

House _____ Amendment NO. _____

Offered By

- 1 AMEND House Committee Substitute for Senate Bill No. 226, Page 1, In the Title, Line 2-3, by
- 2 deleting the words "sales tax" and inserting in lieu thereof the word "taxation"; and
- 3
- 4 Further amend said bill by amending the title, enacting clause, and intersectional references
- 5 accordingly.

Action Taken _____ Date _____

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for Senate Bill No. 226, Page 1, Section A, Line 2, by
2 inserting after all of said section and line the following:

3
4 "143.121. 1. The Missouri adjusted gross income of a resident individual shall be the
5 taxpayer's federal adjusted gross income subject to the modifications in this section.

6 2. There shall be added to the taxpayer's federal adjusted gross income:

7 (1) The amount of any federal income tax refund received for a prior year which resulted in
8 a Missouri income tax benefit. The amount added pursuant to this subdivision shall not include any
9 amount of a federal income tax refund attributable to a tax credit reducing a taxpayer's federal tax
10 liability pursuant to Public Law 116-136, enacted by the 116th United States Congress, for the tax
11 year beginning on or after January 1, 2020, and ending on or before December 31, 2020, and
12 deducted from Missouri adjusted gross income pursuant to section 143.171;

13 (2) Interest on certain governmental obligations excluded from federal gross income by 26
14 U.S.C. Section 103 of the Internal Revenue Code, as amended. The previous sentence shall not
15 apply to interest on obligations of the state of Missouri or any of its political subdivisions or
16 authorities and shall not apply to the interest described in subdivision (1) of subsection 3 of this
17 section. The amount added pursuant to this subdivision shall be reduced by the amounts applicable
18 to such interest that would have been deductible in computing the taxable income of the taxpayer
19 except only for the application of 26 U.S.C. Section 265 of the Internal Revenue Code, as amended.
20 The reduction shall only be made if it is at least five hundred dollars;

21 (3) The amount of any deduction that is included in the computation of federal taxable
22 income pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code as amended by the Job
23 Creation and Worker Assistance Act of 2002 to the extent the amount deducted relates to property
24 purchased on or after July 1, 2002, but before July 1, 2003, and to the extent the amount deducted
25 exceeds the amount that would have been deductible pursuant to 26 U.S.C. Section 168 of the
26 Internal Revenue Code of 1986 as in effect on January 1, 2002;

27 (4) The amount of any deduction that is included in the computation of federal taxable
28 income for net operating loss allowed by 26 U.S.C. Section 172 of the Internal Revenue Code of
29 1986, as amended, other than the deduction allowed by 26 U.S.C. Section 172(b)(1)(G) and 26
30 U.S.C. Section 172(i) of the Internal Revenue Code of 1986, as amended, for a net operating loss the
31 taxpayer claims in the tax year in which the net operating loss occurred or carries forward for a
32 period of more than twenty years and carries backward for more than two years. Any amount of net
33 operating loss taken against federal taxable income but disallowed for Missouri income tax purposes
34 pursuant to this subdivision after June 18, 2002, may be carried forward and taken against any
35 income on the Missouri income tax return for a period of not more than twenty years from the year
36 of the initial loss; and

Action Taken _____ Date _____

1 (5) For nonresident individuals in all taxable years ending on or after December 31, 2006,
2 the amount of any property taxes paid to another state or a political subdivision of another state for
3 which a deduction was allowed on such nonresident's federal return in the taxable year unless such
4 state, political subdivision of a state, or the District of Columbia allows a subtraction from income
5 for property taxes paid to this state for purposes of calculating income for the income tax for such
6 state, political subdivision of a state, or the District of Columbia;

7 (6) For all tax years beginning on or after January 1, 2018, any interest expense paid or
8 accrued in a previous taxable year, but allowed as a deduction under 26 U.S.C. Section 163, as
9 amended, in the current taxable year by reason of the carryforward of disallowed business interest
10 provisions of 26 U.S.C. Section 163(j), as amended. For the purposes of this subdivision, an interest
11 expense is considered paid or accrued only in the first taxable year the deduction would have been
12 allowable under 26 U.S.C. Section 163, as amended, if the limitation under 26 U.S.C. Section
13 163(j), as amended, did not exist.

14 3. There shall be subtracted from the taxpayer's federal adjusted gross income the following
15 amounts to the extent included in federal adjusted gross income:

16 (1) Interest received on deposits held at a federal reserve bank or interest or dividends on
17 obligations of the United States and its territories and possessions or of any authority, commission or
18 instrumentality of the United States to the extent exempt from Missouri income taxes pursuant to the
19 laws of the United States. The amount subtracted pursuant to this subdivision shall be reduced by
20 any interest on indebtedness incurred to carry the described obligations or securities and by any
21 expenses incurred in the production of interest or dividend income described in this subdivision.
22 The reduction in the previous sentence shall only apply to the extent that such expenses including
23 amortizable bond premiums are deducted in determining the taxpayer's federal adjusted gross
24 income or included in the taxpayer's Missouri itemized deduction. The reduction shall only be made
25 if the expenses total at least five hundred dollars;

26 (2) The portion of any gain, from the sale or other disposition of property having a higher
27 adjusted basis to the taxpayer for Missouri income tax purposes than for federal income tax
28 purposes on December 31, 1972, that does not exceed such difference in basis. If a gain is
29 considered a long-term capital gain for federal income tax purposes, the modification shall be
30 limited to one-half of such portion of the gain;

31 (3) The amount necessary to prevent the taxation pursuant to this chapter of any annuity or
32 other amount of income or gain which was properly included in income or gain and was taxed
33 pursuant to the laws of Missouri for a taxable year prior to January 1, 1973, to the taxpayer, or to a
34 decedent by reason of whose death the taxpayer acquired the right to receive the income or gain, or
35 to a trust or estate from which the taxpayer received the income or gain;

36 (4) Accumulation distributions received by a taxpayer as a beneficiary of a trust to the
37 extent that the same are included in federal adjusted gross income;

38 (5) The amount of any state income tax refund for a prior year which was included in the
39 federal adjusted gross income;

40 (6) The portion of capital gain specified in section 135.357 that would otherwise be included
41 in federal adjusted gross income;

42 (7) The amount that would have been deducted in the computation of federal taxable income
43 pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code as in effect on January 1, 2002, to
44 the extent that amount relates to property purchased on or after July 1, 2002, but before July 1, 2003,
45 and to the extent that amount exceeds the amount actually deducted pursuant to 26 U.S.C. Section
46 168 of the Internal Revenue Code as amended by the Job Creation and Worker Assistance Act of
47 2002;

48 (8) For all tax years beginning on or after January 1, 2005, the amount of any income
49 received for military service while the taxpayer serves in a combat zone which is included in federal

1 adjusted gross income and not otherwise excluded therefrom. As used in this section, "combat
2 zone" means any area which the President of the United States by Executive Order designates as an
3 area in which Armed Forces of the United States are or have engaged in combat. Service is
4 performed in a combat zone only if performed on or after the date designated by the President by
5 Executive Order as the date of the commencing of combat activities in such zone, and on or before
6 the date designated by the President by Executive Order as the date of the termination of combatant
7 activities in such zone;

8 (9) For all tax years ending on or after July 1, 2002, with respect to qualified property that is
9 sold or otherwise disposed of during a taxable year by a taxpayer and for which an additional
10 modification was made under subdivision (3) of subsection 2 of this section, the amount by which
11 additional modification made under subdivision (3) of subsection 2 of this section on qualified
12 property has not been recovered through the additional subtractions provided in subdivision (7) of
13 this subsection;

14 (10) For all tax years beginning on or after January 1, 2014, the amount of any income
15 received as payment from any program which provides compensation to agricultural producers who
16 have suffered a loss as the result of a disaster or emergency, including the:

- 17 (a) Livestock Forage Disaster Program;
- 18 (b) Livestock Indemnity Program;
- 19 (c) Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish;
- 20 (d) Emergency Conservation Program;
- 21 (e) Noninsured Crop Disaster Assistance Program;
- 22 (f) Pasture, Rangeland, Forage Pilot Insurance Program;
- 23 (g) Annual Forage Pilot Program;
- 24 (h) Livestock Risk Protection Insurance Plan; and
- 25 (i) Livestock Gross Margin Insurance Plan; ~~and~~

26 (11) For all tax years beginning on or after January 1, 2018, any interest expense paid or
27 accrued in the current taxable year, but not deducted as a result of the limitation imposed under 26
28 U.S.C. Section 163(j), as amended. For the purposes of this subdivision, an interest expense is
29 considered paid or accrued only in the first taxable year the deduction would have been allowable
30 under 26 U.S.C. Section 163, as amended, if the limitation under 26 U.S.C. Section 163(j), as
31 amended, did not exist; and

32 (12) For taxpayers authorized to conduct business under Article XIV of the Constitution of
33 Missouri, the amount that would have been deducted from the computation of the taxpayer's federal
34 taxable income if such a deduction were not disallowed under 26 U.S.C. Section 280E, as in effect
35 on January 1, 2021, because of the status of marijuana as a controlled substance under federal law.

36 4. There shall be added to or subtracted from the taxpayer's federal adjusted gross income
37 the taxpayer's share of the Missouri fiduciary adjustment provided in section 143.351.

38 5. There shall be added to or subtracted from the taxpayer's federal adjusted gross income
39 the modifications provided in section 143.411.

40 6. In addition to the modifications to a taxpayer's federal adjusted gross income in this
41 section, to calculate Missouri adjusted gross income there shall be subtracted from the taxpayer's
42 federal adjusted gross income any gain recognized pursuant to 26 U.S.C. Section 1033 of the
43 Internal Revenue Code of 1986, as amended, arising from compulsory or involuntary conversion of
44 property as a result of condemnation or the imminence thereof.

45 7. (1) As used in this subsection, "qualified health insurance premium" means the amount
46 paid during the tax year by such taxpayer for any insurance policy primarily providing health care
47 coverage for the taxpayer, the taxpayer's spouse, or the taxpayer's dependents.

48 (2) In addition to the subtractions in subsection 3 of this section, one hundred percent of the
49 amount of qualified health insurance premiums shall be subtracted from the taxpayer's federal

1 adjusted gross income to the extent the amount paid for such premiums is included in federal
2 taxable income. The taxpayer shall provide the department of revenue with proof of the amount of
3 qualified health insurance premiums paid.

4 8. (1) Beginning January 1, 2014, in addition to the subtractions provided in this section,
5 one hundred percent of the cost incurred by a taxpayer for a home energy audit conducted by an
6 entity certified by the department of natural resources under section 640.153 or the implementation
7 of any energy efficiency recommendations made in such an audit shall be subtracted from the
8 taxpayer's federal adjusted gross income to the extent the amount paid for any such activity is
9 included in federal taxable income. The taxpayer shall provide the department of revenue with a
10 summary of any recommendations made in a qualified home energy audit, the name and
11 certification number of the qualified home energy auditor who conducted the audit, and proof of the
12 amount paid for any activities under this subsection for which a deduction is claimed. The taxpayer
13 shall also provide a copy of the summary of any recommendations made in a qualified home energy
14 audit to the department of natural resources.

15 (2) At no time shall a deduction claimed under this subsection by an individual taxpayer or
16 taxpayers filing combined returns exceed one thousand dollars per year for individual taxpayers or
17 cumulatively exceed two thousand dollars per year for taxpayers filing combined returns.

18 (3) Any deduction claimed under this subsection shall be claimed for the tax year in which
19 the qualified home energy audit was conducted or in which the implementation of the energy
20 efficiency recommendations occurred. If implementation of the energy efficiency recommendations
21 occurred during more than one year, the deduction may be claimed in more than one year, subject to
22 the limitations provided under subdivision (2) of this subsection.

23 (4) A deduction shall not be claimed for any otherwise eligible activity under this subsection
24 if such activity qualified for and received any rebate or other incentive through a state-sponsored
25 energy program or through an electric corporation, gas corporation, electric cooperative, or
26 municipally owned utility.

27 9. The provisions of subsection 8 of this section shall expire on December 31, 2020."; and

28
29 Further amend said bill by amending the title, enacting clause, and intersectional references
30 accordingly.

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Bill No. 226, Page 1, Section A, Line 2, by
2 inserting after all of said section and line the following:

3
4 "32.110. Any business firm which engages in the activities of providing physical
5 revitalization, economic development, job training or education for individuals, community
6 services, or crime prevention in the state of Missouri shall receive a tax credit as provided in section
7 32.115 if the director of the department of economic development annually approves the proposal of
8 the business firm; except that, no proposal shall be approved which does not have the endorsement
9 of the agency of local government within the area in which the business firm is engaging in such
10 activities which has adopted an overall community or neighborhood development plan that the
11 proposal is consistent with such plan. The proposal shall set forth the program to be conducted, the
12 neighborhood area to be served, why the program is needed, the estimated amount to be contributed
13 to the program and the plans for implementing the program. If, in the opinion of the director of the
14 department of economic development, a business firm's contribution can more consistently with the
15 purposes of sections 32.100 to 32.125 be made through contributions to a neighborhood
16 organization as defined in subdivision (13) of section 32.105, tax credits may be allowed as
17 provided in section 32.115. The director of the department of economic development is hereby
18 authorized to promulgate rules and regulations for establishing criteria for evaluating such proposals
19 by business firms for approval or disapproval and for establishing priorities for approval or
20 disapproval of such proposals by business firms with the assistance and approval of the director of
21 the department of revenue. The total amount of tax credit granted for programs approved pursuant
22 to sections 32.100 to 32.125 shall not exceed fourteen million dollars in fiscal year 1999 ~~and~~ ;
23 twenty-six million dollars in fiscal year 2000, and ~~any subsequent~~ each fiscal year ending on or
24 before June 30, 2021; and thirty million dollars in each fiscal year beginning on or after July 1,
25 2021, except as otherwise provided for proposals approved pursuant to section 32.111, 32.112 or
26 32.117. All tax credits authorized pursuant to the provisions of sections 32.100 to 32.125 may be
27 used as a state match to secure additional federal funding.

