148.030;

9 (4) The tax on other financial institutions in chapter 148;

10 (5) The corporation franchise tax in chapter 147;

11 (6) The state income tax in chapter 143; and

12 (7) The annual tax on gross receipts of express companies in chapter 153.

13 2. For proposals approved pursuant to section 32.110:

14 (1) The amount of the tax credit shall not exceed fifty percent of the total
15 amount contributed during the taxable year by the business firm or, in the case
16 of a financial institution, where applicable, during the relevant income period in
17 programs approved pursuant to section 32.110;

18 (2) Except as provided in subsection 2 or 5 of this section, a tax credit of
19 up to seventy percent may be allowed for contributions to programs where
20 activities fall within the scope of special program priorities as defined with the
21 approval of the governor in regulations promulgated by the director of the
22 department of economic development;

23 (3) Except as provided in subsection 2 or 5 of this section, the tax credit
24 allowed for contributions to programs located in any community shall be equal to
25 seventy percent of the total amount contributed where such community is a city,
26 town or village which has fifteen thousand or less inhabitants as of the last
27 decennial census and is located in a county which is either located in:

28 (a) An area that is not part of a standard metropolitan statistical area;

29 (b) A standard metropolitan statistical area but such county has only one
30 city, town or village which has more than fifteen thousand inhabitants; or

31 (c) A standard metropolitan statistical area and a substantial number of
32 persons in such county derive their income from agriculture. Such community
33 may also be in an unincorporated area in such county as provided in subdivision
34 (1), (2) or (3) of this subsection. Except in no case shall the total economic benefit
35 of the combined federal and state tax savings to the taxpayer exceed the amount
36 contributed by the taxpayer during the tax year;

37 (4) Such tax credit allocation, equal to seventy percent of the total amount
38 contributed, shall not exceed four million dollars in fiscal year 1999 and six
39 million dollars in fiscal year 2000 and any subsequent fiscal year. When the
40 maximum dollar limit on the seventy percent tax credit allocation is committed,
41 the tax credit allocation for such programs shall then be equal to fifty percent
42 credit of the total amount contributed. Regulations establishing special program
43 priorities are to be promulgated during the first month of each fiscal year and at
44 such times during the year as the public interest dictates. Such credit shall not
45 exceed two hundred and fifty thousand dollars annually except as provided in
46 subdivision (5) of this subsection. No tax credit shall be approved for any bank,
47 bank and trust company, insurance company, trust company, national bank,
48 savings association, or building and loan association for activities that are a part
49 of its normal course of business. Any tax credit not used in the period the
50 contribution was made may be carried over the next five succeeding calendar or
51 fiscal years until the full credit has been claimed. Except as otherwise provided
52 for proposals approved pursuant to section 32.111, 32.112 or 32.117, in no event
53 shall the total amount of all other tax credits allowed pursuant to sections 32.100
54 to 32.125 exceed thirty-two million dollars in any one fiscal year, of which six
55 million shall be credits allowed pursuant to section 135.460. If six million dollars
56 in credits are not approved, then the remaining credits may be used for programs
57 approved pursuant to sections 32.100 to 32.125;

58 (5) The credit may exceed two hundred fifty thousand dollars annually
59 and shall not be limited if community services, crime prevention, education, job
60 training, physical revitalization or economic development, as defined by section
61 32.105, is rendered in an area defined by federal or state law as an impoverished,
62 economically distressed, or blighted area or as a neighborhood experiencing
63 problems endangering its existence as a viable and stable neighborhood, or if the
64 community services, crime prevention, education, job training, physical
65 revitalization or economic development is limited to impoverished persons.

66 3. For proposals approved pursuant to section 32.111:

67 (1) The amount of the tax credit shall not exceed fifty-five percent of the
68 total amount invested in affordable housing assistance activities or market rate
69 housing in distressed communities as defined in section 135.530 by a business
70 firm. Whenever such investment is made in the form of an equity investment or
71 a loan, as opposed to a donation alone, tax credits may be claimed only where the
72 loan or equity investment is accompanied by a donation which is eligible for
73 federal income tax charitable deduction, and where the total value of the tax
74 credits herein plus the value of the federal income tax charitable deduction is less
75 than or equal to the value of the donation. Any tax credit not used in the period
76 for which the credit was approved may be carried over the next ten succeeding
77 calendar or fiscal years until the full credit has been allowed. If the affordable
78 housing units or market rate housing units in distressed communities for which
79 a tax is claimed are within a larger structure, parts of which are not the subject
80 of a tax credit claim, then expenditures applicable to the entire structure shall
81 be reduced on a prorated basis in proportion to the ratio of the number of square
82 feet devoted to the affordable housing units or market rate housing units in
83 distressed communities, for purposes of determining the amount of the tax
84 credit. The total amount of tax credit granted for programs approved pursuant
85 to section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed two
86 million dollars, to be increased by no more than two million dollars each
87 succeeding fiscal year, until the total tax credits that may be approved reaches
88 ten million dollars in any fiscal year;

89 (2) For any year during the compliance period indicated in the land use
90 restriction agreement, the owner of the affordable housing rental units for which
91 a credit is being claimed shall certify to the commission that all tenants renting
92 claimed units are income eligible for affordable housing units and that the rentals
93 for each claimed unit are in compliance with the provisions of sections 32.100 to
94 32.125. The commission is authorized, in its discretion, to audit the records and
95 accounts of the owner to verify such certification;

96 (3) In the case of owner-occupied affordable housing units, the qualifying
97 owner occupant shall, before the end of the first year in which credits are
98 claimed, certify to the commission that the occupant is income eligible during the
99 preceding two years, and at the time of the initial purchase contract, but not
100 thereafter. The qualifying owner occupant shall further certify to the commission,
101 before the end of the first year in which credits are claimed, that during the
102 compliance period indicated in the land use restriction agreement, the cost of the

103 affordable housing unit to the occupant for the claimed unit can reasonably be
104 projected to be in compliance with the provisions of sections 32.100 to
105 32.125. Any succeeding owner occupant acquiring the affordable housing unit
106 during the compliance period indicated in the land use restriction agreement
107 shall make the same certification;

108 (4) If at any time during the compliance period the commission determines
109 a project for which a proposal has been approved is not in compliance with the
110 applicable provisions of sections 32.100 to 32.125 or rules promulgated therefor,
111 the commission may within one hundred fifty days of notice to the owner either
112 seek injunctive enforcement action against the owner, or seek legal damages
113 against the owner representing the value of the tax credits, or foreclose on the
114 lien in the land use restriction agreement, selling the project at a public sale, and
115 paying to the owner the proceeds of the sale, less the costs of the sale and less the
116 value of all tax credits allowed herein. The commission shall remit to the director
117 of revenue the portion of the legal damages collected or the sale proceeds
118 representing the value of the tax credits. However, except in the event of
119 intentional fraud by the taxpayer, the proposal's certificate of eligibility for tax
120 credits shall not be revoked.

121 4. For proposals approved pursuant to section 32.112, the amount of the
122 tax credit shall not exceed fifty-five percent of the total amount contributed to a
123 neighborhood organization by business firms. Any tax credit not used in the
124 period for which the credit was approved may be carried over the next ten
125 succeeding calendar or fiscal years until the full credit has been allowed. The
126 total amount of tax credit granted for programs approved pursuant to section
127 32.112 shall not exceed one million dollars for each fiscal year.

128 5. The total amount of tax credits used for market rate housing in
129 distressed communities pursuant to sections 32.100 to 32.125 shall not exceed
130 thirty percent of the total amount of all tax credits authorized pursuant to
131 sections 32.111 and 32.112.

132 **6. Notwithstanding any provision of law to the contrary, except**
133 **as otherwise provided under 620.2020, no tax credits provided under**
134 **sections 32.100 to 32.125 shall be authorized on or after August 28,**
135 **2015. The provisions of this subsection shall not be construed to limit**
136 **or in any way impair the department's ability to issue tax credits**
137 **authorized prior to August 28, 2015, or a taxpayer's ability to redeem**
138 **such tax credits.**

67.2050. 1. As used in this section, unless the context clearly
2 indicates otherwise, the following terms shall mean:

3 (1) "Facility", a location composed of real estate, buildings,
4 fixtures, machinery, and equipment;

5 (2) "Municipality", any county, city, incorporated town, or village
6 of the state;

7 (3) "NAICS", the 2007 edition of the North American Industry
8 Classification System developed under the direction and guidance of
9 the federal Office of Management and Budget. Any NAICS sector,
10 subsector, industry group, or industry identified in this section shall
11 include its corresponding classification in previous and subsequent
12 federal industry classification systems;

13 (4) "Technology business facility", a facility purchased,
14 constructed, extended, or improved under this section, provided that
15 such business facility is engaged in:

16 (a) Wired telecommunications carriers (NAICS 517110);

17 (b) Data processing, hosting, and related services (NAICS
18 518210); or

19 (c) Internet publishing and broadcasting and web search portals
20 (NAICS 519130), at the business facility;

21 (5) "Technology business facility project" or "project", the
22 purchase, construction, extension, and improvement of technology
23 business facilities, whether of the facility as a whole or of any one or
24 more of the facility's components of real estate, buildings, fixtures,
25 machinery, and equipment.

26 2. The governing body of any municipality may:

27 (1) Carry out technology business facility projects for economic
28 development under this section;

29 (2) Accept grants from the federal and state governments for
30 technology business facility project purposes, and may enter into such
31 agreements as are not contrary to the laws of this state and which may
32 be required as a condition of grants by the federal government or its
33 agencies; and

34 (3) Receive gifts and donations from private sources to be used
35 for technology business facility project purposes.

36 3. The governing body of the municipality may enter into loan
37 agreements, sell, lease, or mortgage to private persons, partnerships,

38 or corporations any one or more of the components of a facility
39 received, purchased, constructed, or extended by the municipality for
40 development of a technology business facility project. The loan
41 agreement, installment sale agreement, lease, or other such document
42 shall contain such other terms as are agreed upon between the
43 municipality and the obligor, provided that such terms shall be
44 consistent with this section. When, in the judgment of the governing
45 body of the municipality, the technology business facility project will
46 result in economic benefits to the municipality, the governing body may
47 lawfully enter into an agreement that includes nominal monetary
48 consideration to the municipality in exchange for the use of one or
49 more components of the facility.

50 4. Transactions involving the lease or rental of any components
51 of a project under this section shall be specifically exempted from the
52 provisions of the local sales tax law as defined in section 32.085, section
53 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761, and from
54 the computation of the tax levied, assessed, or payable under the local
55 sales tax law as defined in section 32.085, section 238.235, and sections
56 144.010 to 144.525 and 144.600 to 144.745.

57 5. Leasehold interests granted and held under this section shall
58 not be subject to property taxes.

59 6. Any payments in lieu of taxes expected to be made by any
60 lessee of the project shall be applied in accordance with this
61 section. The lessee may reimburse the municipality for its actual costs
62 of administering the plan. All amounts paid in excess of such actual
63 costs shall, immediately upon receipt thereof, be disbursed by the
64 municipality's treasurer or other financial officer to each affected
65 taxing entity in proportion to the current ad valorem tax levy of each
66 affected taxing entity.

67 7. The county assessor shall include the current assessed value
68 of all property within the affected taxing entities in the aggregate
69 valuation of assessed property entered upon the assessor's book and
70 verified under section 137.245, and such value shall be used for the
71 purpose of the debt limitation on local government under section 26(b),
72 article VI, Constitution of Missouri.

73 8. The governing body of any municipality may sell or otherwise
74 dispose of the property, buildings, or plants acquired under this section

75 to private persons or corporations for technology business facility
76 project purposes upon approval by the governing body. The terms and
77 method of the sale or other disposal shall be established by the
78 governing body so as to reasonably protect the economic well-being of
79 the municipality and to promote the development of technology
80 business facility projects. A private person or corporation that initially
81 transfers property to the municipality for the purposes of a technology
82 business facility project and does not charge a purchase price to the
83 municipality shall retain the right, upon request to the municipality,
84 to have the municipality retransfer the donated property to the person
85 or corporation at no cost.

86 9. The provisions of this section shall not be construed to allow
87 political subdivisions to provide telecommunications services or
88 telecommunications facilities to the extent that they are prohibited
89 from doing so by section 392.410.

67.3000. 1. As used in this section and section 67.3005, the
2 following words shall mean:

3 (1) "Active Member", an organization located in the state of
4 Missouri, which solicits and services sports events, sports
5 organizations, and other types of sports-related activities in that
6 community;

7 (2) "Applicant" or "applicants", one or more certified sponsors,
8 endorsing counties, endorsing municipalities, or a local organizing
9 committee, acting individually or collectively;

10 (3) "Certified sponsor" or "certified sponsors", a nonprofit
11 organization which is an active member of the National Association of
12 Sports Commissions;

13 (4) "Department", the Missouri department of economic
14 development;

15 (5) "Director", the director of revenue;

16 (6) "Eligible costs", shall include:

17 (a) Costs necessary for conducting the sporting event;

18 (b) Costs relating to the preparations necessary for the conduct
19 of the sporting event; and

20 (c) An applicant's pledged obligations to the site selection
21 organization as evidenced by the support contract for the sporting
22 event.

23 "Eligible costs" shall not include any cost associated with the
24 rehabilitation or construction of any facilities used to host the sporting
25 event, but may include costs associated with the retrofitting of a
26 facility necessary to accommodate the sporting event and direct
27 payments to a for-profit site selection organization;

28 (7) "Eligible donation", donations received, by a certified sponsor
29 or local organizing committee, from a taxpayer that may include cash,
30 publically traded stocks and bonds, and real estate that will be valued
31 and documented according to rules promulgated by the
32 department. Such donations shall be used solely to provide funding to
33 attract sporting events to this state;

34 (8) "Endorsing municipality" or "endorsing municipalities", any
35 city, town, incorporated village, or county that contains a site selected
36 by a site selection organization for one or more sporting events;

37 (9) "Joinder agreement", an agreement entered into by one or
38 more applicants, acting individually or collectively, and a site selection
39 organization setting out representations and assurances by each
40 applicant in connection with the selection of a site in this state for the
41 location of a sporting event;

42 (10) "Joinder undertaking", an agreement entered into by one or
43 more applicants, acting individually or collectively, and a site selection
44 organization that each applicant will execute a joinder agreement in
45 the event that the site selection organization selects a site in this state
46 for a sporting event;

47 (11) "Local organizing committee", a nonprofit corporation or its
48 successor in interest that:

49 (a) Has been authorized by one or more certified sponsors,
50 endorsing municipalities, or endorsing counties, acting individually or
51 collectively, to pursue an application and bid on its or the applicant's
52 behalf to a site selection organization for selection as the site of one or
53 more sporting events; or

54 (b) With the authorization of one or more certified sponsors,
55 endorsing municipalities, or endorsing counties, acting individually or
56 collectively, executes an agreement with a site selection organization
57 regarding a bid to host one or more sporting events;

58 (12) "Site selection organization", the National Collegiate Athletic
59 Association (NCAA); an NCAA member conference, university, or

60 institution; the National Association of Intercollegiate Athletics (NAIA);
61 the United States Olympic Committee (USOC); a national governing
62 body (NGB) or international federation of a sport recognized by the
63 USOC; the United States Golf Association (USGA); the United States
64 Tennis Association (USTA); the Amateur Softball Association of America
65 (ASA); other major regional, national, and international sports
66 associations, and amateur organizations that promote, organize, or
67 administer sporting games, or competitions; or other major regional,
68 national, and international organizations that promote or organize
69 sporting events;

70 (13) "Sporting event" or "sporting events", an amateur sporting
71 event that is competitively bid;

72 (14) "Support contract" or "support contracts", an event award
73 notification, joinder undertaking, joinder agreement, or contract
74 executed by an applicant and a site selection organization;

75 (15) "Tax credit" or "tax credits", a credit or credits issued by the
76 department against the tax otherwise due under chapter 143 or 148,
77 excluding withholding tax imposed by sections 143.191 to 143.265;

78 (16) "Taxpayer", any of the following individuals or entities who
79 make an eligible donation:

80 (a) A person, firm, partner in a firm, corporation, or a
81 shareholder in an S corporation doing business in the state of Missouri
82 and subject to the state income tax imposed in chapter 143;

83 (b) A corporation subject to the annual corporation franchise tax
84 imposed in chapter 147;

85 (c) An insurance company paying an annual tax on its gross
86 premium receipts in this state;

87 (d) Any other financial institution paying taxes to the state of
88 Missouri or any political subdivision of this state under chapter 148;

89 (e) An individual subject to the state income tax imposed in
90 chapter 143;

91 (f) Any charitable organization which is exempt from federal
92 income tax and whose Missouri unrelated business taxable income, if
93 any, would be subject to the state income tax imposed under chapter
94 143.

95 2. An applicant may submit a copy of a support contract for a
96 sporting event to the department. Within sixty days of receipt of the

97 sporting event support contract, the department may review the
98 applicant's support contract and certify such support contract if it
99 complies with the requirements of this section. Upon certification of
100 the support contract by the department, the applicant may be
101 authorized to receive the tax credit under subsection 4 of this section.

102 3. No more than thirty days following the conclusion of the
103 sporting event, the applicant shall submit eligible costs and
104 documentation of the costs evidenced by receipts, paid invoices, or
105 other documentation in a manner prescribed by the department.

106 4. No later than seven days following the conclusion of the
107 sporting event, the department, in consultation with the director, may
108 determine the total number of tickets sold at face value for such event.
109 No later than sixty days following the receipt of eligible costs and
110 documentation of such costs from the applicant as required in
111 subsection 3 of this section, the department may issue a refundable tax
112 credit to the applicant for the lesser of one hundred percent of eligible
113 costs incurred by the applicant or an amount equal to five dollars for
114 every admission ticket sold to such event. Tax credits authorized by
115 this section may be claimed against taxes imposed by chapters 143 and
116 148 and shall be claimed within one year of the close of the taxable
117 year for which the credits were issued. Tax credits authorized by this
118 section may be transferred, sold, or assigned by filing a notarized
119 endorsement thereof with the department that names the transferee,
120 the amount of tax credit transferred, and the value received for the
121 credit, as well as any other information reasonably requested by the
122 department.

123 5. In no event shall the amount of tax credits issued by the
124 department under subsection 4 of this section exceed three million
125 dollars in any fiscal year.

126 6. An applicant shall provide any information necessary as
127 determined by the department for the department and the director to
128 fulfill the duties required by this section. At any time upon the request
129 of the state of Missouri, a certified sponsor shall subject itself to an
130 audit conducted by the state.

131 7. This section shall not be construed as creating or requiring a
132 state guarantee of obligations imposed on an endorsing municipality
133 under a support contract or any other agreement relating to hosting

134 **one or more sporting events in this state.**

135 **8. The department shall only certify an applicant's support**
136 **contract for a sporting event in which the site selection organization**
137 **has yet to select a location for the sporting event as of the effective**
138 **date of this act. Support contracts shall not be certified by the**
139 **department after August 28, 2017, provided that the support contracts**
140 **may be certified prior to August 28, 2017, for sporting events that will**
141 **be held after such date.**

142 **9. The department may promulgate rules as necessary to**
143 **implement the provisions of this section. Any rule or portion of a rule,**
144 **as that term is defined in section 536.010 that is created under the**
145 **authority delegated in this section shall become effective only if it**
146 **complies with and is subject to all of the provisions of chapter 536, and,**
147 **if applicable, section 536.028. This section and chapter 536 are**
148 **nonseverable and if any of the powers vested with the general assembly**
149 **pursuant to chapter 536, to review, to delay the effective date, or to**
150 **disapprove and annul a rule are subsequently held unconstitutional,**
151 **then the grant of rulemaking authority and any rule proposed or**
152 **adopted after the effective date of this act, shall be invalid and void.**

67.3005. 1. For all taxable years beginning on or after January
2 **1, 2011, any taxpayer shall be allowed a credit against the taxes**
3 **otherwise due under chapter 143, 147, or 148 excluding withholding tax**
4 **imposed by sections 143.191 to 143.265 in an amount equal to fifty**
5 **percent of the amount of an eligible donation, subject to the**
6 **restrictions in this section. The amount of the tax credit claimed shall**
7 **not exceed the amount of the taxpayer's state income tax liability in the**
8 **tax year for which the credit is claimed. Any amount of credit that the**
9 **taxpayer is prohibited by this section from claiming in a tax year shall**
10 **not be refundable, but may be carried forward to any of the taxpayer's**
11 **four subsequent taxable years.**

12 **2. To claim the credit authorized in this section, a certified**
13 **sponsor or local organizing committee shall submit to the department**
14 **an application for the tax credit authorized by this section on behalf of**
15 **taxpayers. The department shall verify that the applicant has**
16 **submitted the following items accurately and completely:**

17 **(1) A valid application in the form and format required by the**
18 **department;**

19 **(2) A statement attesting to the eligible donation received, which**
20 **shall include the name and taxpayer identification number of the**
21 **individual making the eligible donation, the amount of the eligible**
22 **donation, and the date the eligible donation was received; and**

23 **(3) Payment from the certified sponsor or local organizing**
24 **committee equal to the value of the tax credit for which application is**
25 **made.**

26 **If the certified sponsor or local organizing committee applying for the**
27 **tax credit meets all criteria required by this subsection, the department**
28 **shall issue a certificate in the appropriate amount.**

29 **3. Tax credits issued under this section may be assigned,**
30 **transferred, sold, or otherwise conveyed, and the new owner of the tax**
31 **credit shall have the same rights in the credit as the**
32 **taxpayer. Whenever a certificate is assigned, transferred, sold, or**
33 **otherwise conveyed, a notarized endorsement shall be filed with the**
34 **department specifying the name and address of the new owner of the**
35 **tax credit or the value of the credit. In no event shall the amount of**
36 **tax credits issued by the department under this section exceed ten**
37 **million dollars in any fiscal year.**

38 **4. The department shall promulgate rules to implement the**
39 **provisions of this section. Any rule or portion of a rule, as that term is**
40 **defined in section 536.010, that is created under the authority delegated**
41 **in this section shall become effective only if it complies with and is**
42 **subject to all of the provisions of chapter 536, and, if applicable, section**
43 **536.028. This section and chapter 536, are nonseverable and if any of**
44 **the powers vested with the general assembly pursuant to chapter 536,**
45 **to review, to delay the effective date, or to disapprove and annul a rule**
46 **are subsequently held unconstitutional, then the grant of rulemaking**
47 **authority and any rule proposed or adopted after the effective date of**
48 **this act, shall be invalid and void.**

49 **5. Under section 23.253 of the Missouri sunset act:**

50 **(1) The provisions of the new program authorized under this**
51 **section shall automatically sunset six years after August 28, 2011,**
52 **unless reauthorized by an act of the general assembly; and**

53 **(2) If such program is reauthorized, the program authorized**
54 **under this section shall automatically sunset twelve years after the**
55 **effective date of the reauthorization of this section; and**

56 **(3) This section shall terminate on September first of the**
57 **calendar year immediately following the calendar year in which the**
58 **program authorized under this section is sunset.**

100.286. 1. Within the discretion of the board, the development and
2 reserve fund, the infrastructure development fund or the export finance fund may
3 be pledged to secure the payment of any bonds or notes issued by the board, or
4 to secure the payment of any loan made by the board or a participating lender
5 which loan:

6 (1) Is requested to finance any project or export trade activity;

7 (2) Is requested by a borrower who is demonstrated to be financially
8 responsible;

9 (3) Can reasonably be expected to provide a benefit to the economy of this
10 state;

11 (4) Is otherwise secured by a mortgage or deed of trust on real or personal
12 property or other security satisfactory to the board; provided that loans to finance
13 export trade activities may be secured by export accounts receivable or
14 inventories of exportable goods satisfactory to the board;

15 (5) Does not exceed five million dollars;

16 (6) Does not have a term longer than five years if such loan is made to
17 finance export trade activities; and

18 (7) Is, when used to finance export trade activities, made to small or
19 medium size businesses or agricultural businesses, as may be defined by the
20 board.

21 2. The board shall prescribe standards for the evaluation of the financial
22 condition, business history, and qualifications of each borrower and the terms and
23 conditions of loans which may be secured, and may require each application to
24 include a financial report and evaluation by an independent certified public
25 accounting firm, in addition to such examination and evaluation as may be
26 conducted by any participating lender.

27 3. Each application for a loan secured by the development and reserve
28 fund, the infrastructure development fund or the export finance fund shall be
29 reviewed in the first instance by any participating lender to whom the application
30 was submitted. If satisfied that the standards prescribed by the board are met
31 and that the loan is otherwise eligible to be secured by the development and
32 reserve fund, the infrastructure development fund or the export finance fund, the
33 participating lender shall certify the same and forward the application for final

34 approval to the board.

35 4. The securing of any loans by the development and reserve fund, the
36 infrastructure development fund or the export finance fund shall be conditioned
37 upon approval of the application by the board, and receipt of an annual reserve
38 participation fee, as prescribed by the board, submitted by or on behalf of the
39 borrower.

40 5. The securing of any loan by the export finance fund for export trade
41 activities shall be conditioned upon the board's compliance with any applicable
42 treaties and international agreements, such as the general agreement on tariffs
43 and trade and the subsidies code, to which the United States is then a party.

44 6. Any taxpayer, including any charitable organization that is exempt
45 from federal income tax and whose Missouri unrelated business taxable income,
46 if any, would be subject to the state income tax imposed under chapter 143, may,
47 subject to the limitations provided under subsection 8 of this section, receive a tax
48 credit against any tax otherwise due under the provisions of chapter 143,
49 excluding withholding tax imposed by sections 143.191 to 143.261, chapter 147,
50 or chapter 148, in the amount of fifty percent of any amount contributed in money
51 or property by the taxpayer to the development and reserve fund, the
52 infrastructure development fund or the export finance fund during the taxpayer's
53 tax year, provided, however, the total tax credits awarded in any calendar year
54 beginning after January 1, 1994, shall not be the greater of ten million dollars or
55 five percent of the average growth in general revenue receipts in the preceding
56 three fiscal years. This limit may be exceeded only upon joint agreement by the
57 commissioner of administration, the director of the department of economic
58 development, and the director of the department of revenue that such action is
59 essential to ensure retention or attraction of investment in Missouri. If the board
60 receives, as a contribution, real property, the contributor at such contributor's
61 own expense shall have two independent appraisals conducted by appraisers
62 certified by the Master Appraisal Institute. Both appraisals shall be submitted
63 to the board, and the tax credit certified by the board to the contributor shall be
64 based upon the value of the lower of the two appraisals. The board shall not
65 certify the tax credit until the property is deeded to the board. Such credit shall
66 not apply to reserve participation fees paid by borrowers under sections 100.250
67 to 100.297. The portion of earned tax credits which exceeds the taxpayer's tax
68 liability may be carried forward for up to five years.

69 7. Notwithstanding any provision of law to the contrary, any taxpayer

70 may sell, assign, exchange, convey or otherwise transfer tax credits allowed in
71 subsection 6 of this section under the terms and conditions prescribed in
72 subdivisions (1) and (2) of this subsection. Such taxpayer, hereinafter the
73 assignor for the purpose of this subsection, may sell, assign, exchange or
74 otherwise transfer earned tax credits:

75 (1) For no less than seventy-five percent of the par value of such credits;
76 and

77 (2) In an amount not to exceed one hundred percent of annual earned
78 credits. The taxpayer acquiring earned credits, hereinafter the assignee for the
79 purpose of this subsection, may use the acquired credits to offset up to one
80 hundred percent of the tax liabilities otherwise imposed by chapter 143, excluding
81 withholding tax imposed by sections 143.191 to 143.261, chapter 147, or chapter
82 148. Unused credits in the hands of the assignee may be carried forward for up
83 to five years, provided all such credits shall be claimed within ten years following
84 the tax years in which the contribution was made. The assignor shall enter into
85 a written agreement with the assignee establishing the terms and conditions of
86 the agreement and shall perfect such transfer by notifying the board in writing
87 within thirty calendar days following the effective day of the transfer and shall
88 provide any information as may be required by the board to administer and carry
89 out the provisions of this section. Notwithstanding any other provision of law to
90 the contrary, the amount received by the assignor of such tax credit shall be
91 taxable as income of the assignor, and the excess of the par value of such credit
92 over the amount paid by the assignee for such credit shall be taxable as income
93 of the assignee.

94 8. Provisions of subsections 1 to 7 of this section to the contrary
95 notwithstanding, no more than ten million dollars in tax credits provided under
96 this section, may be authorized or approved annually. The limitation on tax
97 credit authorization and approval provided under this subsection may be exceeded
98 only upon mutual agreement, evidenced by a signed and properly notarized letter,
99 by the commissioner of the office of administration, the director of the department
100 of economic development, and the director of the department of revenue that such
101 action is essential to ensure retention or attraction of investment in Missouri
102 provided, however, that in no case shall more than twenty-five million dollars in
103 tax credits be authorized or approved during such year. Taxpayers shall file,
104 with the board, an application for tax credits authorized under this section on a
105 form provided by the board. The provisions of this subsection shall not be

106 construed to limit or in any way impair the ability of the board to authorize tax
107 credits for issuance for projects authorized or approved, by a vote of the board,
108 on or before the thirtieth day following the effective date of this act, or a
109 taxpayer's ability to redeem such tax credits.

110 **9. Notwithstanding any provision of law to the contrary, no tax**
111 **credits provided under this section shall be authorized on or after the**
112 **effective date of this act. The provisions of this subsection shall not be**
113 **construed to limit or in any way impair the board's ability to issue tax**
114 **credits authorized prior to the effective date of this act, or a taxpayer's**
115 **ability to redeem such tax credits.**

100.297. 1. The board may authorize a tax credit, as described in this
2 section, to the owner of any revenue bonds or notes issued by the board pursuant
3 to the provisions of sections 100.250 to 100.297, for infrastructure facilities as
4 defined in subdivision (9) of section 100.255, if, prior to the issuance of such
5 bonds or notes, the board determines that:

6 (1) The availability of such tax credit is a material inducement to the
7 undertaking of the project in the state of Missouri and to the sale of the bonds or
8 notes;

9 (2) The loan with respect to the project is adequately secured by a first
10 deed of trust or mortgage or comparable lien, or other security satisfactory to the
11 board.

12 2. Upon making the determinations specified in subsection 1 of this
13 section, the board may declare that each owner of an issue of revenue bonds or
14 notes shall be entitled, in lieu of any other deduction with respect to such bonds
15 or notes, to a tax credit against any tax otherwise due by such owner pursuant
16 to the provisions of chapter 143, excluding withholding tax imposed by sections
17 143.191 to 143.261, chapter 147, or chapter 148, in the amount of one hundred
18 percent of the unpaid principal of and unpaid interest on such bonds or notes
19 held by such owner in the taxable year of such owner following the calendar year
20 of the default of the loan by the borrower with respect to the project. The
21 occurrence of a default shall be governed by documents authorizing the issuance
22 of the bonds. The tax credit allowed pursuant to this section shall be available
23 to the original owners of the bonds or notes or any subsequent owner or owners
24 thereof. Once an owner is entitled to a claim, any such tax credits shall be
25 transferable as provided in subsection 7 of section 100.286. Notwithstanding any
26 provision of Missouri law to the contrary, any portion of the tax credit to which

27 any owner of a revenue bond or note is entitled pursuant to this section which
28 exceeds the total income tax liability of such owner of a revenue bond or note
29 shall be carried forward and allowed as a credit against any future taxes imposed
30 on such owner within the next ten years pursuant to the provisions of chapter
31 143, excluding withholding tax imposed by sections 143.191 to 143.261, chapter
32 147, or chapter 148. The eligibility of the owner of any revenue bond or note
33 issued pursuant to the provisions of sections 100.250 to 100.297 for the tax credit
34 provided by this section shall be expressly stated on the face of each such bond
35 or note. The tax credit allowed pursuant to this section shall also be available
36 to any financial institution or guarantor which executes any credit facility as
37 security for bonds issued pursuant to this section to the same extent as if such
38 financial institution or guarantor was an owner of the bonds or notes, provided
39 however, in such case the tax credits provided by this section shall be available
40 immediately following any default of the loan by the borrower with respect to the
41 project. In addition to reimbursing the financial institution or guarantor for
42 claims relating to unpaid principal and interest, such claim may include payment
43 of any unpaid fees imposed by such financial institution or guarantor for use of
44 the credit facility.

45 3. The aggregate principal amount of revenue bonds or notes outstanding
46 at any time with respect to which the tax credit provided in this section shall be
47 available shall not exceed fifty million dollars.

48 **4. Notwithstanding any provision of law to the contrary, no tax**
49 **credits provided under this section shall be authorized on or after the**
50 **effective date of this act. The provisions of this subsection shall not be**
51 **construed to limit or in any way impair the board's ability to issue tax**
52 **credits authorized prior to the effective date of this act, or a taxpayer's**
53 **ability to redeem such tax credits.**

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

2 (1) "Homestead", the dwelling in Missouri owned by the surviving spouse
3 and not exceeding five acres of land surrounding it as is reasonably necessary for
4 use of the dwelling as a home. As used in this section, "homestead" shall not
5 include any dwelling which is occupied by more than two families;

6 (2) "Public safety officer", any firefighter, police officer, capitol police
7 officer, parole officer, probation officer, correctional employee, water patrol officer,
8 park ranger, conservation officer, commercial motor enforcement officer,
9 emergency medical technician, first responder, or highway patrolman employed

10 by the state of Missouri or a political subdivision thereof who is killed in the line
11 of duty, unless the death was the result of the officer's own misconduct or abuse
12 of alcohol or drugs;

13 (3) "Surviving spouse", a spouse, who has not remarried, of a public safety
14 officer.

15 2. For all tax years beginning on or after January 1, 2008, a surviving
16 spouse shall be allowed a credit against the tax otherwise due under chapter 143,
17 excluding withholding tax imposed by sections 143.191 to 143.265, in an amount
18 equal to the total amount of the property taxes on the surviving spouse's
19 homestead paid during the tax year for which the credit is claimed. A surviving
20 spouse may claim the credit authorized under this section for each tax year
21 beginning the year of death of the public safety officer spouse until the tax year
22 in which the surviving spouse remarries. No credit shall be allowed for the tax
23 year in which the surviving spouse remarries. If the amount allowable as a credit
24 exceeds the income tax reduced by other credits, then the excess shall be
25 considered an overpayment of the income tax.

26 3. The department of revenue shall promulgate rules to implement the
27 provisions of this section.

28 4. Any rule or portion of a rule, as that term is defined in section 536.010,
29 that is created under the authority delegated in this section shall become effective
30 only if it complies with and is subject to all of the provisions of chapter 536 and,
31 if applicable, section 536.028. This section and chapter 536 are nonseverable and
32 if any of the powers vested with the general assembly pursuant to chapter 536 to
33 review, to delay the effective date, or to disapprove and annul a rule are
34 subsequently held unconstitutional, then the grant of rulemaking authority and
35 any rule proposed or adopted after August 28, 2007, shall be invalid and void.

36 5. [Pursuant to section 23.253 of the Missouri sunset act:

37 (1) The provisions of the new program authorized under this section shall
38 automatically sunset six years after August 28, 2007, unless reauthorized by an
39 act of the general assembly; and

40 (2) If such program is reauthorized, the program authorized under this
41 section shall automatically sunset twelve years after the effective date of the
42 reauthorization of this section; and

43 (3) This section shall terminate on September first of the calendar year
44 immediately following the calendar year in which the program authorized under
45 this section is sunset.] **Pursuant to section 23.253 of the Missouri sunset**

46 **act, the provisions of the program authorized under this section are**
47 **hereby reauthorized and shall automatically sunset on August 28, 2015.**

135.326. As used in sections 135.325 to 135.339, the following terms shall
2 mean:

3 (1) "Business entity", person, firm, a partner in a firm, corporation or a
4 shareholder in an S corporation doing business in the state of Missouri and
5 subject to the state income tax imposed by the provisions of chapter 143, or a
6 corporation subject to the annual corporation franchise tax imposed by the
7 provisions of chapter 147, or an insurance company paying an annual tax on its
8 gross premium receipts in this state, or other financial institution paying taxes
9 to the state of Missouri or any political subdivision of this state under the
10 provisions of chapter 148, or an express company which pays an annual tax on
11 its gross receipts in this state pursuant to chapter 153;

12 (2) "Handicap", a mental, physical, or emotional impairment that
13 substantially limits one or more major life activities, whether the impairment is
14 congenital or acquired by accident, injury or disease, and where the impairment
15 is verified by medical findings;

16 (3) "Nonrecurring adoption expenses", reasonable and necessary adoption
17 fees, court costs, attorney fees, and other expenses which are directly related to
18 the legal adoption of a special needs child and which are not incurred in violation
19 of federal, state, or local law. **"Nonrecurring adoption expenses" shall not**
20 **include expenses incurred as a result of an international adoption;**

21 (4) "Special needs child", a child for whom it has been determined by the
22 division of family services, or by a child-placing agency licensed by the state, or
23 by a court of competent jurisdiction to be a child:

24 (a) That cannot or should not be returned to the home of his or her
25 parents; and

26 (b) Who has a specific factor or condition such as ethnic background, age,
27 membership in a minority or sibling group, medical condition, or handicap
28 because of which it is reasonable to conclude that such child cannot be easily
29 placed with adoptive parents;

30 (5) "State tax liability", any liability incurred by a taxpayer under the
31 provisions of chapter 143, chapter 147, chapter 148, and chapter 153, exclusive
32 of the provisions relating to the withholding of tax as provided for in sections
33 143.191 to 143.265 and related provisions.

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

2 (1) "CASA", an entity which receives funding from the court-appointed
3 special advocate fund established under section 476.777, including an association
4 based in this state, affiliated with a national association, organized to provide
5 support to entities receiving funding from the court-appointed special advocate
6 fund;

7 (2) "Child advocacy centers", the regional child assessment centers listed
8 in subsection 2 of section 210.001;

9 (3) "Contribution", amount of donation to qualified agency;

10 (4) "Crisis care center", entities contracted with this state which provide
11 temporary care for children whose age ranges from birth through seventeen years
12 of age whose parents or guardian are experiencing an unexpected and unstable
13 or serious condition that requires immediate action resulting in short-term care,
14 usually three to five continuous, uninterrupted days, for children who may be at
15 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;

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

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

22 2. Any person residing in this state who legally adopts a special needs
23 child on or after January 1, 1988, and before January 1, 2000, shall be eligible to
24 receive a tax credit of up to ten thousand dollars for nonrecurring adoption
25 expenses for each child adopted that may be applied to taxes due under chapter
26 143. Any business entity providing funds to an employee to enable that employee
27 to legally adopt a special needs child shall be eligible to receive a tax credit of up
28 to ten thousand dollars for nonrecurring adoption expenses for each child adopted
29 that may be applied to taxes due under such business entity's state tax liability,
30 except that only one ten thousand dollar credit is available for each special needs
31 child that is adopted.

32 3. Any person residing in this state who proceeds in good faith with the
33 adoption of a special needs child on or after January 1, 2000, shall be eligible to
34 receive a tax credit of up to ten thousand dollars for nonrecurring adoption
35 expenses for each child that may be applied to taxes due under chapter 143;
36 provided, however, that beginning on or after July 1, 2004, two million dollars of
37 the tax credits allowed shall be allocated for the adoption of special needs

38 children who are residents or wards of residents of this state at the time the
39 adoption is initiated. Any business entity providing funds to an employee to
40 enable that employee to proceed in good faith with the adoption of a special needs
41 child shall be eligible to receive a tax credit of up to ten thousand dollars for
42 nonrecurring adoption expenses for each child that may be applied to taxes due
43 under such business entity's state tax liability, except that only one ten thousand
44 dollar credit is available for each special needs child that is adopted.

45 4. Individuals and business entities may claim a tax credit for their total
46 nonrecurring adoption expenses in each year that the expenses are incurred. A
47 claim for fifty percent of the credit shall be allowed when the child is placed in
48 the home. A claim for the remaining fifty percent shall be allowed when the
49 adoption is final. The total of these tax credits shall not exceed the maximum
50 limit of ten thousand dollars per child. The cumulative amount of tax credits
51 which may be claimed by taxpayers claiming the credit for nonrecurring adoption
52 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million
53 dollars. The cumulative amount of tax credits that may be claimed by taxpayers
54 claiming the credit for nonrecurring adoption expenses shall not be more than
55 four million dollars but may be increased by appropriation in any fiscal year
56 beginning on or after July 1, 2004; provided, however, that by December
57 thirty-first following each July, if less than two million dollars in credits have
58 been issued for adoption of special needs children who are not residents or wards
59 of residents of this state at the time the adoption is initiated, the remaining
60 amount of the cap shall be available for the adoption of special needs children
61 who are residents or wards of residents of this state at the time the adoption is
62 initiated. For all fiscal years beginning on or after July 1, 2006, applications to
63 claim the adoption tax credit for special needs children who are residents or
64 wards of residents of this state at the time the adoption is initiated shall be filed
65 between July first and April fifteenth of each fiscal year. For all fiscal years
66 beginning on or after July 1, 2006, applications to claim the adoption tax credit
67 for special needs children who are not residents or wards of residents of this state
68 at the time the adoption is initiated shall be filed between July first and
69 December thirty-first of each fiscal year.

70 5. Notwithstanding any provision of law to the contrary, any individual
71 or business entity may assign, transfer or sell tax credits allowed in this
72 section. Any sale of tax credits claimed pursuant to this section shall be at a
73 discount rate of seventy-five percent or greater of the amount sold.

74 6. The director of revenue shall establish a procedure by which, for each
75 fiscal year, the cumulative amount of tax credits authorized in this section is
76 equally apportioned among all taxpayers within the two categories specified in
77 subsection 3 of this section claiming the credit in that fiscal year. To the
78 maximum extent possible, the director of revenue shall establish the procedure
79 described in this subsection in such a manner as to ensure that taxpayers within
80 each category can claim all the tax credits possible up to the cumulative amount
81 of tax credits available for the fiscal year.

