SENATE BILL NO. 995

93RD GENERAL ASSEMBLY

INTRODUCED BY SENATORS DOUGHERTY, COLEMAN, WILSON, BRAY AND CALLAHAN.

Read 1st time February 2, 2006, and ordered printed.

TERRY L. SPIELER, Secretary.

4462S.02I

AN ACT

To amend chapters 135 and 162, RSMo, by adding thereto two new sections relating to the business and after-school partnership program.

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

Section A. Chapters 135 and 162, RSMo, are amended by adding thereto
2 two new sections, to be known as sections 135.560 and 162.204, to read as follows:

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

2 **(1) "Approved program", the business and after-school partnership**

3 **program established under section 162.204, RSMo, and approved by the**

4 **department of elementary and secondary education;**

5 **(2) "Eligible student", a resident pupil of an approved program**

6 **who is determined by the local school board to be eligible to participate**

7 **in an approved program under this section and who participates in such**

8 **program for no less than eight calendar months in the tax year for which**

9 **a return is filed claiming a credit authorized in this section;**

10 **(3) "Net expenditures", only those amounts paid or incurred by a**

11 **business participating in an approved program for equipment, supplies,**

12 **technology, hardware, and other learning devices donated to a school**

13 **participating in an approved program, less any amounts received by the**

14 **qualified taxpayer from any source for the provision of an approved**

15 **program under this section;**

16 **(4) "Qualified taxpayer", a business participating in an approved**

17 **program under section 162.204, RSMo, that makes expenditures under**

18 **this section.**

19 **2. For taxable years commencing on or after January 1, 2007, a**

20 **qualified taxpayer shall be allowed a credit against the tax imposed by**

21 **chapter 143, RSMo, exclusive of the provisions relating to the**

22 withholding of tax as provided in sections 143.191 to 143.265, RSMo, in
23 an amount equal to one thousand dollars for each eligible student
24 enrolled in an approved program, but not to exceed twenty students.

25   3. A qualified taxpayer may claim credits for the amounts
26 provided in subsection 2 of this section, but in no case shall the amount
27 of all credits claimed under this section in any one tax year exceed five
28 million dollars in the aggregate.

29   4. The tax credit allowed by this section shall be claimed by the
30 qualified taxpayer at the time such taxpayer files a return and shall be
31 applied against the income tax liability imposed by chapter 143, RSMo,
32 after all other credits provided by law have been applied. Where the
33 amount of the credit exceeds the tax liability, the difference between the
34 credit and the tax liability shall not be refundable but may be carried
35 forward to any of the taxpayer's four subsequent taxable years.

36   5. The department of elementary and secondary education shall
37 establish, by rule, guidelines and criteria for determining the eligibility
38 of businesses and students participating in such programs established
39 under section 162.204, RSMo. Any rule or portion of a rule, as that term
40 is defined in section 536.010, RSMo, that is created under the authority
41 delegated in this section shall become effective only if it complies with
42 and is subject to all of the provisions of chapter 536, RSMo, and, if
43 applicable, section 536.028, RSMo. This section and chapter 536, RSMo,
44 are nonseverable and if any of the powers vested with the general
45 assembly pursuant to chapter 536, RSMo, to review, to delay the effective
46 date, or to disapprove and annul a rule are subsequently held
47 unconstitutional, then the grant of rulemaking authority and any rule
48 proposed or adopted after August 28, 2006, shall be invalid and void.

49   6. Any school board of any school district classified provisionally
50 accredited or unaccredited by the state board of education may establish
51 a business and after-school partnership program and apply to the
52 department of elementary and secondary education for approval of such
53 program. A tax credit only may be received under this section for
54 expenditures for such programs approved by the department. The board
55 of education of any qualifying school district shall certify annually to
56 the department of elementary and secondary education the number of
57 eligible students participating in an approved program.

58   7. The department of elementary and secondary education shall

59   provide written notification to the department of revenue of each

60   eligible student participating in an approved program under this

61   section, the student's school district, the name of the qualified taxpayer

62   approved to receive a tax credit on the basis of such eligible student's

63   participation in an approved program under this section, and the

64   amount of such credit as determined in subsections 2 and 3 of this

65   section.

66   8. The provisions of this section are subject to appropriation.

            162.204. 1. There is hereby established the "Business and After-

 2   School Partnership Program". The program shall be a partnership

 3   between an interested business and the school board of any school

 4   district classified provisionally accredited or unaccredited by the state

 5   board of education. The result of such partnership shall be the creation

 6   of an after-school program designed to improve student achievement and

 7   increase reading skills in such districts. Any such partnership shall be

 8   approved by the department of elementary and secondary education.

 9   2. Any business participating in the business and after-school

10   partnership program shall be allowed tax credits as provided in section

11   135.560, RSMo.

12   3. The provisions of this section are subject to appropriation.

                                    ✓