28 32.115. 1. The department of revenue shall grant a tax credit, to be applied in the following
29 order until used, against:

- 30 (1) The annual tax on gross premium receipts of insurance companies in chapter 148;
31 (2) The tax on banks determined pursuant to subdivision (2) of subsection 2 of section
32 148.030;
33 (3) The tax on banks determined in subdivision (1) of subsection 2 of section 148.030;
34 (4) The tax on other financial institutions in chapter 148;
35 (5) The corporation franchise tax in chapter 147;
36 (6) The state income tax in chapter 143; and

Action Taken _____ Date _____

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

2 2. For proposals approved pursuant to section 32.110:

3 (1) The amount of the tax credit shall not exceed fifty percent of the total amount
4 contributed during the taxable year by the business firm or, in the case of a financial institution,
5 where applicable, during the relevant income period in programs approved pursuant to section
6 32.110;

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

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

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

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

18 (c) A standard metropolitan statistical area and a substantial number of persons in such
19 county derive their income from agriculture.

20
21 Such community may also be in an unincorporated area in such county as provided in subdivision
22 (1), (2) or (3) of this subsection. Except in no case shall the total economic benefit of the combined
23 federal and state tax savings to the taxpayer exceed the amount contributed by the taxpayer during
24 the tax year;

25 (4) Such tax credit allocation, equal to seventy percent of the total amount contributed, shall
26 not exceed four million dollars in fiscal year 1999 ~~and~~, six million dollars in fiscal year 2000, and
27 ten million dollars in fiscal year 2022 and any subsequent fiscal year. When the maximum dollar
28 limit on the seventy percent tax credit allocation is committed, the tax credit allocation for such
29 programs shall then be equal to fifty percent credit of the total amount contributed. Regulations
30 establishing special program priorities are to be promulgated during the first month of each fiscal
31 year and at such times during the year as the public interest dictates. Such credit shall not exceed
32 two hundred and fifty thousand dollars annually except as provided in subdivision (5) of this
33 subsection. No tax credit shall be approved for any bank, bank and trust company, insurance
34 company, trust company, national bank, savings association, or building and loan association for
35 activities that are a part of its normal course of business. Any tax credit not used in the period the
36 contribution was made may be carried over the next five succeeding calendar or fiscal years until
37 the full credit has been claimed. Except as otherwise provided for proposals approved pursuant to
38 section 32.111, 32.112 or 32.117, in no event shall the total amount of all other tax credits allowed
39 pursuant to sections 32.100 to 32.125 exceed ~~[thirty-two]~~ thirty-six million dollars in any one fiscal
40 year, of which six million shall be credits allowed pursuant to section 135.460. If six million dollars
41 in credits are not approved, then the remaining credits may be used for programs approved pursuant
42 to sections 32.100 to 32.125;

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

1 3. For proposals approved pursuant to section 32.111:

2 (1) The amount of the tax credit shall not exceed fifty-five percent of the total amount
3 invested in affordable housing assistance activities or market rate housing in distressed communities
4 as defined in section 135.530 by a business firm. Whenever such investment is made in the form of
5 an equity investment or a loan, as opposed to a donation alone, tax credits may be claimed only
6 where the loan or equity investment is accompanied by a donation which is eligible for federal
7 income tax charitable deduction, and where the total value of the tax credits herein plus the value of
8 the federal income tax charitable deduction is less than or equal to the value of the donation. Any
9 tax credit not used in the period for which the credit was approved may be carried over the next ten
10 succeeding calendar or fiscal years until the full credit has been allowed. If the affordable housing
11 units or market rate housing units in distressed communities for which a tax is claimed are within a
12 larger structure, parts of which are not the subject of a tax credit claim, then expenditures applicable
13 to the entire structure shall be reduced on a prorated basis in proportion to the ratio of the number of
14 square feet devoted to the affordable housing units or market rate housing units in distressed
15 communities, for purposes of determining the amount of the tax credit. The total amount of tax
16 credit granted for programs approved pursuant to section 32.111 for the fiscal year beginning July 1,
17 1991, shall not exceed two million dollars, to be increased by no more than two million dollars each
18 succeeding fiscal year, until the total tax credits that may be approved reaches ten million dollars in
19 any fiscal year;

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

26 (3) In the case of owner-occupied affordable housing units, the qualifying owner occupant
27 shall, before the end of the first year in which credits are claimed, certify to the commission that the
28 occupant is income eligible during the preceding two years, and at the time of the initial purchase
29 contract, but not thereafter. The qualifying owner occupant shall further certify to the commission,
30 before the end of the first year in which credits are claimed, that during the compliance period
31 indicated in the land use restriction agreement, the cost of the affordable housing unit to the
32 occupant for the claimed unit can reasonably be projected to be in compliance with the provisions of
33 sections 32.100 to 32.125. Any succeeding owner occupant acquiring the affordable housing unit
34 during the compliance period indicated in the land use restriction agreement shall make the same
35 certification;

36 (4) If at any time during the compliance period the commission determines a project for
37 which a proposal has been approved is not in compliance with the applicable provisions of sections
38 32.100 to 32.125 or rules promulgated therefor, the commission may within one hundred fifty days
39 of notice to the owner either seek injunctive enforcement action against the owner, or seek legal
40 damages against the owner representing the value of the tax credits, or foreclose on the lien in the
41 land use restriction agreement, selling the project at a public sale, and paying to the owner the
42 proceeds of the sale, less the costs of the sale and less the value of all tax credits allowed herein.
43 The commission shall remit to the director of revenue the portion of the legal damages collected or
44 the sale proceeds representing the value of the tax credits. However, except in the event of
45 intentional fraud by the taxpayer, the proposal's certificate of eligibility for tax credits shall not be
46 revoked.

47 4. For proposals approved pursuant to section 32.112, the amount of the tax credit shall not
48 exceed fifty-five percent of the total amount contributed to a neighborhood organization by business
49 firms. Any tax credit not used in the period for which the credit was approved may be carried over

1 the next ten succeeding calendar or fiscal years until the full credit has been allowed. The total
2 amount of tax credit granted for programs approved pursuant to section 32.112 shall not exceed one
3 million dollars for each fiscal year.

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

7 135.341. 1. As used in this section, the following terms shall mean:

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

12 (2) "Child advocacy centers", the regional child assessment centers listed in subsection 2 of
13 section 210.001, including an association based in this state, affiliated with a national association,
14 and organized to provide support to entities listed in subsection 2 of section 210.001;

15 (3) "Contribution", the amount of donation to a qualified agency;

16 (4) "Crisis care center", entities contracted with this state which provide temporary care for
17 children whose age ranges from birth through seventeen years of age whose parents or guardian are
18 experiencing an unexpected and unstable or serious condition that requires immediate action
19 resulting in short-term care, usually three to five continuous, uninterrupted days, for children who
20 may be at risk for child abuse, neglect, or in an emergency situation;

21 (5) "Department", the department of revenue;

22 (6) "Director", the director of the department of revenue;

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

24 (8) "Tax liability", the tax due under chapter 143 other than taxes withheld under sections
25 143.191 to 143.265.

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

35 3. The cumulative amount of the tax credits redeemed shall not exceed one million dollars
36 for all fiscal years ending on or before June 30, 2019~~, and~~ ; one million five hundred thousand
37 dollars for all fiscal years beginning on or after July 1, 2019, and ending on or before June 30, 2021;
38 and three million dollars for all fiscal years beginning on or after July 1, 2021. The amount
39 available shall be equally divided among the three qualified agencies: CASA, child advocacy
40 centers, or crisis care centers, to be used towards tax credits issued. In the event tax credits claimed
41 under one agency do not total the allocated amount for that agency, the unused portion for that
42 agency will be made available to the remaining agencies equally. In the event the total amount of
43 tax credits claimed for any one agency exceeds the amount available for that agency, the amount
44 redeemed shall and will be apportioned equally to all eligible taxpayers claiming the credit under
45 that agency.

46 4. Prior to December thirty-first of each year, each qualified agency shall apply to the
47 department of social services in order to verify their qualified agency status. Upon a determination
48 that the agency is eligible to be a qualified agency, the department of social services shall provide a
49 letter of eligibility to such agency. No later than February first of each year, the department of

1 social services shall provide a list of qualified agencies to the department of revenue. All tax credit
2 applications to claim the champion for children tax credit shall be filed between July first and April
3 fifteenth of each fiscal year. A taxpayer shall apply for the champion for children tax credit by
4 attaching a copy of the contribution verification provided by a qualified agency to such taxpayer's
5 income tax return.

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

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

10 7. (1) In the event a credit denial, due to lack of available funds, causes a balance-due
11 notice to be generated by the department of revenue, or any other redeeming agency, the taxpayer
12 will not be held liable for any penalty or interest, provided the balance is paid, or approved payment
13 arrangements have been made, within sixty days from the notice of denial.

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

16 8. The department may promulgate such rules or regulations as are necessary to administer
17 the provisions of this section. Any rule or portion of a rule, as that term is defined in section
18 536.010, that is created under the authority delegated in this section shall become effective only if it
19 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section
20 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the
21 general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and
22 annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any
23 rule proposed or adopted after August 28, 2013, shall be invalid and void.

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

25 (1) The program authorized under this section shall be reauthorized as of December 31,
26 2019, and shall expire on December 31, 2025, unless reauthorized by the general assembly; and

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

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

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

34 135.352. 1. A taxpayer owning an interest in a qualified Missouri project shall, subject to
35 the limitations provided under the provisions of ~~[subsection]~~ subsections 3 and 4 of this section, be
36 allowed a state tax credit, whether or not allowed a federal tax credit, to be termed the Missouri low-
37 income housing tax credit, if the commission issues an eligibility statement for that project. The
38 amount of Missouri low-income housing tax credits allocated with respect to a qualified project
39 shall be available to a taxpayer each year for five consecutive tax years beginning with the tax year
40 in which a qualified project is placed into service.

41 2. For qualified Missouri projects placed in service after January 1, 1997, the Missouri low-
42 income housing tax credit available to a project shall be such amount as the commission shall
43 determine is necessary to ensure the feasibility of the project, up to an amount equal to the federal
44 low-income housing tax credit for a qualified Missouri project, for a federal tax period, and such
45 amount shall be subtracted from the amount of state tax otherwise due for the same tax period.

46 3. For all fiscal years beginning on or after July 1, 2021, the aggregate amount of tax credits
47 authorized in a fiscal year for projects not financed through tax-exempt bond issuance shall not
48 exceed eighty million dollars.

49 4. For all fiscal years ending on or before June 30, 2021, no more than six million dollars in

1 tax credits shall be authorized each fiscal year for projects financed through tax-exempt bond
 2 issuance. For all fiscal years beginning on or after July 1, 2021, no more than two million dollars in
 3 tax credits shall be authorized each fiscal year for projects financed through tax-exempt bond
 4 issuance.

5 ~~[4.]~~ 5. The Missouri low-income housing tax credit shall be taken against the taxes and in
 6 the order specified pursuant to section 32.115. The credit authorized by this section shall not be
 7 refundable. Any amount of credit that exceeds the tax due for a taxpayer's taxable year may be
 8 carried back to any of the taxpayer's three prior taxable years or carried forward to any of the
 9 taxpayer's five subsequent taxable years.

10 ~~[5.]~~ 6. All or any portion of Missouri tax credits issued in accordance with the provisions of
 11 sections 135.350 to 135.362 may be allocated to parties who are eligible pursuant to the provisions
 12 of subsection 1 of this section. Beginning January 1, 1995, for qualified projects which began on or
 13 after January 1, 1994, an owner of a qualified Missouri project shall certify to the director the
 14 amount of credit allocated to each taxpayer. The owner of the project shall provide to the director
 15 appropriate information so that the low-income housing tax credit can be properly allocated.

16 ~~[6.]~~ 7. In the event that recapture of Missouri low-income housing tax credits is required
 17 pursuant to subsection 2 of section 135.355, any statement submitted to the director as provided in
 18 this section shall include the proportion of the state credit required to be recaptured, the identity of
 19 each taxpayer subject to the recapture and the amount of credit previously allocated to such
 20 taxpayer.

21 ~~[7.]~~ 8. The director of the department may promulgate rules and regulations necessary to
 22 administer the provisions of this section. No rule or portion of a rule promulgated pursuant to the
 23 authority of this section shall become effective unless it has been promulgated pursuant to the
 24 provisions of section 536.024.