82 7. For all tax years beginning on or after January 1, 2006, a tax credit
83 may be claimed in an amount equal to up to fifty percent of a verified
84 contribution to a qualified agency and shall be named the children in crisis tax
85 credit. The minimum amount of any tax credit issued shall not be less than fifty
86 dollars and shall be applied to taxes due under chapter 143, excluding sections
87 143.191 to 143.265. A contribution verification shall be issued to the taxpayer by
88 the agency receiving the contribution. Such contribution verification shall include
89 the taxpayer's name, Social Security number, amount of tax credit, amount of
90 contribution, the name and address of the agency receiving the credit, and the
91 date the contribution was made. The tax credit provided under this subsection
92 shall be initially filed for the year in which the verified contribution is made.

93 8. The cumulative amount of the tax credits redeemed shall not exceed the
94 unclaimed portion of the resident adoption category allocation as described in this
95 section. The director of revenue shall determine the unclaimed portion
96 available. The amount available shall be equally divided among the three
97 qualified agencies: CASA, child advocacy centers, or crisis care centers to be used
98 towards tax credits issued. In the event tax credits claimed under one agency do
99 not total the allocated amount for that agency, the unused portion for that agency
100 will be made available to the remaining agencies equally. In the event the total
101 amount of tax credits claimed for any one agency exceeds the amount available
102 for that agency, the amount redeemed shall and will be apportioned equally to all
103 eligible taxpayers claiming the credit under that agency. After all children in
104 crisis tax credits have been claimed, any remaining unclaimed portion of the
105 reserved allocation for adoptions of special needs children who are residents or
106 wards of residents of this state shall then be made available for adoption tax
107 credit claims of special needs children who are not residents or wards of residents
108 of this state at the time the adoption is initiated.

109 9. Prior to December thirty-first of each year, the entities listed under the

110 definition of qualified agency shall apply to the department of social services in
111 order to verify their qualified agency status. Upon a determination that the
112 agency is eligible to be a qualified agency, the department of social services shall
113 provide a letter of eligibility to such agency. No later than February first of each
114 year, the department of social services shall provide a list of qualified agencies
115 to the department of revenue. All tax credit applications to claim the children in
116 crisis tax credit shall be filed between July first and April fifteenth of each fiscal
117 year. A taxpayer shall apply for the children in crisis tax credit by attaching a
118 copy of the contribution verification provided by a qualified agency to such
119 taxpayer's income tax return.

120 10. The tax credits provided under this section shall be subject to the
121 provisions of section 135.333.

122 11. (1) In the event a credit denial, due to lack of available funds, causes
123 a balance-due notice to be generated by the department of revenue, or any other
124 redeeming agency, the taxpayer will not be held liable for any penalty or interest,
125 provided the balance is paid, or approved payment arrangements have been
126 made, within sixty days from the notice of denial.

127 (2) In the event the balance is not paid within sixty days from the notice
128 of denial, the remaining balance shall be due and payable under the provisions
129 of chapter 143.

130 12. The director shall calculate the level of appropriation necessary to
131 issue all tax credits for nonresident special needs adoptions applied for under this
132 section and provide such calculation to the speaker of the house of
133 representatives, the president pro tempore of the senate, and the director of the
134 division of budget and planning in the office of administration by January
135 thirty-first of each year.

136 13. The department may promulgate such rules or regulations as are
137 necessary to administer the provisions of this section. Any rule or portion of a
138 rule, as that term is defined in section 536.010, that is created under the
139 authority delegated in this section shall become effective only if it complies with
140 and is subject to all of the provisions of chapter 536 and, if applicable, section
141 536.028. This section and chapter 536 are nonseverable and if any of the powers
142 vested with the general assembly pursuant to chapter 536 to review, to delay the
143 effective date, or to disapprove and annul a rule are subsequently held
144 unconstitutional, then the grant of rulemaking authority and any rule proposed
145 or adopted after August 28, 2006, shall be invalid and void.

146 14. [Pursuant to section 23.253 of the Missouri sunset act:

147 (1) The provisions of the new program authorized under subsections 7 to
148 12 of this section shall automatically sunset six years after August 28, 2006,
149 unless reauthorized by an act of the general assembly; and

150 (2) If such program is reauthorized, the program authorized under this
151 section shall automatically sunset twelve years after the effective date of the
152 reauthorization of this section; and

153 (3) This section shall terminate on September first of the calendar year
154 immediately following the calendar year in which the program authorized under
155 this section is sunset.] **Notwithstanding any provision of law to the**
156 **contrary, no tax credits provided under sections 135.325 to 135.339 shall**
157 **be authorized on or after August 28, 2015. The provisions of this**
158 **subsection shall not be construed to limit or in any way impair the**
159 **department's ability to issue tax credits authorized prior to August 28,**
160 **2015, or a taxpayer's ability to redeem such tax credits.**

135.350. As used in this section, unless the context clearly requires
2 otherwise, the following words and phrases shall mean:

3 (1) "Commission", the Missouri housing development commission, or its
4 successor agency;

5 (2) "Director", director of the department of revenue;

6 (3) "Eligibility statement", a statement authorized and issued by the
7 commission certifying that a given project qualifies for the Missouri low-income
8 housing tax credit. The commission shall promulgate rules establishing criteria
9 upon which the eligibility statements will be issued. The eligibility statement
10 shall specify the amount of the Missouri low-income housing tax credit
11 allowed. The commission shall only authorize the tax credits to qualified projects
12 which begin after June 18, 1991;

13 (4) **"Federal credit period", the same meaning as is prescribed the**
14 **term "credit period" under section 42 of the 1986 Internal Revenue**
15 **Code, as amended;**

16 (5) "Federal low-income housing tax credit", the federal tax credit as
17 provided in section 42 of the 1986 Internal Revenue Code, as amended;

18 [(5)] (6) "Low-income project", a housing project which has restricted
19 rents that do not exceed thirty percent of median income for at least forty percent
20 of its units occupied by persons of families having incomes of sixty percent or less
21 of the median income, or at least twenty percent of the units occupied by persons

22 or families having incomes of fifty percent or less of the median income;

23 [(6)] (7) "Median income", those incomes which are determined by the
24 federal Department of Housing and Urban Development guidelines and adjusted
25 for family size;

26 [(7)] (8) "Qualified Missouri project", a qualified low-income building as
27 that term is defined in section 42 of the 1986 Internal Revenue Code, as
28 amended, which is located in Missouri;

29 [(8)] (9) "Taxpayer", person, firm or corporation subject to the state
30 income tax imposed by the provisions of chapter 143 (except withholding imposed
31 by sections 143.191 to 143.265) or a corporation subject to the annual corporation
32 franchise tax imposed by the provisions of chapter 147, or an insurance company
33 paying an annual tax on its gross premium receipts in this state, or other
34 financial institution paying taxes to the state of Missouri or any political
35 subdivision of this state under the provisions of chapter 148, or an express
36 company which pays an annual tax on its gross receipts in this state.

135.352. 1. A taxpayer owning an interest in a qualified Missouri project
2 shall, subject to the limitations provided under the provisions of subsection 3 of
3 this section, be allowed a state tax credit, whether or not allowed a federal tax
4 credit, to be termed the Missouri low-income housing tax credit, if the commission
5 issues an eligibility statement for that project.

6 2. For qualified Missouri projects placed in service after January 1, 1997,
7 the Missouri low-income housing tax credit available to a project shall be such
8 amount as the commission shall determine is necessary to ensure the feasibility
9 of the project, up to an amount equal to the federal low-income housing tax credit
10 for a qualified Missouri project, for a federal [tax] **credit** period, and such
11 amount shall be subtracted from the amount of state tax otherwise due for the
12 same tax period.

13 3. No more than six million dollars in tax credits shall be authorized
14 each fiscal year **ending on or before June 30, 2011**, for projects financed
15 through tax-exempt bond issuance.

16 4. **For purposes of the limitations provided under this**
17 **subsection, the aggregate amount of tax credits allowed over a federal**
18 **credit period shall be attributed to the fiscal year in which such credits**
19 **are authorized by the commission for a qualified Missouri project. For**
20 **the fiscal year beginning on or after July 1, 2011, but ending on or**
21 **before June 30, 2012, there shall be a one hundred ten million dollar**

22 cap on tax credit authorizations for projects which are not financed
23 through tax exempt bond issuance. For the fiscal year beginning on or
24 after July 1, 2012, but ending on or before June 30, 2013, there shall be
25 a ninety-seven million dollar cap on tax credit authorizations for
26 projects which are not financed through tax exempt bond issuance.
27 For the fiscal year beginning on or after July 1, 2013, but ending on
28 or before June 30, 2014, there shall be an eighty-four million dollar cap
29 on tax credit authorizations for projects which are not financed
30 through tax exempt bond issuance. For all fiscal years beginning on or
31 after July 1, 2014, there shall be a seventy million dollar cap on tax
32 credit authorizations for projects which are not financed through tax
33 exempt bond issuance.

34 5. For purposes of the limitations provided under this
35 subsection, the aggregate amount of tax credits allowed over a federal
36 credit period shall be attributed to the fiscal year in which such credits
37 are authorized by the commission for a qualified Missouri project. For
38 the fiscal year beginning on or after July 1, 2011, but ending on or
39 before June 30, 2012, there shall be a fifteen million dollar cap on tax
40 credit authorizations for projects which are financed through tax
41 exempt bond issuance. For the fiscal year beginning on or after July
42 1, 2012, but ending on or before June 30, 2013, there shall be a ten
43 million dollar cap on tax credit authorizations for projects which are
44 financed through tax exempt bond issuance. For the fiscal year
45 beginning on or after July 1, 2013, but ending on or before June 30,
46 2014, there shall be a five million dollar cap on tax credit
47 authorizations for projects which are financed through tax exempt
48 bond issuance. No tax credits shall be authorized after June 30, 2014,
49 for projects financed through tax-exempt bond issuance.

50 6. The Missouri low-income housing tax credit shall be taken against the
51 taxes and in the order specified pursuant to section 32.115. The credit authorized
52 by this section shall not be refundable. Any amount of credit that exceeds the tax
53 due for a taxpayer's taxable year may be carried back to any of the taxpayer's
54 three prior taxable years or carried forward to any of the taxpayer's five
55 subsequent taxable years. For projects authorized on or after the effective
56 date of this act, any amount of credit that exceeds the tax due for a
57 taxpayer's taxable year may be carried forward to any of the taxpayer's
58 five subsequent taxable years or carried back to any of the taxpayer's

59 **two prior taxable years.**

60 [5.] 7. All or any portion of Missouri tax credits issued in accordance with
61 the provisions of sections 135.350 to 135.362 may be allocated to parties who are
62 eligible pursuant to the provisions of subsection 1 of this section. Beginning
63 January 1, 1995, for qualified projects which began on or after January 1, 1994,
64 an owner of a qualified Missouri project shall certify to the director the amount
65 of credit allocated to each taxpayer. The owner of the project shall provide to the
66 director appropriate information so that the low-income housing tax credit can be
67 properly allocated.

68 [6.] 8. In the event that recapture of Missouri low-income housing tax
69 credits is required pursuant to subsection 2 of section 135.355, any statement
70 submitted to the director as provided in this section shall include the proportion
71 of the state credit required to be recaptured, the identity of each taxpayer subject
72 to the recapture and the amount of credit previously allocated to such taxpayer.

73 **9. A taxpayer that receives state tax credits under the provisions**
74 **of sections 253.545 to 253.559 shall be ineligible to receive state tax**
75 **credits under the provisions of sections 135.350 to 135.363 for the same**
76 **project, if such project is not financed through tax exempt bond**
77 **issuance.**

78 [7.] 10. The director of the department may promulgate rules and
79 regulations necessary to administer the provisions of this section. No rule or
80 portion of a rule promulgated pursuant to the authority of this section shall
81 become effective unless it has been promulgated pursuant to the provisions of
82 section 536.024.

83 **11. Notwithstanding any provision of law to the contrary, no tax**
84 **credits provided under this section shall be authorized on or after**
85 **August 28, 2018. The provisions of this subsection shall not be**
86 **construed to limit or in any way impair the department's ability to**
87 **issue tax credits authorized prior to August 28, 2018, or a taxpayer's**
88 **ability to redeem such tax credits.**

135.460. 1. This section and sections 620.1100 and 620.1103 shall be
2 known and may be cited as the "Youth Opportunities and Violence Prevention
3 Act".

4 2. As used in this section, the term "taxpayer" shall include corporations
5 as defined in section 143.441 or 143.471, any charitable organization which is
6 exempt from federal income tax and whose Missouri unrelated business taxable

7 income, if any, would be subject to the state income tax imposed under chapter
8 143, and individuals, individual proprietorships and partnerships.

9 3. A taxpayer shall be allowed a tax credit against the tax otherwise due
10 pursuant to chapter 143, excluding withholding tax imposed by sections 143.191
11 to 143.265, chapter 147, chapter 148, or chapter 153 in an amount equal to thirty
12 percent for property contributions and fifty percent for monetary contributions of
13 the amount such taxpayer contributed to the programs described in subsection 5
14 of this section, not to exceed two hundred thousand dollars per taxable year, per
15 taxpayer; except as otherwise provided in subdivision (5) of subsection 5 of this
16 section. The department of economic development shall prescribe the method for
17 claiming the tax credits allowed in this section. No rule or portion of a rule
18 promulgated under the authority of this section shall become effective unless it
19 has been promulgated pursuant to the provisions of chapter 536. All rulemaking
20 authority delegated prior to June 27, 1997, is of no force and effect and repealed;
21 however, nothing in this section shall be interpreted to repeal or affect the
22 validity of any rule filed or adopted prior to June 27, 1997, if such rule complied
23 with the provisions of chapter 536. The provisions of this section and chapter 536
24 are nonseverable and if any of the powers vested with the general assembly
25 pursuant to chapter 536, including the ability to review, to delay the effective
26 date, or to disapprove and annul a rule or portion of a rule, are subsequently held
27 unconstitutional, then the purported grant of rulemaking authority and any rule
28 so proposed and contained in the order of rulemaking shall be invalid and void.

29 4. The tax credits allowed by this section shall be claimed by the taxpayer
30 to offset the taxes that become due in the taxpayer's tax period in which the
31 contribution was made. Any tax credit not used in such tax period may be carried
32 over the next five succeeding tax periods.

33 5. The tax credit allowed by this section may only be claimed for monetary
34 or property contributions to public or private programs authorized to participate
35 pursuant to this section by the department of economic development and may be
36 claimed for the development, establishment, implementation, operation, and
37 expansion of the following activities and programs:

38 (1) An adopt-a-school program. Components of the adopt-a-school
39 program shall include donations for school activities, seminars, and functions;
40 school-business employment programs; and the donation of property and
41 equipment of the corporation to the school;

42 (2) Expansion of programs to encourage school dropouts to reenter and

43 complete high school or to complete a graduate equivalency degree program;

44 (3) Employment programs. Such programs shall initially, but not
45 exclusively, target unemployed youth living in poverty and youth living in areas
46 with a high incidence of crime;

47 (4) New or existing youth clubs or associations;

48 (5) Employment/internship/apprenticeship programs in business or trades
49 for persons less than twenty years of age, in which case the tax credit claimed
50 pursuant to this section shall be equal to one-half of the amount paid to the
51 intern or apprentice in that tax year, except that such credit shall not exceed ten
52 thousand dollars per person;

53 (6) Mentor and role model programs;

54 (7) Drug and alcohol abuse prevention training programs for youth;

55 (8) Donation of property or equipment of the taxpayer to schools, including
56 schools which primarily educate children who have been expelled from other
57 schools, or donation of the same to municipalities, or not-for-profit corporations
58 or other not-for-profit organizations which offer programs dedicated to youth
59 violence prevention as authorized by the department;

60 (9) Not-for-profit, private or public youth activity centers;

61 (10) Nonviolent conflict resolution and mediation programs;

62 (11) Youth outreach and counseling programs.

63 6. Any program authorized in subsection 5 of this section shall, at least
64 annually, submit a report to the department of economic development outlining
65 the purpose and objectives of such program, the number of youth served, the
66 specific activities provided pursuant to such program, the duration of such
67 program and recorded youth attendance where applicable.

68 7. The department of economic development shall, at least annually
69 submit a report to the Missouri general assembly listing the organizations
70 participating, services offered and the number of youth served as the result of the
71 implementation of this section.

72 8. The tax credit allowed by this section shall apply to all taxable years
73 beginning after December 31, 1995.

74 9. For the purposes of the credits described in this section, in the case of
75 a corporation described in section 143.471, partnership, limited liability company
76 described in section 347.015, cooperative, marketing enterprise, or partnership,
77 in computing Missouri's tax liability, such credits shall be allowed to the
78 following:

79 (1) The shareholders of the corporation described in section 143.471;
80 (2) The partners of the partnership;
81 (3) The members of the limited liability company; and
82 (4) Individual members of the cooperative or marketing enterprise. Such
83 credits shall be apportioned to the entities described in subdivisions (1) and (2)
84 of this subsection in proportion to their share of ownership on the last day of the
85 taxpayer's tax period.

86 **10. Notwithstanding any provision of law to the contrary, no tax**
87 **credits provided under this section shall be authorized on or after**
88 **August 28, 2015. The provisions of this subsection shall not be**
89 **construed to limit or in any way impair the department's ability to**
90 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
91 **ability to redeem such tax credits.**

135.478. As used in sections 135.481 to 135.487, the following terms
2 mean:

- 3 (1) "Department", the department of economic development;
4 (2) "Director", the director of the department of economic development;
5 (3) "Distressed community", as defined in section 135.530;
6 (4) "Eligible costs for a new residence", expenses incurred for property
7 acquisition, development, site preparation other than demolition, surveys,
8 architectural and engineering services and construction and all other necessary
9 and incidental expenses incurred for constructing a new market rate residence,
10 which is or will be owner-occupied, which is not replacing a national register
11 listed or local historic structure; except that, costs paid for by the taxpayer with
12 grants or forgivable loans, other than tax credits, provided pursuant to state or
13 federal governmental programs are ineligible;
14 (5) "Eligible costs for rehabilitation", expenses incurred for the renovation
15 or rehabilitation of an existing residence including site preparation, surveys,
16 architectural and engineering services, construction, modification, expansion,
17 remodeling, structural alteration, replacements and alterations; except that, costs
18 paid for by the taxpayer with grants or forgivable loans other than tax credits
19 provided pursuant to state or federal governmental programs are ineligible;
20 (6) "Eligible residence", a single-family residence forty years of age or
21 older, located in this state and not within a distressed community as defined by
22 section 135.530, which is occupied or intended to be or occupied long-term by the
23 owner or offered for sale at market rate for owner-occupancy and which is either

24 located within a United States census block group which, if in a metropolitan
25 statistical area, has a median household income of less than ninety percent, but
26 greater than or equal to seventy percent of the median household income for the
27 metropolitan statistical area in which the census block group is located, or which,
28 if located within a United States census block group in a nonmetropolitan area,
29 has a median household income of less than ninety percent, but greater than or
30 equal to seventy percent of the median household income for the nonmetropolitan
31 areas in the state, **or which is located within a census block group in**
32 **which more than fifty percent of the residential structures inside the**
33 **census block group were destroyed or sustained major damage as the**
34 **result of a federally declared disaster;**

35 (7) "Flood plain", any land or area susceptible to being inundated by water
36 from any source or located in a one hundred-year flood plain area determined by
37 Federal Emergency Management Agency mapping as subject to flooding;

38 (8) "New residence", a residence constructed on land which if located
39 within a distressed community has either been vacant for at least two years or
40 is or was occupied by a structure which has been condemned by the local entity
41 in which the structure is located or which, if located outside of a distressed
42 community but within a census block group as described in subdivision (6) or (10)
43 of this section, either replaces a residence forty years of age or older demolished
44 for purposes of constructing a replacement residence, or which is constructed on
45 vacant property which has been classified for not less than forty continuous years
46 as residential or utility, commercial, railroad or other real property pursuant to
47 article X, section 4(b) of the Missouri Constitution, as defined in section 137.016,
48 **or which is constructed within a census block group in which more**
49 **than fifty percent of the residential structures inside the census block**
50 **group were destroyed or sustained major damage as the result of a**
51 **federally declared disaster;** except that, no new residence shall be constructed
52 in a flood plain or on property used for agricultural purposes. In a distressed
53 community, the term "new residence" shall include condominiums, owner-occupied
54 units or other units intended to be owner-occupied in multiple unit structures;
55 (9) "Project", new construction, rehabilitation or substantial rehabilitation
56 of a residence that qualifies for a tax credit pursuant to sections 135.475 to
57 135.487;

58 (10) "Qualifying residence", a single-family residence, forty years of age
59 or older, located in this state which is occupied or intended to be occupied

60 long-term by the owner or offered for sale at market rate for owner-occupancy and
61 which is located in a metropolitan statistical area or nonmetropolitan statistical
62 area within a United States census block group which has a median household
63 income of less than seventy percent of the median household income for the
64 metropolitan statistical area or nonmetropolitan area, respectively, or which is
65 located within a distressed community. A qualifying residence shall include a
66 condominium or residence within a multiple residential structure or a structure
67 containing multiple single-family residences which is located within a distressed
68 community;

69 (11) "Substantial rehabilitation", rehabilitation the costs of which exceed
70 fifty percent of either the purchase price or the cost basis of the structure
71 immediately prior to rehabilitation; provided that, the structure is at least fifty
72 years old notwithstanding any provision of sections 135.475 to 135.487 to the
73 contrary;

74 (12) "Tax liability", the tax due pursuant to chapter 143, 147 or 148, other
75 than taxes withheld pursuant to sections 143.191 to 143.265;

76 (13) "Taxpayer", any person, partnership, corporation, trust, limited
77 liability company, or any charitable organization which is exempt from federal
78 income tax and whose Missouri unrelated business taxable income, if any, would
79 be subject to the state income tax imposed under chapter 143.

135.484. 1. Beginning January 1, 2000, tax credits shall be allowed
2 pursuant to section 135.481 in an amount not to exceed sixteen million dollars
3 per year. [Of this total amount of tax credits in any given year, eight million
4 dollars shall be set aside for projects in areas described in subdivision (6) of
5 section 135.478 and eight million dollars for projects in areas described in
6 subdivision (10) of section 135.478.] The maximum tax credit for a project
7 consisting of multiple-unit qualifying residences in a distressed community shall
8 not exceed three million dollars.

9 2. Any amount of credit which exceeds the tax liability of a taxpayer for
10 the tax year in which the credit is first claimed may be carried back to any of the
11 taxpayer's three prior tax years and carried forward to any of the taxpayer's five
12 subsequent tax years. A certificate of tax credit issued to a taxpayer by the
13 department may be assigned, transferred, sold or otherwise conveyed. Whenever
14 a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a
15 notarized endorsement shall be filed with the department specifying the name
16 and address of the new owner of the tax credit and the value of the credit.

17 3. The tax credits allowed pursuant to sections 135.475 to 135.487 may
18 not be claimed in addition to any other state tax credits, with the exception of the
19 historic structures rehabilitation tax credit authorized pursuant to sections
20 253.545 to 253.559, which insofar as sections 135.475 to 135.487 are concerned
21 may be claimed only in conjunction with the tax credit allowed pursuant to
22 subsection 4 of section 135.481. In order for a taxpayer eligible for the historic
23 structures rehabilitation tax credit to claim the tax credit allowed pursuant to
24 subsection 4 of section 135.481, the taxpayer must comply with the requirements
25 of sections 253.545 to 253.559, and in such cases, the amount of the tax credit
26 pursuant to subsection 4 of section 135.481 shall be limited to the lesser of twenty
27 percent of the taxpayer's eligible costs or forty thousand dollars.

28 **4. Notwithstanding any provision of law to the contrary, except**
29 **as otherwise provided under subsection 5 of this section, no tax credits**
30 **provided under sections 135.475 to 135.487 shall be authorized on or**
31 **after the effective date of this act. The provisions of this subsection**
32 **shall not be construed to limit or in any way impair the department's**
33 **ability to issue tax credits authorized prior to the effective date of this**
34 **act, or a taxpayer's ability to redeem such tax credits.**

35 **5. (1) By no later than thirty calendar days following the**
36 **effective date of this act, and the first day of October each year**
37 **thereafter, the director of the department may provide to the budget**
38 **committee of the house of representatives and the appropriations**
39 **committee of the senate a request for an appropriation for tax credits**
40 **provided under sections 135.475 to 135.487. Appropriations made**
41 **pursuant to the provisions of this subsection shall provide the amount**
42 **of tax credits which may be authorized during the fiscal year**
43 **immediately following the fiscal year in which such appropriation is**
44 **made. Appropriations provided under this subsection shall only be**
45 **made in the annual appropriation bill relating to public debt.**

46 **(2) There is hereby created in the state treasury the**
47 **"Neighborhood Preservation Tax Credits for Disaster Relief Fund",**
48 **which shall consist of money appropriated under this subsection. The**
49 **state treasurer shall be custodian of the fund and may approve**
50 **disbursements from the fund in accordance with sections 30.170 and**
51 **30.180. Upon appropriation, money in the fund shall be used solely for**
52 **the administration of this subsection. Notwithstanding the provisions**
53 **of section 33.080 to the contrary, any moneys remaining in the fund for**

54 tax credits which have been authorized but not yet redeemed at the end
55 of the fiscal year shall not revert to the credit of the general revenue
56 fund. Any moneys remaining in the fund at the end of the fiscal year
57 for any tax credits which remain unauthorized at the end of the fiscal
58 year shall revert to the credit of the general revenue fund. Provisions
59 of section 32.057 to the contrary notwithstanding, the department of
60 revenue shall notify the department upon redemption of each tax credit
61 authorized under the provisions of this subdivision. Upon such
62 notification, an amount equal to the tax credits redeemed shall be
63 transferred from the fund created in this subdivision to the general
64 revenue fund. In the event the department determines that any tax
65 credit authorized under this subsection is precluded from being
66 redeemed due to contractual agreement entered into by the department
67 and the tax credit applicant or is otherwise precluded by law from
68 being redeemed, an amount equal to such tax credit shall be
69 transferred from the fund created in this subdivision to the general
70 revenue fund. The state treasurer shall invest moneys in the fund in
71 the same manner as other funds are invested. Any interest and moneys
72 earned on such investments shall be credited to the general revenue
73 fund at the end of each fiscal year.

74 (3) Tax credits provided under sections 135.475 to 135.487 may,
75 subject to appropriation to the neighborhood preservation tax credits
76 for disaster relief fund, be authorized for projects located within any
77 county declared a disaster area pursuant to federal law at any time
78 during the thirty-six months following the declaration.

135.490. 1. In order to encourage and foster community improvement, an
2 eligible small business, as defined in Section 44 of the Internal Revenue Code,
3 shall be allowed a credit not to exceed five thousand dollars against the tax
4 otherwise due pursuant to chapter 143, not including sections 143.191 to 143.265,
5 in an amount equal to fifty percent of all eligible access expenditures exceeding
6 the monetary cap provided by Section 44 of the Internal Revenue Code. For
7 purposes of this section, "eligible access expenditures" means amounts paid or
8 incurred by the taxpayer in order to comply with applicable access requirements
9 provided by the Americans With Disabilities Act of 1990, as further defined in
10 Section 44 of the Internal Revenue Code and federal rulings interpreting Section
11 44 of the Internal Revenue Code.

12 2. The tax credit allowed by this section shall be claimed by the taxpayer

13 at the time such taxpayer files a return. Any amount of tax credit which exceeds
14 the tax due shall be carried over to any subsequent taxable year, but shall not be
15 refunded and shall not be transferable.

16 3. The director of the department of economic development and the
17 director of the department of revenue shall jointly administer the tax credit
18 authorized by this section. Both the director of the department of economic
19 development and the director of the department of revenue are authorized to
20 promulgate rules and regulations necessary to administer the provisions of this
21 section. No rule or portion of a rule promulgated pursuant to the authority of
22 this section shall become effective unless it has been promulgated pursuant to the
23 provisions of chapter 536.

24 4. The provisions of this section shall become effective on January 1, 2000,
25 and shall apply to all taxable years beginning after December 31, 1999.

26 **5. Notwithstanding any provision of law to the contrary, no tax**
27 **credits provided under this section shall be authorized on or after**
28 **August 28, 2015. The provisions of this subsection shall not be**
29 **construed to limit or in any way impair the department's ability to**
30 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
31 **ability to redeem such tax credits.**

135.535. 1. A corporation, limited liability corporation, partnership or
2 sole proprietorship, which moves its operations from outside Missouri or outside
3 a distressed community into a distressed community, or which commences
4 operations in a distressed community on or after January 1, 1999, and in either
5 case has more than seventy-five percent of its employees at the facility in the
6 distressed community, and which has fewer than one hundred employees for
7 whom payroll taxes are paid, and which is a manufacturing, biomedical, medical
8 devices, scientific research, animal research, computer software design or
9 development, computer programming, including Internet, web hosting, and other
10 information technology, wireless or wired or other telecommunications or a
11 professional firm shall receive a forty percent credit against income taxes owed
12 pursuant to chapter 143, 147 or 148, other than taxes withheld pursuant to
13 sections 143.191 to 143.265, for each of the three years after such move, if
14 approved by the department of economic development, which shall issue a
15 certificate of eligibility if the department determines that the taxpayer is eligible
16 for such credit. The maximum amount of credits per taxpayer set forth in this
17 subsection shall not exceed one hundred twenty-five thousand dollars for each of

18 the three years for which the credit is claimed. The department of economic
19 development, by means of rule or regulation promulgated pursuant to the
20 provisions of chapter 536, shall assign appropriate North American Industry
21 Classification System numbers to the companies which are eligible for the tax
22 credits provided for in this section. Such three-year credits shall be awarded only
23 one time to any company which moves its operations from outside of Missouri or
24 outside of a distressed community into a distressed community or to a company
25 which commences operations within a distressed community. A taxpayer shall
26 file an application for certification of the tax credits for the first year in which
27 credits are claimed and for each of the two succeeding taxable years for which
28 credits are claimed.

29 2. Employees of such facilities physically working and earning wages for
30 that work within a distressed community whose employers have been approved
31 for tax credits pursuant to subsection 1 of this section by the department of
32 economic development for whom payroll taxes are paid shall also be eligible to
33 receive a tax credit against individual income tax, imposed pursuant to chapter
34 143, equal to one and one-half percent of their gross salary paid at such facility
35 earned for each of the three years that the facility receives the tax credit provided
36 by this section, so long as they were qualified employees of such entity. The
37 employer shall calculate the amount of such credit and shall report the amount
38 to the employee and the department of revenue.

39 3. A tax credit against income taxes owed pursuant to chapter 143, 147
40 or 148, other than the taxes withheld pursuant to sections 143.191 to 143.265, in
41 lieu of the credit against income taxes as provided in subsection 1 of this section,
42 may be taken by such an entity in a distressed community in an amount of forty
43 percent of the amount of funds expended for computer equipment and its
44 maintenance, medical laboratories and equipment, research laboratory
45 equipment, manufacturing equipment, fiber optic equipment, high speed
46 telecommunications, wiring or software development expense up to a maximum
47 of seventy-five thousand dollars in tax credits for such equipment or expense per
48 year per entity and for each of three years after commencement in or moving
49 operations into a distressed community.

50 4. A corporation, partnership or sole partnership, which has no more than
51 one hundred employees for whom payroll taxes are paid, which is already located
52 in a distressed community and which expends funds for such equipment pursuant
53 to subsection 3 of this section in an amount exceeding its average of the prior two

54 years for such equipment, shall be eligible to receive a tax credit against income
55 taxes owed pursuant to chapters 143, 147 and 148 in an amount equal to the
56 lesser of seventy-five thousand dollars or twenty-five percent of the funds
57 expended for such additional equipment per such entity. Tax credits allowed
58 pursuant to this subsection or subsection 1 of this section may be carried back to
59 any of the three prior tax years and carried forward to any of the five tax years.

60 5. An existing corporation, partnership or sole proprietorship that is
61 located within a distressed community and that relocates employees from another
62 facility outside of the distressed community to its facility within the distressed
63 community, and an existing business located within a distressed community that
64 hires new employees for that facility may both be eligible for the tax credits
65 allowed by subsections 1 and 3 of this section. To be eligible for such tax credits,
66 such a business, during one of its tax years, shall employ within a distressed
67 community at least twice as many employees as were employed at the beginning
68 of that tax year. A business hiring employees shall have no more than one
69 hundred employees before the addition of the new employees. This subsection
70 shall only apply to a business which is a manufacturing, biomedical, medical
71 devices, scientific research, animal research, computer software design or
72 development, computer programming or telecommunications business, or a
73 professional firm.

74 6. Tax credits shall be approved for applicants meeting the requirements
75 of this section in the order that such applications are received. Certificates of tax
76 credits issued in accordance with this section may be transferred, sold or assigned
77 by notarized endorsement which names the transferee.

78 7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this
79 section shall be for an amount of no more than ten million dollars for each year
80 beginning in 1999. [To the extent there are available tax credits remaining under
81 the ten million dollar cap provided in this section, up to one hundred thousand
82 dollars in the remaining credits shall first be used for tax credits authorized
83 under section 135.562.] The total maximum credit for all entities already located
84 in distressed communities and claiming credits pursuant to subsection 4 of this
85 section shall be seven hundred and fifty thousand dollars. The department of
86 economic development in approving taxpayers for the credit as provided for in
87 subsection 6 of this section shall use information provided by the department of
88 revenue regarding taxes paid in the previous year, or projected taxes for those
89 entities newly established in the state, as the method of determining when this

90 maximum will be reached and shall maintain a record of the order of
91 approval. Any tax credit not used in the period for which the credit was approved
92 may be carried over until the full credit has been allowed.

93 8. A Missouri employer relocating into a distressed community and having
94 employees covered by a collective bargaining agreement at the facility from which
95 it is relocating shall not be eligible for the credits in subsection 1, 3, 4 or 5 of this
96 section, and its employees shall not be eligible for the credit in subsection 2 of
97 this section if the relocation violates or terminates a collective bargaining
98 agreement covering employees at the facility, unless the affected collective
99 bargaining unit concurs with the move.

100 9. Notwithstanding any provision of law to the contrary, no taxpayer shall
101 earn the tax credits allowed in this section and the tax credits otherwise allowed
102 in section 135.110, or the tax credits, exemptions, and refund otherwise allowed
103 in sections 135.200, 135.220, 135.225 and 135.245, respectively, for the same
104 business for the same tax period.

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

2 (1) "Contribution", a donation of cash, stock, bonds or other marketable
3 securities, or real property;

4 (2) "Shelter for victims of domestic violence", a facility located in this state
5 which meets the definition of a shelter for victims of domestic violence pursuant
6 to section 455.200 and which meets the requirements of section 455.220;

7 (3) "State tax liability", in the case of a business taxpayer, any liability
8 incurred by such taxpayer pursuant to the provisions of chapter 143, chapter 147,
9 chapter 148, and chapter 153, exclusive of the provisions relating to the
10 withholding of tax as provided for in sections 143.191 to 143.265 and related
11 provisions, and in the case of an individual taxpayer, any liability incurred by
12 such taxpayer pursuant to the provisions of chapter 143;

13 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a
14 shareholder in an S corporation doing business in the state of Missouri and
15 subject to the state income tax imposed by the provisions of chapter 143, or a
16 corporation subject to the annual corporation franchise tax imposed by the
17 provisions of chapter 147, including any charitable organization which is exempt
18 from federal income tax and whose Missouri unrelated business taxable income,
19 if any, would be subject to the state income tax imposed under chapter 143, or an
20 insurance company paying an annual tax on its gross premium receipts in this
21 state, or other financial institution paying taxes to the state of Missouri or any

22 political subdivision of this state pursuant to the provisions of chapter 148, or an
23 express company which pays an annual tax on its gross receipts in this state
24 pursuant to chapter 153, or an individual subject to the state income tax imposed
25 by the provisions of chapter 143.

26 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's
27 state tax liability, in an amount equal to fifty percent of the amount such
28 taxpayer contributed to a shelter for victims of domestic violence.

29 3. The amount of the tax credit claimed shall not exceed the amount of the
30 taxpayer's state tax liability for the taxable year that the credit is claimed, and
31 such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand
32 dollars per taxable year. However, any tax credit that cannot be claimed in the
33 taxable year the contribution was made may be carried over to the next four
34 succeeding taxable years until the full credit has been claimed.

35 4. Except for any excess credit which is carried over pursuant to
36 subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit
37 unless the total amount of such taxpayer's contribution or contributions to a
38 shelter or shelters for victims of domestic violence in such taxpayer's taxable year
39 has a value of at least one hundred dollars.

40 5. The director of the department of social services shall determine, at
41 least annually, which facilities in this state may be classified as shelters for
42 victims of domestic violence. The director of the department of social services
43 may require of a facility seeking to be classified as a shelter for victims of
44 domestic violence whatever information is reasonably necessary to make such a
45 determination. The director of the department of social services shall classify a
46 facility as a shelter for victims of domestic violence if such facility meets the
47 definition set forth in subsection 1 of this section.

48 6. The director of the department of social services shall establish a
49 procedure by which a taxpayer can determine if a facility has been classified as
50 a shelter for victims of domestic violence, and by which such taxpayer can then
51 contribute to such shelter for victims of domestic violence and claim a tax
52 credit. Shelters for victims of domestic violence shall be permitted to decline a
53 contribution from a taxpayer. The cumulative amount of tax credits which may
54 be claimed by all the taxpayers contributing to shelters for victims of domestic
55 violence in any one fiscal year shall not exceed two million dollars.

56 7. The director of the department of social services shall establish a
57 procedure by which, from the beginning of the fiscal year until some point in time

58 later in the fiscal year to be determined by the director of the department of
59 social services, the cumulative amount of tax credits are equally apportioned
60 among all facilities classified as shelters for victims of domestic violence. If a
61 shelter for victims of domestic violence fails to use all, or some percentage to be
62 determined by the director of the department of social services, of its apportioned
63 tax credits during this predetermined period of time, the director of the
64 department of social services may reapportion these unused tax credits to those
65 shelters for victims of domestic violence that have used all, or some percentage
66 to be determined by the director of the department of social services, of their
67 apportioned tax credits during this predetermined period of time. The director
68 of the department of social services may establish more than one period of time
69 and reapportion more than once during each fiscal year. To the maximum extent
70 possible, the director of the department of social services shall establish the
71 procedure described in this subsection in such a manner as to ensure that
72 taxpayers can claim all the tax credits possible up to the cumulative amount of
73 tax credits available for the fiscal year.

74 8. This section shall become effective January 1, 2000, and shall apply to
75 all tax years after December 31, 1999.

76 **9. Notwithstanding any provision of law to the contrary, no tax**
77 **credits provided under this section shall be authorized on or after**
78 **August 28, 2015. The provisions of this subsection shall not be**
79 **construed to limit or in any way impair the department's ability to**
80 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
81 **ability to redeem such tax credits.**

135.562. 1. If any taxpayer with a federal adjusted gross income of thirty
2 thousand dollars or less incurs costs for the purpose of making all or any portion
3 of such taxpayer's principal dwelling accessible to an individual with a disability
4 who permanently resides with the taxpayer, such taxpayer shall receive a tax
5 credit against such taxpayer's Missouri income tax liability in an amount equal
6 to the lesser of one hundred percent of such costs or two thousand five hundred
7 dollars per taxpayer, per tax year.

8 2. Any taxpayer with a federal adjusted gross income greater than thirty
9 thousand dollars but less than sixty thousand dollars who incurs costs for the
10 purpose of making all or any portion of such taxpayer's principal dwelling
11 accessible to an individual with a disability who permanently resides with the
12 taxpayer shall receive a tax credit against such taxpayer's Missouri income tax

13 liability in an amount equal to the lesser of fifty percent of such costs or two
14 thousand five hundred dollars per taxpayer per tax year. No taxpayer shall be
15 eligible to receive tax credits under this section in any tax year immediately
16 following a tax year in which such taxpayer received tax credits under the
17 provisions of this section.

18 3. Tax credits issued pursuant to this section may be refundable in an
19 amount not to exceed two thousand five hundred dollars per tax year.

20 4. Eligible costs for which the credit may be claimed include:

- 21 (1) Constructing entrance or exit ramps;
- 22 (2) Widening exterior or interior doorways;
- 23 (3) Widening hallways;
- 24 (4) Installing handrails or grab bars;
- 25 (5) Moving electrical outlets and switches;
- 26 (6) Installing stairway lifts;
- 27 (7) Installing or modifying fire alarms, smoke detectors, and other alerting
28 systems;
- 29 (8) Modifying hardware of doors; or
- 30 (9) Modifying bathrooms.

31 5. The tax credits allowed, including the maximum amount that may be
32 claimed, pursuant to this section shall be reduced by an amount sufficient to
33 offset any amount of such costs a taxpayer has already deducted from such
34 taxpayer's federal adjusted gross income or to the extent such taxpayer has
35 applied any other state or federal income tax credit to such costs.

36 6. A taxpayer shall claim a credit allowed by this section in the same
37 taxable year as the credit is issued, and at the time such taxpayer files his or her
38 Missouri income tax return; provided that such return is timely filed.

39 7. The department may, in consultation with the department of social
40 services, promulgate such rules or regulations as are necessary to administer the
41 provisions of this section. Any rule or portion of a rule, as that term is defined
42 in section 536.010, that is created under the authority delegated in this section
43 shall become effective only if it complies with and is subject to all of the
44 provisions of chapter 536 and, if applicable, section 536.028. This section and
45 chapter 536 are nonseverable and if any of the powers vested with the general
46 assembly pursuant to chapter 536 to review, to delay the effective date or to
47 disapprove and annul a rule are subsequently held unconstitutional, then the
48 grant of rulemaking authority and any rule proposed or adopted after August 28,

49 2007, shall be invalid and void.

