

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 614

93RD GENERAL ASSEMBLY

2006

3603L.03T

AN ACT

To repeal section 135.550, RSMo, and to enact in lieu thereof two new sections relating to residential treatment agency tax credits.

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

Section A. Section 135.550, RSMo, is repealed and two new sections
2 enacted in lieu thereof, to be known as sections 135.550 and 135.1142, to read as
3 follows:

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

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

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

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

15 (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a
16 shareholder in an S corporation doing business in the state of Missouri and

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

17 subject to the state income tax imposed by the provisions of chapter 143, RSMo,
18 or a corporation subject to the annual corporation franchise tax imposed by the
19 provisions of chapter 147, RSMo, or an insurance company paying an annual tax
20 on its gross premium receipts in this state, or other financial institution paying
21 taxes to the state of Missouri or any political subdivision of this state pursuant
22 to the provisions of chapter 148, RSMo, or an express company which pays an
23 annual tax on its gross receipts in this state pursuant to chapter 153, RSMo, or
24 an individual subject to the state income tax imposed by the provisions of chapter
25 143, RSMo.

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

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

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

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

49 6. The director of [public safety] **the department of social services**
50 shall establish a procedure by which a taxpayer can determine if a facility has
51 been classified as a shelter for victims of domestic violence, and by which such
52 taxpayer can then contribute to such shelter for victims of domestic violence and

53 claim a tax credit. Shelters for victims of domestic violence shall be permitted to
54 decline a contribution from a taxpayer. The cumulative amount of tax credits
55 which may be claimed by all the taxpayers contributing to shelters for victims of
56 domestic violence in any one fiscal year shall not exceed two million dollars.

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

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

135.1142. 1. This section shall be known and may be cited as the
2 **"Residential Treatment Agency Tax Credit Act".**

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

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

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

6 **(3) "Eligible monetary donation", donations received from a**
7 **taxpayer by an agency that are used solely to provide direct care**
8 **services to children who are residents of this state. For purposes of**
9 **this section, direct care services include but are not limited to**
10 **increasing the quality of care and service for children through**

11 improved employee compensation and training;

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

24 (5) "Taxpayer", any of the following individuals or entities who
25 make eligible monetary donations to an agency:

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

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

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

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

36 (e) An individual subject to the state income tax imposed in
37 chapter 143, RSMo.

38 3. For all taxable years beginning on or after January 1, 2007,
39 any taxpayer shall be allowed a credit against the taxes otherwise due
40 under chapter 147, 148, or 143, RSMo, excluding withholding tax
41 imposed by sections 143.191 to 143.265, RSMo, in an amount equal to
42 fifty percent of the amount of an eligible monetary donation, subject to
43 the restrictions in this section. The amount of the tax credit claimed
44 shall not exceed the amount of the taxpayer's state income tax liability
45 in the tax year for which the credit is claimed. Any amount of credit
46 that the taxpayer is prohibited by this section from claiming in a tax
47 year shall not be refundable, but may be carried forward to any of the

48 taxpayer's four subsequent taxable years.

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

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

56 (2) A statement attesting to the eligible monetary donation
57 received, which shall include the name and taxpayer identification
58 number of the individual making the eligible monetary donation, the
59 amount of the eligible monetary donation, and the date the eligible
60 monetary donation was received by the agency; and

61 (3) Payment from the agency equal to the value of the tax credit
62 for which application is made.

63 If the agency applying for the tax credit meets all criteria required by
64 this subsection, the department shall issue a certificate in the
65 appropriate amount.

66 5. An agency may apply for tax credits in an aggregate amount
67 that does not exceed forty percent of the payments made by the
68 department to the agency in the preceding twelve months.

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

76 7. The department shall promulgate rules to implement the
77 provisions of this section. Any rule or portion of a rule, as that term is
78 defined in section 536.010, RSMo, that is created under the authority
79 delegated in this section shall become effective only if it complies with
80 and is subject to all of the provisions of chapter 536, RSMo, and, if
81 applicable, section 536.028, RSMo. This section and chapter 536, RSMo,
82 are nonseverable and if any of the powers vested with the general
83 assembly pursuant to chapter 536, RSMo, to review, to delay the
84 effective date, or to disapprove and annul a rule are subsequently held

85 unconstitutional, then the grant of rulemaking authority and any rule
86 proposed or adopted after August 28, 2006, shall be invalid and void.

87 8. Under section 23.253, RSMo, of the Missouri Sunset Act:

88 (1) The provisions of the new program authorized under this
89 section shall automatically sunset six years after the effective date of
90 this section unless reauthorized by an act of the general assembly; and

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

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

✓

Bill

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