25 9. To aid in awarding credits under this section, the commission shall establish an evaluation
 26 rubric and score applicants for qualified Missouri projects against the rubric. The evaluation rubric
 27 shall include a component and score for applications that provide documentation to the commission
 28 demonstrating the applicant received competitive bids for the tax credits. The commission may
 29 authorize a preference for minority groups or women as part of a point system or rubric. The
 30 commission shall publish the rubric before it accepts applications and shall publish the scored rubric
 31 for each application.

32 135.365. Under section 23.253 of the Missouri sunset act:

33 (1) The provisions of the program authorized under sections 135.350 to 135.363 shall
 34 automatically sunset on December thirty-first six years after August 28, 2021, unless reauthorized
 35 by an act of the general assembly;

36 (2) If such program is reauthorized, the program authorized under sections 135.350 to
 37 135.363 shall automatically sunset on December thirty-first six years after the effective date of the
 38 reauthorization of sections 135.350 to 135.363;

39 (3) This section shall terminate on September first of the calendar year immediately
 40 following the calendar year in which the program authorized under sections 135.350 to 135.363 is
 41 sunset; and

42 (4) The provisions of this section shall not be construed to limit or in any way impair the
 43 department's ability to issue tax credits authorized on or before the date the program authorized
 44 under sections 135.350 to 135.363 expires or a taxpayer's ability to redeem such tax credits.

45 135.460. 1. This section and sections 620.1100 and 620.1103 shall be known and may be
 46 cited as the "Youth Opportunities and Violence Prevention Act".

47 2. As used in this section, the term "taxpayer" shall include corporations as defined in
 48 section 143.441 or 143.471, any charitable organization which is exempt from federal income tax
 49 and whose Missouri unrelated business taxable income, if any, would be subject to the state income

1 tax imposed under chapter 143, and individuals, individual proprietorships and partnerships.

2 3. A taxpayer shall be allowed a tax credit against the tax otherwise due pursuant to chapter
 3 143, excluding withholding tax imposed by sections 143.191 to 143.265, chapter 147, chapter 148,
 4 or chapter 153 in an amount equal to thirty percent for property contributions and fifty percent for
 5 monetary contributions of the amount such taxpayer contributed to the programs described in
 6 subsection 5 of this section, not to exceed two hundred thousand dollars per taxable year, per
 7 taxpayer, for each fiscal year ending on or before June 30, 2021, and five hundred thousand dollars
 8 per tax year, per taxpayer, for each fiscal year beginning on or after July 1, 2021; except as
 9 otherwise provided in subdivision (5) of subsection 5 of this section. The department of economic
 10 development shall prescribe the method for claiming the tax credits allowed in this section. No rule
 11 or portion of a rule promulgated under the authority of this section shall become effective unless it
 12 has been promulgated pursuant to the provisions of chapter 536. All rulemaking authority delegated
 13 prior to June 27, 1997, is of no force and effect and repealed; however, nothing in this section shall
 14 be interpreted to repeal or affect the validity of any rule filed or adopted prior to June 27, 1997, if
 15 such rule complied with the provisions of chapter 536. The provisions of this section and chapter
 16 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter
 17 536, including the ability to review, to delay the effective date, or to disapprove and annul a rule or
 18 portion of a rule, are subsequently held unconstitutional, then the purported grant of rulemaking
 19 authority and any rule so proposed and contained in the order of rulemaking shall be invalid and
 20 void.

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

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

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

31 (2) Expansion of programs to encourage school dropouts to reenter and complete high
 32 school or to complete a graduate equivalency degree program;

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

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

36 (5) Employment/internship/apprenticeship programs in business or trades for persons less
 37 than twenty years of age, in which case the tax credit claimed pursuant to this section shall be equal
 38 to one-half of the amount paid to the intern or apprentice in that tax year, except that such credit
 39 shall not exceed ten thousand dollars per person for each fiscal year ending on or before June 30,
 40 2021, and twenty thousand dollars per person for each fiscal year beginning on or after July 1, 2021;

41 (6) Mentor and role model programs;

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

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

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

48 (10) Nonviolent conflict resolution and mediation programs;

49 (11) Youth outreach and counseling programs.

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

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

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

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

- 14 (1) The shareholders of the corporation described in section 143.471;
- 15 (2) The partners of the partnership;
- 16 (3) The members of the limited liability company; and
- 17 (4) Individual members of the cooperative or marketing enterprise.

18
19 Such credits shall be apportioned to the entities described in subdivisions (1) and (2) of this
20 subsection in proportion to their share of ownership on the last day of the taxpayer's tax period.

21 135.621. 1. As used in this section, the following terms mean:

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

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

25 (3) "Diaper bank", a nonprofit entity located in this state established and operating primarily
26 for the purpose of collecting or purchasing disposable diapers or other hygiene products for infants,
27 children, or incontinent adults and that regularly distributes such diapers or other hygiene products
28 through two or more schools, health care facilities, governmental agencies, or other nonprofit
29 entities for eventual distribution to individuals free of charge;

30 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
31 withholding tax imposed under sections 143.191 to 143.265, or otherwise due under chapter 148 or
32 153;

33 (5) "Taxpayer", a person, firm, partner in a firm, corporation, or shareholder in an S
34 corporation doing business in the state of Missouri and subject to the state income tax imposed
35 under chapter 143; an insurance company paying an annual tax on its gross premium receipts in this
36 state; any other financial institution paying taxes to the state of Missouri or any political subdivision
37 of this state under chapter 148; an express company that pays an annual tax on its gross receipts in
38 this state under chapter 153; an individual subject to the state income tax under chapter 143; or any
39 charitable organization that is exempt from federal income tax and whose Missouri unrelated
40 business taxable income, if any, would be subject to the state income tax imposed under chapter
41 143.

42 2. For all fiscal years beginning on or after July 1, 2019, a taxpayer shall be allowed to
43 claim a tax credit against the taxpayer's state tax liability in an amount equal to fifty percent of the
44 amount of such taxpayer's contributions to a diaper bank.

45 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state
46 tax liability for the tax year for which the credit is claimed, and such taxpayer shall not be allowed
47 to claim a tax credit in excess of fifty thousand dollars per tax year. However, any tax credit that
48 cannot be claimed in the tax year the contribution was made may be carried over only to the next
49 subsequent tax year. No tax credit issued under this section shall be assigned, transferred, or sold.

1 4. Except for any excess credit that is carried over under subsection 3 of this section, no
2 taxpayer shall be allowed to claim a tax credit unless the taxpayer contributes at least one hundred
3 dollars to one or more diaper banks during the tax year for which the credit is claimed.

4 5. The department shall determine, at least annually, which entities in this state qualify as
5 diaper banks. The department may require of an entity seeking to be classified as a diaper bank any
6 information which is reasonably necessary to make such a determination. The department shall
7 classify an entity as a diaper bank if such entity satisfies the definition under subsection 1 of this
8 section.

9 6. The department shall establish a procedure by which a taxpayer can determine if an entity
10 has been classified as a diaper bank.

11 7. Diaper banks may decline a contribution from a taxpayer.

12 8. The cumulative amount of tax credits that may be claimed by all the taxpayers
13 contributing to diaper banks ~~[in any one]~~ for each fiscal year ending on or before June 30, 2021,
14 shall not exceed five hundred thousand dollars. The cumulative amount of tax credits that may be
15 claimed by all the taxpayers contributing to diaper banks for each fiscal year beginning on or after
16 July 1, 2021, shall not exceed two million dollars. Tax credits shall be issued in the order
17 contributions are received. If the amount of tax credits redeemed in a tax year is less than ~~[five~~
18 ~~hundred thousand dollars]~~ the cumulative amount allowed under this subsection, the difference shall
19 be added to the cumulative limit created under this subsection for the next fiscal year and carried
20 over to subsequent fiscal years until claimed.

21 9. The department shall establish a procedure by which, from the beginning of the fiscal
22 year until some point in time later in the fiscal year to be determined by the department, the
23 cumulative amount of tax credits are equally apportioned among all entities classified as diaper
24 banks. If a diaper bank fails to use all, or some percentage to be determined by the department, of
25 its apportioned tax credits during this predetermined period of time, the department may reapportion
26 such unused tax credits to diaper banks that have used all, or some percentage to be determined by
27 the department, of their apportioned tax credits during this predetermined period of time. The
28 department may establish multiple periods each fiscal year and reapportion accordingly. To the
29 maximum extent possible, the department shall establish the procedure described under this
30 subsection in such a manner as to ensure that taxpayers can claim as many of the tax credits as
31 possible, up to the cumulative limit created under subsection 8 of this section.

32 10. Each diaper bank shall provide information to the department concerning the identity of
33 each taxpayer making a contribution and the amount of the contribution. The department shall
34 provide the information to the department of revenue. The department shall be subject to the
35 confidentiality and penalty provisions of section 32.057 relating to the disclosure of tax information.

36 11. Under section 23.253 of the Missouri sunset act:

37 (1) The provisions of the program authorized under this section shall automatically sunset
38 on December thirty-first six years after August 28, 2018, unless reauthorized by an act of the general
39 assembly;

40 (2) If such program is reauthorized, the program authorized under this section shall
41 automatically sunset on December thirty-first six years after the effective date of the reauthorization
42 of this section;

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

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

48 135.630. 1. As used in this section, the following terms mean:

49 (1) "Contribution", a donation of cash, stock, bonds, or other marketable securities, or real

1 property;

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

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

4 (a) Established and operating primarily to provide assistance to women and families with
5 crisis pregnancies or unplanned pregnancies by offering pregnancy testing, counseling, emotional
6 and material support, and other similar services or by offering services as described under
7 subsection 2 of section 188.325, to encourage and assist such women and families in carrying their
8 pregnancies to term; and

9 (b) Where childbirths are not performed; and

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

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

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

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

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

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

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

35 2. (1) Beginning on March 29, 2013, any contribution to a pregnancy resource center made
36 on or after January 1, 2013, shall be eligible for tax credits as provided by this section.

37 (2) For all tax years beginning on or after January 1, 2007, and ending on or before
38 December 31, 2020, a taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax
39 liability in an amount equal to fifty percent of the amount such taxpayer contributed to a pregnancy
40 resource center. For all tax years beginning on or after January 1, 2021, a taxpayer shall be allowed
41 to claim a tax credit against the taxpayer's state tax liability in an amount equal to seventy percent of
42 the amount such taxpayer contributed to a pregnancy resource center.

43 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state
44 tax liability for the tax year for which the credit is claimed, and such taxpayer shall not be allowed
45 to claim a tax credit in excess of fifty thousand dollars per tax year for each fiscal year ending on or
46 before June 30, 2021, and one hundred thousand dollars per tax year for each fiscal year beginning
47 on or after July 1, 2021. However, any tax credit that cannot be claimed in the tax year the
48 contribution was made may be carried over only to the next succeeding tax year. No tax credit
49 issued under this section shall be assigned, transferred, or sold.

1 4. Except for any excess credit which is carried over pursuant to subsection 3 of this section,
2 a taxpayer shall not be allowed to claim a tax credit unless the total amount of such taxpayer's
3 contribution or contributions to a pregnancy resource center or centers in such taxpayer's tax year
4 has a value of at least one hundred dollars.

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

10 6. The director shall establish a procedure by which a taxpayer can determine if a facility
11 has been classified as a pregnancy resource center. Pregnancy resource centers shall be permitted to
12 decline a contribution from a taxpayer. The cumulative amount of tax credits which may be claimed
13 by all the taxpayers contributing to pregnancy resource centers in any one fiscal year shall not
14 exceed two million dollars for all fiscal years ending on or before June 30, 2014, and two million
15 five hundred thousand dollars for all fiscal years beginning on or after July 1, 2014, and ending on
16 or before June 30, 2019, and three million five hundred thousand dollars for all fiscal years
17 beginning on or after July 1, 2019, and ending on or before June 30, 2021. For all fiscal years
18 beginning on or after July 1, 2021, there shall be no limit imposed on the cumulative amount of tax
19 credits that may be claimed by all taxpayers contributing to pregnancy resource centers under the
20 provisions of this section. Tax credits shall be issued in the order contributions are received. If the
21 amount of tax credits redeemed in a fiscal year is less than the cumulative amount authorized under
22 this subsection, the difference shall be carried over to a subsequent fiscal year or years and shall be
23 added to the cumulative amount of tax credits that may be authorized in that fiscal year or years.

24 7. For all fiscal years ending on or before June 30, 2021, the director shall establish a
25 procedure by which, from the beginning of the fiscal year until some point in time later in the fiscal
26 year to be determined by the director, the cumulative amount of tax credits are equally apportioned
27 among all facilities classified as pregnancy resource centers. If a pregnancy resource center fails to
28 use all, or some percentage to be determined by the director, of its apportioned tax credits during
29 this predetermined period of time, the director may reapportion these unused tax credits to those
30 pregnancy resource centers that have used all, or some percentage to be determined by the director,
31 of their apportioned tax credits during this predetermined period of time. The director may establish
32 more than one period of time and reapportion more than once during each fiscal year. To the
33 maximum extent possible, the director shall establish the procedure described in this subsection in
34 such a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative
35 amount of tax credits available for the fiscal year.