50 8. The provisions of this section shall apply to all tax years beginning on
51 or after January 1, 2008.

52 9. [The provisions of this section shall expire December 31, 2013.

53 10.] In no event shall the aggregate amount of all tax credits allowed
54 pursuant to this section exceed one hundred thousand dollars in any given fiscal
55 year. The tax credits issued pursuant to this section shall be on a first-come,
56 first-served filing basis.

57 **10. Notwithstanding any provision of law to the contrary, no tax**
58 **credits provided under this section shall be authorized on or after**
59 **August 28, 2015. The provisions of this subsection shall not be**
60 **construed to limit or in any way impair the department's ability to**
61 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
62 **ability to redeem such tax credits.**

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

2 (1) "Contribution", a donation of cash, stock, bonds or other marketable
3 securities, or real property;

4 (2) "Maternity home", a residential facility located in this state
5 established for the purpose of providing housing and assistance to pregnant
6 women who are carrying their pregnancies to term, and which is exempt from
7 income taxation under the United States Internal Revenue Code;

8 (3) "State tax liability", in the case of a business taxpayer, any liability
9 incurred by such taxpayer pursuant to the provisions of chapter 143, chapter 147,
10 chapter 148, and chapter 153, exclusive of the provisions relating to the
11 withholding of tax as provided for in sections 143.191 to 143.265, and related
12 provisions, and in the case of an individual taxpayer, any liability incurred by
13 such taxpayer pursuant to the provisions of chapter 143;

14 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a
15 shareholder in an S corporation doing business in the state of Missouri and
16 subject to the state income tax imposed by the provisions of chapter 143,
17 including any charitable organization which is exempt from federal income tax
18 and whose Missouri unrelated business taxable income, if any, would be subject
19 to the state income tax imposed under chapter 143, or a corporation subject to the
20 annual corporation franchise tax imposed by the provisions of chapter 147, or an
21 insurance company paying an annual tax on its gross premium receipts in this
22 state, or other financial institution paying taxes to the state of Missouri or any

23 political subdivision of this state pursuant to the provisions of chapter 148, or an
24 express company which pays an annual tax on its gross receipts in this state
25 pursuant to chapter 153, or an individual subject to the state income tax imposed
26 by the provisions of chapter 143.

27 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's
28 state tax liability, in an amount equal to fifty percent of the amount such
29 taxpayer contributed to a maternity home.

30 3. The amount of the tax credit claimed shall not exceed the amount of the
31 taxpayer's state tax liability for the taxable year that the credit is claimed, and
32 such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand
33 dollars per taxable year. However, any tax credit that cannot be claimed in the
34 taxable year the contribution was made may be carried over to the next four
35 succeeding taxable years until the full credit has been claimed.

36 4. Except for any excess credit which is carried over pursuant to
37 subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit
38 unless the total amount of such taxpayer's contribution or contributions to a
39 maternity home or homes in such taxpayer's taxable year has a value of at least
40 one hundred dollars.

41 5. The director of the department of social services shall determine, at
42 least annually, which facilities in this state may be classified as maternity
43 homes. The director of the department of social services may require of a facility
44 seeking to be classified as a maternity home whatever information is reasonably
45 necessary to make such a determination. The director of the department of social
46 services shall classify a facility as a maternity home if such facility meets the
47 definition set forth in subsection 1 of this section.

48 6. The director of the department of social services shall establish a
49 procedure by which a taxpayer can determine if a facility has been classified as
50 a maternity home, and by which such taxpayer can then contribute to such
51 maternity home and claim a tax credit. Maternity homes shall be permitted to
52 decline a contribution from a taxpayer. The cumulative amount of tax credits
53 which may be claimed by all the taxpayers contributing to maternity homes in
54 any one fiscal year shall not exceed two million dollars.

55 7. The director of the department of social services shall establish a
56 procedure by which, from the beginning of the fiscal year until some point in time
57 later in the fiscal year to be determined by the director of the department of
58 social services, the cumulative amount of tax credits are equally apportioned

59 among all facilities classified as maternity homes. If a maternity home fails to
60 use all, or some percentage to be determined by the director of the department of
61 social services, of its apportioned tax credits during this predetermined period of
62 time, the director of the department of social services may reapportion these
63 unused tax credits to those maternity homes that have used all, or some
64 percentage to be determined by the director of the department of social services,
65 of their apportioned tax credits during this predetermined period of time. The
66 director of the department of social services may establish more than one period
67 of time and reapportion more than once during each fiscal year. To the maximum
68 extent possible, the director of the department of social services shall establish
69 the procedure described in this subsection in such a manner as to ensure that
70 taxpayers can claim all the tax credits possible up to the cumulative amount of
71 tax credits available for the fiscal year.

72 8. This section shall become effective January 1, 2000, and shall apply to
73 all tax years after December 31, 1999.

74 **9. Notwithstanding any provision of law to the contrary, no tax**
75 **credits provided under this section shall be authorized on or after**
76 **August 28, 2015. The provisions of this subsection shall not be**
77 **construed to limit or in any way impair the department's ability to**
78 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
79 **ability to redeem such tax credits.**

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

2 (1) "Contribution", a donation of cash, stock, bonds, or other marketable
3 securities, or real property;

4 (2) "Director", the director of the department of social services;

5 (3) "Pregnancy resource center", a nonresidential facility located in this
6 state:

7 (a) Established and operating primarily to provide assistance to women
8 with crisis pregnancies or unplanned pregnancies by offering pregnancy testing,
9 counseling, emotional and material support, and other similar services to
10 encourage and assist such women in carrying their pregnancies to term; and

11 (b) Where childbirths are not performed; and

12 (c) Which does not perform, induce, or refer for abortions and which does
13 not hold itself out as performing, inducing, or referring for abortions; and

14 (d) Which provides direct client services at the facility, as opposed to
15 merely providing counseling or referral services by telephone; and

16 (e) Which provides its services at no cost to its clients; and

17 (f) When providing medical services, such medical services must be
18 performed in accordance with Missouri statute; and

19 (g) Which is exempt from income taxation pursuant to the Internal
20 Revenue Code of 1986, as amended;

21 (4) "State tax liability", in the case of a business taxpayer, any liability
22 incurred by such taxpayer pursuant to the provisions of chapters 143, 147, 148,
23 and 153, excluding sections 143.191 to 143.265 and related provisions, and in the
24 case of an individual taxpayer, any liability incurred by such taxpayer pursuant
25 to the provisions of chapter 143, excluding sections 143.191 to 143.265 and
26 related provisions;

27 (5) "Taxpayer", a person, firm, a partner in a firm, corporation, or a
28 shareholder in an S corporation doing business in the state of Missouri and
29 subject to the state income tax imposed by the provisions of chapter 143, or a
30 corporation subject to the annual corporation franchise tax imposed by the
31 provisions of chapter 147, or an insurance company paying an annual tax on its
32 gross premium receipts in this state, or other financial institution paying taxes
33 to the state of Missouri or any political subdivision of this state pursuant to the
34 provisions of chapter 148, or an express company which pays an annual tax on
35 its gross receipts in this state pursuant to chapter 153, or an individual subject
36 to the state income tax imposed by the provisions of chapter 143, or any
37 charitable organization which is exempt from federal income tax and whose
38 Missouri unrelated business taxable income, if any, would be subject to the state
39 income tax imposed under chapter 143.

40 2. For all tax years beginning on or after January 1, 2007, a taxpayer
41 shall be allowed to claim a tax credit against the taxpayer's state tax liability in
42 an amount equal to fifty percent of the amount such taxpayer contributed to a
43 pregnancy resource center.

44 3. The amount of the tax credit claimed shall not exceed the amount of the
45 taxpayer's state tax liability for the taxable year for which the credit is claimed,
46 and such taxpayer shall not be allowed to claim a tax credit in excess of fifty
47 thousand dollars per taxable year. However, any tax credit that cannot be
48 claimed in the taxable year the contribution was made may be carried over to the
49 next four succeeding taxable years until the full credit has been claimed.

50 4. Except for any excess credit which is carried over pursuant to
51 subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit

52 unless the total amount of such taxpayer's contribution or contributions to a
53 pregnancy resource center or centers in such taxpayer's taxable year has a value
54 of at least one hundred dollars.

55 5. The director shall determine, at least annually, which facilities in this
56 state may be classified as pregnancy resource centers. The director may require
57 of a facility seeking to be classified as a pregnancy resource center whatever
58 information which is reasonably necessary to make such a determination. The
59 director shall classify a facility as a pregnancy resource center if such facility
60 meets the definition set forth in subsection 1 of this section.

61 6. The director shall establish a procedure by which a taxpayer can
62 determine if a facility has been classified as a pregnancy resource
63 center. Pregnancy resource centers shall be permitted to decline a contribution
64 from a taxpayer. The cumulative amount of tax credits which may be claimed by
65 all the taxpayers contributing to pregnancy resource centers in any one fiscal year
66 shall not exceed two million dollars. Tax credits shall be issued in the order
67 contributions are received.

68 7. The director shall establish a procedure by which, from the beginning
69 of the fiscal year until some point in time later in the fiscal year to be determined
70 by the director, the cumulative amount of tax credits are equally apportioned
71 among all facilities classified as pregnancy resource centers. If a pregnancy
72 resource center fails to use all, or some percentage to be determined by the
73 director, of its apportioned tax credits during this predetermined period of time,
74 the director may reapportion these unused tax credits to those pregnancy
75 resource centers that have used all, or some percentage to be determined by the
76 director, of their apportioned tax credits during this predetermined period of
77 time. The director may establish more than one period of time and reapportion
78 more than once during each fiscal year. To the maximum extent possible, the
79 director shall establish the procedure described in this subsection in such a
80 manner as to ensure that taxpayers can claim all the tax credits possible up to
81 the cumulative amount of tax credits available for the fiscal year.

82 8. Each pregnancy resource center shall provide information to the
83 director concerning the identity of each taxpayer making a contribution to the
84 pregnancy resource center who is claiming a tax credit pursuant to this section
85 and the amount of the contribution. The director shall provide the information
86 to the director of revenue. The director shall be subject to the confidentiality and
87 penalty provisions of section 32.057 relating to the disclosure of tax information.

88 9. Notwithstanding any other law to the contrary, any tax credits granted
89 under this section may be assigned, transferred, sold, or otherwise conveyed
90 without consent or approval. Such taxpayer, hereinafter the assignor for
91 purposes of this section, may sell, assign, exchange, or otherwise transfer earned
92 tax credits:

93 (1) For no less than seventy-five percent of the par value of such credits;
94 and

95 (2) In an amount not to exceed one hundred percent of annual earned
96 credits.

97 10. [Pursuant to section 23.253 of the Missouri sunset act:

98 (1) Any new program authorized under this section shall automatically
99 sunset six years after August 28, 2006, unless reauthorized by an act of the
100 general assembly; and

101 (2) If such program is reauthorized, the program authorized under this
102 section shall automatically sunset twelve years after the effective date of the
103 reauthorization of this section; and

104 (3) This section shall terminate on September first of the calendar year
105 immediately following the calendar year in which a program authorized under
106 this section is sunset.] **Pursuant to section 23.253 of the Missouri sunset
107 act, the provisions of the program authorized under this section are
108 hereby reauthorized and shall automatically sunset on August 28, 2015.**

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

2 (1) "Local food pantry", any food pantry that is:

3 (a) Exempt from taxation under section 501(c)(3) of the Internal Revenue
4 Code of 1986, as amended; and

5 (b) Distributing emergency food supplies to Missouri low-income people
6 who would otherwise not have access to food supplies in the area in which the
7 taxpayer claiming the tax credit under this section resides;

8 (2) "Taxpayer", an individual, a firm, a partner in a firm, corporation, or
9 a shareholder in an S corporation doing business in this state and subject to the
10 state income tax imposed by chapter 143, excluding withholding tax imposed by
11 sections 143.191 to 143.265.

12 2. For all tax years beginning on or after January 1, 2007, any taxpayer
13 who donates cash or food, unless such food is donated after the food's expiration
14 date, to any local food pantry shall be allowed a credit against the tax otherwise
15 due under chapter 143, excluding withholding tax imposed by sections 143.191

16 to 143.265, in an amount equal to fifty percent of the value of the donations made
17 to the extent such amounts that have been subtracted from federal adjusted gross
18 income or federal taxable income are added back in the determination of Missouri
19 adjusted gross income or Missouri taxable income before the credit can be
20 claimed. Each taxpayer claiming a tax credit under this section shall file an
21 affidavit with the income tax return verifying the amount of their
22 contributions. The amount of the tax credit claimed shall not exceed the amount
23 of the taxpayer's state tax liability for the tax year that the credit is claimed, and
24 shall not exceed two thousand five hundred dollars per taxpayer claiming the
25 credit. Any amount of credit that the taxpayer is prohibited by this section from
26 claiming in a tax year shall not be refundable, but may be carried forward to any
27 of the taxpayer's three subsequent taxable years. No tax credit granted under
28 this section shall be transferred, sold, or assigned. No taxpayer shall be eligible
29 to receive a credit pursuant to this section if such taxpayer employs persons who
30 are not authorized to work in the United States under federal law.

31 3. The cumulative amount of tax credits under this section which may be
32 allocated to all taxpayers contributing to a local food pantry in any one fiscal year
33 shall not exceed two million dollars. The director of revenue shall establish a
34 procedure by which the cumulative amount of tax credits is apportioned among
35 all taxpayers claiming the credit by April fifteenth of the fiscal year in which the
36 tax credit is claimed. To the maximum extent possible, the director of revenue
37 shall establish the procedure described in this subsection in such a manner as to
38 ensure that taxpayers can claim all the tax credits possible up to the cumulative
39 amount of tax credits available for the fiscal year.

40 4. Any local food pantry may accept or reject any donation of food made
41 under this section for any reason. For purposes of this section, any donations of
42 food accepted by a local food pantry shall be valued at fair market value, or at
43 wholesale value if the taxpayer making the donation of food is a retail grocery
44 store, food broker, wholesaler, or restaurant.

45 5. The department of revenue shall promulgate rules to implement the
46 provisions of this section. Any rule or portion of a rule, as that term is defined
47 in section 536.010, that is created under the authority delegated in this section
48 shall become effective only if it complies with and is subject to all of the
49 provisions of chapter 536 and, if applicable, section 536.028. This section and
50 chapter 536 are nonseverable and if any of the powers vested with the general
51 assembly pursuant to chapter 536 to review, to delay the effective date, or to

52 disapprove and annul a rule are subsequently held unconstitutional, then the
53 grant of rulemaking authority and any rule proposed or adopted after August 28,
54 2007, shall be invalid and void.

55 6. [Under section 23.253 of the Missouri sunset act:

56 (1) The provisions of the new program authorized under this section shall
57 automatically sunset four years after August 28, 2007, unless reauthorized by an
58 act of the general assembly; and

59 (2) If such program is reauthorized, the program authorized under this
60 section shall automatically sunset twelve years after the effective date of the
61 reauthorization of this section; and

62 (3) This section shall terminate on September first of the calendar year
63 immediately following the calendar year in which the program authorized under
64 this section is sunset.] **Pursuant to section 23.253 of the Missouri sunset
65 act, the provisions of the program authorized under this section are
66 hereby reauthorized and shall automatically sunset on August 28, 2015.**

135.679. 1. This section shall be known and may be cited as the
2 "Qualified Beef Tax Credit Act".

3 2. As used in this section, the following terms mean:

4 (1) "Agricultural property", any real and personal property, including but
5 not limited to buildings, structures, improvements, equipment, and livestock, that
6 is used in or is to be used in this state by residents of this state for:

7 (a) The operation of a farm or ranch; and

8 (b) Grazing, feeding, or the care of livestock;

9 (2) "Authority", the agricultural and small business development authority
10 established in chapter 348;

11 (3) "Backgrounded", any additional weight at the time of the first
12 qualifying sale, before being finished, above the established baseline weight;

13 (4) "Baseline weight", the average weight in the immediate past three
14 years of all beef animals sold that are thirty months of age or younger,
15 categorized by sex. Baseline weight for qualified beef animals that are physically
16 out-of-state but whose ownership is retained by a resident of this state shall be
17 established by the average transfer weight in the immediate past three years of
18 all beef animals that are thirty months of age or younger and that are transferred
19 out-of-state but whose ownership is retained by a resident of this state,
20 categorized by sex. The established baseline weight shall be effective for a period
21 of three years. If the taxpayer is a qualifying beef animal producer with fewer

22 than three years of production, the baseline weight shall be established by the
23 available average weight in the immediate past year of all beef animals sold that
24 are thirty months of age or younger, categorized by sex. If the qualifying beef
25 animal producer has no previous production, the baseline weight shall be
26 established by the authority;

27 (5) "Finished", the period from backgrounded to harvest;

28 (6) "Qualifying beef animal", any beef animal that is certified by the
29 authority, that was born in this state after August 28, 2008, that was raised and
30 backgrounded or finished in this state by the taxpayer, excluding any beef animal
31 more than thirty months of age as verified by certified written birth records;

32 (7) "Qualifying sale", the first time a qualifying beef animal is sold in this
33 state after the qualifying beef animal is backgrounded, and a subsequent sale if
34 the weight of the qualifying beef animal at the time of the subsequent sale is
35 greater than the weight of the qualifying beef animal at the time of the first
36 qualifying sale of such beef animal;

37 (8) "Tax credit", a credit against the tax otherwise due under chapter 143,
38 excluding withholding tax imposed by sections 143.191 to 143.265, or otherwise
39 due under chapter 147;

40 (9) "Taxpayer", any individual or entity who:

41 (a) Is subject to the tax imposed in chapter 143, excluding withholding tax
42 imposed by sections 143.191 to 143.265, or the tax imposed in chapter 147;

43 (b) In the case of an individual, is a resident of this state as verified by
44 a 911 address or in the absence of a 911 system, a physical address; and

45 (c) Owns or rents agricultural property and principal place of business is
46 located in this state.

47 3. For all taxable years beginning on or after January 1, 2009, [but ending
48 on or before December 31, 2016,] a taxpayer shall be allowed a tax credit for the
49 first qualifying sale and for a subsequent qualifying sale of all qualifying beef
50 animals. The tax credit amount for the first qualifying sale shall be ten cents per
51 pound, shall be based on the backgrounded weight of all qualifying beef animals
52 at the time of the first qualifying sale, and shall be calculated as follows: the
53 qualifying sale weight minus the baseline weight multiplied by ten cents, as long
54 as the qualifying sale weight is equal to or greater than two hundred pounds
55 above the baseline weight. The tax credit amount for each subsequent qualifying
56 sale shall be ten cents per pound, shall be based on the backgrounded weight of
57 all qualifying beef animals at the time of the subsequent qualifying sale, and

58 shall be calculated as follows: the qualifying sale weight minus the baseline
59 weight multiplied by ten cents, as long as the qualifying sale weight is equal to
60 or greater than two hundred pounds above the baseline weight. The authority
61 may waive no more than twenty-five percent of the two hundred pound weight
62 gain requirement, but any such waiver shall be based on a disaster declaration
63 issued by the U. S. Department of Agriculture.

64 4. The amount of the tax credit claimed shall not exceed the amount of the
65 taxpayer's state tax liability for the taxable year for which the credit is claimed.
66 No tax credit claimed under this section shall be refundable. The tax credit shall
67 be claimed in the taxable year in which the qualifying sale of the qualifying beef
68 occurred, but any amount of credit that the taxpayer is prohibited by this section
69 from claiming in a taxable year may be carried forward to any of the taxpayer's
70 five subsequent taxable years and carried backward to any of the taxpayer's three
71 previous taxable years. The amount of tax credits that may be issued to all
72 eligible applicants claiming tax credits authorized in this section in a fiscal year
73 shall not exceed three million dollars. Tax credits shall be issued on an
74 as-received application basis until the fiscal year limit is reached. Any credits
75 not issued in any fiscal year shall expire and shall not be issued in any
76 subsequent years.

77 5. To claim the tax credit allowed under this section, the taxpayer shall
78 submit to the authority an application for the tax credit on a form provided by the
79 authority and any application fee imposed by the authority. The application shall
80 be filed with the authority at the end of each calendar year in which a qualified
81 sale was made and for which a tax credit is claimed under this section. The
82 application shall include any certified documentation and information required
83 by the authority. All required information obtained by the authority shall be
84 confidential and not disclosed except by court order, subpoena, or as otherwise
85 provided by law. If the taxpayer and the qualified sale meet all criteria required
86 by this section and approval is granted by the authority, the authority shall issue
87 a tax credit certificate in the appropriate amount. Tax credit certificates issued
88 under this section may be assigned, transferred, sold, or otherwise conveyed, and
89 the new owner of the tax credit certificate shall have the same rights in the tax
90 credit as the original taxpayer. Whenever a tax credit certificate is assigned,
91 transferred, sold or otherwise conveyed, a notarized endorsement shall be filed
92 with the authority specifying the name and address of the new owner of the tax
93 credit certificate or the value of the tax credit.

94 6. Any information provided under this section shall be confidential
95 information, to be shared with no one except state and federal animal health
96 officials, except as provided in subsection 5 of this section.

97 7. The authority may promulgate rules to implement the provisions of this
98 section. Any rule or portion of a rule, as that term is defined in section 536.010,
99 that is created under the authority delegated in this section shall become effective
100 only if it complies with and is subject to all of the provisions of chapter 536 and,
101 if applicable, section 536.028. This section and chapter 536 are nonseverable and
102 if any of the powers vested with the general assembly pursuant to chapter 536 to
103 review, to delay the effective date, or to disapprove and annul a rule are
104 subsequently held unconstitutional, then the grant of rulemaking authority and
105 any rule proposed or adopted after August 28, 2007, shall be invalid and void.

106 **8. Notwithstanding any provision of law to the contrary, no tax**
107 **credits provided under this section shall be authorized on or after**
108 **August 28, 2014. The provisions of this subsection shall not be**
109 **construed to limit or in any way impair the authority's ability to issue**
110 **tax credits authorized prior to August 28, 2014, or a taxpayer's ability**
111 **to redeem such tax credits.**

112 9. This section shall not be subject to the Missouri sunset act, sections
113 23.250 to 23.298.

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

2 (1) "Adjusted purchase price", the product of:

3 (a) The amount paid to the issuer of a qualified equity investment for such
4 qualified equity investment; and

5 (b) The following fraction:

6 a. The numerator shall be the dollar amount of qualified low-income
7 community investments held by the issuer in this state as of the credit allowance
8 date during the applicable tax year; and

9 b. The denominator shall be the total dollar amount of qualified
10 low-income community investments held by the issuer in all states as of the credit
11 allowance date during the applicable tax year;

12 c. For purposes of calculating the amount of qualified low-income
13 community investments held by an issuer, an investment shall be considered held
14 by an issuer even if the investment has been sold or repaid; provided that the
15 issuer reinvests an amount equal to the capital returned to or recovered by the
16 issuer from the original investment, exclusive of any profits realized, in another

17 qualified low-income community investment within twelve months of the receipt
18 of such capital. An issuer shall not be required to reinvest capital returned from
19 qualified low-income community investments after the sixth anniversary of the
20 issuance of the qualified equity investment, the proceeds of which were used to
21 make the qualified low-income community investment, and the qualified
22 low-income community investment shall be considered held by the issuer through
23 the seventh anniversary of the qualified equity investment's issuance;

24 (2) "Applicable percentage", zero percent for each of the first two credit
25 allowance dates, seven percent for the third credit allowance date, and eight
26 percent for the next four credit allowance dates;

27 (3) "Credit allowance date", with respect to any qualified equity
28 investment:

29 (a) The date on which such investment is initially made; and

30 (b) Each of the six anniversary dates of such date thereafter;

31 (4) **"Disaster relief area", an area adversely affected by a tornado,**
32 **severe thunderstorm, or flooding of the Missouri or Mississippi rivers**
33 **during the calendar year beginning on or after January 1, 2011, but**
34 **ending on or before December 31, 2011;**

35 (5) "Long-term debt security", any debt instrument issued by a qualified
36 community development entity, at par value or a premium, with an original
37 maturity date of at least seven years from the date of its issuance, with no
38 acceleration of repayment, amortization, or prepayment features prior to its
39 original maturity date, and with no distribution, payment, or interest features
40 related to the profitability of the qualified community development entity or the
41 performance of the qualified community development entity's investment
42 portfolio. The foregoing shall in no way limit the holder's ability to accelerate
43 payments on the debt instrument in situations where the issuer has defaulted on
44 covenants designed to ensure compliance with this section or Section 45D of the
45 Internal Revenue Code of 1986, as amended;

46 [(5)] (6) "Qualified active low-income community business", the meaning
47 given such term in Section 45D of the Internal Revenue Code of 1986, as
48 amended; provided that any business that derives or projects to derive fifteen
49 percent or more of its annual revenue from the rental or sale of real estate shall
50 not be considered to be a qualified active low-income community business;

51 [(6)] (7) "Qualified community development entity", the meaning given
52 such term in Section 45D of the Internal Revenue Code of 1986, as amended;

53 provided that such entity has entered into an allocation agreement with the
54 Community Development Financial Institutions Fund of the U.S. Treasury
55 Department with respect to credits authorized by Section 45D of the Internal
56 Revenue Code of 1986, as amended, which includes the state of Missouri within
57 the service area set forth in such allocation agreement;

58 [(7)] (8) "Qualified equity investment", any equity investment in, or
59 long-term debt security issued by, a qualified community development entity that:

60 (a) Is acquired after September 4, 2007, at its original issuance solely in
61 exchange for cash;

62 (b) Has at least eighty-five percent of its cash purchase price used by the
63 issuer to make qualified low-income community investments; and

64 (c) Is designated by the issuer as a qualified equity investment under this
65 subdivision and is certified by the department of economic development as not
66 exceeding the limitation contained in subsection 2 of this section. This term shall
67 include any qualified equity investment that does not meet the provisions of
68 paragraph (a) of this subdivision if such investment was a qualified equity
69 investment in the hands of a prior holder;

70 [(8)] (9) "Qualified low-income community investment", any capital or
71 equity investment in, or loan to, any qualified active low-income community
72 business. With respect to any one qualified active low-income community
73 business, the maximum amount of qualified low-income community investments
74 made in such business, on a collective basis with all of its affiliates, that may be
75 used from the calculation of any numerator described in subparagraph a. of
76 paragraph (b) of subdivision (1) of this subsection shall be ten million dollars
77 whether issued to one or several qualified community development entities;

78 [(9)] (10) "Tax credit", a credit against the tax otherwise due under
79 chapter 143, excluding withholding tax imposed in sections 143.191 to 143.265,
80 or otherwise due under section 375.916 or chapter 147, 148, or 153;

81 [(10)] (11) "Taxpayer", any individual or entity subject to the tax imposed
82 in chapter 143, excluding withholding tax imposed in sections 143.191 to 143.265,
83 or the tax imposed in section 375.916 or chapter 147, 148, or 153.

84 2. A taxpayer that makes a qualified equity investment earns a vested
85 right to tax credits under this section. On each credit allowance date of such
86 qualified equity investment the taxpayer, or subsequent holder of the qualified
87 equity investment, shall be entitled to a tax credit during the taxable year
88 including such credit allowance date. The tax credit amount shall be equal to the

89 applicable percentage of the adjusted purchase price paid to the issuer of such
90 qualified equity investment. The amount of the tax credit claimed shall not
91 exceed the amount of the taxpayer's state tax liability for the tax year for which
92 the tax credit is claimed. No tax credit claimed under this section shall be
93 refundable or transferable. Tax credits earned by a partnership, limited liability
94 company, S-corporation, or other pass-through entity may be allocated to the
95 partners, members, or shareholders of such entity for their direct use in
96 accordance with the provisions of any agreement among such partners, members,
97 or shareholders. Any amount of tax credit that the taxpayer is prohibited by this
98 section from claiming in a taxable year may be carried forward to any of the
99 taxpayer's five subsequent taxable years. The department of economic
100 development shall limit the monetary amount of qualified equity investments
101 permitted under this section to a level necessary to limit tax credit utilization at
102 no more than twenty-five million dollars of tax credits in any fiscal year. Such
103 limitation on qualified equity investments shall be based on the anticipated
104 utilization of credits without regard to the potential for taxpayers to carry
105 forward tax credits to later tax years.

106 3. The issuer of the qualified equity investment shall certify to the
107 department of economic development the anticipated dollar amount of such
108 investments to be made in this state during the first twelve-month period
109 following the initial credit allowance date. If on the second credit allowance date,
110 the actual dollar amount of such investments is different than the amount
111 estimated, the department of economic development shall adjust the credits
112 arising on the second allowance date to account for such difference.

113 4. The department of economic development shall recapture the tax credit
114 allowed under this section with respect to such qualified equity investment under
115 this section if:

116 (1) Any amount of the federal tax credit available with respect to a
117 qualified equity investment that is eligible for a tax credit under this section is
118 recaptured under Section 45D of the Internal Revenue Code of 1986, as amended;
119 or

120 (2) The issuer redeems or makes principal repayment with respect to a
121 qualified equity investment prior to the seventh anniversary of the issuance of
122 such qualified equity investment. Any tax credit that is subject to recapture shall
123 be recaptured from the taxpayer that claimed the tax credit on a return.

124 5. The department of economic development shall promulgate rules to

125 implement the provisions of this section, including recapture provisions on a
126 scaled proportional basis, and to administer the allocation of tax credits issued
127 for qualified equity investments, which shall be conducted on a first-come,
128 first-serve basis. **The department of economic development shall**
129 **promulgate an emergency rule defining the geographic boundaries of**
130 **any disaster relief areas immediately following the enactment of this**
131 **act. In lieu of an emergency rule the department may issue a private**
132 **letter ruling pursuant to section 135.682 when applicable.** Any rule or
133 portion of a rule, as that term is defined in section 536.010, that is created under
134 the authority delegated in this section shall become effective only if it complies
135 with and is subject to all of the provisions of chapter 536 and, if applicable,
136 section 536.028. This section and chapter 536 are nonseverable and if any of the
137 powers vested with the general assembly pursuant to chapter 536 to review, to
138 delay the effective date, or to disapprove and annul a rule are subsequently held
139 unconstitutional, then the grant of rulemaking authority and any rule proposed
140 or adopted after September 4, 2007, shall be invalid and void.

141 6. For fiscal years following fiscal year 2010, qualified equity investments
142 shall not be made under this section unless reauthorization is made pursuant to
143 this subsection. For all fiscal years following fiscal year 2010, unless the general
144 assembly adopts a concurrent resolution granting authority to the department of
145 economic development to approve qualified equity investments for the Missouri
146 new markets development program and clearly describing the amount of tax
147 credits available for the next fiscal year, or otherwise complies with the
148 provisions of this subsection, no qualified equity investments may be permitted
149 to be made under this section. The amount of available tax credits contained in
150 such a resolution shall not exceed the limitation provided under subsection 2 of
151 this section. In any year in which the provisions of this section shall sunset
152 pursuant to subsection 7 of this section, reauthorization shall be made by general
153 law and not by concurrent resolution. Nothing in this subsection shall preclude
154 a taxpayer who makes a qualified equity investment prior to the expiration of
155 authority to make qualified equity investments from claiming tax credits relating
156 to such qualified equity investment for each applicable credit allowance date **or**
157 **from reallocating such investment to a qualified active low-income**
158 **community business located in a disaster relief area.**

159 7. Under section 23.253 of the Missouri sunset act:

160 (1) The provisions of the new program authorized under this section shall

161 automatically sunset six years after September 4, 2007, unless reauthorized by
162 an act of the general assembly; and

163 (2) If such program is reauthorized, the program authorized under this
164 section shall automatically sunset twelve years after the effective date of the
165 reauthorization of this section; and

166 (3) This section shall terminate on September first of the calendar year
167 immediately following the calendar year in which the program authorized under
168 this section is sunset. However, nothing in this subsection shall preclude a
169 taxpayer who makes a qualified equity investment prior to sunset of this section
170 under the provisions of section 23.253 from claiming tax credits relating to such
171 qualified equity investment for each credit allowance date.

135.700. 1. For all tax years beginning on or after January 1, 1999, a
2 grape grower or wine producer shall be allowed a tax credit against the state tax
3 liability incurred pursuant to chapter 143, exclusive of the provisions relating to
4 the withholding of tax as provided in sections 143.191 to 143.265, in an amount
5 equal to twenty-five percent of the purchase price of all new equipment and
6 materials used directly in the growing of grapes or the production of wine in the
7 state. Each grower or producer shall apply to the department of economic
8 development and specify the total amount of such new equipment and materials
9 purchased during the calendar year. The department of economic development
10 shall certify to the department of revenue the amount of such tax credit to which
11 a grape grower or wine producer is entitled pursuant to this section. The
12 provisions of this section notwithstanding, a grower or producer may only apply
13 for and receive the credit authorized by this section for five tax periods. **For all**
14 **tax years beginning on or after January 1, 2012, no more than two**
15 **hundred thousand dollars in tax credits provided under this section**
16 **may be authorized annually.**

17 2. **Notwithstanding any provision of law to the contrary, no tax**
18 **credits provided under this section shall be authorized on or after**
19 **August 28, 2014. The provisions of this subsection shall not be**
20 **construed to limit or in any way impair the department's ability to**
21 **issue tax credits authorized prior to August 28, 2014, or a taxpayer's**
22 **ability to redeem such tax credits.**

135.815. 1. Prior to authorization of any tax credit application, an
2 administering agency shall verify through the department of revenue that the tax
3 credit applicant does not owe any delinquent income, sales, or use taxes, or

4 interest or penalties on such taxes, and through the department of insurance,
5 financial institutions and professional registration that the applicant does not
6 owe any delinquent insurance taxes. Such delinquency shall not affect the
7 authorization of the application for such tax credits, except that the amount of
8 credits issued shall be reduced by the applicant's tax delinquency. If the
9 department of revenue or the department of insurance, financial institutions and
10 professional registration concludes that a taxpayer is delinquent after June
11 fifteenth but before July first of any year, and the application of tax credits to
12 such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then
13 the taxpayer shall be granted thirty days to satisfy the deficiency in which
14 interest, penalties, and additions to tax shall be tolled. After applying all
15 available credits towards a tax delinquency, the administering agency shall notify
16 the appropriate department, and that department shall update the amount of
17 outstanding delinquent tax owed by the applicant. If any credits remain after
18 satisfying all insurance, income, sales, and use tax delinquencies, the remaining
19 credits shall be issued to the applicant, subject to the restrictions of other
20 provisions of law.

21 2. Any applicant of a tax credit program contained in the definition of the
22 term "all tax credit programs" who purposely and directly employs unauthorized
23 aliens shall forfeit any tax credits issued to such applicant which have not been
24 redeemed, and shall repay the amount of any tax credits redeemed by such
25 applicant during the period of time such unauthorized alien was employed by the
26 applicant. As used in this subsection, the term "unauthorized alien" shall mean
27 an alien who does not have the legal right or authorization under federal law to
28 work in the United States, as defined under Section 8 U.S.C. 1324a(h)(3).

29 **3. Any administering agency may, by rule, provide for the**
30 **recapture of tax credits for noncompliance with program requirements.**

135.825. 1. The administering agencies for all tax credit programs shall,
2 in cooperation with the department of revenue, implement a system for tracking
3 the amount of tax credits authorized, issued, and redeemed. Any such agency
4 may promulgate rules for the implementation of this section.

5 2. The provisions of **subsection 1** of this section shall not apply to any
6 credit that is issued and redeemed simultaneously.

7 **3. The committee on legislative research shall conduct a review**
8 **of any tax credit program, in the manner provided under the provisions**
9 **of sections 23.250 to 23.298, by September first of the calendar year**

10 **prior to the year in which tax credit authorizations or issuances will**
11 **be prohibited for such tax credit program.**

12 4. Any rule or portion of a rule, as that term is defined in section 536.010,
13 that is created under the authority delegated in this section shall become effective
14 only if it complies with and is subject to all of the provisions of chapter 536 and,
15 if applicable, section 536.028. This section and chapter 536 are nonseverable and
16 if any of the powers vested with the general assembly pursuant to chapter 536 to
17 review, to delay the effective date, or to disapprove and annul a rule are
18 subsequently held unconstitutional, then the grant of rulemaking authority and
19 any rule proposed or adopted after August 28, 2004, shall be invalid and void.

135.1150. 1. This section shall be known and may be cited as the
2 "Residential Treatment Agency Tax Credit Act".

3 2. As used in this section, the following terms mean:

4 (1) "Certificate", a tax credit certificate issued under this section;

5 (2) "Department", the Missouri department of social services;

6 (3) "Eligible donation", donations received from a taxpayer by an agency
7 that are used solely to provide direct care services to children who are residents
8 of this state. Eligible donations may include cash, publicly traded stocks and
9 bonds, and real estate that will be valued and documented according to rules
10 promulgated by the department of social services. For purposes of this section,
11 "direct care services" include but are not limited to increasing the quality of care
12 and service for children through improved employee compensation and training;

13 (4) "Qualified residential treatment agency" or "agency", a residential care
14 facility that is licensed under section 210.484, accredited by the Council on
15 Accreditation (COA), the Joint Commission on Accreditation of Healthcare
16 Organizations (JCAHO), or the Commission on Accreditation of Rehabilitation
17 Facilities (CARF), and is under contract with the Missouri department of social
18 services to provide treatment services for children who are residents or wards of
19 residents of this state, and that receives eligible donations. Any agency that
20 operates more than one facility or at more than one location shall be eligible for
21 the tax credit under this section only for any eligible donation made to facilities
22 or locations of the agency which are licensed and accredited;

23 (5) "Taxpayer", [any of the following individuals or entities who make an
24 eligible donation to an agency:

25 (a) A person, firm, partner in a firm, corporation, or a shareholder in an
26 S corporation doing business in the state of Missouri and subject to the state

27 income tax imposed in chapter 143;

28 (b) A corporation subject to the annual corporation franchise tax imposed
29 in chapter 147;

30 (c) An insurance company paying an annual tax on its gross premium
31 receipts in this state;

32 (d) Any other financial institution paying taxes to the state of Missouri
33 or any political subdivision of this state under chapter 148;

34 (e) An individual subject to the state income tax imposed in chapter 143;

35 (f) Any charitable organization which is exempt from federal income tax
36 and whose Missouri unrelated business taxable income, if any, would be subject
37 to the state income tax imposed under chapter 143] **an individual, a firm, a
38 partner in a firm, sole proprietorship, partner in a limited or general
39 partnership, member of a limited liability company, corporation as
40 defined under section 143.441 or 143.471, a shareholder in an S
41 corporation doing business in this state and subject to the state income
42 tax imposed by chapter 143, excluding withholding tax imposed by
43 sections 143.191 to 143.265, or a charitable organization, trust, or public
44 or private foundation which is exempt from federal income tax and
45 whose Missouri unrelated business taxable income, if any, would be
46 subject to state income tax imposed under chapter 143.**

47 3. For all taxable years beginning on or after January 1, 2007, any
48 taxpayer shall be allowed a credit against the taxes otherwise due under chapter
49 147, 148, or 143, excluding withholding tax imposed by sections 143.191 to
50 143.265, in an amount equal to fifty percent of the amount of an eligible donation,
51 subject to the restrictions in this section. The amount of the tax credit claimed
52 shall not exceed the amount of the taxpayer's state income tax liability in the tax
53 year for which the credit is claimed. Any amount of credit that the taxpayer is
54 prohibited by this section from claiming in a tax year shall not be refundable, but
55 may be carried forward to any of the taxpayer's four subsequent taxable years.

56 4. To claim the credit authorized in this section, an agency may submit
57 to the department an application for the tax credit authorized by this section on
58 behalf of taxpayers. The department shall verify that the agency has submitted
59 the following items accurately and completely:

60 (1) A valid application in the form and format required by the department;

61 (2) A statement attesting to the eligible donation received, which shall
62 include the name and taxpayer identification number of the individual making

63 the eligible donation, the amount of the eligible donation, and the date the
64 eligible donation was received by the agency; and

65 (3) Payment from the agency equal to the value of the tax credit for which
66 application is made. If the agency applying for the tax credit meets all criteria
67 required by this subsection, the department shall issue a certificate in the
68 appropriate amount.

69 5. An agency may apply for tax credits in an aggregate amount that does
70 not exceed [forty percent of] the payments made by the department to the agency
71 in the preceding twelve months.

72 6. Tax credits issued under this section may be assigned, transferred,
73 sold, or otherwise conveyed, and the new owner of the tax credit shall have the
74 same rights in the credit as the taxpayer. Whenever a certificate is assigned,
75 transferred, sold, or otherwise conveyed, a notarized endorsement shall be filed
76 with the department specifying the name and address of the new owner of the tax
77 credit or the value of the credit.

78 7. The department shall promulgate rules to implement the provisions of
79 this section. Any rule or portion of a rule, as that term is defined in section
80 536.010, that is created under the authority delegated in this section shall
81 become effective only if it complies with and is subject to all of the provisions of
82 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
83 nonseverable and if any of the powers vested with the general assembly pursuant
84 to chapter 536 to review, to delay the effective date, or to disapprove and annul
85 a rule are subsequently held unconstitutional, then the grant of rulemaking
86 authority and any rule proposed or adopted after August 28, 2006, shall be
87 invalid and void.

88 8. [Under section 23.253 of the Missouri sunset act:

89 (1) The provisions of the new program authorized under this section shall
90 automatically sunset six years after August 28, 2006, unless reauthorized by an
91 act of the general assembly; and

92 (2) If such program is reauthorized, the program authorized under this
93 section shall automatically sunset twelve years after the effective date of the
94 reauthorization of this section; and

95 (3) This section shall terminate on September first of the calendar year
96 immediately following the calendar year in which the program authorized under
97 this section is sunset.] **Pursuant to section 23.253 of the Missouri sunset
98 act, the provisions of the program authorized under this section are**

99 hereby reauthorized and shall automatically sunset on August 28, 2015.