36 8. Each pregnancy resource center shall provide information to the director concerning the
37 identity of each taxpayer making a contribution to the pregnancy resource center who is claiming a
38 tax credit pursuant to this section and the amount of the contribution. The director shall provide the
39 information to the director of revenue. The director shall be subject to the confidentiality and
40 penalty provisions of section 32.057 relating to the disclosure of tax information.

41 9. The provisions of section 23.253 shall not apply to this section.

42 135.647. 1. As used in this section, the following terms shall mean:

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

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

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

49 (2) "Local homeless shelter", any homeless shelter that is:

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

3 (b) Providing temporary living arrangements, in the area in which the taxpayer claiming the
4 tax credit under this section resides, for individuals and families who otherwise lack a fixed, regular,
5 and adequate nighttime residence and lack the resources or support networks to obtain other
6 permanent housing;

7 (3) "Local soup kitchen", any soup kitchen that is:

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

10 (b) Providing prepared meals through an established congregate feeding operation to needy,
11 low-income persons including, but not limited to, homeless persons in the area in which the
12 taxpayer claiming the tax credit under this section resides;

13 (4) "Taxpayer", an individual, a firm, a partner in a firm, corporation, or a shareholder in an
14 S corporation doing business in this state and subject to the state income tax imposed by chapter
15 143, excluding withholding tax imposed by sections 143.191 to 143.265.

16 2. (1) Beginning on March 29, 2013, any donation of cash or food made to a local food
17 pantry on or after January 1, 2013, unless such food is donated after the food's expiration date, shall
18 be eligible for tax credits as provided by this section.

19 (2) Beginning on August 28, 2018, any donation of cash or food made to a local soup
20 kitchen or local homeless shelter on or after January 1, 2018, unless such food is donated after the
21 food's expiration date, shall be eligible for a tax credit as provided under this section.

22 (3) Any taxpayer who makes a donation that is eligible for a tax credit under this section
23 shall be allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax
24 imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of the value of the
25 donations made to the extent such amounts that have been subtracted from federal adjusted gross
26 income or federal taxable income are added back in the determination of Missouri adjusted gross
27 income or Missouri taxable income before the credit can be claimed. Each taxpayer claiming a tax
28 credit under this section shall file an affidavit with the income tax return verifying the amount of
29 their contributions. The amount of the tax credit claimed shall not exceed the amount of the
30 taxpayer's state tax liability for the tax year that the credit is claimed and shall not exceed two
31 thousand five hundred dollars per taxpayer claiming the credit. Any amount of credit that the
32 taxpayer is prohibited by this section from claiming in a tax year shall not be refundable, but may be
33 carried forward to any of the taxpayer's three subsequent tax years. No tax credit granted under this
34 section shall be transferred, sold, or assigned. No taxpayer shall be eligible to receive a credit
35 pursuant to this section if such taxpayer employs persons who are not authorized to work in the
36 United States under federal law. No taxpayer shall be able to claim more than one credit under this
37 section for a single donation.

38 3. The cumulative amount of tax credits under this section which may be allocated to all
39 taxpayers contributing to a local food pantry, local soup kitchen, or local homeless shelter ~~in any~~
40 ~~one~~ for each fiscal year ending on or before June 30, 2021, shall not exceed one million seven
41 hundred fifty thousand dollars. The cumulative amount of tax credits under this section that may be
42 allocated to all taxpayers contributing to a local food pantry, local soup kitchen, or local homeless
43 shelter for each fiscal year beginning on or after July 1, 2021, shall not exceed four million dollars.
44 The director of revenue shall establish a procedure by which the cumulative amount of tax credits is
45 apportioned among all taxpayers claiming the credit by April fifteenth of the fiscal year in which the
46 tax credit is claimed. To the maximum extent possible, the director of revenue shall establish the
47 procedure described in this subsection in such a manner as to ensure that taxpayers can claim all the
48 tax credits possible up to the cumulative amount of tax credits available for the fiscal year.

49 4. Any local food pantry, local soup kitchen, or local homeless shelter may accept or reject

1 any donation of food made under this section for any reason. For purposes of this section, any
2 donations of food accepted by a local food pantry, local soup kitchen, or local homeless shelter shall
3 be valued at fair market value, or at wholesale value if the taxpayer making the donation of food is a
4 retail grocery store, food broker, wholesaler, or restaurant.

5 5. The department of revenue shall promulgate rules to implement the provisions of this
6 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
7 under the authority delegated in this section shall become effective only if it complies with and is
8 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
9 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to
10 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently
11 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
12 August 28, 2007, shall be invalid and void.

13 6. Under section 23.253 of the Missouri sunset act:

14 (1) The program authorized under this section shall be reauthorized as of August 28, 2018,
15 and shall expire on December 31, 2026, unless reauthorized by the general assembly; and

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

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

21 135.679. 1. This section shall be known and may be cited as the "Qualified Beef Tax Credit
22 Act".

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

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

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

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

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

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

33 (4) "Baseline weight", the average weight in the immediate past two years of all beef
34 animals sold that are thirty months of age or younger, categorized by sex. Baseline weight for
35 qualified beef animals that are physically out-of-state but whose ownership is retained by a resident
36 of this state shall be established by the average transfer weight in the immediate past two years of all
37 beef animals that are thirty months of age or younger and that are transferred out-of-state but whose
38 ownership is retained by a resident of this state, categorized by sex. The established baseline weight
39 shall be effective for a period of three years. If the taxpayer is a qualifying beef animal producer
40 with fewer than two years of production, the baseline weight shall be established by the available
41 average weight in the immediate past year of all beef animals sold that are thirty months of age or
42 younger, categorized by sex. If the qualifying beef animal producer has no previous production, the
43 baseline weight shall be established by the authority;

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

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

49 (7) "Qualifying sale", the first time a qualifying beef animal is sold in this state after the

1 qualifying beef animal is backgrounded, and a subsequent sale if the weight of the qualifying beef
 2 animal at the time of the subsequent sale is greater than the weight of the qualifying beef animal at
 3 the time of the first qualifying sale of such beef animal;

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

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

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

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

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

13 3. (1) For all tax years beginning on or after January 1, 2009, but ending on or before
 14 December 31, 2021, a taxpayer shall be allowed a tax credit for the first qualifying sale and for a
 15 subsequent qualifying sale of all qualifying beef animals.

16 (2) The tax credit amount for the first qualifying sale shall be ten cents per pound for
 17 qualifying sale weights under six hundred pounds and twenty-five cents per pound for qualifying
 18 sale weights of six hundred pounds or greater, shall be based on the backgrounded weight of all
 19 qualifying beef animals at the time of the first qualifying sale, and shall be calculated as follows:

20 (a) If the qualifying sale weight is under six hundred pounds, the qualifying sale weight
 21 minus the baseline weight multiplied by ten cents, as long as the qualifying sale weight is equal to or
 22 greater than one hundred pounds above the baseline weight; or

23 (b) If the qualifying sale weight is six hundred pounds or greater, the qualifying sale weight
 24 minus the baseline weight multiplied by twenty-five cents, as long as the qualifying sale weight is
 25 equal to or greater than one hundred pounds above the baseline weight.

26 (3) The tax credit amount for each subsequent qualifying sale shall be ten cents per pound
 27 for qualifying sale weights under six hundred pounds and twenty-five cents per pound for qualifying
 28 sale weights of six hundred pounds or greater, shall be based on the backgrounded weight of all
 29 qualifying beef animals at the time of the subsequent qualifying sale, and shall be calculated as
 30 follows:

31 (a) If the qualifying sale weight is under six hundred pounds, the qualifying sale weight
 32 minus the baseline weight multiplied by ten cents, as long as the qualifying sale weight is equal to or
 33 greater than one hundred pounds above the baseline weight; or

34 (b) If the qualifying sale weight is six hundred pounds or greater, the qualifying sale weight
 35 minus the baseline weight multiplied by twenty-five cents, as long as the qualifying sale weight is
 36 equal to or greater than one hundred pounds above the baseline weight.

37
 38 The authority may waive no more than twenty-five percent of the one-hundred-pound weight gain
 39 requirement, but any such waiver shall be based on a disaster declaration issued by the U.S.
 40 Department of Agriculture.

41 4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state
 42 tax liability for the tax year for which the credit is claimed. No tax credit claimed under this section
 43 shall be refundable. The tax credit shall be claimed in the tax year in which the qualifying sale of
 44 the qualifying beef occurred, but any amount of credit that the taxpayer is prohibited by this section
 45 from claiming in a tax year may be carried forward to any of the taxpayer's four subsequent tax
 46 years. The total amount of tax credits that any taxpayer may claim shall not exceed fifteen thousand
 47 dollars per year. No taxpayer shall be allowed to claim tax credits under this section for more than
 48 three years. The amount of tax credits that may be issued to all eligible applicants claiming tax
 49 credits authorized in this section and section 135.686 ~~[in a calendar]~~ for each fiscal year ending on

1 or before June 30, 2021, shall not exceed two million dollars. The amount of tax credits that may be
2 issued to all eligible applicants claiming tax credits authorized in this section and section 135.686
3 for each fiscal year beginning on or after July 1, 2021, shall not exceed four million dollars. Tax
4 credits shall be issued on an as-received application basis until the calendar year limit is reached.
5 Any credits not issued in any calendar year shall expire and shall not be issued in any subsequent
6 years.

7 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the
8 authority an application for the tax credit on a form provided by the authority and any application
9 fee imposed by the authority. The application shall be filed with the authority at the end of each
10 calendar year in which a qualified sale was made and for which a tax credit is claimed under this
11 section. The application shall include any certified documentation and information required by the
12 authority. All required information obtained by the authority shall be confidential and not disclosed
13 except by court order, subpoena, or as otherwise provided by law. If the taxpayer and the qualified
14 sale meet all criteria required by this section and approval is granted by the authority, the authority
15 shall issue a tax credit certificate in the appropriate amount. Tax credit certificates issued under this
16 section may be assigned, transferred, sold, or otherwise conveyed, and the new owner of the tax
17 credit certificate shall have the same rights in the tax credit as the original taxpayer. Whenever a tax
18 credit certificate is assigned, transferred, sold or otherwise conveyed, a notarized endorsement shall
19 be filed with the authority specifying the name and address of the new owner of the tax credit
20 certificate or the value of the tax credit.

21 6. Any information provided under this section shall be confidential information, to be
22 shared with no one except state and federal animal health officials, except as provided in subsection
23 5 of this section.

24 7. The authority shall, at least annually, submit a report to the Missouri general assembly
25 reviewing the costs and benefits of the program established under this section.

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

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

35 135.686. 1. This section shall be known and may be cited as the "Meat Processing Facility
36 Investment Tax Credit Act".

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

38 (1) "Authority", the agricultural and small business development authority established in
39 chapter 348;

40 (2) "Meat processing facility", any commercial plant, as defined under section 265.300, at
41 which livestock are slaughtered or at which meat or meat products are processed for sale
42 commercially and for human consumption;

43 (3) "Meat processing modernization or expansion", constructing, improving, or acquiring
44 buildings or facilities, or acquiring equipment for meat processing including the following, if used
45 exclusively for meat processing and if acquired and placed in service in this state during tax years
46 beginning on or after January 1, 2017, but ending on or before December 31, ~~2024~~ 2027:

47 (a) Building construction including livestock handling, product intake, storage, and
48 warehouse facilities;

49 (b) Building additions;

- 1 (c) Upgrades to utilities including water, electric, heat, refrigeration, freezing, and waste
2 facilities;
- 3 (d) Livestock intake and storage equipment;
- 4 (e) Processing and manufacturing equipment including cutting equipment, mixers, grinders,
5 sausage stuffers, meat smokers, curing equipment, cooking equipment, pipes, motors, pumps, and
6 valves;
- 7 (f) Packaging and handling equipment including sealing, bagging, boxing, labeling,
8 conveying, and product movement equipment;
- 9 (g) Warehouse equipment including storage and curing racks;
- 10 (h) Waste treatment and waste management equipment including tanks, blowers, separators,
11 dryers, digesters, and equipment that uses waste to produce energy, fuel, or industrial products;
- 12 (i) Computer software and hardware used for managing the claimant's meat processing
13 operation including software and hardware related to logistics, inventory management, production
14 plant controls, and temperature monitoring controls; and
- 15 (j) Construction or expansion of retail facilities or the purchase or upgrade of retail
16 equipment for the commercial sale of meat products if the retail facility is located at the same
17 location as the meat processing facility;
- 18 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
19 withholding tax imposed under sections 143.191 to 143.265, or otherwise due under chapter 147;
- 20 (5) "Taxpayer", any individual or entity who:
- 21 (a) Is subject to the tax imposed under chapter 143, excluding withholding tax imposed
22 under sections 143.191 to 143.265, or the tax imposed under chapter 147;
- 23 (b) In the case of an individual, is a resident of this state as verified by a 911 address or, in
24 the absence of a 911 system, a physical address; and
- 25 (c) Owns a meat processing facility located in this state;
- 26 (6) "Used exclusively", used to the exclusion of all other uses except for use not exceeding
27 five percent of total use.

28 3. For all tax years beginning on or after January 1, 2017, but ending on or before December
29 31, [2024] 2027, a taxpayer shall be allowed a tax credit for meat processing modernization or
30 expansion related to the taxpayer's meat processing facility. The tax credit amount shall be equal to
31 twenty-five percent of the amount the taxpayer paid in the tax year for meat processing
32 modernization or expansion.

33 4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state
34 tax liability for the tax year for which the credit is claimed. No tax credit claimed under this section
35 shall be refundable. The tax credit shall be claimed in the tax year in which the meat processing
36 modernization or expansion expenses were paid, but any amount of credit that the taxpayer is
37 prohibited by this section from claiming in a tax year may be carried forward to any of the
38 taxpayer's four subsequent tax years. The total amount of tax credits that any taxpayer may claim
39 shall not exceed seventy-five thousand dollars per year. If two or more persons own and operate the
40 meat processing facility, each person may claim a credit under this section in proportion to his or her
41 ownership interest; except that, the aggregate amount of the credits claimed by all persons who own
42 and operate the meat processing facility shall not exceed seventy-five thousand dollars per year.
43 The amount of tax credits authorized in this section and section 135.679 [in a calendar] for each
44 fiscal year ending on or before June 30, 2021, shall not exceed two million dollars. The amount of
45 tax credits that may be issued to all eligible applicants claiming tax credits authorized in this section
46 and section 135.679 for each fiscal year beginning on or after July 1, 2021, shall not exceed four
47 million dollars. Tax credits shall be issued on an as-received application basis until the calendar
48 year limit is reached. Any credits not issued in any calendar year shall expire and shall not be
49 issued in any subsequent year.

1 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the
 2 authority an application for the tax credit on a form provided by the authority and any application
 3 fee imposed by the authority. The application shall be filed with the authority at the end of each
 4 calendar year in which a meat processing modernization or expansion project was completed and for
 5 which a tax credit is claimed under this section. The application shall include any certified
 6 documentation, proof of meat processing modernization or expansion, and any other information
 7 required by the authority. All required information obtained by the authority shall be confidential
 8 and not disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer
 9 and the meat processing modernization or expansion meet all criteria required by this section and
 10 approval is granted by the authority, the authority shall issue a tax credit certificate in the
 11 appropriate amount. Tax credit certificates issued under this section may be assigned, transferred,
 12 sold, or otherwise conveyed, and the new owner of the tax credit certificate shall have the same
 13 rights in the tax credit as the original taxpayer. If a tax credit certificate is assigned, transferred,
 14 sold, or otherwise conveyed, a notarized endorsement shall be filed with the authority specifying the
 15 name and address of the new owner of the tax credit certificate and the value of the tax credit.

16 6. Any information provided under this section shall be confidential information, to be
 17 shared with no one except state and federal animal health officials, except as provided in subsection
 18 5 of this section.

19 7. The authority shall promulgate rules establishing a process for verifying that a facility's
 20 modernization or expansion for which tax credits were allowed under this section has in fact
 21 expanded the facility's production within three years of the issuance of the tax credit and if not, the
 22 authority shall promulgate through rulemaking a process by which the taxpayer shall repay the
 23 authority an amount equal to that of the tax credit allowed.

24 8. The authority shall, at least annually, submit a report to the Missouri general assembly
 25 reviewing the costs and benefits of the program established under this section.

26 9. The authority may promulgate rules to implement the provisions of this section. Any rule
 27 or portion of a rule, as that term is defined in section 536.010, that is created under the authority
 28 delegated in this section shall become effective only if it complies with and is subject to all of the
 29 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
 30 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to
 31 review, to delay the effective date, or to disapprove and annul a rule are subsequently held
 32 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
 33 August 28, 2016, shall be invalid and void.

34 10. This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298.;"
 35 and

36
 37 Further amend said bill, Page 3, Section 144.142, Line 26, by inserting after all of said section and
 38 line the following:

39
 40 "348.505. 1. As used in this section, "state tax liability", any state tax liability incurred by a
 41 taxpayer under the provisions of chapters 143, 147, and 148, exclusive of the provisions relating to
 42 the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions.

43 2. Any eligible lender under the family farm livestock loan program under section 348.500
 44 shall be entitled to receive a tax credit equal to one hundred percent of the amount of interest waived
 45 by the lender under section 348.500 on a qualifying loan for the first year of the loan only. The tax
 46 credit shall be evidenced by a tax credit certificate issued by the agricultural and small business
 47 development authority and may be used to satisfy the state tax liability of the owner of such
 48 certificate that becomes due in the tax year in which the interest on a qualified loan is waived by the
 49 lender under section 348.500. No lender may receive a tax credit under this section unless such

1 person presents a tax credit certificate to the department of revenue for payment of such state tax
2 liability. The amount of the tax credits that may be issued to all eligible lenders claiming tax credits
3 authorized in this section ~~[in a]~~ for each fiscal year ending on or before June 30, 2021, shall not
4 exceed three hundred thousand dollars. The amount of the tax credits that may be issued to all
5 eligible lenders claiming tax credits authorized in this section for each fiscal year beginning on or
6 after July 1, 2021, shall not exceed two million dollars.

7 3. The agricultural and small business development authority shall be responsible for the
8 administration and issuance of the certificate of tax credits authorized by this section. The authority
9 shall issue a certificate of tax credit at the request of any lender. Each request shall include a true
10 copy of the loan documents, the name of the lender who is to receive a certificate of tax credit, the
11 type of state tax liability against which the tax credit is to be used, and the amount of the certificate
12 of tax credit to be issued to the lender based on the interest waived by the lender under section
13 348.500 on the loan for the first year.

14 4. The Missouri department of revenue shall accept a certificate of tax credit in lieu of other
15 payment in such amount as is equal to the lesser of the amount of the tax or the remaining unused
16 amount of the credit as indicated on the certificate of tax credit, and shall indicate on the certificate
17 of tax credit the amount of tax thereby paid and the date of such payment.

18 5. The following provisions shall apply to tax credits authorized under this section:

19 (1) Tax credits claimed in a taxable year may be claimed on a quarterly basis and applied to
20 the estimated quarterly tax of the lender;

21 (2) Any amount of tax credit which exceeds the tax due, including any estimated quarterly
22 taxes paid by the lender under subdivision (1) of this subsection which results in an overpayment of
23 taxes for a taxable year, shall not be refunded but may be carried over to any subsequent taxable
24 year, not to exceed a total of three years for which a tax credit may be taken for a qualified family
25 farm livestock loan;

26 (3) Notwithstanding any provision of law to the contrary, a lender may assign, transfer or
27 sell tax credits authorized under this section, with the new owner of the tax credit receiving the same
28 rights in the tax credit as the lender. For any tax credits assigned, transferred, sold, or otherwise
29 conveyed, a notarized endorsement shall be filed by the lender with the authority specifying the
30 name and address of the new owner of the tax credit and the value of such tax credit; and

31 (4) Notwithstanding any other provision of this section to the contrary, any commercial
32 bank may use tax credits created under this section as provided in section 148.064 and receive a net
33 tax credit against taxes actually paid in the amount of the first year's interest on loans made under
34 this section. If such first year tax credits reduce taxes due as provided in section 148.064 to zero,
35 the remaining tax credits may be carried over as otherwise provided in this section and utilized as
36 provided in section 148.064 in subsequent years."; and

37
38 Further amend said bill by amending the title, enacting clause, and intersectional references
39 accordingly.

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for Senate Bill No. 226, Page 1, Section A, Line 2, by
2 inserting after said section and line the following:

3
4 "144.011. 1. For purposes of sections 144.010 to 144.525 and 144.600 to 144.748, and the
5 taxes imposed thereby, the definition of "retail sale" or "sale at retail" shall not be construed to
6 include any of the following:

7 (1) The transfer by one corporation of substantially all of its tangible personal property to
8 another corporation pursuant to a merger or consolidation effected under the laws of the state of
9 Missouri or any other jurisdiction;

10 (2) The transfer of tangible personal property incident to the liquidation or cessation of a
11 taxpayer's trade or business, conducted in proprietorship, partnership or corporate form, except to
12 the extent any transfer is made in the ordinary course of the taxpayer's trade or business;

13 (3) The transfer of tangible personal property to a corporation solely in exchange for its
14 stock or securities;

15 (4) The transfer of tangible personal property to a corporation by a shareholder as a
16 contribution to the capital of the transferee corporation;

17 (5) The transfer of tangible personal property to a partnership solely in exchange for a
18 partnership interest therein;

19 (6) The transfer of tangible personal property by a partner as a contribution to the capital of
20 the transferee partnership;

21 (7) The transfer of tangible personal property by a corporation to one or more of its
22 shareholders as a dividend, return of capital, distribution in the partial or complete liquidation of the
23 corporation or distribution in redemption of the shareholder's interest therein;

24 (8) The transfer of tangible personal property by a partnership to one or more of its partners
25 as a current distribution, return of capital or distribution in the partial or complete liquidation of the
26 partnership or of the partner's interest therein;

27 (9) The transfer of reusable containers used in connection with the sale of tangible personal
28 property contained therein for which a deposit is required and refunded on return;

29 (10) The purchase by persons operating eating or food service establishments, of items of a
30 nonreusable nature which are furnished to the customers of such establishments with or in
31 conjunction with the retail sales of their food or beverage. Such items shall include, but not be
32 limited to, wrapping or packaging materials and nonreusable paper, wood, plastic and aluminum
33 articles such as containers, trays, napkins, dishes, silverware, cups, bags, boxes, straws, sticks and
34 toothpicks;

35 (11) The purchase by persons operating hotels, motels or other transient accommodation
36 establishments, of items of a nonreusable nature which are furnished to the guests in the guests'

Action Taken _____ Date _____

1 rooms of such establishments and such items are included in the charge made for such
2 accommodations. Such items shall include, but not be limited to, soap, shampoo, tissue and other
3 toiletries and food or confectionery items offered to the guests without charge;

4 (12) The transfer of a manufactured home other than:

5 (a) A transfer which involves the delivery of the document known as the "Manufacturer's
6 Statement of Origin" to a person other than a manufactured home dealer, as defined in section
7 700.010, for purposes of allowing such person to obtain a title to the manufactured home from the
8 department of revenue of this state or the appropriate agency or officer of any other state;

9 (b) A transfer which involves the delivery of a "Repossessed Title" to a resident of this state
10 if the tax imposed by sections 144.010 to 144.525 was not paid on the transfer of the manufactured
11 home described in paragraph (a) of this subdivision;

12 (c) The first transfer which occurs after December 31, 1985, if the tax imposed by sections
13 144.010 to 144.525 was not paid on any transfer of the same manufactured home which occurred
14 before December 31, 1985; [~~or~~]

15 (13) Charges for initiation fees or dues to:

16 (a) Fraternal beneficiaries societies, or domestic fraternal societies, orders or associations
17 operating under the lodge system a substantial part of the activities of which are devoted to
18 religious, charitable, scientific, literary, educational or fraternal purposes;

19 (b) Posts or organizations of past or present members of the Armed Forces of the United
20 States or an auxiliary unit or society of, or a trust or foundation for, any such post or organization
21 substantially all of the members of which are past or present members of the Armed Forces of the
22 United States or who are cadets, spouses, widows, or widowers of past or present members of the
23 Armed Forces of the United States, no part of the net earnings of which inures to the benefit of any
24 private shareholder or individual; or

25 (c) Nonprofit organizations exempt from taxation under Section 501(c)(7) of the Internal
26 Revenue Code of 1986, as amended[-]; or

27 (14) The purchase by a grocery store of food that is intended for resale but that cannot be
28 resold because of theft or because the food has become spoiled and would not be safe for
29 consumption.

30 2. The assumption of liabilities of the transferor by the transferee incident to any of the
31 transactions enumerated in the above subdivisions (1) to (8) of subsection 1 of this section shall not
32 disqualify the transfer from the exclusion described in this section, where such liability assumption
33 is related to the property transferred and where the assumption does not have as its principal purpose
34 the avoidance of Missouri sales or use tax."; and

35
36 Further amend said bill by amending the title, enacting clause, and intersectional references
37 accordingly.

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Bill No. 226, Page 3, Section 144.142, Line 26,
2 by inserting after all of said section and line the following:

3
4 "167.151. 1. The school board of any district, in its discretion, may admit to the school
5 pupils not entitled to free instruction and prescribe the tuition fee to be paid by them, except as
6 provided in sections 167.121, 167.131, 167.132, and 167.895.

7 2. Orphan children, children with only one parent living, and children whose parents do not
8 contribute to their support—if the children are between the ages of six and twenty years and are
9 unable to pay tuition—may attend the schools of any district in the state in which they have a
10 permanent or temporary home without paying a tuition fee.

11 3. (1) For all school years ending on or before June 30, 2022, any person who pays a school
12 tax in any other district than that in which ~~[he]~~ the person resides may send ~~[his]~~ the person's
13 children to any public school in the district in which the tax is paid and receive as a credit on the
14 amount charged for tuition the amount of the school tax paid to the district; except that any person
15 who owns real estate of which eighty acres or more are used for agricultural purposes and upon
16 which ~~[his]~~ the person's residence is situated may send ~~[his]~~ the person's children to public school in
17 any school district in which a part of such real estate, contiguous to that upon which ~~[his]~~ the
18 person's residence is situated, lies and shall not be charged tuition therefor; so long as thirty-five
19 percent of the real estate is located in the school district of choice. The school district of choice
20 shall count the children in its average daily attendance for the purpose of distribution of state aid
21 through the foundation formula.