135.1180. 1. This section shall be known and may be cited as the
2 "Developmental Disability Care Provider Tax Credit Program".

3 2. As used in this section, the following terms mean:

4 (1) "Certificate", a tax credit certificate issued under this section;

5 (2) "Department", the Missouri department of social services;

6 (3) "Eligible donation", donations received, by a provider, from
7 a taxpayer that are used solely to provide direct care services to
8 persons with developmental disabilities who are residents of this
9 state. Eligible donations may include cash, publicly traded stocks and
10 bonds, and real estate that will be valued and documented according
11 to rules promulgated by the department of social services. For
12 purposes of this section, "direct care services" include, but are not
13 limited to, increasing the quality of care and service for persons with
14 developmental disabilities through improved employee compensation
15 and training;

16 (4) "Qualified developmental disability care provider" or
17 "provider", a care provider that provides assistance to persons with
18 developmental disabilities, and is under contract with the Missouri
19 department of social services or department of mental health to provide
20 treatment services for such persons, and that receives eligible
21 donations. Any provider that operates more than one facility or at
22 more than one location shall be eligible for the tax credit under this
23 section only for any eligible donation made to facilities or locations of
24 the provider which are licensed and accredited;

25 (5) "Taxpayer", any of the following individuals or entities who
26 make an eligible donation to a provider:

27 (a) A person, firm, partner in a firm, corporation, or a
28 shareholder in an S corporation doing business in the state of Missouri
29 and subject to the state income tax imposed in chapter 143;

30 (b) A corporation subject to the annual corporation franchise tax
31 imposed in chapter 147;

32 (c) An insurance company paying an annual tax on its gross
33 premium receipts in this state;

34 (d) Any other financial institution paying taxes to the state of
35 Missouri or any political subdivision of this state under chapter 148;

36 (e) An individual subject to the state income tax imposed in

37 **chapter 143;**

38 **(f) Any charitable organization which is exempt from federal**
39 **income tax and whose Missouri unrelated business taxable income, if**
40 **any, would be subject to the state income tax imposed under chapter**
41 **143.**

42 **3. For all taxable years beginning on or after January 1, 2011,**
43 **any taxpayer shall be allowed a credit against the taxes otherwise due**
44 **under chapter 143, 147, or 148 excluding withholding tax imposed by**
45 **sections 143.191 to 143.265 in an amount equal to fifty percent of the**
46 **amount of an eligible donation, subject to the restrictions in this**
47 **section. The amount of the tax credit claimed shall not exceed the**
48 **amount of the taxpayer's state income tax liability in the tax year for**
49 **which the credit is claimed. Any amount of credit that the taxpayer is**
50 **prohibited by this section from claiming in a tax year shall not be**
51 **refundable, but may be carried forward to any of the taxpayer's four**
52 **subsequent taxable years.**

53 **4. To claim the credit authorized in this section, a provider shall**
54 **submit to the department an application for the tax credit authorized**
55 **by this section on behalf of taxpayers. The department shall verify that**
56 **the provider has submitted the following items accurately and**
57 **completely:**

58 **(1) A valid application in the form and format required by the**
59 **department;**

60 **(2) A statement attesting to the eligible donation received, which**
61 **shall include the name and taxpayer identification number of the**
62 **individual making the eligible donation, the amount of the eligible**
63 **donation, and the date the eligible donation was received by the**
64 **provider; and**

65 **(3) Payment from the provider equal to the value of the tax**
66 **credit for which application is made.**

67 **If the provider applying for the tax credit meets all criteria required**
68 **by this subsection, the department shall issue a certificate in the**
69 **appropriate amount.**

70 **5. Tax credits issued under this section may be assigned,**
71 **transferred, sold, or otherwise conveyed, and the new owner of the tax**
72 **credit shall have the same rights in the credit as the**
73 **taxpayer. Whenever a certificate is assigned, transferred, sold, or**

74 otherwise conveyed, a notarized endorsement shall be filed with the
75 department specifying the name and address of the new owner of the
76 tax credit or the value of the credit.

77 6. The department shall promulgate rules to implement the
78 provisions of this section. Any rule or portion of a rule, as that term is
79 defined in section 536.010, that is created under the authority delegated
80 in this section shall become effective only if it complies with and is
81 subject to all of the provisions of chapter 536, and, if applicable, section
82 536.028. This section and chapter 536, are nonseverable and if any of
83 the powers vested with the general assembly pursuant to chapter 536,
84 to review, to delay the effective date, or to disapprove and annul a rule
85 are subsequently held unconstitutional, then the grant of rulemaking
86 authority and any rule proposed or adopted after The effective date of
87 this act, shall be invalid and void.

88 7. Under section 23.253 of the Missouri sunset act:

89 (1) The provisions of the new program authorized under this
90 section shall automatically sunset four years after August 28, 2011,
91 unless reauthorized by an act of the general assembly; and

92 (2) If such program is reauthorized, the program authorized
93 under this section shall automatically sunset twelve years after the
94 effective date of the reauthorization of this section; and

95 (3) This section shall terminate on September first of the
96 calendar year immediately following the calendar year in which the
97 program authorized under this section is sunset.

135.1500. 1. Sections 135.1500 to 135.1521, shall be known and
2 may be cited as the "Aerotropolis Trade Incentive and Tax Credit Act".

3 2. As used in sections 135.1500 to 135.1521, unless the context
4 clearly requires otherwise, the following terms shall mean:

5 (1) "Air export tax credit", the tax credit against the taxes
6 imposed under chapters 143, 147, and 148, except for sections 143.191
7 to 143.265, to be issued by the department to a claiming freight
8 forwarder for the shipment of air cargo on a qualifying outbound flight;

9 (2) "Airport", an airport which is owned and operated by a city
10 not within a county;

11 (3) "Chargeable kilo", the shipment of a kilo of freight, as
12 measured by the greater of:

13 (a) Actual weight; or

14 **(b) A dimensional weight, as determined by the conversion**
15 **factors promulgated by the International Air Transport Association, on**
16 **a qualifying outbound flight;**

17 **(4) "Claiming freight forwarder", the freight forwarder**
18 **designated as the "agent" on the airway bill for the qualifying outbound**
19 **flight for which such air export tax credit is sought;**

20 **(5) "Department", the Missouri department of economic**
21 **development;**

22 **(6) "Direct all cargo aircraft flight", a flight that flies directly to**
23 **its destination without stopping, except to receive fuel and**
24 **maintenance;**

25 **(7) "Freight forwarder", a person that assumes responsibility in**
26 **the ordinary course of its business for the transportation of cargo from**
27 **the place of receipt to the place of destination, including the utilization**
28 **of a qualifying outbound flight;**

29 **(8) "Perishable freight", agricultural products, including seeds,**
30 **garden products, live animals, and processed meat products such as**
31 **pork and beef;**

32 **(9) "Qualifying outbound flight", a direct all cargo aircraft flight**
33 **from the airport to an international destination.**

135.1507. 1. For all taxable years beginning on or after January
2 **1, 2011, a claiming freight forwarder shall be entitled to an air export**
3 **tax credit for the shipment of cargo on a qualifying outbound flight in**
4 **an amount equal to thirty cents per chargeable kilo.**

5 **2. For all taxable years beginning on or after January 1, 2011, a**
6 **claiming freight forwarder shall be entitled to an air export tax credit**
7 **for the shipment of perishable freight on a qualifying outbound flight**
8 **in an amount equal to thirty-five cents per chargeable kilo.**

9 **3. No claiming freight forwarder shall receive air export tax**
10 **credits under both subsections 1 and 2 of this section for a single**
11 **shipment on a qualifying outbound flight.**

12 **4. The department shall index the amount of the air export tax**
13 **credits to adjust each year depending upon fluctuations in the cost of**
14 **fuel for over-the-road transportation.**

135.1509. 1. To receive benefits provided under section 135.1507,
2 **a claiming freight forwarder shall file an application with the**
3 **department within one hundred twenty calendar days of the date that**

4 the shipment for which air export tax credits are being sought was
5 transported on the qualifying outbound flight. The documentation to
6 be presented by the claiming freight forwarder in such an application
7 shall consist of the master airway bill for the shipment on the
8 qualifying outbound flight for which the claiming freight forwarder is
9 seeking air export tax credits. All master airway bills shall specify an
10 origin located within the United States of America for the shipments to
11 qualify for air export tax credits. The department shall establish
12 procedures to allow claiming freight forwarders that file applications
13 for air export tax credits to receive such tax credits within ten business
14 days of the date of the filing of the application for air export tax
15 credits relating to the qualifying outbound flight. No application shall
16 be approved for any continuing direct all cargo aircraft flights from the
17 airport to an international destination conducted by a carrier, which
18 conducted such flights on a scheduled basis prior to May 1, 2011, and
19 which continuing flights after May 1, 2011, would otherwise have
20 constituted qualifying outbound flights.

21 2. If the annual cap on the issuance of air export tax credits
22 provided under section 135.1511, is met in a given year, then the
23 amount of such tax credits which have been authorized, but remain
24 unissued, shall be carried forward and issued in the subsequent year.

25 3. No tax credits provided under this section shall be authorized
26 after August 28, 2019. Any tax credits authorized on or before August
27 28, 2019, but not issued prior to such date may be issued until all such
28 authorized tax credits have been issued.

135.1511. The total aggregate amount of air export tax credits
2 authorized under section 135.1507 shall not exceed sixty million
3 dollars. The amount of the air export tax credits issued under section
4 135.1507 shall not exceed:

5 (1) Three million six hundred thousand dollars for the taxable
6 year beginning on or after January 1, 2011, but ending on or before
7 December 31, 2011;

8 (2) Four million eight hundred thousand dollars for the taxable
9 year beginning on or after January 1, 2012, but ending on or before
10 December 31, 2012; and

11 (3) The greater of one million two hundred thousand dollars per
12 weekly qualifying outbound flight or three million six hundred

13 thousand dollars for all taxable years beginning on or after January 1,
14 2013.

15 The department shall annually determine the number of weekly
16 qualifying outbound flights, which shall be the average number of such
17 flights per week during the month of September of the previous year.

135.1519. If the amount of any tax credit authorized under
2 sections 135.1500 to 135.1521 exceeds the total tax liability for the year
3 in which the applicant is entitled to receive a tax credit, the amount
4 that exceeds the state tax liability may be carried forward for credit
5 against the taxes imposed under chapters 143, 147, and 148, except
6 sections 143.191 to 143.265, for the succeeding six years, or until the full
7 credit is used, whichever occurs first. Tax credits authorized under the
8 provisions of sections 135.1500 to 135.1521 may be transferred, sold, or
9 otherwise assigned. Tax credits granted to a partnership, a limited
10 liability company taxed as a partnership, or multiple owners of
11 property shall be passed through to the partners, members, or owners
12 respectively pro rata or under an executed agreement among the
13 partners, members, or owners documenting an alternate distribution
14 method.

135.1521. The department may promulgate rules to implement the
2 provisions of sections 135.1500 to 135.1521. Any rule or portion of a
3 rule, as that term is defined in section 536.010 that is created under the
4 authority delegated in this section shall become effective only if it
5 complies with and is subject to all of the provisions of chapter 536, and,
6 if applicable, section 536.028. This section and chapter 536 are
7 nonseverable and if any of the powers vested with the general assembly
8 pursuant to chapter 536 to review, to delay the effective date, or to
9 disapprove and to annul a rule are subsequently held unconstitutional,
10 then the grant of rulemaking authority and any rule proposed or
11 adopted after August 28, 2011, shall be invalid and void.

144.810. 1. As used in this section, unless the context clearly
2 indicates otherwise, the following terms mean:

3 (1) "Commencement of commercial operations", shall be deemed
4 to occur during the first calendar year for which the data storage
5 center is first available for use by the operating taxpayer, or first
6 capable of being used by the operating taxpayer, as a data storage
7 center;

8 (2) "Constructing taxpayer", where more than one taxpayer is
9 responsible for a project, a taxpayer responsible for the construction
10 of the facility, as opposed to a taxpayer responsible for the equipping
11 and ongoing operations of the facility;

12 (3) "County average wage", the average wages in each county as
13 determined by the department for the most recently completed full
14 calendar year. However, if the computed county average wage is above
15 the statewide average wage, the statewide average wage shall be
16 deemed the county average wage for such county for the purpose of
17 determining eligibility;

18 (4) "Data storage center" or "facility", a facility constructed,
19 extended, improved, or operating under this section, provided that such
20 business facility is engaged primarily in:

21 (a) Data processing, hosting, and related services (NAICS
22 518210); or

23 (b) Internet publishing and broadcasting and web search portals
24 (NAICS 519130), at the business facility;

25 (5) "Existing facility", a data storage center in this state as it
26 existed prior to the effective date of this act, as determined by the
27 department;

28 (6) "Expanding facility" or "expanding data storage center", an
29 existing facility or replacement facility that expands its operations in
30 this state on or after the effective date of this act, and has net new
31 investment related to the expansion of operations in this state of at
32 least five million dollars during a period of up to twelve consecutive
33 months and results in the creation of at least five new jobs during a
34 period of up to twenty-four consecutive months from the date of
35 conditional approval for an exemption under this section, if the
36 average wage of the new jobs equals or exceeds one hundred and fifty
37 percent of the county average wage. An expanding facility shall
38 continue to be an expanding facility regardless of a subsequent change
39 in or addition of operating taxpayers or constructing taxpayers;

40 (7) "Expanding facility project" or "expanding data storage center
41 project", the construction, extension, improvement, equipping, and
42 operation of an expanding facility;

43 (8) "Investment" shall include the value of real and depreciable
44 personal property, acquired as part of the new or expanding facility

45 project which is used in the operation of the facility following
46 conditional approval of an exemption under this section;

47 (9) "NAICS", the 2007 edition of the North American Industry
48 Classification System as prepared by the Executive Office of the
49 President, Office of Management and Budget. Any NAICS sector,
50 subsector, industry group, or industry identified in this section shall
51 include its corresponding classification in previous and subsequent
52 federal industry classification systems;

53 (10) "New facility" or "new data storage center", a facility in this
54 state meeting the following requirements:

55 (a) The facility is acquired by, or leased to, an operating
56 taxpayer on or after the effective date of this act. A facility shall be
57 deemed to have been acquired by, or leased to, an operating taxpayer
58 on or after the effective date of this act, if the transfer of title to an
59 operating taxpayer, the transfer of possession under a binding contract
60 to transfer title to an operating taxpayer, or the commencement of the
61 term of the lease to an operating taxpayer occurs on or after the
62 effective date of this act, or, if the facility is constructed, erected, or
63 installed by or on behalf of an operating taxpayer, such construction,
64 erection, or installation is commenced on or after the effective date of
65 this act;

66 (b) If such facility was acquired by an operating or constructing
67 taxpayer from another person or persons on or after the effective date
68 of this act, and such facility was employed prior to the effective date
69 of this act, by any other person or persons in the operation of a data
70 storage center the facility shall not be considered a new facility;

71 (c) Such facility is not an expanding or replacement facility, as
72 defined in this section;

73 (d) The new facility project investment is at least thirty-seven
74 million dollars during a period of up to thirty-six consecutive months
75 from the date of the conditional approval for an exemption under this
76 section. Where more than one taxpayer is responsible for a project, the
77 investment requirement may be met by an operating taxpayer, a
78 constructing taxpayer, or a combination of constructing taxpayers and
79 operating taxpayers;

80 (e) At least thirty new jobs are created at the new facility during
81 a period of up to thirty-six consecutive months from the date of

82 conditional approval for an exemption under this section if the average
83 wage of the new jobs equals or exceeds one hundred fifty percent of the
84 county average wage; and

85 (f) A new facility shall continue to be a new facility regardless
86 of a subsequent change in or addition of operating taxpayers or
87 constructing taxpayers;

88 (11) "New data storage center project" or "new facility project",
89 the construction, extension, improvement, equipping, and operation of
90 a new facility;

91 (12) "New job" in the case of a new data center project, the total
92 number of full-time employees located at a new data storage center for
93 a period of up to thirty-six consecutive months from the date of
94 conditional approval for an exemption under this section. In the case
95 of an expanding data storage center project, the total number of full-
96 time employees located at the expanding data storage center that
97 exceeds the greater of the number of full-time employees located at the
98 project facility on the date of the submission of a project plan under
99 this section or for the twelve-month period prior to the date of the
100 submission of a project plan, the average number of full-time employees
101 located at the expanding data storage center facility. In the event the
102 expanding data storage center facility has not been in operation for a
103 full twelve-month period at the time of the submission of a project plan,
104 the average number of full-time employees for the number of months
105 the expanding data storage center facility has been in operation prior
106 to the date of the submission of the project plan;

107 (13) "Operating taxpayer", where more than one taxpayer is
108 responsible for a project, a taxpayer responsible for the equipping and
109 ongoing operations of the facility, as opposed to a taxpayer responsible
110 for the purchasing or construction of the facility;

111 (14) "Project taxpayers", each constructing taxpayer and each
112 operating taxpayer for a data storage center project;

113 (15) "Replacement facility", a facility in this state otherwise
114 described in subdivision (7) of this subsection, but which replaces
115 another facility located within the state, which the taxpayer or a
116 related taxpayer previously operated but discontinued operating within
117 one year prior to the commencement of commercial operations at the
118 new facility;

119 **(16) "Taxpayer", the purchaser of tangible personal property or**
120 **a service that is subject to state or local sales or use tax and from**
121 **whom state or local sales or use tax is owed. Taxpayer shall not mean**
122 **the seller charged by law with collecting the sales tax from the**
123 **purchaser.**

124 **2. In addition to the exemptions granted under chapter 144,**
125 **project taxpayers for a new data storage center project shall be**
126 **entitled, for a project period not to exceed fifteen years from the date**
127 **of conditional approval under this section and subject to the**
128 **requirements of subsection 3 of this section, to an exemption of one**
129 **hundred percent of the state and local sales and use taxes defined,**
130 **levied, or calculated under section 32.085, sections 144.010 to 144.525,**
131 **sections 144.600 to 144.761, or section 238.235, limited to the net fiscal**
132 **benefit of the state calculated over a ten year period, on:**

133 **(1) All electrical energy, gas, water, and other utilities including**
134 **telecommunication and internet services used in a new data storage**
135 **center;**

136 **(2) All machinery, equipment, and computers used in any new**
137 **data storage center; and**

138 **(3) All sales at retail of tangible personal property and materials**
139 **for the purpose of constructing any new data storage center.**

140 **The amount of any exemption provided under this subsection shall not**
141 **exceed the projected net fiscal benefit to the state over a period of ten**
142 **years, as determined by the department of economic development using**
143 **the Regional Economic Modeling, Inc. dataset or comparable data.**

144 **3. Any data storage center project seeking a tax exemption under**
145 **subsection 2 of this section shall submit a project plan to the**
146 **department of economic development, which shall identify each known**
147 **constructing taxpayer and known operating taxpayer for the project**
148 **and include any additional information the department of economic**
149 **development may require to determine eligibility for the**
150 **exemption. The department of economic development shall review the**
151 **project plan and determine whether the project is eligible for the**
152 **exemption under subsection 2 of this section, conditional upon**
153 **subsequent verification by the department that the project meets the**
154 **requirements in subsection 1 of this section for a new facility. The**
155 **department of economic development shall convey such conditional**

156 approval to the department of revenue and the identified project
157 taxpayers. After a conditionally approved new facility has met the
158 requirements in subsection 1 of this section for a new facility and the
159 execution of the agreement specified in subsection 6 of this section, the
160 project taxpayers shall provide proof of the same to the department of
161 economic development. Upon verification of such proof, the
162 department of economic development shall certify the new facility to
163 the department of revenue as being eligible for the exemption dating
164 retroactively to the first day of the thirty-six month period. The
165 department of revenue, upon receipt of adequate proof of the amount
166 of sales taxes paid since the first day of the thirty-six month period,
167 shall issue a refund of taxes paid but eligible for exemption under
168 subsection 2 of this section to each operating taxpayer and each
169 constructing taxpayer and issue a certificate of exemption to each new
170 project taxpayer for ongoing exemptions under subsection 2 of this
171 section.

172 4. In addition to the exemptions granted under chapter 144, upon
173 approval by the department of economic development, project
174 taxpayers for expanding data center projects may, for a period not to
175 exceed ten years, be specifically exempted from state and local sales
176 and use taxes defined, levied, or calculated under section 32.085,
177 sections 144.010 to 144.525, sections 144.600 to 144.761, or section
178 238.235 on:

179 (1) All electrical energy, gas, water, and other utilities including
180 telecommunication and internet services used in an expanding data
181 storage center which, on an annual basis, exceeds the amount of
182 electrical energy, gas, water, and other utilities including
183 telecommunication and internet services used in the existing facility or
184 the replaced facility prior to the expansion. For purposes of this
185 subdivision only, "amount" shall be measured in kilowatt hours, gallons,
186 cubic feet, or other measures applicable to a utility service as opposed
187 to in dollars, to account for increases in utility rates;

188 (2) All machinery, equipment, and computers used in any
189 expanding data storage center, the cost of which, on an annual basis,
190 exceeds the average of the previous three years' expenditures on
191 machinery, equipment, and computers at the existing facility or the
192 replaced facility prior to the expansion. Existing facilities or replaced

193 facilities in existence for less than three years shall have the average
194 expenditures calculated based upon the applicable time of existence;
195 and

196 (3) All sales at retail of tangible personal property and materials
197 for the purpose of constructing, repairing, or remodeling any
198 expanding data storage center.

199 The amount of any exemption provided under this subsection shall not
200 exceed the projected net fiscal benefit to the state over a period of ten
201 years, as determined by the department of economic development.

202 5. Any data storage center project seeking a tax exemption under
203 subsection 4 of this section shall submit a project plan to the
204 department of economic development, which shall identify each known
205 constructing taxpayer and each known operating taxpayer for the
206 project and include any additional information the department of
207 economic development may reasonably require to determine eligibility
208 for the exemption. The department of economic development shall
209 review the project plan and determine whether the project is eligible
210 for the exemption under subsection 4 of this section, conditional upon
211 subsequent verification by the department that the project meets the
212 requirements in subsection 1 of this section for an expanding facility
213 project and the execution of the agreement specified in subsection 6 of
214 this section. The department of economic development shall convey
215 such conditional approval to the department of revenue and the
216 identified project taxpayers. After a conditional approved facility has
217 met the requirements in subsection 1 of this section, the project
218 taxpayers shall provide proof of the same to the department of
219 economic development. Upon verification of such proof, the
220 department of economic development shall certify the project to the
221 department of revenue as being eligible for the exemption dating
222 retroactively to the first day of the thirty-six month period. The
223 department of revenue, upon receipt of adequate proof of the amount
224 of sales taxes paid since the first day of the thirty-six month period,
225 shall issue a refund of taxes paid but eligible for exemption under
226 subsection 4 of this section to any applicable project taxpayer and issue
227 a certificate of exemption to any applicable project taxpayer for
228 ongoing exemptions under subsection 4 of this section.

229 6. (1) The exemptions in subsections 2 and 4 of this section shall

230 be tied to the new or expanding facility project. A certificate of
231 exemption in the hands of a taxpayer that is no longer an operating or
232 constructing taxpayer of the new or expanding facility project shall be
233 invalid as of the date the taxpayer was no longer an operating or
234 constructing taxpayer of the new or expanding facility project. New
235 certificates of exemption shall be issued to successor constructing
236 taxpayers and operating taxpayers at such new or expanding facility
237 projects. The right to the exemption by successor taxpayers shall exist
238 without regard to subsequent levels of investment in the new or
239 expanding facility by successor taxpayers.

240 (2) As a condition of receiving an exemption under subsection 2
241 or 4 of this section, the project taxpayers shall enter into an agreement
242 with the department of economic development providing for repayment
243 penalties in the event the data storage center project fails to comply
244 with any of the requirements of this section.

245 (3) The department of revenue shall credit any amounts remitted
246 by the project taxpayers under this subsection to the fund to which the
247 sales and use taxes exempted would have otherwise been credited.

248 7. The department of economic development and the department
249 of revenue shall cooperate in conducting random audits to ensure that
250 the intent of this section is followed.

251 8. Notwithstanding any other provision of law to the contrary,
252 no recipient of an exemption pursuant to this section shall be eligible
253 for benefits under any business recruitment tax credit, as defined in
254 section 135.800.

255 9. The department of economic development and the department
256 of revenue shall jointly prescribe such rules and regulations necessary
257 to carry out the provisions of this section. Any rule or portion of a
258 rule, as that term is defined in section 536.010, that is created under
259 the authority delegated in this section shall become effective only if it
260 complies with and is subject to all of the provisions of chapter 536 and,
261 if applicable, section 536.028. This section and chapter 536 are
262 nonseverable and if any of the powers vested with the general assembly
263 pursuant to chapter 536 to review, to delay the effective date, or to
264 disapprove and annul a rule are subsequently held unconstitutional,
265 then the grant of rulemaking authority and any rule proposed or
266 adopted after the effective date of this act, shall be invalid and void.

208.770. 1. Moneys deposited in or withdrawn pursuant to subsection 1
2 of section 208.760 from a family development account by an account holder are
3 exempted from taxation pursuant to chapter 143, excluding withholding tax
4 imposed by sections 143.191 to 143.265, and chapter 147, 148 or 153 provided,
5 however, that any money withdrawn for an unapproved use should be subject to
6 tax as required by law.

7 2. Interest earned by a family development account is exempted from
8 taxation pursuant to chapter 143.

9 3. Any funds in a family development account, including accrued interest,
10 shall be disregarded when determining eligibility to receive, or the amount of, any
11 public assistance or benefits.

12 4. A program contributor shall be allowed a credit against the tax imposed
13 by chapter 143, excluding withholding tax imposed by sections 143.191 to
14 143.265, and chapter 147, 148 or 153, pursuant to sections 208.750 to
15 208.775. **For all taxable years ending on or before December 31, 2011,**
16 contributions up to fifty thousand dollars per program contributor are eligible for
17 the tax credit which shall not exceed fifty percent of the contribution
18 amount. **For all taxable years beginning on or after January 1, 2012,**
19 **program contributors shall be eligible for the tax credit which shall not**
20 **exceed fifty percent of the amount of contributions made, if such**
21 **contributions are equal to or less than one thousand dollars. In**
22 **addition to the fifty percent credit allowed for contributions equal to**
23 **or less than one thousand dollars provided under this subsection,**
24 **program contributors that make contributions in excess of one**
25 **thousand dollars, shall be eligible for a credit equal to thirty-five**
26 **percent of such excess. Tax credits provided under this section may be**
27 **transferred, sold, or assigned.**

28 5. The department of economic development shall verify all tax credit
29 claims by contributors. The administrator of the community-based organization,
30 with the cooperation of the participating financial institutions, shall submit the
31 names of contributors and the total amount each contributor contributes to a
32 family development account reserve fund for the calendar year. The director shall
33 determine the date by which such information shall be submitted to the
34 department by the local administrator. The department shall submit verification
35 of qualified tax credits pursuant to sections 208.750 to 208.775 to the department
36 of revenue.

37 6. For all fiscal years ending on or before June 30, 2010, the total tax
38 credits authorized pursuant to sections 208.750 to 208.775 shall not exceed four
39 million dollars in any fiscal year. For all fiscal years beginning on or after July
40 1, 2010, the total tax credits authorized under sections 208.750 to 208.775 shall
41 not exceed three hundred thousand dollars in any fiscal year.

42 **7. Notwithstanding any provision of law to the contrary, no tax**
43 **credits provided under this section shall be authorized on or after**
44 **August 28, 2015. The provisions of this subsection shall not be**
45 **construed to limit or in any way impair the department's ability to**
46 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
47 **ability to redeem such tax credits.**

253.550. 1. Any taxpayer incurring costs and expenses for the
2 rehabilitation of eligible property, which is a certified historic structure or
3 structure in a certified historic district, may, subject to the provisions of this
4 section and section 253.559, receive a credit against the taxes imposed pursuant
5 to chapters 143 and 148, except for sections 143.191 to 143.265, on such taxpayer
6 in an amount equal to twenty-five percent of the total costs and expenses of
7 rehabilitation incurred after January 1, 1998, which shall include, but not be
8 limited to, qualified rehabilitation expenditures as defined under section
9 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended, and the related
10 regulations thereunder, provided the rehabilitation costs associated with
11 rehabilitation and the expenses exceed fifty percent of the total basis in the
12 property and the rehabilitation meets standards consistent with the standards
13 of the Secretary of the United States Department of the Interior for rehabilitation
14 as determined by the state historic preservation officer of the Missouri
15 department of natural resources.

16 2. During the period beginning on January 1, 2010, but ending on or after
17 June 30, 2010, the department of economic development shall not approve
18 applications for tax credits under the provisions of subsections 3 and 8 of section
19 253.559 which, in the aggregate, exceed seventy million dollars, increased by any
20 amount of tax credits for which approval shall be rescinded under the provisions
21 of section 253.559. For each fiscal year beginning on or after July 1, 2010, **but**
22 **ending on or before June 30, 2011**, the department of economic development
23 shall not approve applications for tax credits under the provisions of subsections
24 3 and 8 of section 253.559 which, in the aggregate, exceed one hundred forty
25 million dollars, increased by any amount of tax credits for which approval shall

26 be rescinded under the provisions of section 253.559. The limitations provided
27 under this subsection shall not apply to applications approved under the
28 provisions of subsection 3 of section 253.559 for projects to receive less than two
29 hundred seventy-five thousand dollars in tax credits.

30 3. For all applications for tax credits approved on or after January 1,
31 2010, **but before the effective date of this act**, no more than two hundred
32 fifty thousand dollars in tax credits may be issued for eligible costs and expenses
33 incurred in the rehabilitation of an eligible property which is a nonincome
34 producing single-family, owner-occupied residential property and is either a
35 certified historic structure or a structure in a certified historic district.

36 4. The limitations on tax credit authorization provided under the
37 provisions of subsections 2 and 3 of this section shall not apply to:

38 (1) Any application submitted by a taxpayer, which has received approval
39 from the department prior to January 1, 2010; or

40 (2) Any taxpayer applying for tax credits, provided under this section,
41 which, on or before January 1, 2010, has filed an application with the department
42 evidencing that such taxpayer:

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

47 (b) Has received certification, by the state historic preservation officer,
48 that the rehabilitation plan meets the standards consistent with the standards
49 of the Secretary of the United States Department of the Interior, and the
50 rehabilitation costs and expenses associated with such rehabilitation shall exceed
51 fifty percent of the total basis in the property.

52 **5. For each fiscal year beginning on or after July 1, 2011, the**
53 **department of economic development shall not approve applications for**
54 **tax credits under the provisions of subsections 3 and 8 of section**
55 **253.559 which, in the aggregate, exceed eighty million dollars,**
56 **increased by any amount of tax credits for which approval shall be**
57 **rescinded under the provisions of section 253.559. The limitations**
58 **provided under this subsection shall not apply to applications approved**
59 **under the provisions of subsection 3 of section 253.559 for projects to**
60 **receive less than two hundred seventy-five thousand dollars in tax**
61 **credits.**

62 **6. For all applications for tax credits approved on or after the**
63 **effective date of this act, no more than one hundred and twenty-five**
64 **thousand dollars in tax credits may be issued for eligible costs and**
65 **expenses incurred in the rehabilitation of an eligible property which**
66 **is a nonincome producing single-family, owner-occupied residential**
67 **property and is either a certified historic structure or a structure in a**
68 **certified historic district.**

69 **7. In lieu of the limitations on tax credit authorization provided**
70 **under the provisions of subsections 5 and 6 of this section, the**
71 **limitations on tax credit authorization provided under the provisions**
72 **of subsections 2 and 3 of this section shall apply to:**

73 **(1) Any application submitted by a taxpayer, which has received**
74 **approval from the department prior to the effective date of this act; or**

75 **(2) Any application for tax credits provided under this section**
76 **for a project, which on or before the effective date of this act:**

77 **(a) Received an approved Part I from the Secretary of the United**
78 **States Department of Interior and has incurred costs and expenses for**
79 **an eligible property which exceed the lesser of fifteen percent of the**
80 **total project costs or three million dollars; or**

81 **(b) Has received certification, by the state historic preservation**
82 **officer, that the rehabilitation plan meets the standards consistent with**
83 **the standards of the Secretary of the United States Department of the**
84 **Interior, and the rehabilitation costs and expenses associated with such**
85 **rehabilitation would, upon completion, be expected to exceed fifty**
86 **percent of the total basis in the property.**

87 **8. For each fiscal year beginning on or after July 1, 2011, the**
88 **department of economic development shall not approve applications for**
89 **projects to receive less than two hundred seventy-five thousand dollars**
90 **in tax credits which, in the aggregate, exceed ten million dollars,**
91 **increased by any amount of tax credits for which approval shall be**
92 **rescinded under the provisions of section 253.559. The limitations on**
93 **tax credit authorization provided under the provisions of this**
94 **subsection, shall not apply to:**

95 **(1) Any application submitted by a taxpayer, which has received**
96 **approval from the department prior to the effective date of this act; or**

97 **(2) Any application for tax credits provided under this section**
98 **for a project, which on or before the effective date of this act:**

99 **(a) Received an approved Part I from the Secretary of the United**
100 **States Department of Interior and has incurred costs and expenses for**
101 **an eligible property which exceed five percent of the total project costs;**
102 **or**

103 **(b) Has received certification, by the state historic preservation**
104 **officer, that the rehabilitation plan meets the standards consistent with**
105 **the standards of the Secretary of the United States Department of the**
106 **Interior, and the rehabilitation costs and expenses associated with such**
107 **rehabilitation would, upon completion, be expected to exceed fifty**
108 **percent of the total basis in the property.**

253.557. 1. If the amount of such credit exceeds the total tax liability for
2 the year in which the rehabilitated property is placed in service, the amount that
3 exceeds the state tax liability may be carried back to any of the three preceding
4 years and carried forward for credit against the taxes imposed pursuant to
5 chapter 143 and chapter 148, except for sections 143.191 to 143.265 for the
6 succeeding ten years, or until the full credit is used, whichever occurs first. **For**
7 **all tax credits authorized under the provisions of sections 253.545 to**
8 **253.559 on or after the effective date of this act, if the total amount of**
9 **such credit exceeds the total tax liability for the year in which the**
10 **rehabilitated property is placed in service, the amount that exceeds the**
11 **state tax liability may be carried back to the preceding year and**
12 **carried forward for credit against the taxes imposed pursuant to**
13 **chapter 143 and chapter 148, except for sections 143.191 to 143.265 for**
14 **the succeeding five years, or until the full credit is used, whichever**
15 **occurs first.** Not-for-profit entities, including but not limited to corporations
16 organized as not-for-profit corporations pursuant to chapter 355 shall be ineligible
17 for the tax credits authorized under sections 253.545 [through 253.561] to
18 **253.559. Any taxpayer that receives state tax credits under the**
19 **provisions of sections 135.350 to 135.363 for a project that is not**
20 **financed through tax exempt bonds issuance shall be ineligible for the**
21 **state tax credits authorized under sections 253.545 to 253.559 for the**
22 **same project.** Taxpayers eligible for such tax credits may transfer, sell or
23 assign the credits to any other taxpayer including, but not limited to, a
24 **not-for-profit entity.** Credits granted to a partnership, a limited liability
25 company taxed as a partnership or multiple owners of property shall be passed
26 through to the partners, members or owners including, but not limited to,

27 **any not-for-profit entity that is a partner, member, or owner**, respectively
28 pro rata or pursuant to an executed agreement among [the] **such** partners,
29 members or owners documenting an alternate distribution method.

30 2. The assignee of the tax credits, hereinafter the assignee for purposes
31 of this subsection, may use acquired credits to offset up to one hundred percent
32 of the tax liabilities otherwise imposed pursuant to chapter 143 and chapter 148,
33 except for sections 143.191 to 143.265. The assignor shall perfect such transfer
34 by notifying the department of economic development in writing within thirty
35 calendar days following the effective date of the transfer and shall provide any
36 information as may be required by the department of economic development to
37 administer and carry out the provisions of this section.

253.559. 1. To obtain approval for tax credits allowed under sections
2 253.545 to 253.559, a taxpayer shall submit an application for tax credits to the
3 department of economic development. Each application for approval, including
4 any applications received for supplemental allocations of tax credits as provided
5 under subsection 8 of this section, shall be prioritized for review and approval,
6 in the order of the date on which the application was postmarked, with the oldest
7 postmarked date receiving priority. Applications postmarked on the same day
8 shall go through a lottery process to determine the order in which such
9 applications shall be reviewed.

10 2. Each application shall be reviewed by the department of economic
11 development for approval. In order to receive approval, an application, other
12 than applications submitted under the provisions of subsection 8 of this section,
13 shall include:

14 (1) Proof of ownership or site control. Proof of ownership shall include
15 evidence that the taxpayer is the fee simple owner of the eligible property, such
16 as a warranty deed or a closing statement. Proof of site control may be evidenced
17 by a leasehold interest or an option to acquire such an interest. If the taxpayer
18 is in the process of acquiring fee simple ownership, proof of site control shall
19 include an executed sales contract or an executed option to purchase the eligible
20 property;

21 (2) Floor plans of the existing structure, architectural plans, and, where
22 applicable, plans of the proposed alterations to the structure, as well as proposed
23 additions;

24 (3) The estimated cost of rehabilitation, the anticipated total costs of the
25 project, the actual basis of the property, as shown by proof of actual acquisition

26 costs, the anticipated total labor costs, the estimated project start date, and the
27 estimated project completion date;

28 (4) Proof that the property is an eligible property and a certified historic
29 structure or a structure in a certified historic district; and

30 (5) Any other information which the department of economic development
31 may reasonably require to review the project for approval. Only the property for
32 which a property address is provided in the application shall be reviewed for
33 approval. Once selected for review, a taxpayer shall not be permitted to request
34 the review of another property for approval in the place of the property contained
35 in such application. Any disapproved application shall be removed from the
36 review process. If an application is removed from the review process, the
37 department of economic development shall notify the taxpayer in writing of the
38 decision to remove such application. Disapproved applications shall lose priority
39 in the review process. A disapproved application, which is removed from the
40 review process, may be resubmitted, but shall be deemed to be a new submission
41 for purposes of the priority procedures described in this section.

42 3. If the department of economic development deems the application
43 sufficient, the taxpayer shall be notified in writing of the approval for an amount
44 of tax credits equal to the amount provided under section 253.550 less any
45 amount of tax credits previously approved. Such approvals shall be granted to
46 applications in the order of priority established under this section and shall
47 require full compliance thereafter with all other requirements of law as a
48 condition to any claim for such credits.

49 4. Following approval of an application, the identity of the taxpayer
50 contained in such application shall not be modified except:

51 (1) The taxpayer may add partners, members, or shareholders as part of
52 the ownership structure, so long as the principal remains the same, provided
53 however, that subsequent to the commencement of renovation and the
54 expenditure of at least ten percent of the proposed rehabilitation budget, removal
55 of the principal for failure to perform duties and the appointment of a new
56 principal thereafter shall not constitute a change of the principal; or

57 (2) Where the ownership of the project is changed due to a foreclosure,
58 deed in lieu of a foreclosure or voluntary conveyance, or a transfer in
59 bankruptcy. **Upon any such change in ownership, the taxpayer contained**
60 **in such application shall notify the department of such change.**

61 5. In the event that the department of economic development grants

62 approval for tax credits equal to the **applicable** total amount available under
63 subsection 2, **5, or 8** of section 253.550, or sufficient that when totaled with all
64 other approvals, the **applicable** amount available under subsection 2, **5, or 8** of
65 section 253.550 is exhausted, all taxpayers with applications then awaiting
66 approval or thereafter submitted for approval shall be notified by the department
67 of economic development that no additional approvals shall be granted during the
68 fiscal year and shall be notified of the priority given to such taxpayer's
69 application then awaiting approval. Such applications shall be kept on file by the
70 department of economic development and shall be considered for approval for tax
71 credits in the order established in this section in the event that additional credits
72 become available due to the rescission of approvals or when a new fiscal year's
73 allocation of credits becomes available for approval.

74 6. All taxpayers with applications receiving approval on or after the
75 effective date of this act shall commence rehabilitation within two years of the
76 date of issuance of the letter from the department of economic development
77 granting the approval for tax credits. "Commencement of rehabilitation" shall
78 mean that as of the date in which actual physical work, contemplated by the
79 architectural plans submitted with the application, has begun, the taxpayer has
80 incurred no less than ten percent of the estimated costs of rehabilitation provided
81 in the application. Taxpayers with approval of a project shall submit evidence of
82 compliance with the provisions of this subsection. If the department of economic
83 development determines that a taxpayer has failed to comply with the
84 requirements provided under this section, the approval for the amount of tax
85 credits for such taxpayer shall be rescinded and such amount of tax credits shall
86 then be included in the **applicable** total amount of tax credits, provided under
87 subsection 2, **5, or 8** of section 253.550, from which approvals may be
88 granted. Any taxpayer whose approval shall be subject to rescission shall be
89 notified of such from the department of economic development and, upon receipt
90 of such notice, may submit a new application for the project.

91 7. To claim the credit authorized under sections 253.550 to 253.559, a
92 taxpayer with approval shall apply for final approval and issuance of tax credits
93 from the department of economic development which, in consultation with the
94 department of natural resources, shall determine the final amount of eligible
95 rehabilitation costs and expenses and whether the completed rehabilitation meets
96 the standards of the Secretary of the United States Department of the Interior
97 for rehabilitation as determined by the state historic preservation officer of the

98 Missouri department of natural resources. For financial institutions credits
99 authorized pursuant to sections 253.550 to 253.561 shall be deemed to be
100 economic development credits for purposes of section 148.064. The approval of
101 all applications and the issuing of certificates of eligible credits to taxpayers shall
102 be performed by the department of economic development. The department of
103 economic development shall inform a taxpayer of final approval by letter and
104 shall issue, to the taxpayer, tax credit certificates. The taxpayer shall attach the
105 certificate to all Missouri income tax returns on which the credit is claimed.

106 8. Except as expressly provided in this subsection, tax credit certificates
107 shall be issued in the final year that costs and expenses of rehabilitation of the
108 project are incurred, or within the twelve-month period immediately following the
109 conclusion of such rehabilitation. In the event the amount of eligible
110 rehabilitation costs and expenses incurred by a taxpayer would result in the
111 issuance of an amount of tax credits in excess of the amount provided under such
112 taxpayer's approval granted under subsection 3 of this section, such taxpayer may
113 apply to the department for issuance of tax credits in an amount equal to such
114 excess. Applications for issuance of tax credits in excess of the amount provided
115 under a taxpayer's application shall be made on a form prescribed by the
116 department. Such applications shall be subject to all provisions regarding
117 priority provided under subsection 1 of this section.

118 9. The department of economic development shall determine, on an annual
119 basis, the overall economic impact to the state from the rehabilitation of eligible
120 property.

121 **10. Notwithstanding any provision of law to the contrary, no tax**
122 **credits provided under sections 253.545 to 253.559 shall be authorized**
123 **on or after August 28, 2018. The provisions of this subsection shall not**
124 **be construed to limit or in any way impair the department's ability to**
125 **issue tax credits authorized prior to August 28, 2018, or a taxpayer's**
126 **ability to redeem such tax credits.**

127 **11. By no later than January 1, 2012, the department shall**
128 **propose rules to implement the provisions of sections 253.550 to**
129 **253.559. Prior to proposing such rules, the department shall conduct**
130 **a stakeholder process designed to solicit input from interested**
131 **parties. Any rule or portion of a rule, as that term is defined in section**
132 **536.010, that is created under the authority delegated herein shall**
133 **become effective only if it complies with and is subject to all of the**

134 **provisions of chapter 536 and, if applicable, section 536.028. This**
135 **section and chapter 536 are nonseverable and if any of the powers**
136 **vested with the general assembly pursuant to chapter 536 to review, to**
137 **delay the effective date, or to disapprove and annul a rule are**
138 **subsequently held unconstitutional, then the grant of rulemaking**
139 **authority and any rule proposed or adopted after the effective date of**
140 **this act, shall be invalid and void.**

348.430. 1. The tax credit created in this section shall be known as the
2 "Agricultural Product Utilization Contributor Tax Credit".

3 2. As used in this section, the following terms mean:

4 (1) "Authority", the agriculture and small business development authority
5 as provided in this chapter;

6 (2) "Contributor", an individual, partnership, corporation, trust, limited
7 liability company, entity or person that contributes cash funds to the authority;

8 (3) "Development facility", a facility, **located within a rural area,**
9 producing either a good derived from an agricultural commodity or using a
10 process to produce a good derived from an agricultural product;

11 (4) "Eligible new generation cooperative", a nonprofit cooperative
12 association formed pursuant to chapter 274, or incorporated pursuant to chapter
13 357, for the purpose of operating within this state a development facility or a
14 renewable fuel production facility;

15 (5) "Eligible new generation processing entity", a partnership, corporation,
16 cooperative, or limited liability company organized or incorporated pursuant to
17 the laws of this state consisting of not less than twelve members, approved by the
18 authority, for the purpose of owning or operating within this state a development
19 facility or a renewable fuel production facility in which producer members:

20 (a) Hold a majority of the governance or voting rights of the entity and
21 any governing committee;

22 (b) Control the hiring and firing of management; and

23 (c) Deliver agricultural commodities or products to the entity for
24 processing, unless processing is required by multiple entities;

25 (6) "Renewable fuel production facility", a facility, **located within a**
26 **rural area,** producing an energy source which is derived from a renewable,
27 domestically grown, organic compound capable of powering machinery, including
28 an engine or power plant, and any by-product derived from such energy source;

29 (7) "Rural area", a county in Missouri, which according to the

30 **most recent federal decennial census:**

31 **(a) Has a population of not more than seventy-five thousand**
32 **inhabitants; or**

33 **(b) Does not contain an individual city with a population greater**
34 **than fifty thousand inhabitants.**

35 3. For all tax years beginning on or after January 1, 1999, a contributor
36 who contributes funds to the authority may receive a credit against the tax or
37 estimated quarterly tax otherwise due pursuant to chapter 143, other than taxes
38 withheld pursuant to sections 143.191 to 143.265, chapter 148, chapter 147, in an
39 amount of up to one hundred percent of such contribution. Tax credits claimed
40 in a taxable year may be done so on a quarterly basis and applied to the
41 estimated quarterly tax pursuant to this subsection. If a quarterly tax credit
42 claim or series of claims contributes to causing an overpayment of taxes for a
43 taxable year, such overpayment shall not be refunded but shall be applied to the
44 next taxable year. The awarding of such credit shall be at the approval of the
45 authority, based on the least amount of credits necessary to provide incentive for
46 the contributions. A contributor that receives tax credits for a contribution to the
47 authority shall receive no other consideration or compensation for such
48 contribution, other than a federal tax deduction, if applicable, and goodwill.

49 4. A contributor shall submit to the authority an application for the tax
50 credit authorized by this section on a form provided by the authority. If the
51 contributor meets all criteria prescribed by this section and the authority, the
52 authority shall issue a tax credit certificate in the appropriate amount. Tax
53 credits issued pursuant to this section may be claimed in the taxable year in
54 which the contributor contributes funds to the authority. For all fiscal years
55 beginning on or after July 1, 2004, tax credits allowed pursuant to this section
56 may be carried back to any of the contributor's three prior tax years and may be
57 carried forward to any of the contributor's five subsequent taxable years. Tax
58 credits issued pursuant to this section may be assigned, transferred or sold and
59 the new owner of the tax credit shall have the same rights in the credit as the
60 contributor. Whenever a certificate of tax credit is assigned, transferred, sold or
61 otherwise conveyed, a notarized endorsement shall be filed with the authority
62 specifying the name and address of the new owner of the tax credit or the value
63 of the credit.

64 5. The funds derived from contributions in this section shall be used for
65 financial assistance or technical assistance for the purposes provided in section

66 348.407 to rural agricultural business concepts as approved by the authority. The
67 authority may provide or facilitate loans, equity investments, or guaranteed loans
68 for rural agricultural business concepts, but limited to two million dollars per
69 project or the net state economic impact, whichever is less. Loans, equity
70 investments or guaranteed loans may only be provided to feasible projects, and
71 for an amount that is the least amount necessary to cause the project to occur, as
72 determined by the authority. The authority may structure the loans, equity
73 investments or guaranteed loans in a way that facilitates the project, but also
74 provides for a compensatory return on investment or loan payment to the
75 authority, based on the risk of the project.

76 6. In any given year, at least ten percent of the funds granted to rural
77 agricultural business concepts shall be awarded to grant requests of twenty-five
78 thousand dollars or less. No single rural agricultural business concept shall
79 receive more than two hundred thousand dollars in grant awards from the
80 authority. Agricultural businesses owned by minority members or women shall
81 be given consideration in the allocation of funds.

82 **7. Notwithstanding any provision of law to the contrary, no tax**
83 **credits provided under this section shall be authorized on or after**
84 **August 28, 2014. The provisions of this subsection shall not be**
85 **construed to limit or in any way impair the authority's ability to issue**
86 **tax credits authorized prior to August 28, 2014, or a taxpayer's ability**
87 **to redeem such tax credits.**

348.432. 1. The tax credit created in this section shall be known as the
2 "New Generation Cooperative Incentive Tax Credit".

3 2. As used in this section, the following terms mean:

4 (1) "Authority", the agriculture and small business development authority
5 as provided in this chapter;

6 (2) "Development facility", a facility, **located within a rural area,**
7 producing either a good derived from an agricultural commodity or using a
8 process to produce a good derived from an agricultural product;

9 (3) "Eligible new generation cooperative", a nonprofit cooperative
10 association formed pursuant to chapter 274 or incorporated pursuant to chapter
11 357 for the purpose of operating within this state a development facility or a
12 renewable fuel production facility and approved by the authority;

13 (4) "Eligible new generation processing entity", a partnership, corporation,
14 cooperative, or limited liability company organized or incorporated pursuant to

15 the laws of this state consisting of not less than twelve members, approved by the
16 authority, for the purpose of owning or operating within this state a development
17 facility or a renewable fuel production facility in which producer members:

18 (a) Hold a majority of the governance or voting rights of the entity and
19 any governing committee;

20 (b) Control the hiring and firing of management; and

21 (c) Deliver agricultural commodities or products to the entity for
22 processing, unless processing is required by multiple entities;

23 (5) "Employee-qualified capital project", an eligible new generation
24 cooperative with capital costs greater than fifteen million dollars which will
25 employ at least sixty employees;

26 (6) "Large capital project", an eligible new generation cooperative with
27 capital costs greater than one million dollars;

28 (7) "Producer member", a person, partnership, corporation, trust or limited
29 liability company whose main purpose is agricultural production that invests cash
30 funds to an eligible new generation cooperative or eligible new generation
31 processing entity;

32 (8) "Renewable fuel production facility", a facility, **located within a**
33 **rural area**, producing an energy source which is derived from a renewable,
34 domestically grown, organic compound capable of powering machinery, including
35 an engine or power plant, and any by-product derived from such energy source;

36 (9) "**Rural area**", a county in Missouri, which according to the
37 **most recent federal decennial census:**

38 (a) **Has a population of not more than seventy-five thousand**
39 **inhabitants; or**

40 (b) **Does not contain an individual city with a population greater**
41 **than fifty thousand inhabitants;**

42 (10) "Small capital project", an eligible new generation cooperative with
43 capital costs of no more than one million dollars.

44 3. Beginning tax year 1999, and ending December 31, 2002, any producer
45 member who invests cash funds in an eligible new generation cooperative or
46 eligible new generation processing entity may receive a credit against the tax or
47 estimated quarterly tax otherwise due pursuant to chapter 143, other than taxes
48 withheld pursuant to sections 143.191 to 143.265 or chapter 148, chapter 147, in
49 an amount equal to the lesser of fifty percent of such producer member's
50 investment or fifteen thousand dollars.

51 4. For all tax years beginning on or after January 1, 2003, any producer
52 member who invests cash funds in an eligible new generation cooperative or
53 eligible new generation processing entity may receive a credit against the tax or
54 estimated quarterly tax otherwise due pursuant to chapter 143, other than taxes
55 withheld pursuant to sections 143.191 to 143.265, chapter 147 or chapter 148, in
56 an amount equal to the lesser of fifty percent of such producer member's
57 investment or fifteen thousand dollars. Tax credits claimed in a taxable year may
58 be done so on a quarterly basis and applied to the estimated quarterly tax
59 pursuant to subsection 3 of this section. If a quarterly tax credit claim or series
60 of claims contributes to causing an overpayment of taxes for a taxable year, such
61 overpayment shall not be refunded but shall be applied to the next taxable year.

62 5. A producer member shall submit to the authority an application for the
63 tax credit authorized by this section on a form provided by the authority. If the
64 producer member meets all criteria prescribed by this section and is approved by
65 the authority, the authority shall issue a tax credit certificate in the appropriate
66 amount. Tax credits issued pursuant to this section may be carried back to any
67 of the producer member's three prior taxable years and carried forward to any of
68 the producer member's five subsequent taxable years regardless of the type of tax
69 liability to which such credits are applied as authorized pursuant to subsection
70 3 of this section. Tax credits issued pursuant to this section may be assigned,
71 transferred, sold or otherwise conveyed and the new owner of the tax credit shall
72 have the same rights in the credit as the producer member. Whenever a
73 certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a
74 notarized endorsement shall be filed with the authority specifying the name and
75 address of the new owner of the tax credit or the value of the credit.

76 6. Ten percent of the tax credits authorized pursuant to this section
77 initially shall be offered in any fiscal year to small capital projects. If any portion
78 of the ten percent of tax credits offered to small capital costs projects is unused
79 in any calendar year, then the unused portion of tax credits may be offered to
80 employee-qualified capital projects and large capital projects. If the authority
81 receives more applications for tax credits for small capital projects than tax
82 credits are authorized therefor, then the authority, by rule, shall determine the
83 method of distribution of tax credits authorized for small capital projects.

84 7. Ninety percent of the tax credits authorized pursuant to this section
85 initially shall be offered in any fiscal year to employee-qualified capital projects
86 and large capital projects. If any portion of the ninety percent of tax credits

87 offered to employee-qualified capital projects and large capital costs projects is
88 unused in any fiscal year, then the unused portion of tax credits may be offered
89 to small capital projects. The maximum tax credit allowed per employee-qualified
90 capital project is three million dollars and the maximum tax credit allowed per
91 large capital project is one million five hundred thousand dollars. If the
92 authority approves the maximum tax credit allowed for any employee-qualified
93 capital project or any large capital project, then the authority, by rule, shall
94 determine the method of distribution of such maximum tax credit. In addition,
95 if the authority receives more tax credit applications for employee-qualified
96 capital projects and large capital projects than the amount of tax credits
97 authorized therefor, then the authority, by rule, shall determine the method of
98 distribution of tax credits authorized for employee-qualified capital projects and
99 large capital projects.

100 **8. Notwithstanding any provision of law to the contrary, no tax**
101 **credits provided under this section shall be authorized on or after**
102 **August 28, 2014. The provisions of this subsection shall not be**
103 **construed to limit or in any way impair the authority's ability to issue**
104 **tax credits authorized prior to August 28, 2014, or a taxpayer's ability**
105 **to redeem such tax credits.**

348.434. 1. The aggregate of tax credits issued per fiscal year pursuant
2 to sections 348.430 and 348.432 shall not exceed six million dollars.

3 2. Upon July 2, 1999, and ending June 30, 2000, tax credits shall be
4 issued pursuant to section 348.430, except that, the authority shall allocate no
5 more than three million dollars to fund section 348.432 in fiscal year
6 2000. Beginning in fiscal year 2001 and each subsequent year, tax credits shall
7 be issued pursuant to section 348.432.

8 3. Beginning the first day of May of each fiscal year [following
9 implementation of section 348.432] **ending on or before June 30, 2011**, the
10 authority may determine the extent of tax credits, pursuant to section 348.432,
11 that will be utilized in each fiscal year. If the authority determines that:

12 (1) Less than six million dollars for a fiscal year is to be utilized in tax
13 credits pursuant to section 348.432; and

14 (2) The assets available to the authority, pursuant to section 348.430, do
15 not exceed twelve million dollars; then, the authority may offer the remaining
16 authorized tax credits be issued pursuant to section 348.430.

17 **4. For all fiscal years beginning on or after July 1, 2011, the**

18 **authority shall allocate tax credits for authorization under the**
19 **provisions of sections 348.430 and 348.432 in a manner sufficient to**
20 **provide the greatest state benefit while providing the least amount of**
21 **tax credits necessary.**

348.500. 1. This section shall be known and may be cited as the "Family
2 Farms Act".

3 [2. As used in this section, "small farmer" means a farmer who is a
4 Missouri resident and who has less than two hundred fifty thousand dollars in
5 gross sales per year.

6 3. The agricultural and small business development authority shall
7 establish a family farm breeding livestock loan program for small farmers for the
8 purchase of beef cattle, dairy cattle, sheep and goats, and swine only.

9 4. To participate in the loan program, a small farmer shall first obtain
10 approval for a family farm livestock loan from a lender as defined in section
11 348.015. Each small farmer shall be eligible for only one family farm livestock
12 loan per family and for only one type of livestock.

13 5. The maximum amount of the family farm livestock loan for each type
14 of livestock shall be as follows:

- 15 (1) Seventy-five thousand dollars for beef cattle;
- 16 (2) Seventy-five thousand dollars for dairy cattle;
- 17 (3) Thirty-five thousand dollars for swine; and
- 18 (4) Thirty thousand dollars for sheep and goats.

19 6. Eligible borrowers under the program:

20 (1) Shall use the proceeds of the family farm loan to acquire breeding
21 livestock;

22 (2) Shall not finance more than ninety percent of the anticipated cost of
23 the purchase of such livestock through the family farm livestock loan; and

24 (3) Shall not be charged interest by the lender, as defined in section
25 348.015, for the first year of the qualified family farm livestock loan.

26 7. Upon approval of the family farm livestock loan by a lender under
27 subsection 4 of this section, the loan shall be submitted for approval by the
28 agricultural and small business development authority. The authority shall
29 promulgate rules establishing eligibility under this section, taking into
30 consideration:

- 31 (1) The eligible borrower's ability to repay the family farm livestock loan;
- 32 (2) The general economic conditions of the area in which the farm is

33 located;

34 (3) The prospect of a financial return for the small farmer for the type of
35 livestock for which the family farm livestock loan is sought; and

36 (4) Such other factors as the authority may establish.

37 8. For eligible borrowers participating in the program, the authority shall
38 be responsible for reviewing the purchase price of any livestock to be purchased
39 by an eligible borrower under the program to determine whether the price to be
40 paid is appropriate for the type of livestock purchased. The authority may impose
41 a one-time loan review fee of one percent which shall be collected by the lender
42 at the time of the loan and paid to the authority.

43 9. Nothing in this section shall preclude a small farmer from participating
44 in any other agricultural program.

45 10. Any rule or portion of a rule, as that term is defined in section
46 536.010, that is created under the authority delegated in this section shall
47 become effective only if it complies with and is subject to all of the provisions of
48 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
49 nonseverable and if any of the powers vested with the general assembly pursuant
50 to chapter 536 to review, to delay the effective date, or to disapprove and annul
51 a rule are subsequently held unconstitutional, then the grant of rulemaking
52 authority and any rule proposed or adopted after August 28, 2006, shall be
53 invalid and void.]

54 **2. For purposes of this section, the following terms shall mean:**

55 (1) "Authority", the Missouri agricultural and small business
56 development authority;

57 (2) "Breeding livestock", beef, dairy cattle, swine, sheep, and
58 goats;

59 (3) "Eligible purchase", the lesser of the purchase price of
60 breeding livestock paid by a small farmer or:

61 (a) Seventy-five thousand dollars for beef cattle;

62 (b) Seventy-five thousand dollars for dairy cattle;

63 (c) Thirty-five thousand dollars for swine; and

64 (d) Thirty thousand dollars for sheep and goats;

65 (4) "Small farmer", a farmer who is a Missouri resident and who
66 has less than two hundred fifty thousand dollars in gross sales per year;

67 (5) "State tax liability", any state tax liability incurred by a
68 taxpayer under the provisions of chapters 143, 147, and 148, exclusive

69 of the provisions relating to the withholding of tax as provided for in
70 sections 143.191 to 143.265 and related provisions.

71 3. For all taxable years beginning on or after January 1, 2012, a
72 small farmer shall be entitled to receive a tax credit equal to seven
73 percent of an eligible purchase. The tax credit shall be evidenced by
74 a tax credit certificate issued by the agricultural and small business
75 development authority and may be used to satisfy the state tax liability
76 of the owner of such certificate that becomes due in the tax year in
77 which the eligible purchase is made. No small farmer may receive a tax
78 credit under this section unless such person presents a tax credit
79 certificate to the department of revenue for payment of such state tax
80 liability. The total amount of all tax credits that may be issued to small
81 farmers claiming tax credits authorized in this section in a fiscal year
82 shall not exceed three hundred thousand dollars.

83 4. The agricultural and small business development authority
84 shall be responsible for the administration and issuance of the
85 certificate of tax credits authorized by this section. The authority may
86 charge a fee to the recipient of any tax credits issued by the
87 department under the provisions of this section, in an amount up to one
88 percent of the amount of tax credits issued. The fee shall be paid by
89 the recipient upon the issuance of the tax credits. The authority shall
90 issue a certificate of tax credit at the request of any small farmer. Each
91 request shall include a true copy of the receipt for the eligible
92 purchase, the name of the small farmer who is to receive a certificate
93 of tax credit, the type of state tax liability against which the tax credit
94 is to be used, and the amount of the certificate of tax credit to be issued
95 to the small farmer based on the eligible purchase.

96 5. The Missouri department of revenue shall accept a certificate
97 of tax credit in lieu of other payment in such amount as is equal to the
98 lesser of the amount of the tax or the remaining unused amount of the
99 credit as indicated on the certificate of tax credit, and shall indicate on
100 the certificate of tax credit the amount of tax thereby paid and the date
101 of such payment.

102 6. The following provisions shall apply to tax credits authorized
103 under this section:

104 (1) Tax credits claimed in a taxable year may be claimed on a
105 quarterly basis and applied to the estimated quarterly tax of the small

106 farmer;

107 (2) Any amount of tax credit which exceeds the tax due,
108 including any estimated quarterly taxes paid by the small farmer under
109 subdivision (1) of this subsection which results in an overpayment of
110 taxes for a taxable year, shall not be refunded but may be carried over
111 to any subsequent taxable year, not to exceed a total of three years;

112 (3) Notwithstanding any provision of law to the contrary, a small
113 farmer may assign, transfer, or sell tax credits authorized under this
114 section, with the new owner of the tax credit receiving the same rights
115 in the tax credit as the small farmer. For any tax credits assigned,
116 transferred, sold, or otherwise conveyed, a notarized endorsement shall
117 be filed by the small farmer with the authority specifying the name and
118 address of the new owner of the tax credit and the value of such tax
119 credit.

120 7. Notwithstanding any provision of law to the contrary, no tax
121 credits provided under this section shall be authorized on or after
122 August 28, 2014. The provisions of this subsection shall not be
123 construed to limit or in any way impair the authority's ability to issue
124 tax credits authorized prior to August 28, 2014, or a taxpayer's ability
125 to redeem such tax credits.

447.708. 1. For eligible projects, the director of the department of
2 economic development, with notice to the directors of the departments of natural
3 resources and revenue, and subject to the other provisions of sections 447.700 to
4 447.718, may not create a new enterprise zone but may decide that a prospective
5 operator of a facility being remedied and renovated pursuant to sections 447.700
6 to 447.718 may receive the tax credits and exemptions pursuant to sections
7 135.100 to 135.150 and sections 135.200 to 135.257. The tax credits allowed
8 pursuant to this subsection shall be used to offset the tax imposed by chapter
9 143, excluding withholding tax imposed by sections 143.191 to 143.265, or the tax
10 otherwise imposed by chapter 147, or the tax otherwise imposed by chapter
11 148. **Notwithstanding any provisions of law to the contrary, the**
12 **department shall not authorize tax credits and exemptions pursuant to**
13 **this subsection after the effective date of this act.** For purposes of this
14 subsection:

15 (1) For receipt of the ad valorem tax abatement pursuant to section
16 135.215, the eligible project must create at least ten new jobs or retain businesses

17 which supply at least twenty-five existing jobs. The city, or county if the eligible
18 project is not located in a city, must provide ad valorem tax abatement of at least
19 fifty percent for a period not less than ten years and not more than twenty-five
20 years;

21 (2) For receipt of the income tax exemption pursuant to section 135.220
22 and tax credit for new or expanded business facilities pursuant to sections
23 135.100 to 135.150, and 135.225, the eligible project must create at least ten new
24 jobs or retain businesses which supply at least twenty-five existing jobs, or
25 combination thereof. For purposes of sections 447.700 to 447.718, the tax credits
26 described in section 135.225 are modified as follows: the tax credit shall be four
27 hundred dollars per employee per year, an additional four hundred dollars per
28 year for each employee exceeding the minimum employment thresholds of ten and
29 twenty-five jobs for new and existing businesses, respectively, an additional four
30 hundred dollars per year for each person who is a person difficult to employ as
31 defined by section 135.240, and investment tax credits at the same amounts and
32 levels as provided in subdivision (4) of subsection 1 of section 135.225;

33 (3) For eligibility to receive the income tax refund pursuant to section
34 135.245, the eligible project must create at least ten new jobs or retain businesses
35 which supply at least twenty-five existing jobs, or combination thereof, and
36 otherwise comply with the provisions of section 135.245 for application and use
37 of the refund and the eligibility requirements of this section;

38 (4) The eligible project operates in compliance with applicable
39 environmental laws and regulations, including permitting and registration
40 requirements, of this state as well as the federal and local requirements;

41 (5) The eligible project operator shall file such reports as may be required
42 by the director of economic development or the director's designee;

43 (6) The taxpayer may claim the state tax credits authorized by this
44 subsection and the state income exemption for a period not in excess of ten
45 consecutive tax years. For the purpose of this section, "taxpayer" means an
46 individual proprietorship, partnership or corporation described in section 143.441
47 or 143.471 who operates an eligible project. The director shall determine the
48 number of years the taxpayer may claim the state tax credits and the state
49 income exemption based on the projected net state economic benefits attributed
50 to the eligible project;

51 (7) For the purpose of meeting the new job requirement prescribed in
52 subdivisions (1), (2) and (3) of this subsection, it shall be required that at least

53 ten new jobs be created and maintained during the taxpayer's tax period for
54 which the credits are earned, in the case of an eligible project that does not
55 replace a similar facility in Missouri. "New job" means a person who was not
56 previously employed by the taxpayer or related taxpayer within the twelve-month
57 period immediately preceding the time the person was employed by that taxpayer
58 to work at, or in connection with, the eligible project on a full-time
59 basis. "Full-time basis" means the employee works an average of at least
60 thirty-five hours per week during the taxpayer's tax period for which the tax
61 credits are earned. For the purposes of this section, related taxpayer has the
62 same meaning as defined in subdivision (9) of section 135.100;

63 (8) For the purpose of meeting the existing job retention requirement, if
64 the eligible project replaces a similar facility that closed elsewhere in Missouri
65 prior to the end of the taxpayer's tax period in which the tax credits are earned,
66 it shall be required that at least twenty-five existing jobs be retained at, and in
67 connection with the eligible project, on a full-time basis during the taxpayer's tax
68 period for which the credits are earned. "Retained job" means a person who was
69 previously employed by the taxpayer or related taxpayer, at a facility similar to
70 the eligible project that closed elsewhere in Missouri prior to the end of the
71 taxpayer's tax period in which the tax credits are earned, within the tax period
72 immediately preceding the time the person was employed by the taxpayer to work
73 at, or in connection with, the eligible project on a full-time basis. "Full-time
74 basis" means the employee works an average of at least thirty-five hours per week
75 during the taxpayer's tax period for which the tax credits are earned;

76 (9) In the case where an eligible project replaces a similar facility that
77 closed elsewhere in Missouri prior to the end of the taxpayer's tax period in which
78 the tax credits are earned, the owner and operator of the eligible project shall
79 provide the director with a written statement explaining the reason for
80 discontinuing operations at the closed facility. The statement shall include a
81 comparison of the activities performed at the closed facility prior to the date the
82 facility ceased operating, to the activities performed at the eligible project, and
83 a detailed account describing the need and rationale for relocating to the eligible
84 project. If the director finds the relocation to the eligible project significantly
85 impaired the economic stability of the area in which the closed facility was
86 located, and that such move was detrimental to the overall economic development
87 efforts of the state, the director may deny the taxpayer's request to claim tax
88 benefits;

89 (10) Notwithstanding any provision of law to the contrary, for the purpose
90 of this section, the number of new jobs created and maintained, the number of
91 existing jobs retained, and the value of new qualified investment used at the
92 eligible project during any tax year shall be determined by dividing by twelve, in
93 the case of jobs, the sum of the number of individuals employed at the eligible
94 project, or in the case of new qualified investment, the value of new qualified
95 investment used at the eligible project, on the last business day of each full
96 calendar month of the tax year. If the eligible project is in operation for less than
97 the entire tax year, the number of new jobs created and maintained, the number
98 of existing jobs retained, and the value of new qualified investment created at the
99 eligible project during any tax year shall be determined by dividing the sum of
100 the number of individuals employed at the eligible project, or in the case of new
101 qualified investment, the value of new qualified investment used at the eligible
102 project, on the last business day of each full calendar month during the portion
103 of the tax year during which the eligible project was in operation, by the number
104 of full calendar months during such period;

105 (11) For the purpose of this section, "new qualified investment" means
106 new business facility investment as defined and as determined in subdivision (7)
107 of section 135.100 which is used at and in connection with the eligible
108 project. "New qualified investment" shall not include small tools, supplies and
109 inventory. "Small tools" means tools that are portable and can be hand held.

110 2. The determination of the director of economic development pursuant
111 to subsection 1 of this section shall not affect requirements for the prospective
112 purchaser to obtain the approval of the granting of real property tax abatement
113 by the municipal or county government where the eligible project is located.

114 3. (1) The director of the department of economic development, with the
115 approval of the director of the department of natural resources, may, [in addition
116 to the tax credits allowed in subsection 1 of this section,] grant a remediation tax
117 credit to the applicant for up to one hundred percent of the costs of materials,
118 supplies, equipment, labor, professional engineering, consulting and architectural
119 fees, permitting fees and expenses, demolition, asbestos abatement, and direct
120 utility charges for performing the voluntary remediation activities for the
121 preexisting hazardous substance contamination and releases, including, but not
122 limited to, the costs of performing operation and maintenance of the remediation
123 equipment at the property beyond the year in which the systems and equipment
124 are built and installed at the eligible project and the costs of performing the

125 voluntary remediation activities over a period not in excess of four tax years
126 following the taxpayer's tax year in which the system and equipment were first
127 put into use at the eligible project, provided the remediation activities are the
128 subject of a plan submitted to, and approved by, the director of natural resources
129 pursuant to sections 260.565 to 260.575. The tax credit may also include up to
130 one hundred percent of the costs of demolition that are not directly part of the
131 remediation activities, provided that the demolition is on the property where the
132 voluntary remediation activities are occurring, the demolition is necessary to
133 accomplish the planned use of the facility where the remediation activities are
134 occurring, and the demolition is part of a redevelopment plan approved by the
135 municipal or county government and the department of economic
136 development. The demolition may occur on an adjacent property if the project is
137 located in a municipality which has a population less than twenty thousand and
138 the above conditions are otherwise met. The adjacent property shall
139 independently qualify as abandoned or underutilized. The amount of the credit
140 available for demolition not associated with remediation cannot exceed the total
141 amount of credits approved for remediation including demolition required for
142 remediation.

143 (2) The amount of remediation tax credits issued shall be limited to the
144 least amount necessary to cause the project to occur, as determined by the
145 director of the department of economic development.

146 (3) The director may, with the approval of the director of natural
147 resources, extend the tax credits allowed for performing voluntary remediation
148 maintenance activities, in increments of three-year periods, not to exceed five
149 consecutive three-year periods. The tax credits allowed in this subsection shall
150 be used to offset the tax imposed by chapter 143, excluding withholding tax
151 imposed by sections 143.191 to 143.265, or the tax otherwise imposed by chapter
152 147, or the tax otherwise imposed by chapter 148. The remediation tax credit
153 may be taken in the same tax year in which the tax credits are received or may
154 be taken over a period not to exceed twenty years.

155 (4) The project facility shall be projected to create at least ten new jobs
156 or at least twenty-five retained jobs, or a combination thereof, as determined by
157 the department of economic development, to be eligible for tax credits pursuant
158 to this section.

159 (5) No more than seventy-five percent of earned remediation tax credits
160 may be issued when the remediation costs were paid, and the remaining

161 percentage may be issued when the department of natural resources issues a
162 letter of completion letter or covenant not to sue following completion of the
163 voluntary remediation activities. It shall not include any costs associated with
164 ongoing operational environmental compliance of the facility or remediation costs
165 arising out of spills, leaks, or other releases arising out of the ongoing business
166 operations of the facility. In the event the department of natural resources issues
167 a letter of completion for a portion of a property, an impacted media such as soil
168 or groundwater, or for a site or a portion of a site improvement, a prorated
169 amount of the remaining percentage may be released based on the percentage of
170 the total site receiving a letter of completion.

171 4. In the exercise of the sound discretion of the director of the department
172 of economic development or the director's designee, the tax credits and
173 exemptions described in this section may be terminated, suspended or revoked,
174 if the eligible project fails to continue to meet the conditions set forth in this
175 section. In making such a determination, the director shall consider the severity
176 of the condition violation, actions taken to correct the violation, the frequency of
177 any condition violations and whether the actions exhibit a pattern of conduct by
178 the eligible facility owner and operator. The director shall also consider changes
179 in general economic conditions and the recommendation of the director of the
180 department of natural resources, or his or her designee, concerning the severity,
181 scope, nature, frequency and extent of any violations of the environmental
182 compliance conditions. The taxpayer or person claiming the tax credits or
183 exemptions may appeal the decision regarding termination, suspension or
184 revocation of any tax credit or exemption in accordance with the procedures
185 outlined in subsections 4 to 6 of section 135.250. The director of the department
186 of economic development shall notify the directors of the departments of natural
187 resources and revenue of the termination, suspension or revocation of any tax
188 credits as determined in this section or pursuant to the provisions of section
189 447.716.

190 5. Notwithstanding any provision of law to the contrary, no taxpayer shall
191 earn the tax credits, exemptions or refund otherwise allowed in subdivisions (2),
192 (3) and (4) of subsection 1 of this section and the tax credits otherwise allowed in
193 section 135.110, or the tax credits, exemptions and refund otherwise allowed in
194 sections 135.215, 135.220, 135.225 and 135.245, respectively, for the same facility
195 for the same tax period.

196 6. The total amount of the tax credits allowed in subsection 1 of this

197 section may not exceed the greater of:

198 (1) That portion of the taxpayer's income attributed to the eligible project;
199 or

200 (2) One hundred percent of the total business' income tax if the eligible
201 facility does not replace a similar facility that closed elsewhere in Missouri prior
202 to the end of the taxpayer's tax period in which the tax credits are earned, and
203 further provided the taxpayer does not operate any other facilities besides the
204 eligible project in Missouri; fifty percent of the total business' income tax if the
205 eligible facility replaces a similar facility that closed elsewhere in Missouri prior
206 to the end of the taxpayer's tax period in which the credits are earned, and
207 further provided the taxpayer does not operate any other facilities besides the
208 eligible project in Missouri; or twenty-five percent of the total business income if
209 the taxpayer operates, in addition to the eligible facility, any other facilities in
210 Missouri. In no case shall a taxpayer operating more than one eligible project in
211 Missouri be allowed to offset more than twenty-five percent of the taxpayer's
212 business income in any tax period. That portion of the taxpayer's income
213 attributed to the eligible project as referenced in subdivision (1) of this
214 subsection, for which the credits allowed in sections 135.110 and 135.225 and
215 subsection 3 of this section, may apply, shall be determined in the same manner
216 as prescribed in subdivision (6) of section 135.100. That portion of the taxpayer's
217 franchise tax attributed to the eligible project for which the remediation tax
218 credit may offset, shall be determined in the same manner as prescribed in
219 paragraph (a) of subdivision (6) of section 135.100.

220 7. Taxpayers claiming the state tax benefits allowed in subdivisions (2)
221 and (3) of subsection 1 of this section shall be required to file all applicable tax
222 credit applications, forms and schedules prescribed by the director during the
223 taxpayer's tax period immediately after the tax period in which the eligible
224 project was first put into use. Otherwise, the taxpayer's right to claim such state
225 tax benefits shall be forfeited. Unused business facility and enterprise zone tax
226 credits shall not be carried forward but shall be initially claimed for the tax
227 period during which the eligible project was first capable of being used, and
228 during any applicable subsequent tax periods.

229 8. Taxpayers claiming the remediation tax credit allowed in subsection 3
230 of this section shall be required to file all applicable tax credit applications, forms
231 and schedules prescribed by the director during the taxpayer's tax period
232 immediately after the tax period in which the eligible project was first put into

233 use, or during the taxpayer's tax period immediately after the tax period in which
234 the voluntary remediation activities were performed.

235 9. The recipient of remediation tax credits, for the purpose of this
236 subsection referred to as assignor, may assign, sell or transfer, in whole or in
237 part, the remediation tax credit allowed in subsection 3 of this section to any
238 other person, for the purpose of this subsection referred to as assignee. To perfect
239 the transfer, the assignor shall provide written notice to the director of the
240 assignor's intent to transfer the tax credits to the assignee, the date the transfer
241 is effective, the assignee's name, address and the assignee's tax period and the
242 amount of tax credits to be transferred. The number of tax periods during which
243 the assignee may subsequently claim the tax credits shall not exceed twenty tax
244 periods, less the number of tax periods the assignor previously claimed the credits
245 before the transfer occurred.

246 10. In the case where an operator and assignor of an eligible project has
247 been certified to claim state tax benefits allowed in subdivisions (2) and (3) of
248 subsection 1 of this section, and sells or otherwise transfers title of the eligible
249 project to another taxpayer or assignee who continues the same or substantially
250 similar operations at the eligible project, the director shall allow the assignee to
251 claim the credits for a period of time to be determined by the director; except
252 that, the total number of tax periods the tax credits may be earned by the
253 assignor and the assignee shall not exceed ten. To perfect the transfer, the
254 assignor shall provide written notice to the director of the assignor's intent to
255 transfer the tax credits to the assignee, the date the transfer is effective, the
256 assignee's name, address, and the assignee's tax period, and the amount of tax
257 credits to be transferred.

258 11. For the purpose of the state tax benefits described in this section, in
259 the case of a corporation described in section 143.471 or partnership, in
260 computing Missouri's tax liability, such state benefits shall be allowed to the
261 following:

262 (1) The shareholders of the corporation described in section 143.471;
263 (2) The partners of the partnership. The credit provided in this
264 subsection shall be apportioned to the entities described in subdivisions (1) and
265 (2) of this subsection in proportion to their share of ownership on the last day of
266 the taxpayer's tax period.

267 **12. For each fiscal year beginning on or after July 1, 2011, but**
268 **ending on or before June 30, 2015, the total amount of tax credits**

269 authorized under the provisions of sections 447.700 to 447.718 shall not
270 exceed forty million dollars. No more than a total of ten million dollars
271 in tax credits authorized under the provisions of sections 447.700 to
272 447.718 shall be authorized in any fiscal year beginning on or after July
273 1, 2011, but ending on or before June 30, 2015, for projects which
274 receive benefits under the provisions of section 99.1205. For each fiscal
275 year beginning on or after July 1, 2015, the total amount of tax credits
276 authorized under the provisions of sections 447.700 to 447.718 shall not
277 exceed thirty-five million dollars. No more than a total of five million
278 dollars in tax credits authorized under the provisions of sections
279 447.700 to 447.718 shall be authorized in any fiscal year beginning on
280 or after July 1, 2015, for projects which receive benefits under the
281 provisions of section 99.1205.

282 13. Notwithstanding any provision of law to the contrary, no tax
283 credits provided under sections 447.700 to 447.718 shall be authorized
284 on or after August 28, 2018. The provisions of this subsection shall not
285 be construed to limit or in any way impair the department's ability to
286 issue tax credits authorized prior to August 28, 2018, or a taxpayer's
287 ability to redeem such tax credits.

620.495. 1. This section shall be known as the "Small Business
2 Incubators Act".

3 2. As used in this section, unless the context clearly indicates otherwise,
4 the following words and phrases shall mean:

5 (1) "Department", the department of economic development;

6 (2) "Incubator", a program in which small units of space may be leased by
7 a tenant and in which management maintains or provides access to business
8 development services for use by tenants or a program without infrastructure in
9 which participants avail themselves of business development services to assist in
10 the growth of their start-up small businesses;

11 (3) "Local sponsor" or "sponsor", an organization which enters into a
12 written agreement with the department to establish, operate and administer a
13 small business incubator program or to provide funding to an organization which
14 operates such a program;

15 (4) "Participant", a sole proprietorship, business partnership or
16 corporation operating a business for profit through which the owner avails
17 himself or herself of business development services in an incubator program;

18 (5) "Tenant", a sole proprietorship, business partnership or corporation
19 operating a business for profit and leasing or otherwise occupying space in an
20 incubator.

21 3. There is hereby established under the direction of the department a
22 loan, loan guarantee and grant program for the establishment, operation and
23 administration of small business incubators, to be known as the "Small Business
24 Incubator Program". A local sponsor may submit an application to the
25 department to obtain a loan, loan guarantee or grant to establish an
26 incubator. Each application shall:

27 (1) Demonstrate that a program exists that can be transformed into an
28 incubator at a specified cost;

29 (2) Demonstrate the ability to directly provide or arrange for the provision
30 of business development services for tenants and participants of the
31 incubator. These services shall include, but need not be limited to, financial
32 consulting assistance, management and marketing assistance, business education,
33 and physical services;

34 (3) Demonstrate a potential for sustained use of the incubator program by
35 eligible tenants and participants, through a market study or other means;

36 (4) Demonstrate the ability to manage and operate the incubator program;

37 (5) Include such other information as the department may require through
38 its guidelines.

39 4. The department shall review and accept applications based on the
40 following criteria:

41 (1) Ability of the local sponsor to carry out the provisions of this section;

42 (2) Economic impact of the incubator on the community;

43 (3) Conformance with areawide and local economic development plans, if
44 such exist;

45 (4) Location of the incubator, in order to encourage geographic
46 distribution of incubators across the state.