22 (2) For all school years beginning on or after July 1, 2022, any person who owns residential
23 real property or agricultural real property and pays a school tax in any district other than the district
24 in which the person resides may send any of the person's children to a public school in any district in
25 which the person pays such school tax. The school district or public school of choice shall count a
26 child attending under this subdivision in its average daily attendance for the purpose of distribution
27 of state aid through the foundation formula.

28 4. (1) For all school years ending on or before June 30, 2022, any owner of agricultural land
29 who, ~~[pursuant to]~~ under subdivision (1) of subsection 3 of this section, has the option of sending
30 ~~[his]~~ such person's children to the public schools of more than one district shall exercise such option
31 as provided in this ~~[subsection]~~ subdivision. Such person shall send written notice to all school
32 districts involved specifying to which school district ~~[his]~~ the children will attend by June thirtieth in
33 which such a school year begins. If notification is not received, such children shall attend the school
34 in which the majority of ~~[his]~~ the person's property lies. Such person shall not send any of ~~[his]~~ such
35 person's children to the public schools of any district other than the one to which ~~[he]~~ such person
36 has sent notice pursuant to this ~~[subsection]~~ subdivision in that school year or in which the majority

Action Taken _____ Date _____

1 of ~~his~~ such person's property lies without paying tuition to such school district.

2 (2) For all school years beginning on or after July 1, 2022, any owner of real property who
3 elects to exercise the option provided in subdivision (2) of subsection 3 of this section shall exercise
4 such option as provided in this subdivision. Such person shall send written notice to all school
5 districts involved specifying which school district each child will attend thirty days prior to
6 enrollment. When providing such notice, the person shall present proof of the person's payment of
7 at least three thousand dollars of school taxes levied on the real property within such school district
8 and ownership of the real property for no less than three years. Such proof may be determined by
9 taking the school taxes paid on the most recent property tax receipt multiplied by the years of
10 property ownership. If a school district to which the person wishes to send a child does not receive
11 the notification required under this subdivision, the child shall attend school in the district in which
12 the person resides. Such person shall not send a child to the public schools of any district in which
13 the person does not reside other than the district to which such person has sent notice under this
14 subdivision relating to the particular child for that school year.

15 5. If a pupil is attending school in a district other than the district of residence and the
16 pupil's parent is teaching in the school district or is a regular employee of the school district which
17 the pupil is attending, then the district in which the pupil attends school shall allow the pupil to
18 attend school upon payment of tuition in the same manner in which the district allows other pupils
19 not entitled to free instruction to attend school in the district. The provisions of this subsection shall
20 apply only to pupils attending school in a district which has an enrollment in excess of thirteen
21 thousand pupils and not in excess of fifteen thousand pupils and which district is located in a county
22 ~~[of the first classification]~~ with a charter form of government which has a population in excess of six
23 hundred thousand persons and not in excess of nine hundred thousand persons."; and

24
25 Further amend said bill by amending the title, enacting clause, and intersectional references
26 accordingly.

HOUSE AMENDMENT NO. _____
TO
HOUSE AMENDMENT NO. _____

Offered By

1 AMEND House Amendment No. _____ to House Committee Substitute for Senate Bill No. 226,
2 Page 1, Line 1, by inserting after the number "226," the following:

3
4 "Page 1, Section A, Line 2 by inserting after all of said section and line the following:

5
6 "135.305. A Missouri wood energy producer shall be eligible for a tax credit on taxes
7 otherwise due under chapter 143, except sections 143.191 to 143.261, as a production incentive to
8 produce processed wood products in a qualified wood-producing facility using Missouri forest
9 product residue. The tax credit to the wood energy producer shall be five dollars per ton of
10 processed material. The credit may be claimed for a period of five years and is to be a tax credit
11 against the tax otherwise due. No new tax credits, provided for under sections 135.300 to 135.311,
12 shall be authorized after June 30, ~~2020~~ 2027. In no event shall the aggregate amount of all tax
13 credits allowed under sections 135.300 to 135.311 exceed six million dollars in any given fiscal
14 year. There shall be no tax credits authorized under sections 135.300 to 135.311 unless an
15 appropriation is made for such tax credits.

16 135.755. 1. For the purposes of this section, the following terms shall mean:

17 (1) "Department", the Missouri department of revenue;

18 (2) "Higher ethanol blend", a fuel capable of being dispensed directly into motor vehicle
19 fuel tanks for consumption that is comprised of at least fifteen percent but not more than eighty-five
20 percent ethanol;

21 (3) "Retail dealer", a person that owns or operates a retail service station;

22 (4) "Retail service station", a location from which higher ethanol blend is sold to the general
23 public and is dispensed directly into motor vehicle fuel tanks for consumption.

24 2. For all tax years beginning on or after January 1, 2022, a retail dealer that sells higher
25 ethanol blend at such retail dealer's retail service station shall be allowed a tax credit to be taken
26 against the retail dealer's state income tax liability. The amount of the credit shall equal five cents
27 per gallon of higher ethanol blend sold by the retail dealer and dispensed through metered pumps at
28 the retail dealer's retail service station during the tax year in which the tax credit is claimed. Tax
29 credits authorized pursuant to this section shall not be transferred, sold, or assigned. If the amount
30 of the tax credit exceeds the taxpayer's state tax liability, the difference shall not be refundable, but
31 may be carried forward to any of the five subsequent tax years. The total amount of tax credits
32 authorized pursuant to this section for any given fiscal year shall not exceed four million dollars.

33 3. The tax credit allowed by this section shall be claimed by such taxpayer at the time such
34 taxpayer files a return and shall be applied against the income tax liability imposed by chapter 143

Action Taken _____ Date _____

1 after reduction for all other credits allowed thereon. The department may require any
 2 documentation it deems necessary to implement the provisions of this section.

3 4. The department shall promulgate rules to implement the provisions of this section. Any
 4 rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority
 5 delegated in this section shall become effective only if it complies with and is subject to all of the
 6 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
 7 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to
 8 review, to delay the effective date, or to disapprove and annul a rule are subsequently held
 9 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
 10 August 28, 2021, shall be invalid and void.

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

12 (1) The provisions of this section shall automatically sunset on December 31, 2027, unless
 13 reauthorized by an act of the general assembly; and

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

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

18 135.775. 1. For the purposes of this section, the following terms shall mean:

19 (1) "Biodiesel blend", a blend of diesel fuel and biodiesel fuel between five percent and
 20 twenty percent for on-road and off-road diesel-fueled vehicle use. Biodiesel blend shall comply
 21 with the ASTM International specification D7467-19, or the most recent specifications;

22 (2) "Biodiesel fuel", a renewable, biodegradable, mono alkyl ester combustible liquid fuel
 23 that is derived from agricultural and other plant oils or animal fats and that meets the ASTM
 24 International specification D6751-19, or the most recent specification, for Biodiesel Fuel (B100) or
 25 (B99) Blend Stock for Distillate Fuels. Biodiesel produced from palm oil is not biodiesel fuel for
 26 the purposes of this section, unless the palm oil is contained within waste oil and grease collected
 27 within the United States;

28 (3) "Department", the Missouri department of revenue;

29 (4) "Retail dealer", a person that owns or operates a retail service station;

30 (5) "Retail service station", a location from which biodiesel blend is sold to the general
 31 public and is dispensed directly into motor vehicle fuel tanks for consumption.

32 2. For all tax years beginning on or after January 1, 2022, a retail dealer that sells a biodiesel
 33 blend at a retail service station shall be allowed a tax credit to be taken against the retail dealer's
 34 state income tax liability. The amount of the tax credit shall be as follows:

35 (1) Two cents per gallon of biodiesel blend of at least five percent but not more than ten
 36 percent sold by a retail dealer at a retail service station during the tax year for which the tax credit is
 37 claimed; or

38 (2) Five cents per gallon of biodiesel blend in excess of ten percent sold by a retail dealer at
 39 a retail service station during the tax year for which the tax credit is claimed.

40
 41 Tax credits authorized pursuant to this section shall not be transferred, sold, or assigned. If the
 42 amount of the tax credit exceeds the taxpayer's state tax liability, the difference shall be refundable.
 43 The total amount of tax credits authorized pursuant to this section for any given fiscal year shall not
 44 exceed twenty million dollars.

45 3. In the event the total amount of tax credits claimed under this section exceeds the amount
 46 of available tax credits, the tax credits shall be apportioned equally to all eligible retail dealers
 47 claiming the credit by April fifteenth of the fiscal year in which the tax credit is claimed.

48 4. The tax credit allowed by this section shall be claimed by such taxpayer at the time such
 49 taxpayer files a return and shall be applied against the income tax liability imposed by chapter 143

1 after reduction for all other credits allowed thereon. The department may require any
 2 documentation it deems necessary to implement the provisions of this section.

3 5. The department may work with the division of weights and measures within the
 4 department of agriculture to validate that the biodiesel blend a retail dealer claims for the tax credit
 5 authorized under this section contains a sufficient percentage of biodiesel fuel.

6 6. The department shall promulgate rules to implement the provisions of this section. Any
 7 rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority
 8 delegated in this section shall become effective only if it complies with and is subject to all of the
 9 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
 10 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to
 11 review, to delay the effective date, or to disapprove and annul a rule are subsequently held
 12 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
 13 August 28, 2021, shall be invalid and void.

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

15 (1) The provisions of this section shall automatically sunset on December 31, 2027, unless
 16 reauthorized by an act of the general assembly; and

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

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

21 135.686. 1. This section shall be known and may be cited as the "Meat Processing Facility
 22 Investment Tax Credit Act".

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

24 (1) "Authority", the agricultural and small business development authority established in
 25 chapter 348;

26 (2) "Meat processing facility", any commercial plant, as defined under section 265.300, at
 27 which livestock are slaughtered or at which meat or meat products are processed for sale
 28 commercially and for human consumption;

29 (3) "Meat processing modernization or expansion", constructing, improving, or acquiring
 30 buildings or facilities, or acquiring equipment for meat processing including the following, if used
 31 exclusively for meat processing and if acquired and placed in service in this state during tax years
 32 beginning on or after January 1, 2017, but ending on or before December 31, [2021] 2027:

33 (a) Building construction including livestock handling, product intake, storage, and
 34 warehouse facilities;

35 (b) Building additions;

36 (c) Upgrades to utilities including water, electric, heat, refrigeration, freezing, and waste
 37 facilities;

38 (d) Livestock intake and storage equipment;

39 (e) Processing and manufacturing equipment including cutting equipment, mixers, grinders,
 40 sausage stuffers, meat smokers, curing equipment, cooking equipment, pipes, motors, pumps, and
 41 valves;

42 (f) Packaging and handling equipment including sealing, bagging, boxing, labeling,
 43 conveying, and product movement equipment;

44 (g) Warehouse equipment including storage and curing racks;

45 (h) Waste treatment and waste management equipment including tanks, blowers, separators,
 46 dryers, digesters, and equipment that uses waste to produce energy, fuel, or industrial products;

47 (i) Computer software and hardware used for managing the claimant's meat processing
 48 operation including software and hardware related to logistics, inventory management, production
 49 plant controls, and temperature monitoring controls; and

1 (j) Construction or expansion of retail facilities or the purchase or upgrade of retail
2 equipment for the commercial sale of meat products if the retail facility is located at the same
3 location as the meat processing facility;

4 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
5 withholding tax imposed under sections 143.191 to 143.265, or otherwise due under chapter 147;

6 (5) "Taxpayer", any individual or entity who:

7 (a) Is subject to the tax imposed under chapter 143, excluding withholding tax imposed
8 under sections 143.191 to 143.265, or the tax imposed under chapter 147;

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

11 (c) Owns a meat processing facility located in this state;

12 (6) "Used exclusively", used to the exclusion of all other uses except for use not exceeding
13 five percent of total use.

14 3. For all tax years beginning on or after January 1, 2017, but ending on or before December
15 31, ~~[2024]~~ 2027, a taxpayer shall be allowed a tax credit for meat processing modernization or
16 expansion related to the taxpayer's meat processing facility. The tax credit amount shall be equal to
17 twenty-five percent of the amount the taxpayer paid in the tax year for meat processing
18 modernization or expansion.

19 4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state
20 tax liability for the tax year for which the credit is claimed. No tax credit claimed under this section
21 shall be refundable. The tax credit shall be claimed in the tax year in which the meat processing
22 modernization or expansion expenses were paid, but any amount of credit that the taxpayer is
23 prohibited by this section from claiming in a tax year may be carried forward to any of the
24 taxpayer's four subsequent tax years. The total amount of tax credits that any taxpayer may claim
25 shall not exceed seventy-five thousand dollars per year. If two or more persons own and operate the
26 meat processing facility, each person may claim a credit under this section in proportion to his or her
27 ownership interest; except that, the aggregate amount of the credits claimed by all persons who own
28 and operate the meat processing facility shall not exceed seventy-five thousand dollars per year.
29 The amount of tax credits authorized in this section and section 135.679 in a calendar year shall not
30 exceed two million dollars. Tax credits shall be issued on an as-received application basis until the
31 calendar year limit is reached. Any credits not issued in any calendar year shall expire and shall not
32 be issued in any subsequent year.