47 5. Loans, loan guarantees and grants shall be administered in the
48 following manner:

49 (1) Loans awarded or guaranteed and grants awarded shall be used only
50 for the acquisition and leasing of land and existing buildings, the rehabilitation
51 of buildings or other facilities, construction of new facilities, the purchase of
52 equipment and furnishings which are necessary for the creation and operation of
53 the incubator, and business development services including, but not limited to,

54 business management advising and business education;

55 (2) Loans, loan guarantees and grants may not exceed fifty percent of total
56 eligible project costs;

57 (3) Payment of interest and principal on loans may be deferred at the
58 discretion of the department; **and**

59 **(4) Loans and grants shall only be available upon receipt of**
60 **matching private funds.**

61 6. A local sponsor, or the organization receiving assistance through the
62 local sponsor, shall have the following responsibilities and duties in establishing
63 and operating an incubator with assistance from the small business incubator
64 program:

65 (1) Secure title on a facility for the program or a lease of a facility for the
66 program;

67 (2) Manage the physical development of the incubator program, including
68 the provision of common conference or meeting space;

69 (3) Furnish and equip the program to provide business services to the
70 tenants and participants;

71 (4) Market the program and secure eligible tenants and participants;

72 (5) Provide financial consulting, marketing and management assistance
73 services or arrange for the provision of these services for tenants and participants
74 of the incubator, including assistance in accessing private financial markets;

75 (6) Set rental and service fees;

76 (7) Encourage the sharing of ideas between tenants and participants and
77 otherwise aid the tenants and participants in an innovative manner while they
78 are within the incubator;

79 (8) Establish policies and criteria for the acceptance of tenants and
80 participants into the incubator and for the termination of occupancy of tenants
81 so as to maximize the opportunity to succeed for the greatest number of tenants,
82 consistent with those specified in this section.

83 7. The department:

84 (1) May adopt such rules, statements of policy, procedures, forms and
85 guidelines as may be necessary for the implementation of this section;

86 (2) May make loans, loan guarantees and grants to local sponsors for
87 incubators;

88 (3) Shall ensure that local sponsors receiving loans, loan guarantees or
89 grants meet the conditions of this section;

90 (4) Shall receive and evaluate annual reports from local sponsors. Such
91 annual reports shall include, but need not be limited to, a financial statement for
92 the incubator, evidence that all tenants and participants in the program are
93 eligible under the terms of this section, and a list of companies in the incubator.

94 8. The department of economic development is also hereby authorized to
95 review any previous loans made under this program and, where appropriate in
96 the department's judgment, convert such loans to grant status.

97 9. On or before January first of each year, the department shall provide
98 a report to the governor, the chief clerk of the house of representatives and the
99 secretary of the senate which shall include, but need not be limited to:

100 (1) The number of applications for incubators submitted to the
101 department;

102 (2) The number of applications for incubators approved by the
103 department;

104 (3) The number of incubators created through the small business
105 incubator program;

106 (4) The number of tenants and participants engaged in each incubator;

107 (5) The number of jobs provided by each incubator and tenants and
108 participant of each incubator;

109 (6) The occupancy rate of each incubator;

110 (7) The number of firms still operating in the state after leaving
111 incubators and the number of jobs they have provided.

112 10. There is hereby established in the state treasury a special fund to be
113 known as the "Missouri Small Business Incubators Fund", which shall consist of
114 all moneys which may be appropriated to it by the general assembly, and also any
115 gifts, contributions, grants or bequests received from federal, private or other
116 sources. Moneys for loans, loan guarantees and grants under the small business
117 incubator program may be obtained from appropriations made by the general
118 assembly from the Missouri small business incubators fund. Any moneys
119 remaining in the Missouri small business incubators fund at the end of any fiscal
120 year shall not lapse to the general revenue fund, as provided in section 33.080,
121 but shall remain in the Missouri small business incubators fund.

122 11. For any taxable year beginning after December 31, 1989, a taxpayer,
123 including any charitable organization which is exempt from federal income tax
124 and whose Missouri unrelated business taxable income, if any, would be subject
125 to the state income tax imposed under chapter 143, shall be entitled to a tax

126 credit against any tax otherwise due under the provisions of chapter 143, or
127 chapter 147, or chapter 148, excluding withholding tax imposed by sections
128 143.191 to 143.265, in the amount of fifty percent of any amount contributed by
129 the taxpayer to the Missouri small business incubators fund during the taxpayer's
130 tax year or any contribution by the taxpayer to a local sponsor after the local
131 sponsor's application has been accepted and approved by the department. The
132 tax credit allowed by this subsection shall be claimed by the taxpayer at the time
133 he files his return and shall be applied against the income tax liability imposed
134 by chapter 143, or chapter 147, or chapter 148, after all other credits provided by
135 law have been applied. That portion of earned tax credits which exceeds the
136 taxpayer's tax liability may be carried forward for up to five years. The aggregate
137 of all tax credits authorized under this section shall not exceed five hundred
138 thousand dollars in any taxable year. **Notwithstanding provisions of law to
139 the contrary, no tax credits authorized under the provision of this
140 section shall be authorized on or after the effective date of this
141 act. The provisions of this subsection shall not be construed to limit or
142 in any way impair the department's ability to issue tax credits
143 authorized prior to the effective date of this act, or a taxpayer's ability
144 to redeem such tax credits.**

145 12. Notwithstanding any provision of Missouri law to the contrary, any
146 taxpayer may sell, assign, exchange, convey or otherwise transfer tax credits
147 allowed in subsection 11 of this section under the terms and conditions prescribed
148 in subdivisions (1) and (2) of this subsection. Such taxpayer, hereinafter the
149 assignor for the purpose of this subsection, may sell, assign, exchange or
150 otherwise transfer earned tax credits:

151 (1) For no less than seventy-five percent of the par value of such credits;
152 and

153 (2) In an amount not to exceed one hundred percent of annual earned
154 credits. The taxpayer acquiring earned credits, hereinafter the assignee for the
155 purpose of this subsection, may use the acquired credits to offset up to one
156 hundred percent of the tax liabilities otherwise imposed by chapter 143, or
157 chapter 147, or chapter 148 excluding withholding tax imposed by sections
158 143.191 to 143.265. Unused credits in the hands of the assignee may be carried
159 forward for up to five years. The assignor shall enter into a written agreement
160 with the assignee establishing the terms and conditions of the agreement and
161 shall perfect such transfer by notifying the department of economic development

162 in writing within thirty calendar days following the effective day of the transfer
163 and shall provide any information as may be required by the department of
164 economic development to administer and carry out the provisions of this
165 section. The director of the department of economic development shall prescribe
166 the method for submitting applications for claiming the tax credit allowed under
167 subsection 11 of this section and shall, if the application is approved, certify to
168 the director of revenue that the taxpayer claiming the credit has satisfied all the
169 requirements specified in this section and is eligible to claim the credit.

620.800. The following additional terms used in sections 620.800

2 to 620.809 shall mean:

**3 (1) "Agreement", the agreement between a qualified company, a
4 community college district, and the department concerning a training
5 project. Any such agreement shall comply with the provisions of
6 section 620.017;**

**7 (2) "Board of trustees", the board of trustees of a community
8 college district established under the provisions of chapter 178;**

**9 (3) "Certificate", new or retained jobs training certificates issued
10 under section 620.809;**

**11 (4) "Committee", the compete Missouri job training joint
12 legislative oversight committee, established by the department under
13 the provisions of section 620.803;**

**14 (5) "Compete Missouri Training Program", the training program
15 established under sections 620.800 to 620.809;**

**16 (6) "Department", the Missouri department of economic
17 development;**

18 (7) "Employee", a person employed by a qualified company;

**19 (8) "Full-time employee", an employee of the qualified company
20 that is scheduled to work an average of at least thirty-five hours per
21 week for a twelve-month period, and one for which the qualified
22 company offers health insurance and pays at least fifty percent of such
23 insurance premiums;**

**24 (9) "Local education agency", a community college, two-year state
25 technical college, or a technical career education center;**

**26 (10) "New capital investment", shall include costs incurred by the
27 qualified company at the project facility after acceptance by the
28 qualified company of the proposal for benefits from the department or
29 the approval of the notice of intent, whichever occurs first, for real or**

30 **personal property, and may include the value of finance or capital**
31 **leases for real or personal property for the term of such lease at the**
32 **project facility executed after acceptance by the qualified company of**
33 **the proposal for benefits from the department or approval of the notice**
34 **of intent;**

35 **(11) "New job", the number of full-time employees located at the**
36 **project facility that exceeds the project facility base employment less**
37 **any decrease in the number of full-time employees at related facilities**
38 **below the related facility base employment. No job that was created**
39 **prior to the date of the notice of intent shall be deemed a new job. An**
40 **employee that spends less than fifty percent of the employee's work**
41 **time at the facility is still considered to be located at a facility if the**
42 **employee receives his or her directions and control from that facility,**
43 **is on the facility's payroll, one hundred percent of the employee's**
44 **income from such employment is Missouri income, and the employee is**
45 **paid at or above the applicable percentage of the county average wage;**

46 **(12) "New jobs credit", the credit from withholding remitted by**
47 **a qualified company provided under subsection 6 of section 620.809;**

48 **(13) "Notice of intent", a form developed by the department,**
49 **completed by the qualified company and submitted to the department**
50 **which states the qualified company's intent to request benefits under**
51 **this program;**

52 **(14) "Project facility", the building or buildings used by a**
53 **qualified company at which new or retained jobs and any new capital**
54 **investment are or will be located. A project facility may include**
55 **separate buildings located within sixty miles of each other such that**
56 **their purpose and operations are interrelated; provided, that where the**
57 **buildings making up the project facility are not located within the same**
58 **county, the average wage of the new payroll must exceed the highest**
59 **county average wage among the counties in which the buildings are**
60 **located. Upon approval by the department, a subsequent project**
61 **facility may be designated if the qualified company demonstrates a**
62 **need to relocate to the subsequent project facility at any time during**
63 **the project period;**

64 **(15) "Project facility base employment", the greater of the**
65 **number of full-time employees located at the project facility on the date**
66 **of the notice of intent or, for the twelve-month period prior to the date**

67 of the notice of intent, the average number of full-time employees
68 located at the project facility. In the event the project facility has not
69 been in operation for a full twelve-month period, the average number
70 of full-time employees for the number of months the project facility has
71 been in operation prior to the date of the notice of intent;

72 (16) "Qualified company", a firm, partnership, joint venture,
73 association, private or public corporation whether organized for profit
74 or not, or headquarters of such entity registered to do business in
75 Missouri that is the owner or operator of a project facility, offers health
76 insurance to all full-time employees of all facilities located in this state,
77 and pays at least fifty percent of such insurance premiums. For the
78 purposes of sections 620.800 to 620.809, the term "qualified company"
79 shall not include:

80 (a) Gambling establishments (NAICS industry group 7132);

81 (b) Retail trade establishments (NAICS sectors 44 and 45), except
82 with respect to any company headquartered in this state with a
83 majority of its full-time employees engaged in operations not within the
84 NAICS codes specified in this subdivision;

85 (c) Food and drinking places (NAICS subsector 722);

86 (d) Public utilities (NAICS 221 including water and sewer
87 services);

88 (e) Any company that is delinquent in the payment of any
89 nonprotested taxes or any other amounts due the state or federal
90 government or any other political subdivision of this state;

91 (f) Any company requesting benefits for retained jobs that has
92 filed for or has publicly announced its intention to file for bankruptcy
93 protection. However, a company that has filed for or has publicly
94 announced its intention to file for bankruptcy, may be a qualified
95 company provided that such company:

96 a. Certifies to the department that it plans to reorganize and not
97 to liquidate; and

98 b. After its bankruptcy petition has been filed, it produces proof,
99 in a form and at times satisfactory to the department, that it is not
100 delinquent in filing any tax returns or making any payment due to the
101 state of Missouri, including but not limited to all tax payments due
102 after the filing of the bankruptcy petition and under the terms of the
103 plan of reorganization.

104 Any taxpayer who is awarded benefits under this subsection and who
105 files for bankruptcy under Chapter 7 of the United States Bankruptcy
106 Code, Title 11 U.S.C., shall immediately notify the department and shall
107 forfeit such benefits and shall repay the state an amount equal to any
108 state tax credits already redeemed and any withholding taxes already
109 retained;

110 (g) Educational services (NAICS sector 61);

111 (h) Religious organizations (NAICS industry group 8131);

112 (i) Public administration (NAICS sector 92);

113 (j) Ethanol distillation or production; or

114 (k) Biodiesel production.

115 Notwithstanding any provision of this section to the contrary, the
116 headquarters, administrative offices, or research and development
117 facilities of an otherwise excluded business may qualify for benefits if
118 the offices or facilities serve a multistate territory. In the event a
119 national, state, or regional headquarters operation is not the
120 predominant activity of a project facility, the jobs and investment of
121 such operation shall be considered eligible for benefits under this
122 section if the other requirements are satisfied;

123 (17) "Related company":

124 (a) A corporation, partnership, trust, or association controlled
125 by the qualified company;

126 (b) An individual, corporation, partnership, trust, or association
127 in control of the qualified company; or

128 (c) Corporations, partnerships, trusts, or associations controlled
129 by an individual, corporation, partnership, trust, or association in
130 control of the qualified company. As used in this subdivision, "control
131 of a corporation" shall mean ownership, directly or indirectly, of stock
132 possessing at least fifty percent of the total combined voting power of
133 all classes of stock entitled to vote, "control of a partnership or
134 association" shall mean ownership of at least fifty percent of the capital
135 or profits interest in such partnership or association, "control of a
136 trust" shall mean ownership, directly or indirectly, of at least fifty
137 percent of the beneficial interest in the principal or income of such
138 trust, and ownership shall be determined as provided in Section 318 of
139 the Internal Revenue Code of 1986, as amended;

140 (18) "Related facility", a facility operated by the qualified

141 **company or a related company located in this state that is directly**
142 **related to the operations of the project facility or in which operations**
143 **substantially similar to the operations of the project facility are**
144 **performed;**

145 **(19) "Related facility base employment", the greater of the**
146 **number of full-time employees located at all related facilities on the**
147 **date of the notice of intent or, for the twelve-month period prior to the**
148 **date of the notice of intent, the average number of full-time employees**
149 **located at all related facilities of the qualified company or a related**
150 **company located in this state;**

151 **(20) "Retained job", the average number of full-time employees of**
152 **a qualified company located at the project facility during each month**
153 **for the calendar year preceding the year in which the notice of intent**
154 **is submitted;**

155 **(21) "Retained jobs credit", the credit from withholding remitted**
156 **by a qualified company provided under subsection 6 of section 620.809;**

157 **(22) "Targeted industry", an industry or one of a cluster of**
158 **industries identified by the department by rule following a strategic**
159 **planning process as being critical to the state's economic security and**
160 **growth;**

161 **(23) "Training program", the compete Missouri training program**
162 **established under sections 620.800 to 620.809;**

163 **(24) "Training project", the project or projects established**
164 **through the compete Missouri training program for the creation or**
165 **retention of jobs by providing education and training of workers;**

166 **(25) "Training project costs", all necessary and incidental costs**
167 **of providing program services through the training program, including:**

168 **(a) Training materials and supplies;**

169 **(b) Wages and benefits of instructors, who may or may not be**
170 **employed by the eligible industry, and the cost of training such**
171 **instructors;**

172 **(c) Subcontracted services;**

173 **(d) On-the-job training;**

174 **(e) Training facilities and equipment;**

175 **(f) Skill assessment;**

176 **(g) Training project and curriculum development;**

177 **(h) Travel directly to the training project, including a**

178 **coordinated transportation program for trainings if the training can be**
179 **more effectively provided outside the community where the jobs are to**
180 **be located;**

181 **(i) Payments to third party training providers and to the eligible**
182 **industry;**

183 **(j) Teaching and assistance provided by educational institutions**
184 **in the state of Missouri;**

185 **(k) In-plant training analysis, including fees for professionals**
186 **and necessary travel and expenses;**

187 **(l) Assessment and preselection tools;**

188 **(m) Publicity;**

189 **(n) Instructional services;**

190 **(o) Rental of instructional facilities with necessary utilities; and**

191 **(p) Payment of the principal, premium, and interest on**
192 **certificates, including capitalized interest, issued to finance a project,**
193 **and the funding and maintenance of a debt service reserve fund to**
194 **secure such certificates;**

195 **(26) "Training project services", includes, but shall not be limited**
196 **to, the following:**

197 **(a) Job training, which may include, but not be limited to,**
198 **preemployment training, analysis of the specified training needs for a**
199 **qualified company, development of training plans, and provision of**
200 **training through qualified training staff;**

201 **(b) Adult basic education and job-related instruction;**

202 **(c) Vocational and skill-assessment services and testing;**

203 **(d) Training facilities, equipment, materials, and supplies;**

204 **(e) On-the-job training;**

205 **(f) Administrative expenses equal to fifteen percent of the total**
206 **training costs;**

207 **(g) Subcontracted services with state institutions of higher**
208 **education, private colleges or universities, or other federal, state, or**
209 **local agencies;**

210 **(h) Contracted or professional services; and**

211 **(i) Issuance of certificates, when applicable.**

620.803. 1. The department shall establish a "Compete Missouri
2 **Training Program" to assist qualified companies for the training of**
3 **employees in new jobs and the retraining or upgrading of skills of full-**

4 time employees in retained jobs as provided in sections 620.800 to
5 620.809. The training program shall be funded through appropriations
6 to the funds established under sections 620.806 and 620.809. The
7 department shall, to the maximum extent practicable, prioritize
8 funding under the training program to assist qualified companies in
9 targeted industries.

10 2. There is hereby created the "Compete Missouri Job Training
11 Joint Legislative Oversight Committee". The committee shall consist of
12 three members of the Missouri senate appointed by the president pro
13 tem of the senate; and three members of the house of representatives
14 appointed by the speaker of the house. No more than two of the
15 members of the senate and two of the members of the house of
16 representatives shall be from the same political party. Members of the
17 committee shall report to the governor, the president pro tem of the
18 senate and the speaker of the house of representatives on all assistance
19 to industries under the provisions of sections 620.800 to 620.809
20 provided during the preceding fiscal year. The report of the committee
21 shall be delivered no later than October first of each year. The director
22 of the department shall report to the committee such information as the
23 committee may deem necessary for its annual report. Members of the
24 committee shall receive no compensation in addition to their salary as
25 members of the general assembly, but may receive their necessary
26 expenses while attending the meetings of the committee, to be paid out
27 of the joint contingent fund.

28 3. The department shall publish guidelines and may promulgate
29 rules and regulations governing the training program. Any rule or
30 portion of a rule, as that term is defined in section 536.010, that is
31 created under the authority delegated in this section shall become
32 effective only if it complies with and is subject to all of the provisions
33 of chapter 536 and, if applicable, section 536.028. This section and
34 chapter 536 are nonseverable and if any of the powers vested with the
35 general assembly pursuant to chapter 536 to review, to delay the
36 effective date, or to disapprove and annul a rule are subsequently held
37 unconstitutional, then the grant of rulemaking authority and any rule
38 proposed or adopted after the effective date of this act, shall be invalid
39 and void.

40 4. The department shall make program applications and

41 guidelines available on-line.

42 5. The department may contract with other entities for the
43 purposes of carrying out the provisions of the training program
44 established in sections 620.800 to 620.809. Any assistance through the
45 training program shall be provided pursuant to an agreement.

46 6. Prior to the authorization of any application submitted
47 through the training program, the department shall verify the
48 applicant's tax payment status and offset any delinquencies as provided
49 in section 135.815.

 620.806. 1. The "Missouri Job Development Fund", formerly
2 established in the state treasury by section 620.478, shall now be known
3 as the "Compete Missouri Job Development Fund" and shall be
4 administered by the department for the training program. The fund
5 shall consist of all moneys which may be appropriated to it by the
6 general assembly and also any gifts, contributions, grants, or bequests
7 received from federal, private or other sources, including, but not
8 limited to, any block grant or other sources of funding relating to job
9 training, school-to-work transition, welfare reform, vocational and
10 technical training, housing, infrastructure, development, and human
11 resource investment programs which may be provided by the federal
12 government or other sources.

13 2. The department may provide financial assistance through the
14 training program to qualified companies that create new jobs which
15 will result in the need for training, or that make new capital
16 investment relating directly to the retention of retained jobs in an
17 amount at least five times greater than the amount of any financial
18 assistance. Financial assistance may also be provided to a consortium
19 of qualified companies organized for the purpose of providing for
20 common training to the consortium members' employees. Funds in the
21 compete Missouri job development fund shall be appropriated, for
22 financial assistance through the training program, by the general
23 assembly to the department and shall be administered by a local
24 educational agency certified by the department for such
25 purpose. Except for state-sponsored pre-employment training, no
26 qualified company shall receive more than fifty percent of its training
27 program costs from the compete Missouri job development fund. No
28 funds shall be awarded or reimbursed to any qualified company for the

29 training, retraining, or upgrading of skills of potential employees with
30 the purpose of replacing or supplanting employees engaged in an
31 authorized work stoppage. Upon approval by the department, training
32 project costs, except the purchase of training equipment and training
33 facilities, shall be eligible for reimbursement with funds from the
34 compete Missouri job development fund. Notwithstanding any
35 provision of law to the contrary, no qualified company within a service
36 industry shall be eligible for assistance under this subsection unless
37 such qualified company provides services in interstate commerce,
38 which shall mean that the qualified company derives a majority of its
39 annual revenues from out of the state.

40 3. The department may provide assistance, through
41 appropriations made from the compete Missouri job development fund,
42 to business and technology centers. Such assistance shall not include
43 the lending of the state's credit for the payment of any liability of the
44 fund. Such centers may be established by Missouri community colleges,
45 or a state-owned postsecondary technical college, to provide business
46 and training services for growth industries as determined by current
47 labor market information.

620.809. 1. The "Missouri Community College Job Training
2 Program Fund", formerly established in the state treasury by section
3 178.896, shall now be known as the "Compete Missouri Community
4 College New Jobs Training Fund", and shall be administered by the
5 department for the training program. The department of revenue shall
6 credit to the fund, as received, all new jobs credits. The fund shall also
7 consist of any gifts, contributions, grants, or bequests received from
8 federal, private, or other sources. The general assembly, however, shall
9 not provide for any transfer of general revenue funds into the
10 fund. Moneys in the fund shall be disbursed to the department
11 pursuant to regular appropriations by the general assembly. The
12 department shall disburse such appropriated funds in a timely manner
13 into the special funds established by community college districts for
14 training projects, which funds shall be used to pay training project
15 costs. Such disbursements shall be made to the special fund for each
16 training project in the same proportion as the new jobs credit remitted
17 by the qualified company participating in such project bears to the
18 total new jobs credit from withholding remitted by all qualified

19 companies participating in projects during the period for which the
20 disbursement is made. All moneys remaining in the fund at the end of
21 any fiscal year shall not lapse to the general revenue fund, as provided
22 in section 33.080, but shall remain in the fund.

23 2. The "Missouri Community College Job Retention Training
24 Program Fund", formerly established in the state treasury by section
25 178.764, shall now be known as the "Compete Missouri Community
26 College Job Retention Training Fund", and shall be administered by the
27 department for the compete Missouri training program. The
28 department of revenue shall credit to the fund, as received, all retained
29 jobs credits. The fund shall also consist of any gifts, contributions,
30 grants, or bequests received from federal, private, or other
31 sources. The general assembly, however, shall not provide for any
32 transfer of general revenue funds into the fund. Moneys in the fund
33 shall be disbursed to the department pursuant to regular
34 appropriations by the general assembly. The department shall disburse
35 such appropriated funds in a timely manner into the special funds
36 established by community college districts for projects, which funds
37 shall be used to pay training program costs, including the principal,
38 premium, and interest on certificates issued by the district to finance
39 or refinance, in whole or in part, a project. Such disbursements by the
40 department shall be made to the special fund for each project in the
41 same proportion as the retained jobs credit from withholding remitted
42 by the qualified company participating in such project bears to the
43 total retained jobs credit from withholding remitted by qualified
44 companies participating in projects during the period for which the
45 disbursement is made. All moneys remaining in the fund at the end of
46 any fiscal year shall not lapse to the general revenue fund, as provided
47 in section 33.080, but shall remain in the fund.

48 3. The department of revenue shall develop such forms as are
49 necessary to demonstrate accurately each qualified company's new jobs
50 credit paid into the compete Missouri community college new jobs
51 training fund or retained jobs credit paid into the compete Missouri
52 community college job retention training fund. The new or retained
53 jobs credits shall be accounted as separate from the normal
54 withholding tax paid to the department of revenue by the qualified
55 company. Reimbursements made by all qualified companies to the

56 **compete Missouri community college new jobs training fund and the**
57 **compete Missouri community college job retention training fund shall**
58 **be no less than all allocations made by the department to all community**
59 **college districts for all projects. The qualified company shall remit the**
60 **amount of the new or retained jobs credit, as applicable, to the**
61 **department of revenue in the same manner as provided in sections**
62 **143.191 to 143.265.**

63 **4. A community college district, with the approval of the**
64 **department in consultation with the office of administration, may enter**
65 **into an agreement to establish a training project and provide training**
66 **project services to a qualified company. As soon as possible after**
67 **initial contact between a community college district and a potential**
68 **qualified company regarding the possibility of entering into an**
69 **agreement, the district shall inform the department of the potential**
70 **training project. The department shall evaluate the proposed training**
71 **project within the overall job training efforts of the state to ensure that**
72 **the training project will not duplicate other job training programs. The**
73 **department shall have fourteen days from receipt of a notice of intent**
74 **to approve or disapprove training projects. If no response is received**
75 **by the qualified company within fourteen days, the training project**
76 **shall be deemed approved. Disapproval of any training project shall be**
77 **made in writing and state the reasons for such disapproval. If an**
78 **agreement is entered into, the district and the qualified company shall**
79 **notify the department of revenue within fifteen calendar days. In**
80 **addition to any provisions required under subsection 5 of this section**
81 **for a qualified company applying to receive a retained job credit, an**
82 **agreement may provide, but shall not be limited to:**

83 **(1) Payment of training project costs, which may be paid from**
84 **one or a combination of the following sources:**

85 **(a) Funds appropriated by the general assembly to the compete**
86 **Missouri community college new jobs training program fund or compete**
87 **Missouri community college job retention training program fund, as**
88 **applicable, and disbursed by the department for the purposes**
89 **consistent with sections 620.800 to 620.809;**

90 **(b) Tuition, student fees, or special charges fixed by the board**
91 **of trustees to defray training project costs in whole or in part;**

92 **(2) Payment of training project costs shall not be deferred for a**

93 **period longer than eight years;**

94 **(3) Costs of on-the-job training for employees shall include wages**
95 **or salaries of participating employees. Payments for on-the-job**
96 **training shall not exceed the average of fifty percent of the total wages**
97 **paid by the qualified company to each participant during the period of**
98 **training. Payment for on-the-job training may continue for up to six**
99 **months from the date the training begins;**

100 **(4) A provision which fixes the minimum amount of new or**
101 **retained jobs credits, or tuition and fee payments which shall be paid**
102 **for training project costs;**

103 **(5) Any payment required to be made by a qualified company**
104 **shall constitute a lien upon the qualified company's business property**
105 **until paid and have equal priority with ordinary taxes and shall not be**
106 **divested by a judicial sale. Property subject to such lien may be sold**
107 **for sums due and delinquent at a tax sale, with the same forfeitures,**
108 **penalties, and consequences as for the nonpayment of ordinary**
109 **taxes. The purchasers at tax sale shall obtain the property subject to**
110 **the remaining payments.**

111 **5. Any qualified company that submits a notice of intent for**
112 **retained job credits shall enter into an agreement providing that the**
113 **qualified company has:**

114 **(1) Maintained at least one hundred full-time employees per year**
115 **at the project facility for the calendar year preceding the year in which**
116 **the application is made;**

117 **(2) Retained, at the project facility, the same number of**
118 **employees that existed in the taxable year immediately preceding the**
119 **year in which application is made; and**

120 **(3) Made or agrees to make a new capital investment of greater**
121 **than five times the amount of any award under this training program**
122 **at the project facility over a period of two consecutive calendar years,**
123 **as certified by the qualified company and:**

124 **(a) Has made substantial investment in new technology requiring**
125 **the upgrading of employee skills; or**

126 **(b) Is located in a border county of the state and represent a**
127 **potential risk of relocation from the state; or**

128 **(c) Has been determined to represent a substantial risk of**
129 **relocation from the state by the director of the department of economic**

130 **development.**

131 **6. If an agreement provides that all or part of training program**
132 **costs are to be met by receipt of new or retained jobs credit, such new**
133 **or retained jobs credit from withholding shall be determined and paid**
134 **as follows:**

135 **(1) New or retained jobs credit shall be based upon the wages**
136 **paid to the employees in the new or retained jobs;**

137 **(2) A portion of the total payments made by the qualified**
138 **companies under sections 143.191 to 143.265 shall be designated as the**
139 **new or retained jobs credit from withholding. Such portion shall be an**
140 **amount equal to two and one-half percent of the gross wages paid by**
141 **the qualified company for each of the first one hundred jobs included**
142 **in the project and one and one-half percent of the gross wages paid by**
143 **the qualified company for each of the remaining jobs included in the**
144 **project. If business or employment conditions cause the amount of the**
145 **new or retained jobs credit from withholding to be less than the**
146 **amount projected in the agreement for any time period, then other**
147 **withholding tax paid by the qualified company under sections 143.191**
148 **to 143.265 shall be credited to the applicable fund by the amount of**
149 **such difference. The qualified company shall remit the amount of the**
150 **new or retained jobs credit to the department of revenue in the manner**
151 **prescribed in sections 143.191 to 143.265. When all training program**
152 **costs have been paid, the new or retained jobs credits shall cease;**

153 **(3) The community college district participating in a project**
154 **shall establish a special fund for and in the name of the training**
155 **project. All funds appropriated by the general assembly from the funds**
156 **established under subsections 1 and 2 of this section, and disbursed by**
157 **the department for the training project and other amounts received by**
158 **the district for training project costs as required by the agreement**
159 **shall be deposited in the special fund. Amounts held in the special fund**
160 **shall be used and disbursed by the district only to pay training project**
161 **costs for such training project. The special fund may be divided into**
162 **such accounts and subaccounts as shall be provided in the agreement,**
163 **and amounts held therein may be invested in the same manner as the**
164 **district's other funds;**

165 **(4) Any disbursement for training project costs, received from**
166 **the department under sections 620.800 to 620.809 and placed into the**

167 training project's special fund may be irrevocably pledged by a
168 community college district for the payment of the principal, premium,
169 and interest on the certificate issued by a community college district
170 to finance or refinance, in whole or in part, such training project;

171 (5) The qualified company shall certify to the department of
172 revenue that the new or retained jobs credit is in accordance with an
173 agreement and shall provide other information the department of
174 revenue may require;

175 (6) An employee participating in a training project shall receive
176 full credit under section 143.211, for the amount designated as a new
177 or retained jobs credit;

178 (7) If an agreement provides that all or part of training program
179 costs are to be met by receipt of new or retained jobs credit, the
180 provisions of this subsection shall also apply to any successor to the
181 original qualified company until such time as the principal and interest
182 on the certificates have been paid.

183 7. To provide funds for the present payment of the training
184 project costs of new or retained jobs training project through the
185 training program, a community college district may borrow money and
186 issue and sell certificates payable from a sufficient portion of the
187 future receipts of payments authorized by the agreement including
188 disbursements from the compete Missouri community college new jobs
189 training fund or the compete Missouri community college job retention
190 training fund, to the special fund established by the district for each
191 project. The total amount of outstanding certificates sold by all
192 community college districts shall not exceed the total amount
193 authorized pursuant to law as of January 1, 2011, unless an increased
194 amount is authorized in writing by a majority of members of the
195 committee. The certificates shall be marketed through financial
196 institutions authorized to do business in Missouri. The receipts shall
197 be pledged to the payment of principal of and interest on the
198 certificates. Certificates may be sold at public sale or at private sale
199 at par, premium, or discount of not less than ninety-five percent of the
200 par value thereof, at the discretion of the board of trustees, and may
201 bear interest at such rate or rates as the board of trustees shall
202 determine, notwithstanding the provisions of section 108.170 to the
203 contrary. However, the provisions of chapter 176 shall not apply to the

204 issuance of such certificates. Certificates may be issued with respect
205 to a single project or multiple projects and may contain terms or
206 conditions as the board of trustees may provide by resolution
207 authorizing the issuance of the certificates.

208 8. Certificates issued to refund other certificates may be sold at
209 public sale or at private sale as provided in this section with the
210 proceeds from the sale to be used for the payment of the certificates
211 being refunded. The refunding certificates may be exchanged in
212 payment and discharge of the certificates being refunded, in
213 installments at different times or an entire issue or series at one
214 time. Refunding certificates may be sold or exchanged at any time on,
215 before, or after the maturity of the outstanding certificates to be
216 refunded. They may be issued for the purpose of refunding a like,
217 greater, or lesser principal amount of certificates and may bear a
218 higher, lower, or equivalent rate of interest than the certificates being
219 renewed or refunded.

220 9. Before certificates are issued, the board of trustees shall
221 publish once a notice of its intention to issue the certificates, stating
222 the amount, the purpose, and the project or projects for which the
223 certificates are to be issued. A person with standing may, within
224 fifteen days after the publication of the notice, by action in the circuit
225 court of a county in the district, appeal the decision of the board of
226 trustees to issue the certificates. The action of the board of trustees in
227 determining to issue the certificates shall be final and conclusive
228 unless the circuit court finds that the board of trustees has exceeded
229 its legal authority. An action shall not be brought which questions the
230 legality of the certificates, the power of the board of trustees to issue
231 the certificates, the effectiveness of any proceedings relating to the
232 authorization of the project, or the authorization and issuance of the
233 certificates from and after fifteen days from the publication of the
234 notice of intention to issue.

235 10. The board of trustees shall make a finding based on
236 information supplied by the qualified company that revenues provided
237 in the agreement are sufficient to secure the faithful performance of
238 obligations in the agreement.

239 11. Certificates issued under this section shall not be deemed to
240 be an indebtedness of the state or the community college district or of

241 any other political subdivision of the state, and the principal and
242 interest on any certificates shall be payable only from the sources
243 provided in subdivision (1) of subsection 4 of this section which are
244 pledged in the agreement.

245 12. The provisions of the new program authorized under sections
246 620.800 to 620.809 shall sunset automatically on July 1, 2018, unless
247 reauthorized by an act of the general assembly.

620.2000. Sections 620.2000 to 620.2020 shall be known and may
2 be cited as the "Compete Missouri Program".

620.2005. As used in sections 620.2000 to 620.2020, the following
2 terms mean:

3 (1) "Average wage", the new payroll divided by the number of
4 new jobs, or the payroll of the retained jobs divided by the number of
5 retained jobs;

6 (2) "Commencement of operations", the starting date for the
7 qualified company's first new employee, which shall be no later than
8 twelve months from the date of the approval;

9 (3) "County average wage", the average wages in each county as
10 determined by the department for the most recently completed full
11 calendar year. However, if the computed county average wage is above
12 the statewide average wage, the statewide average wage shall be
13 deemed the county average wage for such county for the purpose of
14 determining eligibility. The department shall publish the county
15 average wage for each county at least annually. Notwithstanding the
16 provisions of this subdivision to the contrary, for any qualified
17 company that in conjunction with their project is relocating employees
18 from a Missouri county with a higher county average wage, the
19 company shall obtain the endorsement of the governing body of the
20 community from which jobs are being relocated or the county average
21 wage for their project shall be the county average wage for the county
22 from which the employees are being relocated;

23 (4) "Department", the Missouri department of economic
24 development;

25 (5) "Director", the director of the department of economic
26 development;

27 (6) "Employee", a person employed by a qualified company;

28 (7) "Existing Missouri business", a qualified company that, for the

29 ten-year period preceding submission of a notice of intent to the
30 department, had a physical location in Missouri and full-time
31 employees who routinely perform job duties within Missouri;

32 (8) "Full-time employee", an employee of the qualified company
33 that is scheduled to work an average of at least thirty-five hours per
34 week for a twelve-month period, and one for which the qualified
35 company offers health insurance and pays at least fifty percent of such
36 insurance premiums;

37 (9) "Local incentives", the present value of the dollar amount of
38 direct benefit received by a qualified company for a project facility
39 from one or more local political subdivisions, but this term shall not
40 include loans or other funds provided to the qualified company that
41 shall be repaid by the qualified company to the political subdivision;

42 (10) "NAICS" or "NAICS industry classification", the classification
43 provided by the most recent edition of the North American Industry
44 Classification System as prepared by the Executive Office of the
45 President, Office of Management and Budget;

46 (11) "New capital investment", shall include costs incurred by the
47 qualified company at the project facility after acceptance by the
48 qualified company of the proposal for benefits from the department or
49 the approval of the notice of intent, whichever occurs first, for real or
50 personal property, and may include the value of finance or capital
51 leases for real or personal property for the term of such lease at the
52 project facility executed after acceptance by the qualified company of
53 the proposal for benefits from the department or approval of the notice
54 of intent;

55 (12) "New direct local revenue", the present value of the dollar
56 amount of direct net new tax revenues of the local political
57 subdivisions likely to be produced by the project over a ten-year period
58 as calculated by the department, excluding local earnings tax, and net
59 new utility revenues, provided the local incentives include a discount
60 or other direct incentives from utilities owned or operated by the
61 political subdivision;

62 (13) "New job", the number of full-time employees located at the
63 project facility that exceeds the project facility base employment less
64 any decrease in the number of full-time employees at related facilities
65 below the related facility base employment. No job that was created

66 prior to the date of the notice of intent shall be deemed a new job. An
67 employee that spends less than fifty percent of the employee's work
68 time at the facility shall be considered to be located at a facility if the
69 employee receives his or her directions and control from that facility,
70 is on the facility's payroll, one hundred percent of the employee's
71 income from such employment is Missouri income, and the employee is
72 paid at or above the applicable percentage of the county average wage;

73 (14) "New payroll", the amount of wages earned by all full-time
74 employees, excluding owners of the qualified company unless the
75 qualified company is participating in an employee stock ownership
76 plan, located at the project facility during the qualified company's tax
77 year that exceeds the project facility base payroll;

78 (15) "Notice of intent", a form developed by the department and
79 available online, completed by the qualified company, and submitted to
80 the department stating the qualified company's intent to request
81 benefits under this program;

82 (16) "Percent of local incentives", the amount of local incentives
83 divided by the amount of new direct local revenue;

84 (17) "Program", the compete Missouri program established in
85 sections 620.2000 to 620.2020;

86 (18) "Project facility", the building or buildings used by a
87 qualified company at which new or retained jobs and any new capital
88 investment are or will be located. A project facility may include
89 separate buildings located within sixty miles of each other such that
90 their purpose and operations are interrelated; provided that where the
91 buildings making up the project facility are not located within the same
92 county, the average wage of the new payroll shall exceed the highest
93 county average wage among the counties in which the buildings are
94 located. Upon approval by the department, a subsequent project
95 facility may be designated if the qualified company demonstrates a
96 need to relocate to the subsequent project facility at any time during
97 the project period;

98 (19) "Project facility base employment", the greater of the
99 number of full-time employees located at the project facility on the date
100 of the notice of intent or, for the twelve-month period prior to the date
101 of the notice of intent, the average number of full-time employees
102 located at the project facility. In the event the project facility has not

103 **been in operation for a full twelve-month period, the average number**
104 **of full-time employees for the number of months the project facility has**
105 **been in operation prior to the date of the notice of intent;**

106 **(20) "Project facility base payroll", the total amount of wages**
107 **paid by the qualified company to full-time employees of the qualified**
108 **company located at the project facility in the twelve months prior to**
109 **the notice of intent, not including the payroll of the owners of the**
110 **qualified company unless the qualified company is participating in an**
111 **employee stock ownership plan. For purposes of calculating the**
112 **benefits under this program, the amount of base payroll shall increase**
113 **each year based on an appropriate measure, as determined by the**
114 **department;**

115 **(21) "Project period", the time period within which benefits are**
116 **awarded to a qualified company or within which the qualified company**
117 **is obligated to perform pursuant to an agreement with the department,**
118 **whichever is greater;**

119 **(22) "Projected net fiscal benefit", the total fiscal benefit to the**
120 **state less any state benefits offered to the qualified company, as**
121 **determined by the department;**

122 **(23) "Qualified company", a firm, partnership, joint venture,**
123 **association, private or public corporation whether organized for profit**
124 **or not, or headquarters of such entity registered to do business in**
125 **Missouri that is the owner or operator of a project facility, offers health**
126 **insurance to all full-time employees of all facilities located in this state,**
127 **and pays at least fifty percent of such insurance premiums. For the**
128 **purposes of sections 620.2000 to 620.2020, the term "qualified company"**
129 **shall not include:**

130 **(a) Gambling establishments (NAICS industry group 7132);**

131 **(b) Retail trade establishments (NAICS sectors 44 and 45), except**
132 **with respect to any company headquartered in this state with a**
133 **majority of its full-time employees engaged in operations not within the**
134 **NAICS codes specified in this subdivision;**

135 **(c) Food and drinking places (NAICS subsector 722);**

136 **(d) Public utilities (NAICS 221 including water and sewer**
137 **services);**

138 **(e) Any company that is delinquent in the payment of any**
139 **nonprotested taxes or any other amounts due the state or federal**

140 government or any other political subdivision of this state;

141 (f) Any company requesting benefits for retained jobs that has
142 filed for or has publicly announced its intention to file for bankruptcy
143 protection. However, a company that has filed for or has publicly
144 announced its intention to file for bankruptcy, may be a qualified
145 company provided that such company:

146 a. Certifies to the department that it plans to reorganize and not
147 to liquidate; and

148 b. After its bankruptcy petition has been filed, it produces proof,
149 in a form and at times satisfactory to the department, that it is not
150 delinquent in filing any tax returns or making any payment due to the
151 state of Missouri, including but not limited to all tax payments due
152 after the filing of the bankruptcy petition and under the terms of the
153 plan of reorganization.

154 Any taxpayer who is awarded benefits under this subsection and who
155 files for bankruptcy under Chapter 7 of the United States Bankruptcy
156 Code, Title 11 U.S.C., shall immediately notify the department and shall
157 forfeit such benefits and shall repay the state an amount equal to any
158 state tax credits already redeemed and any withholding taxes already
159 retained;

160 (g) Educational services (NAICS sector 61);

161 (h) Religious organizations (NAICS industry group 8131);

162 (i) Public administration (NAICS sector 92);

163 (j) Ethanol distillation or production; or

164 (k) Biodiesel production.