33 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the
34 authority an application for the tax credit on a form provided by the authority and any application
35 fee imposed by the authority. The application shall be filed with the authority at the end of each
36 calendar year in which a meat processing modernization or expansion project was completed and for
37 which a tax credit is claimed under this section. The application shall include any certified
38 documentation, proof of meat processing modernization or expansion, and any other information
39 required by the authority. All required information obtained by the authority shall be confidential
40 and not disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer
41 and the meat processing modernization or expansion meet all criteria required by this section and
42 approval is granted by the authority, the authority shall issue a tax credit certificate in the
43 appropriate amount. Tax credit certificates issued under this section may be assigned, transferred,
44 sold, or otherwise conveyed, and the new owner of the tax credit certificate shall have the same
45 rights in the tax credit as the original taxpayer. If a tax credit certificate is assigned, transferred,
46 sold, or otherwise conveyed, a notarized endorsement shall be filed with the authority specifying the
47 name and address of the new owner of the tax credit certificate and the value of the tax credit.

48 6. Any information provided under this section shall be confidential information, to be
49 shared with no one except state and federal animal health officials, except as provided in subsection

1 5 of this section.

2 7. The authority shall promulgate rules establishing a process for verifying that a facility's
3 modernization or expansion for which tax credits were allowed under this section has in fact
4 expanded the facility's production within three years of the issuance of the tax credit and if not, the
5 authority shall promulgate through rulemaking a process by which the taxpayer shall repay the
6 authority an amount equal to that of the tax credit allowed.

7 8. The authority shall, at least annually, submit a report to the Missouri general assembly
8 reviewing the costs and benefits of the program established under this section.

9 9. The authority may promulgate rules to implement the provisions of this section. Any rule
10 or portion of a rule, as that term is defined in section 536.010, that is created under the authority
11 delegated in this section shall become effective only if it complies with and is subject to all of the
12 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
13 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to
14 review, to delay the effective date, or to disapprove and annul a rule are subsequently held
15 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
16 August 28, 2016, shall be invalid and void.

17 10. This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298.

18 137.1018. 1. The commission shall ascertain the statewide average rate of property taxes
19 levied the preceding year, based upon the total assessed valuation of the railroad and street railway
20 companies and the total property taxes levied upon the railroad and street railway companies. It
21 shall determine total property taxes levied from reports prescribed by the commission from the
22 railroad and street railway companies. Total taxes levied shall not include revenues from the surtax
23 on subclass three real property.

24 2. The commission shall report its determination of average property tax rate for the
25 preceding year, together with the taxable distributable assessed valuation of each freight line
26 company for the current year to the director no later than October first of each year.

27 3. Taxes on property of such freight line companies shall be collected at the state level by
28 the director on behalf of the counties and other local public taxing entities and shall be distributed in
29 accordance with sections 137.1021 and 137.1024. The director shall tax such property based upon
30 the distributable assessed valuation attributable to Missouri of each freight line company, using the
31 average tax rate for the preceding year of the railroad and street railway companies certified by the
32 commission. Such tax shall be due and payable on or before December thirty-first of the year levied
33 and, if it becomes delinquent, shall be subject to a penalty equal to that specified in section 140.100.

34 4. (1) As used in this subsection, the following terms mean:

35 (a) "Eligible expenses", expenses incurred in this state to manufacture, maintain, or improve
36 a freight line company's qualified rolling stock;

37 (b) "Qualified rolling stock", any freight, stock, refrigerator, or other railcars subject to the
38 tax levied under this section.

39 (2) For all taxable years beginning on or after January 1, 2009, a freight line company shall,
40 subject to appropriation, be allowed a credit against the tax levied under this section for the
41 applicable tax year. The tax credit amount shall be equal to the amount of eligible expenses
42 incurred during the calendar year immediately preceding the tax year for which the credit under this
43 section is claimed. The amount of the tax credit issued shall not exceed the freight line company's
44 liability for the tax levied under this section for the tax year for which the credit is claimed.

45 (3) A freight line company may apply for the credit by submitting to the commission an
46 application in the form prescribed by the state tax commission.

47 (4) Subject to appropriation, the state shall reimburse, on an annual basis, any political
48 subdivision of this state for any decrease in revenue due to the provisions of this subsection.

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

1 (1) The program authorized under subsection 4 of this section shall expire on August 28,
2 [~~2020~~] 2027; and

3 (2) Subsection 4 of this section shall terminate on September 1, [~~2024~~] 2028."; and

4
5 Further amend said bill,"; and

6
7 Further amend said amendment, Page 2, Line 23, by deleting all of said line and inserting in lieu
8 thereof the following:

9
10 "hundred thousand persons and not in excess of nine hundred thousand persons.

11 348.436. The provisions of sections 348.430 to 348.436 shall expire December 31, [~~2024~~]
12 2027."; and"; and

13
14 Further amend said bill by amending the title, enacting clause, and intersectional references
15 accordingly.

16
17 THIS AMENDS 0991H02.13H

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for Senate Bill No. 226, Page 3, Section 144.142, Line 26, by
2 inserting after all of said section and line the following:

3
4 "144.813. In addition to all other exemptions granted under this chapter, there is hereby
5 specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.761,
6 and section 238.235, and the local sales tax law as defined in section 32.085, and from the
7 computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600
8 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, all sales of
9 class III medical devices described in section 513(a)(a)(C) of the Federal Food, Drug, and Cosmetic
10 Act as codified in 21 U.S.C. 360(c)(1)(C) that use electric fields for the purposes of the treatment of
11 cancer including components and repair parts and the disposable or single patient use supplies
12 required for the use of such devices."; and

13
14 Further amend said bill by amending the title, enacting clause, and intersectional references
15 accordingly.

Action Taken _____ Date _____

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for Senate Bill No. 226, Page 1, Section A, Line 2, by inserting after
2 all of said section and line the following:
3

4 "143.081. 1. A resident individual, resident estate, and resident trust shall be allowed a credit against
5 the tax otherwise due pursuant to sections 143.005 to 143.998 for the amount of any income tax imposed for
6 the taxable year by another state of the United States (or a political subdivision thereof) or the District of
7 Columbia on income derived from sources therein and which is also subject to tax pursuant to sections
8 143.005 to 143.998. For purposes of this subsection, the phrase "income tax imposed" shall be that amount
9 of tax before any income tax credit allowed by such other state or the District of Columbia if the other state or
10 the District of Columbia authorizes a reciprocal benefit for residents of this state.

11 2. The credit provided pursuant to this section shall not exceed an amount which bears the same ratio
12 to the tax otherwise due pursuant to sections 143.005 to 143.998 as the amount of the taxpayer's Missouri
13 adjusted gross income derived from sources in the other taxing jurisdiction bears to the taxpayer's Missouri
14 adjusted gross income derived from all sources. In applying the limitation of the previous sentence to an
15 estate or trust, Missouri taxable income shall be substituted for Missouri adjusted gross income. If the tax of
16 more than one other taxing jurisdiction is imposed on the same item of income, the credit shall not exceed the
17 limitation that would result if the taxes of all the other jurisdictions applicable to the item were deemed to be
18 of a single jurisdiction.

19 3. (1) For the purposes of this section, in the case of an S corporation, each resident S shareholder
20 shall be considered to have paid a tax imposed on the shareholder in an amount equal to the shareholder's pro
21 rata share of any net income tax paid by the S corporation to a state which does not measure the income of
22 shareholders on an S corporation by reference to the income of the S corporation or where a composite return
23 and composite payments are made in such state on behalf of the S shareholders by the S corporation.

24 (2) A resident S shareholder shall be eligible for a credit issued pursuant to this section in an amount
25 equal to the shareholder's pro rata share of any income tax imposed pursuant to chapter 143 on income
26 derived from sources in another state of the United States, or a political subdivision thereof, or the District of
27 Columbia, and which is subject to tax pursuant to chapter 143 but is not subject to tax in such other
28 jurisdiction.

29 4. For purposes of subsection 3 of this section, in the case of an S corporation that is a bank
30 chartered by a state, the Office of Thrift Supervision, or the comptroller of currency, each Missouri resident S
31 shareholder of such out-of-state bank shall qualify for the shareholder's pro rata share of any net tax paid,
32 including a bank franchise tax based on the income of the bank, by such S corporation where bank payment
33 of taxes are made in such state on behalf of the S shareholders by the S bank to the extent of the tax paid.";
34 and

35
36 Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Action Taken _____ Date _____

HOUSE AMENDMENT NO. _____
TO
HOUSE AMENDMENT NO. _____

Offered By

1 AMEND House Amendment No. _____ to House Committee Substitute for Senate Bill No. 226,
2 Page 1, Line 4, by inserting immediately before the phrase "139.305" on said line the following:

3
4 "137.115. 1. All other laws to the contrary notwithstanding, the assessor or the assessor's
5 deputies in all counties of this state including the City of St. Louis shall annually make a list of all
6 real and tangible personal property taxable in the assessor's city, county, town or district. Except as
7 otherwise provided in subsection 3 of this section and section 137.078, the assessor shall annually
8 assess all personal property at thirty-three and one-third percent of its true value in money as of
9 January first of each calendar year. The assessor shall annually assess all real property, including
10 any new construction and improvements to real property, and possessory interests in real property at
11 the percent of its true value in money set in subsection 5 of this section. The true value in money of
12 any possessory interest in real property in subclass (3), where such real property is on or lies within
13 the ultimate airport boundary as shown by a federal airport layout plan, as defined by 14 CFR 151.5,
14 of a commercial airport having a FAR Part 139 certification and owned by a political subdivision,
15 shall be the otherwise applicable true value in money of any such possessory interest in real
16 property, less the total dollar amount of costs paid by a party, other than the political subdivision,
17 towards any new construction or improvements on such real property completed after January 1,
18 2008, and which are included in the above-mentioned possessory interest, regardless of the year in
19 which such costs were incurred or whether such costs were considered in any prior year. The
20 assessor shall annually assess all real property in the following manner: new assessed values shall
21 be determined as of January first of each odd-numbered year and shall be entered in the assessor's
22 books; those same assessed values shall apply in the following even-numbered year, except for new
23 construction and property improvements which shall be valued as though they had been completed
24 as of January first of the preceding odd-numbered year. The assessor may call at the office, place of
25 doing business, or residence of each person required by this chapter to list property, and require the
26 person to make a correct statement of all taxable tangible personal property owned by the person or
27 under his or her care, charge or management, taxable in the county. On or before January first of
28 each even-numbered year, the assessor shall prepare and submit a two-year assessment maintenance
29 plan to the county governing body and the state tax commission for their respective approval or
30 modification. The county governing body shall approve and forward such plan or its alternative to
31 the plan to the state tax commission by February first. If the county governing body fails to forward
32 the plan or its alternative to the plan to the state tax commission by February first, the assessor's plan
33 shall be considered approved by the county governing body. If the state tax commission fails to
34 approve a plan and if the state tax commission and the assessor and the governing body of the

Action Taken _____ Date _____

1 county involved are unable to resolve the differences, in order to receive state cost-share funds
 2 outlined in section 137.750, the county or the assessor shall petition the administrative hearing
 3 commission, by May first, to decide all matters in dispute regarding the assessment maintenance
 4 plan. Upon agreement of the parties, the matter may be stayed while the parties proceed with
 5 mediation or arbitration upon terms agreed to by the parties. The final decision of the administrative
 6 hearing commission shall be subject to judicial review in the circuit court of the county involved. In
 7 the event a valuation of subclass (1) real property within any county with a charter form of
 8 government, or within a city not within a county, is made by a computer, computer-assisted method
 9 or a computer program, the burden of proof, supported by clear, convincing and cogent evidence to
 10 sustain such valuation, shall be on the assessor at any hearing or appeal. In any such county, unless
 11 the assessor proves otherwise, there shall be a presumption that the assessment was made by a
 12 computer, computer-assisted method or a computer program. Such evidence shall include, but shall
 13 not be limited to, the following:

14 (1) The findings of the assessor based on an appraisal of the property by generally accepted
 15 appraisal techniques; and

16 (2) The purchase prices from sales of at least three comparable properties and the address or
 17 location thereof. As used in this subdivision, the word "comparable" means that:

18 (a) Such sale was closed at a date relevant to the property valuation; and

19 (b) Such properties are not more than one mile from the site of the disputed property, except
 20 where no similar properties exist within one mile of the disputed property, the nearest comparable
 21 property shall be used. Such property shall be within five hundred square feet in size of the disputed
 22 property, and resemble the disputed property in age, floor plan, number of rooms, and other relevant
 23 characteristics.

24 2. Assessors in each county of this state and the City of St. Louis may send personal
 25 property assessment forms through the mail.

26 3. The following items of personal property shall each constitute separate subclasses of
 27 tangible personal property and shall be assessed and valued for the purposes of taxation at the
 28 following percentages of their true value in money:

29 (1) Grain and other agricultural crops in an unmanufactured condition, one-half of one
 30 percent;

31 (2) Livestock, twelve percent;

32 (3) Farm machinery, twelve percent;

33 (4) Motor vehicles which are eligible for registration as and are registered as historic motor
 34 vehicles pursuant to section 301.131 and aircraft which are at least twenty-five years old and which
 35 are used solely for noncommercial purposes and are operated less than [~~fifty~~] two hundred hours per
 36 year or aircraft that are home built from a kit, five percent;

37 (5) Poultry, twelve percent; and

38 (6) Tools and equipment used for pollution control and tools and equipment used in
 39 retooling for the purpose of introducing new product lines or used for making improvements to
 40 existing products by any company which is located in a state enterprise zone and which is identified
 41 by any standard industrial classification number cited in subdivision (7) of section 135.200, twenty-
 42 five percent.