165 Notwithstanding any provision of this section to the contrary, the
166 headquarters, administrative offices, or research and development
167 facilities of an otherwise excluded business may qualify for benefits if
168 the offices or facilities serve a multistate territory. In the event a
169 national, state, or regional headquarters operation is not the
170 predominant activity of a project facility, the jobs and investment of
171 such operation shall be considered eligible for benefits under this
172 section if the other requirements are satisfied;

173 (24) "Related company", shall mean:

174 (a) A corporation, partnership, trust, or association controlled
175 by the qualified company;

176 (b) An individual, corporation, partnership, trust, or association

177 in control of the qualified company; or

178 (c) Corporations, partnerships, trusts or associations controlled
179 by an individual, corporation, partnership, trust, or association in
180 control of the qualified company. As used in this paragraph, "control
181 of a qualified company" shall mean:

182 a. Ownership, directly or indirectly, of stock possessing at least
183 fifty percent of the total combined voting power of all classes of stock
184 entitled to vote in the case of a qualified company that is a corporation;

185 b. Ownership of at least fifty percent of the capital or profits
186 interest in such qualified company if it is a partnership or association;

187 c. Ownership, directly or indirectly, of at least fifty percent of
188 the beneficial interest in the principal or income of such qualified
189 company if it is a trust, and ownership shall be determined as provided
190 in Section 318 of the Internal Revenue Code of 1986, as amended;

191 (25) "Related facility", a facility operated by the qualified
192 company or a related company located in this state that is directly
193 related to the operations of the project facility or in which operations
194 substantially similar to the operations of the project facility are
195 performed;

196 (26) "Related facility base employment", the greater of the
197 number of full-time employees located at all related facilities on the
198 date of the notice of intent or, for the twelve-month period prior to the
199 date of the notice of intent, the average number of full-time employees
200 located at all related facilities of the qualified company or a related
201 company located in this state;

202 (27) "Related facility base payroll", the total amount of taxable
203 wages paid by the qualified company to full-time employees of the
204 qualified company located at a related facility in the twelve months
205 prior to the filing of the notice of intent, not including the payroll of
206 the owners of the qualified company unless the qualified company is
207 participating in an employee stock ownership plan. For purposes of
208 calculating the benefits under this program, the amount of related
209 facility base payroll shall increase each year based on an appropriate
210 measure, as determined by the department;

211 (28) "Retained job", the average number of full-time employees of
212 a qualified company located at the project facility during each month
213 for the calendar year preceding the year in which the notice of intent

214 is submitted;

215 (29) "Rural area", a county in Missouri with a population less
216 than seventy-five thousand or that does not contain an individual city
217 with a population greater than fifty thousand according to the most
218 recent federal decennial census;

219 (30) "Targeted industry", an industry or one of a cluster of
220 industries identified by the department, by rule following a strategic
221 planning process, as being critical to the state's economic security and
222 growth;

223 (31) "Tax credits", tax credits issued by the department to offset
224 the state taxes imposed by chapters 143 and 148, or which may be sold
225 or refunded as provided for in this program; and

226 (32) "Withholding tax", the state tax imposed by sections 143.191
227 to 143.265. For purposes of this program, the withholding tax shall be
228 computed using a schedule as determined by the department based on
229 average wages.

620.2010. 1. In exchange for the consideration provided by the
2 new tax revenues and other economic stimuli that will be generated by
3 the new jobs created, a qualified company shall be eligible to receive
4 the following benefits under this program:

5 (1) A qualified company may, for a period of five years from the
6 date the new jobs are created, or for a period of six years from the date
7 the new jobs are created if the qualified company is an existing
8 Missouri business, retain an amount equal to the withholding tax as
9 calculated under subdivision (32) of section 620.2005 from the new jobs
10 that would otherwise be withheld and remitted by the qualified
11 company under the provisions of sections 143.191 to 143.265 if:

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

15 (b) The qualified company is in a targeted industry and creates
16 ten or more new jobs, and the average wage of the new payroll equals
17 or exceeds ninety percent of the county average wage; or

18 (c) The qualified company creates two or more new jobs at a
19 project facility located within a zone designated pursuant to section
20 135.950 to 135.963, the average wage of the new payroll equals or
21 exceeds eighty percent of the county average wage, and the qualified

22 company commits to making at least one hundred thousand dollars in
23 new capital investment at the project facility within two years of
24 approval;

25 (2) In addition to any other benefits available under this
26 subsection, a qualified company that satisfies paragraph (a) of
27 subdivision (1) of this subsection shall also be entitled to tax credits
28 issued each year for a period of five years from the date the new jobs
29 are created in an amount not to exceed two percent of new payroll from
30 the new jobs created; provided that in no event may the total amount
31 of benefits provided to a qualified company under this subsection
32 exceed five percent of the new payroll in any calendar year;

33 (3) In addition to any other benefits available under this
34 subsection, a qualified company that satisfies paragraph (b) of
35 subdivision (1) of this subsection shall also be entitled to tax credits
36 issued each year for a period of five years from the date the new jobs
37 are created in an amount not to exceed three percent of new payroll
38 from the new jobs created; provided that in no event may the total
39 amount of benefits provided to a qualified company under this
40 subsection exceed six percent of the new payroll in any calendar year.

41 2. In addition to any benefits available under subsection 1 of this
42 section, the department may award additional tax credits issued each
43 year for a period of five years from the date the new jobs are created
44 as follows:

45 (1) A qualified company that satisfies paragraph (a) of
46 subdivision (1) of subsection 1 of this section may be awarded tax
47 credits in an amount not to exceed four percent of new payroll from the
48 new jobs created; provided that in no event may the total amount of
49 benefits awarded to a qualified company under this section exceed nine
50 percent of new payroll in any calendar year;

51 (2) A qualified company that satisfies paragraph (b) of
52 subdivision (1) of subsection 1 of this section may be awarded tax
53 credits in an amount not to exceed six percent of new payroll from the
54 new jobs created; provided that in no event may the total amount of
55 benefits provided to the qualified company under this section exceed
56 twelve percent of new payroll in any calendar year;

57 (3) The amount of tax credits awarded to a qualified company
58 under this subsection shall not exceed the projected net fiscal benefit

59 to the state, as determined by the department, and shall not exceed the
60 least amount necessary to obtain the qualified company's commitment
61 to initiate the project. No benefits shall be available under this
62 subsection for any qualified company that has performed significant,
63 project-specific site work at the project facility or has publicly
64 announced its intention to create new jobs or make new capital
65 investment at the project facility prior to approval of its notice of
66 intent;

67 (4) In determining the amount of tax credits to award to a
68 qualified company under this subsection, the department shall consider
69 the following factors:

70 (a) The significance of the qualified company's need for program
71 benefits;

72 (b) The amount of projected net fiscal benefit to the state of the
73 project and the period in which the state would realize such net fiscal
74 benefit;

75 (c) The overall size and quality of the proposed project,
76 including the number of new jobs, new capital investment, proposed
77 wages, growth potential of the qualified company, the potential
78 multiplier effect of the project, and similar factors;

79 (d) The financial stability and creditworthiness of the qualified
80 company;

81 (e) The level of economic distress in the area;

82 (f) An evaluation of the competitiveness of alternative locations
83 for the project facility, as applicable; and

84 (g) The percent of local incentives committed;

85 (5) Upon approval of a notice of intent to receive tax credits
86 under this subsection, the department and the qualified company shall
87 enter into a written agreement covering the applicable project
88 period. The agreement shall specify, at a minimum:

89 (a) The committed number of new jobs, new payroll, and new
90 capital investment for each year during the project period;

91 (b) The date or time period during which the tax credits shall be
92 issued, which may be immediately or over a period not to exceed two
93 years from the date of approval of the notice of intent;

94 (c) Clawback provisions, as may be required by the department;

95 and

96 (d) Any other provisions the department may require.

97 3. In lieu of all other benefits available under this program, the
98 department may authorize a qualified company meeting the
99 requirements of this subsection and subsection 1 of this section to be
100 issued tax credits in an amount not to exceed seven percent of new
101 payroll from the new jobs created projected over a period of five years
102 from the date the required number of new jobs are to be created, or, if
103 the qualified company is in a targeted industry, the department may
104 authorize tax credits in an amount not to exceed nine percent of new
105 payroll from the new jobs created, projected over a period of five
106 years. The amount of benefits awarded to a qualified company under
107 this section shall not exceed the projected net fiscal benefit to the state
108 over a ten year period, as determined by the department, and may not
109 exceed the least amount necessary to obtain the qualified company's
110 commitment to initiate the project.

111 (1) Prior to approval, a qualified company requesting benefits
112 under this subsection shall provide evidence of commitments for the
113 financing of any applicable new capital investment. The new capital
114 investment shall be made at the project facility within two years of the
115 date of approval of the notice of intent.

116 (2) In awarding tax credits under this subsection, the
117 department shall consider factors set forth in subsection 2 of this
118 section.

119 (3) Upon approval of a notice of intent to receive tax credits
120 under this subsection, the department and the qualified company shall
121 enter into a written agreement covering the applicable project period
122 containing detailed performance requirements and repayment penalties
123 in event of nonperformance. The agreement shall specify, at a
124 minimum:

125 (a) The committed number of new jobs, payroll, and new capital
126 investment for each year during the project period;

127 (b) The date or time period during which the tax credits shall be
128 issued, which may be immediately or over a period not to exceed two
129 years from the date of approval of the notice of intent;

130 (c) Clawback provisions provided under subdivision (4) of this
131 subsection; and

132 (d) Any other provisions the department may require.

133 **(4) The following clawback provisions shall apply to any benefits**
134 **awarded under this subsection:**

135 **(a) If a qualified company fails to meet any requirements of this**
136 **section, including the applicable number of new jobs created or new**
137 **capital investment within two years from the date of approval of its**
138 **notice of intent, the qualified company shall repay the face amount of**
139 **all tax credits received from the department, plus interest of nine**
140 **percent per annum from the date the tax credits were issued. However,**
141 **the director may, in his or her discretion, provide an extension up to**
142 **two additional years or reduce such payment, if such failure is caused**
143 **by documented unforeseen events that negatively affected the**
144 **operations at the project facility that were not under the control of the**
145 **qualified company;**

146 **(b) If, during any year of the project period, the average wage of**
147 **the new payroll paid by the qualified company fails to equal or exceed**
148 **the applicable percentage of the county average wage, or the qualified**
149 **company fails to offer and pay fifty percent of the premium for health**
150 **insurance to all of its full-time employees located in this state, the**
151 **company shall refund to the state an amount equal to the face amount**
152 **of all tax credits received from the department under this program,**
153 **divided by the number of years in the project period. In addition to the**
154 **refund, the qualified company shall pay interest of nine percent per**
155 **annum from the date the tax credits were issued on the amount of the**
156 **refund;**

157 **(c) If the qualified company fails to meet its payroll commitment**
158 **for any year during the project period, it shall refund to the state a**
159 **portion of its total benefit received under this section based on the**
160 **following formula: the total amount of tax credits received by the**
161 **qualified company, divided by the number of years during the project**
162 **period, and multiplied by a fraction, the numerator of which is the**
163 **contractually agreed-upon amount of payroll for that year minus the**
164 **actual amount of payroll made by the company during the year, and the**
165 **denominator of which is the contractually agreed upon amount of**
166 **payroll made for that same year. In addition to the refund, the**
167 **qualified company shall pay interest of nine percent per annum from**
168 **the date the tax credits were issued on the amount of the refund;**

169 **(d) If the qualified company fails to meet its payroll or new**

170 capital investment requirements for any year during the project period
171 and the director has a reasonable belief that the qualified company will
172 not be able to meet its performance requirements during all or any
173 portion of the remainder of the project period, the director may require
174 the company to repay all or a proportionate amount of the total tax
175 credits received by the company attributable to the remaining years of
176 the project period as well as the current year, plus interest of nine
177 percent per annum on the amount of repayment from the date the tax
178 credits were issued.

179 (5) By no later than thirty calendar days following the effective
180 date of this act, and the first day of October each year thereafter, the
181 department shall provide to the budget committee of the house of
182 representatives and the appropriations committee of the senate a
183 request for an appropriation for the tax credits authorized under this
184 subsection. Appropriations made pursuant to the provisions of this
185 subsection shall provide the amount of tax credits which may be
186 authorized during the fiscal year immediately following the fiscal year
187 in which such appropriation is made. Appropriations provided under
188 this subsection shall only be made in the annual appropriation bill
189 relating to public debt.

190 (6) No tax credits shall be authorized under the provisions of
191 this subsection, unless an appropriation is made pursuant to the
192 provisions of subdivision (5) of this subsection. In any fiscal year for
193 which an appropriation is made pursuant to the provisions of
194 subdivision (5) of this subsection, no more than the amount of tax
195 credits so appropriated shall be authorized. There is hereby created
196 in the state treasury the "Compete Missouri Job Creation Tax Credit
197 Program Fund", which shall consist of money appropriated under this
198 subsection. The state treasurer shall be custodian of the fund and may
199 approve disbursements from the fund in accordance with sections
200 30.170 and 30.180. Upon appropriation, money in the fund shall be used
201 solely for the administration of this subsection. Notwithstanding the
202 provisions of section 33.080 to the contrary, any moneys remaining in
203 the fund for tax credits which have been authorized but not yet
204 redeemed at the end of the fiscal year shall not revert to the credit of
205 the general revenue fund. Any moneys remaining in the fund at the
206 end of the fiscal year for any tax credits which remain unauthorized at

207 the end of the fiscal year shall revert to the credit of the general
208 revenue fund. Provisions of section 32.057 to the contrary
209 notwithstanding, the department of revenue shall notify the director of
210 the department upon redemption of each tax credit authorized under
211 the provisions of this subdivision. Upon such notification, an amount
212 equal to the tax credits redeemed shall be transferred from the fund
213 created in this subdivision to the general revenue fund. In the event
214 the department determines that any tax credit authorized under this
215 subsection is precluded from being redeemed due to contractual
216 agreement entered into by the department and the tax credit applicant
217 or is otherwise precluded by law from being redeemed, an amount
218 equal to such tax credit shall be transferred from the fund created in
219 this subdivision to the general revenue fund. The state treasurer shall
220 invest moneys in the fund in the same manner as other funds are
221 invested. Any interest and moneys earned on such investments shall be
222 credited to the general revenue fund at the end of each fiscal year.

620.2015. 1. In exchange for the consideration provided by the
2 tax revenues and other economic stimuli that will be generated by the
3 retention of jobs and the making of new capital investment in this
4 state, a qualified company may be eligible to receive the benefits
5 described in this section if the department determines that there is a
6 significant probability that the qualified company would relocate to
7 another state in the absence of the benefits authorized under this
8 section. In no event shall the total amount of benefits available to all
9 qualified companies under subsection 2 of this section exceed six
10 million dollars in any fiscal year.

11 2. A qualified company meeting the requirements of this section
12 may be authorized to retain an amount not to exceed one hundred
13 percent of the withholding tax from full-time jobs that would otherwise
14 be withheld and remitted by the qualified company under the
15 provisions of sections 143.191 to 143.265, for a period of ten years if the
16 average wage of the retained jobs equals or exceeds ninety percent of
17 the county average wage. In order to receive benefits under this
18 section, a qualified company shall enter into written agreement with
19 the department containing detailed performance requirements and
20 repayment penalties in event of nonperformance. The amount of
21 benefits awarded to a qualified company under this section shall not

22 exceed the projected net fiscal benefit and shall not exceed the least
23 amount necessary to obtain the qualified company's commitment to
24 retain the necessary number of jobs and make the required new capital
25 investment.

26 3. In order to be eligible to receive benefits under this section,
27 the qualified company shall meet each of the following conditions:

28 (1) The qualified company shall agree to retain, for a period of
29 ten years from the date of approval of the notice of intent, at least one
30 hundred and twenty-five retained jobs; and

31 (2) The qualified company shall agree to make a new capital
32 investment at the project facility within three years of the approval in
33 an amount equal to one-half the total benefits, available under this
34 section, which are offered to the qualified company by the department.

35 4. In awarding benefits under this section, the department shall
36 consider the factors set forth in subsection 2 of section 620.2010.

37 5. Upon approval of a notice of intent to request benefits under
38 this section, the department and the qualified company shall enter into
39 a written agreement covering the applicable project period. The
40 agreement shall specify, at a minimum:

41 (1) The committed number of retained jobs, payroll, and new
42 capital investment for each year during the project period;

43 (2) Clawback provisions, as may be required by the department;
44 and

45 (3) Any other provisions the department may require.

46 6. The department may award a qualified company meeting the
47 requirements of this subsection tax credits in an amount not to exceed
48 eighty percent of the amount the qualified company may otherwise be
49 eligible to retain for a period of ten years under subsection 2 of this
50 section.

51 (1) In addition to satisfying each of the requirements of
52 subsection 3 of this section, a qualified company requesting tax credits
53 under this subsection shall provide to the department, prior to
54 approval, evidence of commitments for the financing of any applicable
55 new capital investment. The new capital investment shall be made at
56 the project facility within three years of the date of approval of the
57 notice of intent.

58 (2) Upon approval of a notice of intent to request tax credits

59 under this subsection, the department and the qualified company shall
60 enter into a written agreement covering the applicable project
61 period. The agreement shall specify, at a minimum:

62 (a) The committed number of jobs, payroll, and new capital
63 investment for each year during the project period;

64 (b) The date or time period during which the tax credits shall be
65 issued, which may be immediately or over a period not to exceed three
66 years from the date of approval of the notice of intent;

67 (c) Clawback provisions, provided under subsection 3 of section
68 620.2010; and

69 (d) Any other provisions the department may require.

70 (3) By no later than thirty calendar days following the effective
71 date of this act, and the first day of October each year thereafter, the
72 department shall provide to the budget committee of the house of
73 representatives and the appropriations committee of the senate a
74 request for an appropriation for the tax credits authorized under this
75 subsection. Appropriations made pursuant to the provisions of this
76 subsection shall provide the amount of tax credits which may be
77 authorized during the fiscal year immediately following the fiscal year
78 in which such appropriation is made. Appropriations provided under
79 this subsection shall only be made in the annual appropriation bill
80 relating to public debt.

81 (4) No tax credits shall be authorized under the provisions of
82 this subsection, unless an appropriation is made pursuant to the
83 provisions of subdivision (3) of this subsection. In any fiscal year for
84 which an appropriation is made pursuant to the provisions of
85 subdivision (3) of this subsection, no more than the amount of tax
86 credits so appropriated shall be authorized. There is hereby created
87 in the state treasury the "Compete Missouri Job Retention Tax Credit
88 Program Fund", which shall consist of money appropriated under this
89 subsection. The state treasurer shall be custodian of the fund and may
90 approve disbursements from the fund in accordance with sections
91 30.170 and 30.180. Upon appropriation, money in the fund shall be used
92 solely for the administration of this subsection. Notwithstanding the
93 provisions of section 33.080 to the contrary, any moneys remaining in
94 the fund for tax credits which have been authorized but not yet
95 redeemed at the end of the fiscal year shall not revert to the credit of

96 the general revenue fund. Any moneys remaining in the fund at the
97 end of the fiscal year for any tax credits which remain unauthorized at
98 the end of the fiscal year shall revert to the credit of the general
99 revenue fund. Provisions of section 32.057 to the contrary
100 notwithstanding, the department of revenue shall notify the director of
101 the department upon redemption of each tax credit authorized under
102 the provisions of this subdivision. Upon such notification, an amount
103 equal to the tax credits redeemed shall be transferred from the fund
104 created in this subdivision to the general revenue fund. In the event
105 the department determines that any tax credit authorized under this
106 subsection is precluded from being redeemed due to contractual
107 agreement entered into by the department and the tax credit applicant
108 or is otherwise precluded by law from being redeemed, an amount
109 equal to such tax credit shall be transferred from the fund created in
110 this subdivision to the general revenue fund. The state treasurer shall
111 invest moneys in the fund in the same manner as other funds are
112 invested. Any interest and moneys earned on such investments shall be
113 credited to the general revenue fund at the end of each fiscal year.

620.2020. 1. The department shall respond to a written request,
2 by or on behalf of a qualified company, for a proposed benefit award
3 under the provisions of this program within five business days of
4 receipt of such request. Such response shall contain either a proposal
5 of benefits for the qualified company, or a written response refusing to
6 provide such a proposal and stating the reasons for such refusal. A
7 qualified company that intends to seek benefits under the program
8 shall submit to the department a notice of intent. The department shall
9 respond within thirty days to a notice of intent with an approval or a
10 rejection, provided that the department may withhold approval or
11 provide a contingent approval until it is satisfied that proper
12 documentation of eligibility has been provided. Failure to respond on
13 behalf of the department shall result in the notice of intent being
14 deemed approved. A qualified company receiving approval for program
15 benefits may receive additional benefits for subsequent new jobs at the
16 same facility after the full initial project period if the applicable
17 minimum job requirements are met. There shall be no limit on the
18 number of project periods a qualified company may participate in the
19 program, and a qualified company may elect to file a notice of intent to

20 begin a new project period concurrent with an existing project period
21 if the applicable minimum job requirements are achieved, the qualified
22 company provides the department with the required annual reporting,
23 and the qualified company is in compliance with this program and any
24 other state programs in which the qualified company is currently or
25 has previously participated. However, the qualified company shall not
26 receive any further program benefits under the original approval for
27 any new jobs created after the date of the new notice of intent, and any
28 jobs created before the new notice of intent shall not be included as
29 new jobs for purposes of the benefit calculation for the new
30 approval. When a qualified company has filed and received approval
31 of a notice of intent and subsequently files another notice of intent, the
32 department shall apply the definition of project facility under
33 subdivision (18) of section 620.2005 to the new notice of intent as well
34 as all previously approved notices of intent and shall determine the
35 application of the definitions of new job, new payroll, project facility
36 base employment, and project facility base payroll accordingly.

37 2. Notwithstanding any provision of law to the contrary, the
38 benefits available to the qualified company under any other state
39 programs for which the company is eligible and which utilize
40 withholding tax from the new or retained jobs of the company shall
41 first be credited to the other state program before the withholding
42 retention level applicable under this program will begin to accrue. If
43 any qualified company also participates in a job training program
44 utilizing withholding tax, the company shall retain no withholding tax
45 under this program, but the department shall issue a refundable tax
46 credit for the full amount of benefit allowed under this program. The
47 calendar year annual maximum amount of tax credits which may be
48 issued to a qualifying company that also participates in a job training
49 program shall be increased by an amount equivalent to the withholding
50 tax retained by that company under a job training program.

51 3. A qualified company receiving benefits under this program
52 shall provide an annual report of the number of jobs and such other
53 information as may be required by the department to document the
54 basis for program benefits available. In such annual report, if the
55 average wage is below the applicable percentage of the county average
56 wage, the qualified company has not maintained the employee

57 insurance as required, or if the number of jobs is below the number
58 required, the qualified company shall not receive tax credits or retain
59 the withholding tax for the balance of the project period.

60 4. Except as provided in subsection 3 of section 620.2010, the
61 department may withhold the approval of any benefits provided under
62 this program until it is satisfied that proper documentation has been
63 provided, and shall reduce the benefits to reflect any reduction in full-
64 time employees or payroll. Upon approval by the department, the
65 qualified company may begin the retention of the withholding taxes
66 when it reaches the required number of jobs and the average wage
67 meets or exceeds the applicable percentage of county average
68 wage. Tax credits, if any, may be issued upon satisfaction by the
69 department that the qualified company has met or exceeded the
70 applicable percentage of county average wage and the required number
71 of jobs.

72 5. Any qualified company approved for benefits under this
73 program shall provide to the department, upon request, any and all
74 information and records reasonably required to monitor compliance
75 with program requirements. This program shall be considered a
76 business recruitment tax credit under subdivision (4) of subsection 2
77 of section 135.800, and any qualified company approved for benefits
78 under this program shall be subject to the provisions of sections 135.800
79 to 135.830.

80 6. Any taxpayer who is awarded benefits under this program who
81 knowingly hires individuals who are not allowed to work legally in the
82 United States shall immediately forfeit such benefits and shall repay
83 the state an amount equal to any state tax credits already redeemed
84 and any withholding taxes already retained.

85 7. The maximum amount of tax credits that may be authorized
86 under this program for any fiscal year shall be limited as follows, less
87 the amount of any tax credits previously obligated for that fiscal year
88 under any of the tax credit programs referenced in subsection 13 of this
89 section:

90 (1) For the fiscal year beginning on July 1, 2011, but ending on
91 or before June 30, 2012, no more than one hundred and eleven million
92 dollars in tax credits may be authorized;

93 (2) For the fiscal year beginning on July 1, 2012, but ending on

94 or before June 30, 2013, no more than one hundred and twenty-six
95 million dollars in tax credits may be authorized; and

96 (3) For any fiscal year beginning on or after July 1, 2013, no
97 more than one hundred and forty-one million dollars in tax credits may
98 be authorized for each fiscal year.

99 8. For tax credits for the creation of new jobs under section
100 620.2010, the department shall allocate the annual tax credits based on
101 the date of the approval, reserving such tax credits based on the
102 department's best estimate of new jobs and new payroll of the project,
103 and any other applicable factors in determining the amount of benefits
104 available to the qualified company under this program. However, the
105 annual issuance of tax credits shall be subject to annual verification of
106 actual payroll by the department. Except with respect to tax credits
107 provided pursuant to subsection 3 of section 620.2010:

108 (1) Any authorization of tax credits shall expire if, within two
109 years from the date of commencement of operations, or approval if
110 applicable, the qualified company has failed to meet the applicable
111 minimum job requirements;

112 (2) The qualified company may retain authorized amounts from
113 the withholding tax under the project once the applicable minimum job
114 requirements have been met for the duration of the project period; and

115 (3) No benefits shall be provided under this program until the
116 qualified company meets the applicable minimum new job
117 requirements.

118 In the event the qualified company does not meet the applicable
119 minimum new job requirements, the qualified company may submit a
120 new notice of intent or the department may provide a new approval for
121 a new project of the qualified company at the project facility or other
122 facilities.

123 9. Tax credits provided under this program may be claimed
124 against taxes otherwise imposed by chapters 143 and 148, and may not
125 be carried forward, but shall be claimed within one year of the close of
126 the taxable year for which they were issued. Tax credits provided
127 under this program may be transferred, sold, or assigned by filing a
128 notarized endorsement thereof with the department that names the
129 transferee, the amount of tax credit transferred, and the value received
130 for the credit, as well as any other information reasonably requested

131 by the department. For a qualified company with flow-through tax
132 treatment to its members, partners, or shareholders, the tax credit shall
133 be allowed to members, partners, or shareholders in proportion to their
134 share of ownership on the last day of the qualified company's tax
135 period.

136 10. Prior to the issuance of tax credits or the qualified company
137 beginning to retain withholding taxes, the department shall verify
138 through the department of revenue and any other applicable state
139 department, that the tax credit applicant does not owe any delinquent
140 income, sales, or use tax or interest or penalties on such taxes, or any
141 delinquent fees or assessments levied by any state department and
142 through the department of insurance, financial institutions and
143 professional registration that the applicant does not owe any
144 delinquent insurance taxes or other fees. Such delinquency shall not
145 affect the approval, except that any tax credits issued shall be first
146 applied to the delinquency and any amount issued shall be reduced by
147 the applicant's tax delinquency. If the department of revenue, the
148 department of insurance, financial institutions and professional
149 registration, or any other state department concludes that a taxpayer
150 is delinquent after June fifteenth but before July first of any year and
151 the application of tax credits to such delinquency causes a tax
152 deficiency on behalf of the taxpayer to arise, then the taxpayer shall be
153 granted thirty days to satisfy the deficiency in which interest,
154 penalties, and additions to tax shall be tolled. After applying all
155 available credits toward a tax delinquency, the administering agency
156 shall notify the appropriate department and that department shall
157 update the amount of outstanding delinquent tax owed by the
158 applicant. If any credits remain after satisfying all insurance, income,
159 sales, and use tax delinquencies, the remaining credits shall be issued
160 to the applicant, subject to the restrictions of other provisions of law.

161 11. The director of revenue shall issue a refund to the qualified
162 company to the extent that the amount of tax credits allowed under this
163 program exceeds the amount of the qualified company's tax liability
164 under chapters 143 or 148.

165 12. An employee of a qualified company shall receive full credit
166 for the amount of tax withheld as provided in section 143.211.

167 13. Notwithstanding any provision of law to the contrary,

168 beginning on the effective date of this act, no new benefits shall be
169 authorized for any project that had not received from the department
170 a proposal or approval for such benefits prior to the effective date of
171 this act under the business facility tax credit program created pursuant
172 to sections 135.110 to 135.150 and section 135.258, the business use
173 incentives for large scale development program created pursuant to
174 sections 100.700 to 100.850, the development tax credit program created
175 pursuant to sections 32.100 to 32.125, the rebuilding communities tax
176 credit program created pursuant to section 135.535, the enhanced
177 enterprise zone tax credit program created pursuant to sections 135.950
178 to 135.970, or the Missouri quality jobs program created pursuant to
179 sections 620.1875 to 620.1890. The provisions of this subsection shall
180 not be construed to limit or impair the ability of any administering
181 agency to authorize or issue benefits for any project that had received
182 an approval or a proposal from the department under any of the
183 programs referenced in this subsection prior to the effective date of
184 this act, or the ability of any taxpayer to redeem any such tax credits
185 or to retain any withholding tax under an approval issued prior to that
186 date. The provisions of this subsection shall not be construed to limit
187 or in any way impair the ability of any governing authority to provide
188 any local abatement or designate a new zone under the enhanced
189 enterprise zone program created by sections 135.950 to
190 135.963. Notwithstanding any provision of law to the contrary, no
191 qualified company that is awarded benefits under this program shall
192 simultaneously receive benefits under the programs referenced in this
193 subsection at the same project facility.

194 14. If any provision of sections 620.2000 to 620.2020 or
195 application thereof to any person or circumstance is held invalid, the
196 invalidity shall not affect other provisions or application of these
197 sections which can be given effect without the invalid provisions or
198 application, and to this end, the provisions of sections 620.2000 to
199 620.2020 are hereby declared severable.

200 15. By no later than January 1, 2012, and the first day of each
201 calendar quarter thereafter, the department shall present a quarterly
202 report to the general assembly detailing the benefits authorized under
203 this program during the immediately preceding calendar quarter to the
204 extent such information may be disclosed under state and federal

205 law. The report shall include, at a minimum:

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

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

210 (3) A statement of the aggregate amount of new capital
211 investment directly attributable to the tax credits authorized;

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

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

217 16. The department may adopt such rules, statements of policy,
218 procedures, forms, and guidelines as may be necessary to carry out the
219 provisions of sections 620.2000 to 620.2020. Any rule or portion of a
220 rule, as that term is defined in section 536.010, that is created under
221 the authority delegated in this section shall become effective only if it
222 complies with and is subject to all of the provisions of chapter 536 and,
223 if applicable, section 536.028. This section and chapter 536 are
224 nonseverable and if any of the powers vested with the general assembly
225 pursuant to chapter 536 to review, to delay the effective date, or to
226 disapprove and annul a rule are subsequently held unconstitutional,
227 then the grant of rulemaking authority and any rule proposed or
228 adopted after the effective date of this act, shall be invalid and void.

229 17. Under section 23.253 of the Missouri sunset act:

230 (1) The provisions of the new program authorized under sections
231 620.2000 to 620.2020 shall automatically sunset six years after the
232 effective date of this section unless reauthorized by an act of the
233 general assembly; and

234 (2) If such program is reauthorized, the program authorized
235 under this section shall automatically sunset twelve years after the
236 effective date of this reauthorization of sections 620.2000 to 620.2020;
237 and

238 (3) Sections 620.2000 to 620.2020 shall terminate on September
239 first if the calendar year immediately following the calendar year in
240 which the program authorized under sections 620.2000 to 620.2020 is
241 sunset.

660.055. 1. Any registered caregiver who meets the requirements of this section shall be eligible for a shared care tax credit in an amount not to exceed five hundred dollars to defray the cost of caring for an elderly person. In order to be eligible for a shared care tax credit, a registered caregiver shall:

(1) Care for an elderly person, age sixty or older, who:

(a) Is physically or mentally incapable of living alone, as determined and certified by his or her physician licensed pursuant to chapter 334, or by the division of aging staff when an assessment has been completed for the purpose of qualification for other services; and

(b) Requires assistance with activities of daily living to the extent that without care and oversight at home would require placement in a facility licensed pursuant to chapter 198; and

(c) Under no circumstances, is able or allowed to operate a motor vehicle; and

(d) Does not receive funding or services through Medicaid or social services block grant funding;

(2) Live in the same residence to give protective oversight for the elderly person meeting the requirements described in subdivision (1) of this subsection for an aggregate of more than six months per tax year;

(3) Not receive monetary compensation for providing care for the elderly person meeting the requirements described in subdivision (1) of this subsection; and

(4) File the original completed and signed physician certification for shared care tax credit form or the original completed and signed division of aging certification for shared care tax credit form provided for in subsection 2 of section 660.054 along with such caregiver's Missouri individual income tax return to the department of revenue.

2. The tax credit allowed by this section shall apply to any year beginning after December 31, 1999.

3. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in sections 660.050 to 660.057 shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. All rulemaking authority delegated prior to August 28, 1999, is of no force and effect and repealed. Nothing in this section shall be interpreted to repeal or affect the validity of any rule filed or adopted prior to August 28, 1999, if it fully complied

37 with all applicable provisions of law. This section and chapter 536 are
38 nonseverable and if any of the powers vested with the general assembly pursuant
39 to chapter 536 to review, to delay the effective date or to disapprove and annul
40 a rule are subsequently held unconstitutional, then the grant of rulemaking
41 authority and any rule proposed or adopted after August 28, 1999, shall be
42 invalid and void.

43 4. Any person who knowingly falsifies any document required for the
44 shared care tax credit shall be subject to the same penalties for falsifying other
45 tax documents as provided in chapter 143.

46 **5. Notwithstanding any provision of law to the contrary, no tax**
47 **credits provided under this section shall be authorized on or after**
48 **August 28, 2015. The provisions of this subsection shall not be**
49 **construed to limit or in any way impair the department's ability to**
50 **issue tax credits authorized prior to August 28, 2015, or a taxpayer's**
51 **ability to redeem such tax credits.**

[135.313. 1. Any person, firm or corporation who engages
2 in the business of producing charcoal or charcoal products in the
3 state of Missouri shall be eligible for a tax credit on income taxes
4 otherwise due pursuant to chapter 143, except sections 143.191 to
5 143.261, as an incentive to implement safe and efficient
6 environmental controls. The tax credit shall be equal to fifty
7 percent of the purchase price of the best available control
8 technology equipment connected with the production of charcoal in
9 the state of Missouri or, if the taxpayer manufactures such
10 equipment, fifty percent of the manufacturing cost of the
11 equipment, to and including the year the equipment is put into
12 service. The credit may be claimed for a period of eight years
13 beginning with the 1998 calendar year and is to be a tax credit
14 against the tax otherwise due.

15 2. Any amount of credit which exceeds the tax due shall not
16 be refunded but may be carried over to any subsequent taxable
17 year, not to exceed seven years.

18 3. The charcoal producer may elect to assign to a third
19 party the approved tax credit. Certification of assignment and
20 other appropriate forms must be filed with the Missouri
21 department of revenue and the department of economic

22 development.

23 4. When applying for a tax credit, the charcoal producer
24 specified in subsection 1 of this section shall make application for
25 the credit to the division of environmental quality of the
26 department of natural resources. The application shall identify the
27 specific best available control technology equipment and the
28 purchase price, or manufacturing cost of such equipment. The
29 director of the department of natural resources is authorized to
30 require permits to construct prior to the installation of best
31 available control technology equipment and other information
32 which he or she deems appropriate.

33 5. The director of the department of natural resources in
34 conjunction with the department of economic development shall
35 certify to the department of revenue that the best available control
36 technology equipment meets the requirements to obtain a tax credit
37 as specified in this section.]

mean:
2

3 (1) "Missouri health care access fund", the fund created in
4 section 191.1056;

5 (2) "Tax credit", a credit against the tax otherwise due
6 under chapter 143, excluding withholding tax imposed by sections
7 143.191 to 143.265;

8 (3) "Taxpayer", any individual subject to the tax imposed
9 in chapter 143, excluding withholding tax imposed by sections
10 143.191 to 143.265.

11 2. The provisions of this section shall be subject to section
12 33.282. For all taxable years beginning on or after January 1,
13 2007, a taxpayer shall be allowed a tax credit for donations in
14 excess of one hundred dollars made to the Missouri health care
15 access fund. The tax credit shall be subject to annual approval by
16 the senate appropriations committee and the house budget
17 committee. The tax credit amount shall be equal to one-half of the
18 total donation made, but shall not exceed twenty-five thousand
19 dollars per taxpayer claiming the credit. If the amount of the tax
20 credit issued exceeds the amount of the taxpayer's state tax

21 liability for the tax year for which the credit is claimed, the
22 difference shall not be refundable but may be carried forward to
23 any of the taxpayer's next four taxable years. No tax credit
24 granted under this section shall be transferred, sold, or
25 assigned. The cumulative amount of tax credits which may be
26 issued under this section in any one fiscal year shall not exceed one
27 million dollars.

28 3. The department of revenue may promulgate rules to
29 implement the provisions of this section. Any rule or portion of a
30 rule, as that term is defined in section 536.010, that is created
31 under the authority delegated in this section shall become effective
32 only if it complies with and is subject to all of the provisions of
33 chapter 536 and, if applicable, section 536.028. This section and
34 chapter 536 are nonseverable and if any of the powers vested with
35 the general assembly pursuant to chapter 536 to review, to delay
36 the effective date, or to disapprove and annul a rule are
37 subsequently held unconstitutional, then the grant of rulemaking
38 authority and any rule proposed or adopted after August 28, 2007,
39 shall be invalid and void.

40 4. Pursuant to section 23.253 of the Missouri sunset act:

41 (1) The provisions of the new program authorized under
42 this section shall automatically sunset six years after August 28,
43 2007, unless reauthorized by an act of the general assembly; and

44 (2) If such program is reauthorized, the program authorized
45 under this section shall automatically sunset twelve years after the
46 effective date of the reauthorization of this section; and

47 (3) This section shall terminate on September first of the
48 calendar year immediately following the calendar year in which the
49 program authorized under this section is sunset.]

2 [143.119. 1. A self-employed taxpayer, as such term is used
3 in the federal internal revenue code, who is otherwise ineligible for
4 the federal income tax health insurance deduction under Section
5 162 of the federal internal revenue code shall be entitled to a credit
6 against the tax otherwise due under this chapter, excluding
7 withholding tax imposed by sections 143.191 to 143.265, in an
amount equal to the portion of such taxpayer's federal tax liability

8 incurred due to such taxpayer's inclusion of such payments in
9 federal adjusted gross income. The tax credits authorized under
10 this section shall be nontransferable. To the extent tax credit
11 issued under this section exceeds a taxpayer's state income tax
12 liability, such excess shall be considered an overpayment of tax and
13 shall be refunded to the taxpayer.

14 2. The director of the department of revenue shall
15 promulgate rules and regulations to administer the provisions of
16 this section. Any rule or portion of a rule, as that term is defined
17 in section 536.010, that is created under the authority delegated in
18 this section shall become effective only if it complies with and is
19 subject to all of the provisions of chapter 536 and, if applicable,
20 section 536.028. This section and chapter 536 are nonseverable
21 and if any of the powers vested with the general assembly pursuant
22 to chapter 536 to review, to delay the effective date, or to
23 disapprove and annul a rule are subsequently held
24 unconstitutional, then the grant of rulemaking authority and any
25 rule proposed or adopted after August 28, 2007, shall be invalid
26 and void.]