43 4. The person listing the property shall enter a true and correct statement of the property, in

1 a printed blank prepared for that purpose. The statement, after being filled out, shall be signed and
2 either affirmed or sworn to as provided in section 137.155. The list shall then be delivered to the
3 assessor.

4 5. (1) All subclasses of real property, as such subclasses are established in Section 4(b) of
5 Article X of the Missouri Constitution and defined in section 137.016, shall be assessed at the
6 following percentages of true value:

7 (a) For real property in subclass (1), nineteen percent;

8 (b) For real property in subclass (2), twelve percent; and

9 (c) For real property in subclass (3), thirty-two percent.

10 (2) A taxpayer may apply to the county assessor, or, if not located within a county, then the
11 assessor of such city, for the reclassification of such taxpayer's real property if the use or purpose of
12 such real property is changed after such property is assessed under the provisions of this chapter. If
13 the assessor determines that such property shall be reclassified, he or she shall determine the
14 assessment under this subsection based on the percentage of the tax year that such property was
15 classified in each subclassification.

16 6. Manufactured homes, as defined in section 700.010, which are actually used as dwelling
17 units shall be assessed at the same percentage of true value as residential real property for the
18 purpose of taxation. The percentage of assessment of true value for such manufactured homes shall
19 be the same as for residential real property. If the county collector cannot identify or find the
20 manufactured home when attempting to attach the manufactured home for payment of taxes owed
21 by the manufactured home owner, the county collector may request the county commission to have
22 the manufactured home removed from the tax books, and such request shall be granted within thirty
23 days after the request is made; however, the removal from the tax books does not remove the tax
24 lien on the manufactured home if it is later identified or found. For purposes of this section, a
25 manufactured home located in a manufactured home rental park, rental community or on real estate
26 not owned by the manufactured home owner shall be considered personal property. For purposes of
27 this section, a manufactured home located on real estate owned by the manufactured home owner
28 may be considered real property.

29 7. Each manufactured home assessed shall be considered a parcel for the purpose of
30 reimbursement pursuant to section 137.750, unless the manufactured home is real estate as defined
31 in subsection 7 of section 442.015 and assessed as a realty improvement to the existing real estate
32 parcel.

33 8. Any amount of tax due and owing based on the assessment of a manufactured home shall
34 be included on the personal property tax statement of the manufactured home owner unless the
35 manufactured home is real estate as defined in subsection 7 of section 442.015, in which case the
36 amount of tax due and owing on the assessment of the manufactured home as a realty improvement
37 to the existing real estate parcel shall be included on the real property tax statement of the real estate
38 owner.

39 9. The assessor of each county and each city not within a county shall use the trade-in value
40 published in the October issue of the National Automobile Dealers' Association Official Used Car
41 Guide, or its successor publication, as the recommended guide of information for determining the
42 true value of motor vehicles described in such publication. The assessor shall not use a value that is
43 greater than the average trade-in value in determining the true value of the motor vehicle without
44 performing a physical inspection of the motor vehicle. For vehicles two years old or newer from a
45 vehicle's model year, the assessor may use a value other than average without performing a physical

1 inspection of the motor vehicle. In the absence of a listing for a particular motor vehicle in such
2 publication, the assessor shall use such information or publications which in the assessor's judgment
3 will fairly estimate the true value in money of the motor vehicle.

4 10. Before the assessor may increase the assessed valuation of any parcel of subclass (1)
5 real property by more than fifteen percent since the last assessment, excluding increases due to new
6 construction or improvements, the assessor shall conduct a physical inspection of such property.

7 11. If a physical inspection is required, pursuant to subsection 10 of this section, the assessor
8 shall notify the property owner of that fact in writing and shall provide the owner clear written
9 notice of the owner's rights relating to the physical inspection. If a physical inspection is required,
10 the property owner may request that an interior inspection be performed during the physical
11 inspection. The owner shall have no less than thirty days to notify the assessor of a request for an
12 interior physical inspection.

13 12. A physical inspection, as required by subsection 10 of this section, shall include, but not
14 be limited to, an on-site personal observation and review of all exterior portions of the land and any
15 buildings and improvements to which the inspector has or may reasonably and lawfully gain
16 external access, and shall include an observation and review of the interior of any buildings or
17 improvements on the property upon the timely request of the owner pursuant to subsection 11 of this
18 section. Mere observation of the property via a drive-by inspection or the like shall not be
19 considered sufficient to constitute a physical inspection as required by this section.

20 13. A county or city collector may accept credit cards as proper form of payment of
21 outstanding property tax or license due. No county or city collector may charge surcharge for
22 payment by credit card which exceeds the fee or surcharge charged by the credit card bank,
23 processor, or issuer for its service. A county or city collector may accept payment by electronic
24 transfers of funds in payment of any tax or license and charge the person making such payment a fee
25 equal to the fee charged the county by the bank, processor, or issuer of such electronic payment.

26 14. Any county or city not within a county in this state may, by an affirmative vote of the
27 governing body of such county, opt out of the provisions of this section and sections 137.073,
28 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first general assembly, second
29 regular session and section 137.073 as modified by house committee substitute for senate substitute
30 for senate committee substitute for senate bill no. 960, ninety-second general assembly, second
31 regular session, for the next year of the general reassessment, prior to January first of any year. No
32 county or city not within a county shall exercise this opt-out provision after implementing the
33 provisions of this section and sections 137.073, 138.060, and 138.100 as enacted by house bill no.
34 1150 of the ninety-first general assembly, second regular session and section 137.073 as modified by
35 house committee substitute for senate substitute for senate committee substitute for senate bill no.
36 960, ninety-second general assembly, second regular session, in a year of general reassessment. For
37 the purposes of applying the provisions of this subsection, a political subdivision contained within
38 two or more counties where at least one of such counties has opted out and at least one of such
39 counties has not opted out shall calculate a single tax rate as in effect prior to the enactment of house
40 bill no. 1150 of the ninety-first general assembly, second regular session. A governing body of a
41 city not within a county or a county that has opted out under the provisions of this subsection may
42 choose to implement the provisions of this section and sections 137.073, 138.060, and 138.100 as
43 enacted by house bill no. 1150 of the ninety-first general assembly, second regular session, and
44 section 137.073 as modified by house committee substitute for senate substitute for senate
45 committee substitute for senate bill no. 960, ninety-second general assembly, second regular session,
46 for the next year of general reassessment, by an affirmative vote of the governing body prior to
47 December thirty-first of any year.

1 15. The governing body of any city of the third classification with more than twenty-six
2 thousand three hundred but fewer than twenty-six thousand seven hundred inhabitants located in any
3 county that has exercised its authority to opt out under subsection 14 of this section may levy
4 separate and differing tax rates for real and personal property only if such city bills and collects its
5 own property taxes or satisfies the entire cost of the billing and collection of such separate and
6 differing tax rates. Such separate and differing rates shall not exceed such city's tax rate ceiling.

7 16. Any portion of real property that is available as reserve for strip, surface, or coal mining
8 for minerals for purposes of excavation for future use or sale to others that has not been bonded and
9 permitted under chapter 444 shall be assessed based upon how the real property is currently being
10 used. Any information provided to a county assessor, state tax commission, state agency, or
11 political subdivision responsible for the administration of tax policies shall, in the performance of its
12 duties, make available all books, records, and information requested, except such books, records,
13 and information as are by law declared confidential in nature, including individually identifiable
14 information regarding a specific taxpayer or taxpayer's mine property. For purposes of this
15 subsection, "mine property" shall mean all real property that is in use or readily available as a
16 reserve for strip, surface, or coal mining for minerals for purposes of excavation for current or future
17 use or sale to others that has been bonded and permitted under chapter 444."; and

18
19 Further amend said bill by amending the title, enacting clause, and intersectional references
20 accordingly.

21
22 THIS AMENDS 0991H02.18H.

HOUSE AMENDMENT NO. _____
TO
HOUSE AMENDMENT NO. _____

Offered By

1 AMEND House Amendment No. _____ to House Committee Substitute for Senate Bill No. 226,
2 Page 1, Line 33, by deleting all of said line and inserting in lieu thereof the following:

3
4 "other taxing jurisdiction or to property tax liabilities owned on tangible personal property.
5 144.011. 1. For purposes of sections 144.010 to 144.525 and 144.600 to 144.748, and the
6 taxes imposed thereby, the definition of "retail sale" or "sale at retail" shall not be construed to
7 include any of the following:

8 (1) The transfer by one corporation of substantially all of its tangible personal property to
9 another corporation pursuant to a merger or consolidation effected under the laws of the state of
10 Missouri or any other jurisdiction;

11 (2) The transfer of tangible personal property incident to the liquidation or cessation of a
12 taxpayer's trade or business, conducted in proprietorship, partnership or corporate form, except to
13 the extent any transfer is made in the ordinary course of the taxpayer's trade or business;

14 (3) The transfer of tangible personal property to a corporation solely in exchange for its
15 stock or securities;

16 (4) The transfer of tangible personal property to a corporation by a shareholder as a
17 contribution to the capital of the transferee corporation;

18 (5) The transfer of tangible personal property to a partnership solely in exchange for a
19 partnership interest therein;

20 (6) The transfer of tangible personal property by a partner as a contribution to the capital of
21 the transferee partnership;

22 (7) The transfer of tangible personal property by a corporation to one or more of its
23 shareholders as a dividend, return of capital, distribution in the partial or complete liquidation of the
24 corporation or distribution in redemption of the shareholder's interest therein;

25 (8) The transfer of tangible personal property by a partnership to one or more of its partners
26 as a current distribution, return of capital or distribution in the partial or complete liquidation of the
27 partnership or of the partner's interest therein;

28 (9) The transfer of reusable containers used in connection with the sale of tangible personal
29 property contained therein for which a deposit is required and refunded on return;

30 (10) The purchase by persons operating eating or food service establishments, of items of a
31 nonreusable nature which are furnished to the customers of such establishments with or in
32 conjunction with the retail sales of their food or beverage. Such items shall include, but not be
33 limited to, wrapping or packaging materials and nonreusable paper, wood, plastic and aluminum
34 articles such as containers, trays, napkins, dishes, silverware, cups, bags, boxes, straws, sticks and

Action Taken _____ Date _____

1 toothpicks;

2 (11) The purchase by persons operating hotels, motels or other transient accommodation
3 establishments, of items of a nonreusable nature which are furnished to the guests in the guests'
4 rooms of such establishments and such items are included in the charge made for such
5 accommodations. Such items shall include, but not be limited to, soap, shampoo, tissue and other
6 toiletries and food or confectionery items offered to the guests without charge;

7 (12) The transfer of a manufactured home other than:

8 (a) A transfer which involves the delivery of the document known as the "Manufacturer's
9 Statement of Origin" to a person other than a manufactured home dealer, as defined in section
10 700.010, for purposes of allowing such person to obtain a title to the manufactured home from the
11 department of revenue of this state or the appropriate agency or officer of any other state;

12 (b) A transfer which involves the delivery of a "Repossessed Title" to a resident of this state
13 if the tax imposed by sections 144.010 to 144.525 was not paid on the transfer of the manufactured
14 home described in paragraph (a) of this subdivision;

15 (c) The first transfer which occurs after December 31, 1985, if the tax imposed by sections
16 144.010 to 144.525 was not paid on any transfer of the same manufactured home which occurred
17 before December 31, 1985; [ø]

18 (13) Charges for initiation fees or dues to:

19 (a) Fraternal beneficiaries societies, or domestic fraternal societies, orders or associations
20 operating under the lodge system a substantial part of the activities of which are devoted to
21 religious, charitable, scientific, literary, educational or fraternal purposes;

22 (b) Posts or organizations of past or present members of the Armed Forces of the United
23 States or an auxiliary unit or society of, or a trust or foundation for, any such post or organization
24 substantially all of the members of which are past or present members of the Armed Forces of the
25 United States or who are cadets, spouses, widows, or widowers of past or present members of the
26 Armed Forces of the United States, no part of the net earnings of which inures to the benefit of any
27 private shareholder or individual; or

28 (c) Nonprofit organizations exempt from taxation under Section 501(c)(7) of the Internal
29 Revenue Code of 1986, as amended[-]; or

30 (14) The purchase by a retailer of products that are intended for resale but that cannot be
31 resold because of theft or because the product is damaged and cannot be resold.

32 2. The assumption of liabilities of the transferor by the transferee incident to any of the
33 transactions enumerated in the above subdivisions (1) to (8) of subsection 1 of this section shall not
34 disqualify the transfer from the exclusion described in this section, where such liability assumption
35 is related to the property transferred and where the assumption does not have as its principal purpose
36 the avoidance of Missouri sales or use tax."; and"; and

37
38 Further amend said bill by amending the title, enacting clause, and intersectional references
39 accordingly.

40
41 THIS AMENDS 0991H02.18H