[178.760. As used in sections 178.760 to 178.764, the
2 following terms mean:

3 (1) "Agreement", the agreement between an employer and
4 a community college district concerning a project. An agreement
5 may be for a period not to exceed ten years when the program
6 services associated with a project are not in excess of five hundred
7 thousand dollars. For a project where the associated program costs
8 are greater than five hundred thousand dollars, the agreement may
9 not exceed a period of eight years;

10 (2) "Board of trustees", the board of trustees of a community
11 college district;

12 (3) "Capital investment", an investment in research and
13 development, working capital, and real and tangible personal
14 business property except inventory or property intended for sale to
15 customers. Trucks, truck trailers, truck semi-trailers, rail and
16 barge vehicles and other rolling stock for hire, track, switches,
17 barges, bridges, tunnels, rail yards, and spurs shall not qualify as

18 a capital investment. The amount of such investment shall be the
19 original cost of the property if owned, or eight times the net annual
20 rental rate if leased;

21 (4) "Certificate", industrial retained jobs training
22 certificates issued under section 178.763;

23 (5) "Date of commencement of the project", the date of the
24 agreement;

25 (6) "Employee", the person employed in a retained job;

26 (7) "Employer", the person maintaining retained jobs in
27 conjunction with a project;

28 (8) "Industry", a business located within this state which
29 enters into an agreement with a community college district and
30 which is engaged in interstate or intrastate commerce for the
31 purpose of manufacturing, processing, or assembling products,
32 conducting research and development, or providing services in
33 interstate commerce, but excluding retail services;

34 (9) "Program costs", all necessary and incidental costs of
35 providing program services, including payment of the principal,
36 premium, and interest on certificates, including capitalized
37 interest, issued to finance a project, funding and maintenance of a
38 debt service reserve fund to secure such certificates and wages,
39 salaries and benefits of employees participating in on-the-job
40 training;

41 (10) "Program services" includes, but is not limited to, the
42 following:

43 (a) Retained jobs training;

44 (b) Adult basic education and job-related instruction;

45 (c) Vocational and skill-assessment services and testing;

46 (d) Training facilities, equipment, materials, and supplies;

47 (e) On-the-job training;

48 (f) Administrative expenses equal to seventeen percent of
49 the total training costs, two percent to be paid to the department
50 of economic development for deposit into the Missouri job
51 development fund created under section 620.478;

52 (g) Subcontracted services with state institutions of higher
53 education, private colleges or universities, or other federal, state,

- 54 or local agencies;
- 55 (h) Contracted or professional services; and
- 56 (i) Issuance of certificates;
- 57 (11) "Project", a training arrangement which is the subject
- 58 of an agreement entered into between the community college
- 59 district and an employer to provide program services that is not
- 60 also the subject of an agreement entered into between a community
- 61 college district and an employer to provide program services under
- 62 sections 178.892 to 178.896;
- 63 (12) "Retained job", a job in a stable industry, not including
- 64 jobs for recalled workers, which was in existence for at least two
- 65 consecutive calendar years preceding the year in which the
- 66 application for the retained jobs training program was made;
- 67 (13) "Retained jobs credit from withholding", the credit as
- 68 provided in section 178.762;
- 69 (14) "Retained jobs training program", or "program", the
- 70 project or projects established by a community college district for
- 71 the retention of jobs, by providing education and training of
- 72 workers for existing jobs for stable industry in the state;
- 73 (15) "Stable industry", a business that otherwise meets the
- 74 definition of industry and retains existing jobs. To be a stable
- 75 industry, the business shall have:
- 76 (a) Maintained at least one hundred employees per year at
- 77 the employer's site in the state at which the jobs are based, for
- 78 each of the two calendar years preceding the year in which
- 79 application for the program is made;
- 80 (b) Retained at that site the level of employment that
- 81 existed in the taxable year immediately preceding the year in
- 82 which application for the program is made; and
- 83 (c) Made or agree to make a capital investment aggregating
- 84 at least one million dollars to acquire or improve long-term assets
- 85 (including leased facilities) such as property, plant, or equipment
- 86 (excluding program costs) at the employer's site in the state at
- 87 which jobs are based over a period of three consecutive calendar
- 88 years, as certified by the employer and:
- 89 a. Have made substantial investment in new technology

90 requiring the upgrading of worker's skills; or

91 b. Be located in a border county of the state and represent
92 a potential risk of relocation from the state; or

93 c. Be determined to represent a substantial risk of
94 relocation from the state by the director of the department of
95 economic development;

96 (16) "Total training costs", costs of training, including
97 supplies, wages and benefits of instructors, subcontracted services,
98 on-the-job training, training facilities, equipment, skill assessment,
99 and all program services excluding issuance of certificates.]

[178.761. A community college district, with the approval
2 of the department of economic development in consultation with the
3 office of administration, may enter into an agreement to establish
4 a project and provide program services to an employer. As soon as
5 possible after initial contact between a community college district
6 and a potential employer regarding the possibility of entering into
7 an agreement, the district shall inform the division of workforce
8 development of the department of economic development and the
9 office of administration about the potential project. The division of
10 workforce development shall evaluate the proposed project within
11 the overall job training efforts of the state to ensure that the
12 project will not duplicate other job training programs. The
13 department of economic development shall have fourteen days from
14 receipt of the application to approve or disapprove projects. If no
15 response is received by the community college within fourteen days,
16 the projects are approved. Any project that is disapproved must be
17 in writing stating the reasons for the disapproval. If an agreement
18 is entered into, the district and the employer shall notify the
19 department of revenue within fifteen calendar days. An agreement
20 may provide, but is not limited to:

21 (1) Payment of program costs, including deferred costs,
22 which may be paid from one or a combination of the following
23 sources:

24 (a) Funds appropriated by the general assembly from the
25 Missouri community college job retention program fund and
26 disbursed by the division of workforce development in respect of

27 retained jobs credit from withholding to be received or derived from
28 retained employment resulting from the project;

29 (b) Tuition, student fees, or special charges fixed by the
30 board of trustees to defray program costs in whole or in part;

31 (c) Guarantee of payments to be received under paragraph
32 (a) or (b) of this subdivision;

33 (2) Payment of program costs shall not be deferred for a
34 period longer than ten years if program costs do not exceed five
35 hundred thousand dollars, or eight years if program costs exceed
36 five hundred thousand dollars from the date of commencement of
37 the project;

38 (3) Costs of on-the-job training for employees shall include
39 wages or salaries of participating employees. Payments for
40 on-the-job training shall not exceed the average of fifty percent of
41 the total percent of the total wages paid by the employer to each
42 participant during the period of training. Payment for on-the-job
43 training may continue for up to six months from the date of the
44 employer's capital investment;

45 (4) A provision which fixes the minimum amount of
46 retained jobs credit from withholding, or tuition and fee payments
47 which shall be paid for program costs;

48 (5) Any payment required to be made by an employer is a
49 lien upon the employer's business property until paid and has
50 equal precedence with ordinary taxes and shall not be divested by
51 a judicial sale. Property subject to the lien may be sold for sums
52 due and delinquent at a tax sale, with the same forfeitures,
53 penalties, and consequences as for the nonpayment of ordinary
54 taxes. The purchasers at tax sale obtain the property subject to
55 the remaining payments.]

2 [178.762. If an agreement provides that all or part of
3 program costs are to be met by receipt of retained jobs credit from
4 withholding, such retained jobs credit from withholding shall be
5 determined and paid as follows:

6 (1) Retained jobs credit from withholding shall be based
7 upon the wages paid to the employees in the retained jobs;

(2) A portion of the total payments made by the employer

8 under section 143.221 shall be designated as the retained jobs
9 credit from withholding. Such portion shall be an amount equal to
10 two and one-half percent of the gross wages paid by the employer
11 for each of the first one hundred jobs included in the project and
12 one and one-half percent of the gross wages paid by the employer
13 for each of the remaining jobs included in the project. If business
14 or employment conditions cause the amount of the retained jobs
15 credit from withholding to be less than the amount projected in the
16 agreement for any time period, then other withholding tax paid by
17 the employer under section 143.221 shall be credited to the
18 Missouri community college retained job training fund by the
19 amount of such difference. The employer shall remit the amount
20 of the retained jobs credit to the department of revenue in the
21 manner prescribed in section 178.764. When all program costs,
22 including the principal, premium, and interest on the certificates
23 have been paid, the employer credits shall cease;

24 (3) The community college district participating in a project
25 shall establish a special fund for and in the name of the
26 project. All funds appropriated by the general assembly from the
27 Missouri community college job training retention program fund
28 and disbursed by the division of workforce development for the
29 project and other amounts received by the district in respect of the
30 project and required by the agreement to be used to pay program
31 costs for the project shall be deposited in the special
32 fund. Amounts held in the special fund may be used and disbursed
33 by the district only to pay program costs for the project. The
34 special fund may be divided into such accounts and subaccounts as
35 shall be provided in the agreement, and amounts held therein may
36 be invested in investments which are legal for the investment of
37 the district's other funds;

38 (4) Any disbursement in respect of a project received from
39 the division of workforce development under sections 178.760 to
40 178.764 and the special fund into which it is paid may be
41 irrevocably pledged by a community college district for the payment
42 of the principal, premium, and interest on the certificate issued by
43 a community college district to finance or refinance, in whole or in

44 part, the project;

45 (5) The employer shall certify to the department of revenue
46 that the credit from withholding is in accordance with an
47 agreement and shall provide other information the department may
48 require;

49 (6) An employee participating in a project will receive full
50 credit for the amount designated as a retained jobs credit from
51 withholding and withheld as provided in section 143.221;

52 (7) If an agreement provides that all or part of program
53 costs are to be met by receipt of retained jobs credit from
54 withholding, the provisions of this subsection shall also apply to
55 any successor to the original employer until such time as the
56 principal and interest on the certificates have been paid.]

[178.763. 1. To provide funds for the present payment of
2 the costs of retained jobs training programs, a community college
3 district may borrow money and issue and sell certificates payable
4 from a sufficient portion of the future receipts of payments
5 authorized by the agreement including disbursements from the
6 Missouri community college job retention training program to the
7 special fund established by the district for each project. The total
8 amount of outstanding certificates sold by all community college
9 districts shall not exceed fifteen million dollars, unless an
10 increased amount is authorized in writing by a majority of
11 members of the Missouri job training joint legislative oversight
12 committee. The certificates shall be marketed through financial
13 institutions authorized to do business in Missouri.

14 The receipts shall be pledged to the payment of principal of and
15 interest on the certificates. Certificates may be sold at public sale
16 or at private sale at par, premium, or discount of not less than
17 ninety-five percent of the par value thereof, at the discretion of the
18 board of trustees, and may bear interest at such rate or rates as
19 the board of trustees shall determine, notwithstanding the
20 provisions of section 108.170 to the contrary. However, chapter 176
21 does not apply to the issuance of these certificates. Certificates
22 may be issued with respect to a single project or multiple projects
23 and may contain terms or conditions as the board of trustees may

24 provide by resolution authorizing the issuance of the certificates.

25 2. Certificates issued to refund other certificates may be
26 sold at public sale or at private sale as provided in this section
27 with the proceeds from the sale to be used for the payment of the
28 certificates being refunded. The refunding certificates may be
29 exchanged in payment and discharge of the certificates being
30 refunded, in installments at different times or an entire issue or
31 series at one time. Refunding certificates may be sold or exchanged
32 at any time on, before, or after the maturity of the outstanding
33 certificates to be refunded. They may be issued for the purpose of
34 refunding a like, greater, or lesser principal amount of certificates
35 and may bear a higher, lower, or equivalent rate of interest than
36 the certificates being renewed or refunded.

37 3. Before certificates are issued, the board of trustees shall
38 publish once a notice of its intention to issue the certificates,
39 stating the amount, the purpose, and the project or projects for
40 which the certificates are to be issued. A person may, within
41 fifteen days after the publication of the notice, by action in the
42 circuit court of a county in the district, appeal the decision of the
43 board of trustees to issue the certificates. The action of the board
44 of trustees in determining to issue the certificates is final and
45 conclusive unless the circuit court finds that the board of trustees
46 has exceeded its legal authority. An action shall not be brought
47 which questions the legality of the certificates, the power of the
48 board of trustees to issue the certificates, the effectiveness of any
49 proceedings relating to the authorization of the project, or the
50 authorization and issuance of the certificates from and after fifteen
51 days from the publication of the notice of intention to issue.

52 4. The board of trustees shall make a finding based on
53 information supplied by the employer that revenues provided in the
54 agreement are sufficient to secure the faithful performance of
55 obligations in the agreement.

56 5. Certificates issued under this section shall not be deemed
57 to be an indebtedness of the state or the community college district
58 or of any other political subdivision of the state, and the principal
59 and interest on such certificates shall be payable only from the

60 sources provided in subdivision (1) of section 178.761 which are
61 pledged in the agreement.

62 6. The department of economic development shall
63 coordinate the retained jobs training program, and may promulgate
64 rules that districts will use in developing projects with industrial
65 retained jobs training proposals which shall include rules providing
66 for the coordination of such proposals with the service delivery
67 areas established in the state to administer federal funds pursuant
68 to the federal Workforce Investment Act. No rule or portion of a
69 rule promulgated pursuant to the authority of this section shall
70 become effective unless it has been promulgated pursuant to
71 chapter 536.

72 7. No community college district may sell certificates as
73 described in this section after July 1, 2014.]

[178.764. 1. There is hereby established within the state
2 treasury a special fund, to be known as the "Missouri Community
3 College Job Retention Training Program Fund", to be administered
4 by the division of workforce development. The department of
5 revenue shall credit to the community college job retention training
6 program fund, as received, all retained jobs credit from withholding
7 remitted by employers pursuant to section 178.762. The fund shall
8 also consist of any gifts, contributions, grants, or bequests received
9 from federal, private, or other sources. The general assembly,
10 however, shall not provide for any transfer of general revenue
11 funds into the community college job retention training program
12 fund. Moneys in the Missouri community college job retention
13 training program fund shall be disbursed to the division of
14 workforce development pursuant to regular appropriations by the
15 general assembly. The division shall disburse such appropriated
16 funds in a timely manner into the special funds established by
17 community college districts for projects, which funds shall be used
18 to pay program costs, including the principal, premium, and
19 interest on certificates issued by the district to finance or
20 refinance, in whole or in part, a project. Such disbursements by
21 the division of workforce development shall be made to the special
22 fund for each project in the same proportion as the retained jobs

23 credit from withholding remitted by the employer participating in
24 such project bears to the total retained jobs credit from withholding
25 remitted by all employers participating in projects during the
26 period for which the disbursement is made. Moneys for retained
27 jobs training programs established under sections 178.760 to
28 178.764 shall be obtained from appropriations made by the general
29 assembly from the Missouri community college job retention
30 training program fund. All moneys remaining in the Missouri
31 community college job retention training program fund at the end
32 of any fiscal year shall not lapse to the general revenue fund, as
33 provided in section 33.080, but shall remain in the Missouri
34 community college job retention training program fund.

35 2. The department of revenue shall develop such forms as
36 are necessary to demonstrate accurately each employer's retained
37 jobs credit from withholding paid into the Missouri community
38 college job retention training program fund.

39 The retained jobs credit from withholding shall be accounted as
40 separate from the normal withholding tax paid to the department
41 of revenue by the employer.

42 Reimbursements made by all employers to the Missouri community
43 college job retention training program fund shall be no less than all
44 allocations made by the division of workforce development to all
45 community college districts for all job retention projects. The
46 employer shall remit the amount of the retained job credit to the
47 department of revenue in the same manner as provided in sections
48 143.191 to 143.265.]

[178.892. As used in sections 178.892 to 178.896, the
2 following terms mean:

3 (1) "Agreement", the agreement, between an employer and
4 a community college district, concerning a project. An agreement
5 may be for a period not to exceed ten years when the program
6 services associated with a project are not in excess of five hundred
7 thousand dollars. For a project where associated program costs are
8 greater than five hundred thousand dollars, the agreement may not
9 exceed a period of eight years. No agreement shall be entered into
10 between an employer and a community college district which

11 involves the training of potential employees with the purpose of
12 replacing or supplanting employees engaged in an authorized work
13 stoppage;

14 (2) "Board of trustees", the board of trustees of a community
15 college district;

16 (3) "Certificate", industrial new jobs training certificates
17 issued pursuant to section 178.895;

18 (4) "Date of commencement of the project", the date of the
19 agreement;

20 (5) "Employee", the person employed in a new job;

21 (6) "Employer", the person providing new jobs in
22 conjunction with a project;

23 (7) "Essential industry", a business that otherwise meets
24 the definition of industry but instead of creating new jobs
25 maintains existing jobs. To be an essential industry, the business
26 must have maintained at least two thousand jobs each year for a
27 period of four years preceding the year in which application for the
28 program authorized by sections 178.892 to 178.896 is made and
29 must be located in a home rule city with more than twenty-six
30 thousand but less than twenty-seven thousand inhabitants located
31 in any county with a charter form of government and with more
32 than one million inhabitants;

33 (8) "Existing job", a job in an essential industry that pays
34 wages or salary greater than the average of the county in which the
35 project will be located;

36 (9) "Industry", a business located within the state of
37 Missouri which enters into an agreement with a community college
38 district and which is engaged in interstate or intrastate commerce
39 for the purpose of manufacturing, processing, or assembling
40 products, conducting research and development, or providing
41 services in interstate commerce, but excluding retail
42 services. "Industry" does not include a business which closes or
43 substantially reduces its operation in one area of the state and
44 relocates substantially the same operation in another area of the
45 state. This does not prohibit a business from expanding its
46 operations in another area of the state provided that existing

47 operations of a similar nature are not closed or substantially
48 reduced;

49 (10) "New job", a job in a new or expanding industry not
50 including jobs of recalled workers, or replacement jobs or other jobs
51 that formerly existed in the industry in the state. For an essential
52 industry, an existing job shall be considered a new job for the
53 purposes of the new job training programs;

54 (11) "New jobs credit from withholding", the credit as
55 provided in section 178.894;

56 (12) "New jobs training program" or "program", the project
57 or projects established by a community college district for the
58 creation of jobs by providing education and training of workers for
59 new jobs for new or expanding industry in the state;

60 (13) "Program costs", all necessary and incidental costs of
61 providing program services including payment of the principal of,
62 premium, if any, and interest on certificates, including capitalized
63 interest, issued to finance a project, funding and maintenance of a
64 debt service reserve fund to secure such certificates and wages,
65 salaries and benefits of employees participating in on-the-job
66 training;

67 (14) "Program services" includes, but is not limited to, the
68 following:

69 (a) New jobs training;

70 (b) Adult basic education and job-related instruction;

71 (c) Vocational and skill-assessment services and testing;

72 (d) Training facilities, equipment, materials, and supplies;

73 (e) On-the-job training;

74 (f) Administrative expenses equal to fifteen percent of the
75 total training costs;

76 (g) Subcontracted services with state institutions of higher
77 education, private colleges or universities, or other federal, state,
78 or local agencies;

79 (h) Contracted or professional services; and

80 (i) Issuance of certificates;

81 (15) "Project", a training arrangement which is the subject
82 of an agreement entered into between the community college

83 district and an employer to provide program services;

84 (16) "Total training costs", costs of training, including
85 supplies, wages and benefits of instructors, subcontracted services,
86 on-the-job training, training facilities, equipment, skill assessment
87 and all program services excluding issuance of certificates.]

[178.893. A community college district, with the approval
2 of the department of economic development in consultation with the
3 office of administration, may enter into an agreement to establish
4 a project and provide program services to an employer. As soon as
5 possible after initial contact between a community college district
6 and a potential employer regarding the possibility of entering into
7 an agreement, the district shall inform the division of job
8 development and training of the department of economic
9 development and the office of administration about the potential
10 project. The division of job development and training shall
11 evaluate the proposed project within the overall job training efforts
12 of the state to ensure that the project will not duplicate other job
13 training programs. The department of economic development shall
14 have fourteen days from receipt of the application to approve or
15 disapprove projects. If no response is received by the community
16 college within fourteen days the projects are approved. Any project
17 that is disapproved must be in writing stating the reasons for the
18 disapproval. If an agreement is entered into, the district and the
19 employer shall notify the department of revenue within fifteen
20 calendar days. An agreement may provide, but is not limited to:

21 (1) Payment of program costs, including deferred costs,
22 which may be paid from one or a combination of the following
23 sources:

24 (a) Funds appropriated by the general assembly from the
25 Missouri community college job training program fund and
26 disbursed by the division of job development and training in
27 respect of new jobs credit from withholding to be received or
28 derived from new employment resulting from the project;

29 (b) Tuition, student fees, or special charges fixed by the
30 board of trustees to defray program costs in whole or in part;

31 (c) Guarantee of payments to be received under paragraph

32 (a) or (b) of this subdivision;

33 (2) Payment of program costs shall not be deferred for a
34 period longer than ten years if program costs do not exceed five
35 hundred thousand dollars, or eight years if program costs exceed
36 five hundred thousand dollars from the date of commencement of
37 the project;

38 (3) Costs of on-the-job training for employees, shall include
39 wages or salaries of participating employees. Payments for
40 on-the-job training shall not exceed the average of fifty percent of
41 the total percent of the total wages paid by the employer to each
42 participant during the period of training.

43 Payment for on-the-job training may continue for up to six months
44 after the placement of the participant in the new job;

45 (4) A provision which fixes the minimum amount of new
46 jobs credit from withholding, or tuition and fee payments which
47 shall be paid for program costs;

48 (5) Any payment required to be made by an employer is a
49 lien upon the employer's business property until paid and has
50 equal precedence with ordinary taxes and shall not be divested by
51 a judicial sale. Property subject to the lien may be sold for sums
52 due and delinquent at a tax sale, with the same forfeitures,
53 penalties, and consequences as for the nonpayment of ordinary
54 taxes. The purchasers at tax sale obtain the property subject to
55 the remaining payments.]

[178.894. If an agreement provides that all or part of
2 program costs are to be met by receipt of new jobs credit from
3 withholding, such new jobs credit from withholding shall be
4 determined and paid as follows:

5 (1) New jobs credit from withholding shall be based upon
6 the wages paid to the employees in the new jobs;

7 (2) A portion of the total payments made by the employer
8 pursuant to section 143.221 shall be designated as the new jobs
9 credit from withholding. Such portion shall be an amount equal to
10 two and one-half percent of the gross wages paid by the employer
11 for each of the first one hundred jobs included in the project and
12 one and one-half percent of the gross wages paid by the employer

13 for each of the remaining jobs included in the project. If business
14 or employment conditions cause the amount of the new jobs credit
15 from withholding to be less than the amount projected in the
16 agreement for any time period, then other withholding tax paid by
17 the employer pursuant to section 143.221 shall be credited to the
18 Missouri community college job training fund by the amount of
19 such difference. The employer shall remit the amount of the new
20 jobs credit to the department of revenue in the manner prescribed
21 in section 178.896. When all program costs, including the principal
22 of, premium, if any, and interest on the certificates have been paid,
23 the employer credits shall cease;

24 (3) The community college district participating in a project
25 shall establish a special fund for and in the name of the
26 project. All funds appropriated by the general assembly from the
27 Missouri community college job training program fund and
28 disbursed by the division of job development and training for the
29 project and other amounts received by the district in respect of the
30 project and required by the agreement to be used to pay program
31 costs for the project shall be deposited in the special
32 fund. Amounts held in the special fund may be used and disbursed
33 by the district only to pay program costs for the project. The
34 special fund may be divided into such accounts and subaccounts as
35 shall be provided in the agreement, and amounts held therein may
36 be invested in investments which are legal for the investment of
37 the district's other funds;

38 (4) Any disbursement in respect of a project received from
39 the division of job development and training under the provisions
40 of sections 178.892 to 178.896 and the special fund into which it is
41 paid may be irrevocably pledged by a community college district for
42 the payment of the principal of, premium, if any, and interest on
43 the certificate issued by a community college district to finance or
44 refinance, in whole or in part, the project;

45 (5) The employer shall certify to the department of revenue
46 that the credit from withholding is in accordance with an
47 agreement and shall provide other information the department may
48 require;

49 (6) An employee participating in a project will receive full
50 credit for the amount designated as a new jobs credit from
51 withholding and withheld as provided in section 143.221;

52 (7) If an agreement provides that all or part of program
53 costs are to be met by receipt of new jobs credit from withholding,
54 the provisions of this subsection shall also apply to any successor
55 to the original employer until such time as the principal and
56 interest on the certificates have been paid.]

[178.895. 1. To provide funds for the present payment of
2 the costs of new jobs training programs, a community college
3 district may borrow money and issue and sell certificates payable
4 from a sufficient portion of the future receipts of payments
5 authorized by the agreement including disbursements from the
6 Missouri community college job training program to the special
7 fund established by the district for each project. The total amount
8 of outstanding certificates sold by all community college districts
9 shall not exceed twenty million dollars, unless an increased amount
10 is authorized in writing by a majority of members of the Missouri
11 job training joint legislative oversight committee. The certificates
12 shall be marketed through financial institutions authorized to do
13 business in Missouri. The receipts shall be pledged to the payment
14 of principal of and interest on the certificates. Certificates may be
15 sold at public sale or at private sale at par, premium, or discount
16 of not less than ninety-five percent of the par value thereof, at the
17 discretion of the board of trustees, and may bear interest at such
18 rate or rates as the board of trustees shall determine,
19 notwithstanding the provisions of section 108.170 to the
20 contrary. However, chapter 176 does not apply to the issuance of
21 these certificates. Certificates may be issued with respect to a
22 single project or multiple projects and may contain terms or
23 conditions as the board of trustees may provide by resolution
24 authorizing the issuance of the certificates.

25 2. Certificates issued to refund other certificates may be
26 sold at public sale or at private sale as provided in this section
27 with the proceeds from the sale to be used for the payment of the
28 certificates being refunded. The refunding certificates may be

29 exchanged in payment and discharge of the certificates being
30 refunded, in installments at different times or an entire issue or
31 series at one time. Refunding certificates may be sold or exchanged
32 at any time on, before, or after the maturity of the outstanding
33 certificates to be refunded. They may be issued for the purpose of
34 refunding a like, greater, or lesser principal amount of certificates
35 and may bear a higher, lower, or equivalent rate of interest than
36 the certificates being renewed or refunded.

37 3. Before certificates are issued, the board of trustees shall
38 publish once a notice of its intention to issue the certificates,
39 stating the amount, the purpose, and the project or projects for
40 which the certificates are to be issued. A person may, within
41 fifteen days after the publication of the notice, by action in the
42 circuit court of a county in the district, appeal the decision of the
43 board of trustees to issue the certificates. The action of the board
44 of trustees in determining to issue the certificates is final and
45 conclusive unless the circuit court finds that the board of trustees
46 has exceeded its legal authority. An action shall not be brought
47 which questions the legality of the certificates, the power of the
48 board of trustees to issue the certificates, the effectiveness of any
49 proceedings relating to the authorization of the project, or the
50 authorization and issuance of the certificates from and after fifteen
51 days from the publication of the notice of intention to issue.

52 4. The board of trustees shall determine if revenues
53 provided in the agreement are sufficient to secure the faithful
54 performance of obligations in the agreement.

55 5. Certificates issued under this section shall not be deemed
56 to be an indebtedness of the state or the community college district
57 or of any other political subdivision of the state and the principal
58 and interest on such certificates shall be payable only from the
59 sources provided in subdivision (1) of section 178.893 which are
60 pledged in the agreement.

61 6. The department of economic development shall
62 coordinate the new jobs training program, and may promulgate
63 rules that districts will use in developing projects with new and
64 expanding industrial new jobs training proposals which shall

65 include rules providing for the coordination of such proposals with
66 the service delivery areas established in the state to administer
67 federal funds pursuant to the federal Job Training Partnership
68 Act. No rule or portion of a rule promulgated under the authority
69 of sections 178.892 to 178.896 shall become effective unless it has
70 been promulgated pursuant to the provisions of chapter 536. All
71 rulemaking authority delegated prior to June 27, 1997, is of no
72 force and effect and repealed; however, nothing in this section shall
73 be interpreted to repeal or affect the validity of any rule filed or
74 adopted prior to June 27, 1997, if such rule complied with the
75 provisions of chapter 536. The provisions of this section and
76 chapter 536 are nonseverable and if any of the powers vested with
77 the general assembly pursuant to chapter 536, including the ability
78 to review, to delay the effective date, or to disapprove and annul a
79 rule or portion of a rule, are subsequently held unconstitutional,
80 then the purported grant of rulemaking authority and any rule so
81 proposed and contained in the order of rulemaking shall be invalid
82 and void.

83 7. No community college district may sell certificates as
84 described in this section after July 1, 2018.]

[178.896. 1. There is hereby established within the state
2 treasury a special fund, to be known as the "Missouri Community
3 College Job Training Program Fund", to be administered by the
4 division of job development and training. The department of
5 revenue shall credit to the community college job training program
6 fund, as received, all new jobs credit from withholding remitted by
7 employers pursuant to section 178.894. The fund shall also consist
8 of any gifts, contributions, grants or bequests received from federal,
9 private or other sources. The general assembly, however, shall not
10 provide for any transfer of general revenue funds into the
11 community college job training program fund. Moneys in the
12 Missouri community college job training program fund shall be
13 disbursed to the division of job development and training pursuant
14 to regular appropriations by the general assembly. The division
15 shall disburse such appropriated funds in a timely manner into the
16 special funds established by community college districts for

17 projects, which funds shall be used to pay program costs, including
18 the principal of, premium, if any, and interest on certificates issued
19 by the district to finance or refinance, in whole or in part, a
20 project. Such disbursements by the division of job development and
21 training shall be made to the special fund for each project in the
22 same proportion as the new jobs credit from withholding remitted
23 by the employer participating in such project bears to the total new
24 jobs credit from withholding remitted by all employers
25 participating in projects during the period for which the
26 disbursement is made. Moneys for new jobs training programs
27 established under the provisions of sections 178.892 to 178.896
28 shall be obtained from appropriations made by the general
29 assembly from the Missouri community college job training
30 program fund. All moneys remaining in the Missouri community
31 college job training program fund at the end of any fiscal year shall
32 not lapse to the general revenue fund, as provided in section
33 33.080, but shall remain in the Missouri community college job
34 training program fund.

35 2. The department of revenue shall develop such forms as
36 are necessary to demonstrate accurately each employer's new jobs
37 credit from withholding paid into the Missouri community college
38 job training program fund. The new jobs credit from withholding
39 shall be accounted as separate from the normal withholding tax
40 paid to the department of revenue by the
41 employer. Reimbursements made by all employers to the Missouri
42 community college job training program fund shall be no less than
43 all allocations made by the division of job development and training
44 to all community college districts for all projects. The employer
45 shall remit the amount of the new job credit to the department of
46 revenue in the same manner as provided in sections 143.191 to
47 143.265.

48 3. Sections 178.892 to 178.896 shall expire July 1, 2028.]

[348.505. 1. As used in this section, "state tax liability",
2 any state tax liability incurred by a taxpayer under the provisions
3 of chapters 143, 147, and 148, exclusive of the provisions relating
4 to the withholding of tax as provided for in sections 143.191 to

5 143.265 and related provisions.

6 2. Any eligible lender under the family farm livestock loan
7 program under section 348.500 shall be entitled to receive a tax
8 credit equal to one hundred percent of the amount of interest
9 waived by the lender under section 348.500 on a qualifying loan for
10 the first year of the loan only. The tax credit shall be evidenced by
11 a tax credit certificate issued by the agricultural and small
12 business development authority and may be used to satisfy the
13 state tax liability of the owner of such certificate that becomes due
14 in the tax year in which the interest on a qualified loan is waived
15 by the lender under section 348.500. No lender may receive a tax
16 credit under this section unless such person presents a tax credit
17 certificate to the department of revenue for payment of such state
18 tax liability. The amount of the tax credits that may be issued to
19 all eligible lenders claiming tax credits authorized in this section
20 in a fiscal year shall not exceed three hundred thousand dollars.

21 3. The agricultural and small business development
22 authority shall be responsible for the administration and issuance
23 of the certificate of tax credits authorized by this section. The
24 authority shall issue a certificate of tax credit at the request of any
25 lender. Each request shall include a true copy of the loan
26 documents, the name of the lender who is to receive a certificate of
27 tax credit, the type of state tax liability against which the tax
28 credit is to be used, and the amount of the certificate of tax credit
29 to be issued to the lender based on the interest waived by the
30 lender under section 348.500 on the loan for the first year.

31 4. The Missouri department of revenue shall accept a
32 certificate of tax credit in lieu of other payment in such amount as
33 is equal to the lesser of the amount of the tax or the remaining
34 unused amount of the credit as indicated on the certificate of tax
35 credit, and shall indicate on the certificate of tax credit the amount
36 of tax thereby paid and the date of such payment.

37 5. The following provisions shall apply to tax credits
38 authorized under this section:

39 (1) Tax credits claimed in a taxable year may be claimed on
40 a quarterly basis and applied to the estimated quarterly tax of the

41 lender;

42 (2) Any amount of tax credit which exceeds the tax due,
43 including any estimated quarterly taxes paid by the lender under
44 subdivision (1) of this subsection which results in an overpayment
45 of taxes for a taxable year, shall not be refunded but may be
46 carried over to any subsequent taxable year, not to exceed a total
47 of three years for which a tax credit may be taken for a qualified
48 family farm livestock loan;

49 (3) Notwithstanding any provision of law to the contrary, a
50 lender may assign, transfer or sell tax credits authorized under
51 this section, with the new owner of the tax credit receiving the
52 same rights in the tax credit as the lender. For any tax credits
53 assigned, transferred, sold, or otherwise conveyed, a notarized
54 endorsement shall be filed by the lender with the authority
55 specifying the name and address of the new owner of the tax credit
56 and the value of such tax credit; and

57 (4) Notwithstanding any other provision of this section to
58 the contrary, any commercial bank may use tax credits created
59 under this section as provided in section 148.064 and receive a net
60 tax credit against taxes actually paid in the amount of the first
61 year's interest on loans made under this section. If such first year
62 tax credits reduce taxes due as provided in section 148.064 to zero,
63 the remaining tax credits may be carried over as otherwise
64 provided in this section and utilized as provided in section 148.064
65 in subsequent years.]

2 [620.470. As used in sections 620.470 to 620.481, unless the
context clearly requires otherwise, the following terms mean:

3 (1) "Department", the Missouri department of economic
4 development;

5 (2) "Fund", the Missouri job development fund as
6 established by section 620.478;

7 (3) "Industry", an entity the objective of which is to supply
8 a service or the objective of which is the commercial production and
9 sale of an article of trade or commerce. The term includes a
10 consortium of such entities organized for the purpose of providing
11 for common training to the member entities' employees, provided

12 that the consortium as a whole meets the requirements for
13 participation in this program;

14 (4) "Manufacturing", the making or processing of raw
15 materials into a finished product, especially by means of large-scale
16 machines of industry.]

[620.472. 1. The department shall establish a new or
2 expanding industry training program, the purpose of which is to
3 provide assistance for new or expanding industries for the training,
4 retraining or upgrading of the skills of potential
5 employees. Training may include preemployment training, and
6 services may include analysis of the specified training needs for
7 such company, development of training plans, and provision of
8 training through qualified training staff. Such program may fund
9 in-plant training analysis, curriculum development, assessment
10 and preselection tools, publicity for the program, instructional
11 services, rental of instructional facilities with necessary utilities,
12 access to equipment and supplies, other necessary services, overall
13 program direction, and an adequate staff to carry out an effective
14 training program. In addition, the program may fund a
15 coordinated transportation program for trainings if the training can
16 be more effectively provided outside the community where the jobs
17 are to be located. In-plant training analysis shall include fees for
18 professionals and necessary travel and expenses. Such program
19 may also provide assistance in the locating of skilled employees
20 and in the locating of additional sources of job training
21 funds. Such program shall be operated with appropriations made
22 by the general assembly from the fund.

23 2. Assistance under the new or expanding industry training
24 program may be available only for industries who certify to the
25 department that their investments relate directly to a projected
26 increase in employment which will result in the need for training
27 of newly hired employees or the retraining or upgrading of the
28 skills of existing employees for new jobs created by the new or
29 expanding industry's investment.

30 3. The department shall issue rules and regulations
31 governing the awarding of funds administered through the new or

32 expanding industry training program. When promulgating these
33 rules and regulations, the department shall consider such factors
34 as the potential number of new permanent jobs to be created, the
35 amount of private sector investment in new facilities and
36 equipment, the significance of state funding to the industry's
37 decision to locate or expand in Missouri, the economic need of the
38 affected community, and the importance of the industry to the
39 economic development of Missouri.]

[620.474. 1. The department shall establish a basic
2 industry retraining program, the purpose of which is to provide
3 assistance for industries in Missouri for the retraining and
4 upgrading of employees' skills which are required to support new
5 investment. Such program shall be operated with appropriations
6 made by the general assembly from the fund.

7 2. Assistance under the basic industry retraining program
8 may be made available for industries in Missouri which make new
9 investments without the creation of new employment.

10 3. The department shall issue rules and regulations
11 governing the awarding of funds administered through the basic
12 industry retraining fund. When promulgating these rules and
13 regulations, the department shall consider such factors as the
14 number of jobs in jeopardy of being lost if retraining does not occur,
15 the amount of private sector investment in new facilities and
16 equipment, the ratio of jobs retained versus investment, the cost of
17 normal, ongoing training required for the industry, the economic
18 need of the affected community, and the importance of the industry
19 to the economic development of Missouri.]

[620.475. 1. The department shall establish an industry
2 quality and productivity improvement program to help industries
3 and businesses evaluate and enhance quality and productivity, and
4 to encourage the private sector to develop long-range goals to
5 improve quality and productivity and improve the competitive
6 position of private businesses. The quality and productivity
7 improvement program shall include seminars, workshops and short
8 courses on subjects such as long-range planning, new management
9 techniques, automated manufacturing, innovative uses of new

10 materials and the latest philosophies of management and quality
11 improvement. The program shall be available to existing Missouri
12 manufacturing, distribution and service businesses.

13 2. The department may develop quality and productivity
14 improvement centers at university and community college
15 campuses throughout the state as the demand and need is
16 determined. The department shall have the authority to contract
17 with individuals who possess particular knowledge, ability and
18 expertise in the various subjects which may be essential to the
19 program's goals. Seminars, workshops, short courses and specific
20 not for credit classes shall be developed on and off campus for
21 personnel engaged in manufacturing, distribution and service
22 businesses. At the discretion of the department, the University of
23 Missouri and Lincoln University extension services, the continuing
24 education offices of the regional universities and community
25 colleges may be used for the promotion and coordination of the
26 off-campus courses that are offered.

27 3. Activities eligible for reimbursement in the industry
28 quality and productivity program shall include:

29 (1) The cost of seminars, workshops, short courses and
30 specific not for credit classes;

31 (2) The wages of instructors;

32 (3) Productivity materials and supplies, including the
33 purchase of packaged productivity programs when appropriate;

34 (4) Travel directly related to the program;

35 (5) Tuition payments to third-party productivity providers
36 and to businesses; and

37 (6) Teaching and assistance provided by educational
38 institutions in the state.

39 4. No industry receiving assistance under the industry
40 quality and productivity improvement program shall be reimbursed
41 for more than fifty percent of the total costs of its participation in
42 the program.]

[620.476. Activities eligible for reimbursement by funds
2 administered through the new or expanding industry program and
3 the basic industry retraining program shall include: the wages of

4 instructors, who may or may not be employees of the industry;
5 training development costs, including the cost of training of
6 instructors; training materials and supplies, including the purchase
7 of packaged training programs when appropriate; travel directly
8 related to the training program; tuition payments to third-party
9 training providers and to the industry; teaching and assistance
10 provided by educational institutions in the state of Missouri;
11 on-the-job training; and the leasing, but not the purchase, of
12 training equipment and space.]

[620.478. 1. There is hereby established in the state
2 treasury a special fund to be known as the "Missouri Job
3 Development Fund". The fund shall consist of all moneys which
4 may be appropriated to it by the general assembly and also any
5 gifts, contributions, grants or bequests received from federal,
6 private or other sources. Appropriations made from the fund shall
7 be for the purpose of providing contractual services through the
8 department of elementary and secondary education for vocational
9 related training or retraining provided by public or private training
10 institutions within Missouri; and for contracted services through
11 the department of economic development for vocational related
12 training or retraining provided by public or private training
13 institutions located outside of Missouri; and for vocational related
14 training or retraining provided on site, within Missouri, by any
15 proprietorship, partnership or corporate entity. Except for
16 state-sponsored preemployment training, no applicant shall receive
17 more than fifty percent of its project training or retraining costs
18 from the development fund. Moneys to operate the new or
19 expanding industry training program, the basic industry retraining
20 program, the industry quality and productivity improvement
21 program and assistance to community college business and
22 technology centers shall be obtained from appropriations made by
23 the general assembly from the fund. No funds shall be awarded or
24 reimbursed to any industry for the training, retraining or
25 upgrading of skills of potential employees with the purpose of
26 replacing or supplanting employees engaged in an authorized work
27 stoppage.

28 2. The Missouri job development fund shall be able to
29 receive any block grant or other sources of funding relating to job
30 training, school-to-work transition, welfare reform, vocational and
31 technical training, housing, infrastructure development and human
32 resource investment programs which may be provided by the
33 federal government or other sources.]

 [620.479. The department is authorized to contract with
2 other entities, including businesses, industries, other state agencies
3 and the political subdivisions of the state, for the purpose of
4 carrying out the provisions of sections 620.470 to 620.481.]

 [620.480. To efficiently carry out the responsibilities of the
2 division of job development and training and to improve job
3 training program coordination, the commissioner of administration
4 shall authorize the division to directly negotiate with and contract
5 for job training and related services with administrative entities
6 designated pursuant to the requirements of the Job Training
7 Partnership Act and any subsequent amendments and any other
8 agencies or entities which may be designated to administer job
9 training and related services pursuant to any succeeding federal or
10 state legislative or regulatory requirements.]

 [620.481. There is hereby created the "Missouri Job
2 Training Joint Legislative Oversight Committee". The committee
3 shall consist of three members of the Missouri senate appointed by
4 the president pro tem of the senate; three members of the house of
5 representatives appointed by the speaker of the house. No more
6 than two of the members of the senate and two of the members of
7 the house of representatives shall be from the same political
8 party. Members of the Missouri job training joint legislative
9 oversight committee shall report to the governor, the president pro
10 tem of the senate and the speaker of the house of representatives
11 on all assistance to industries under the provisions of sections
12 620.470 to 620.481 provided during the preceding fiscal year and
13 the customized job training program administered by the
14 department of elementary and secondary education. The report of
15 the committee shall be delivered no later than October first of each
16 year. The director of the department of economic development

17 shall report to the committee such information as the committee
18 may deem necessary for its annual report. Members of the
19 committee shall receive no compensation in addition to their salary
20 as members of the general assembly, but may receive their
21 necessary expenses while attending the meetings of the committee,
22 to be paid out of the joint contingent fund.]

[620.482. 1. The department may provide assistance,
2 through appropriations made from the Missouri job development
3 fund, to business and technology centers. Such assistance may not
4 include the lending of the state's credit for the payment of any
5 liability of the fund. Such centers may be established by Missouri
6 community colleges, or a state-owned postsecondary technical
7 college, to provide business and training services in disciplines
8 which shall include, but not be limited to, environmental health
9 and safety, industrial electrical technology, machine tool
10 technology, industrial management and technology, computer
11 consulting and computer-aided drafting, microcomputer training
12 and telecommunications training.

13 2. The department of economic development shall
14 promulgate rules and regulations as are necessary to implement
15 the provisions of sections 620.470 to 620.482. No rule or portion of
16 a rule promulgated under the authority of sections 620.470 to
17 620.482 shall become effective unless it has been promulgated
18 pursuant to the provisions of section 536.024.]

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

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