

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend Senate Bill No. 151, Page 1, Section Title, Lines 2-3,

2 by striking the words "a property tax exemption for certain
3 child care facilities" and inserting in lieu thereof the
4 following: "tax relief for the provision of child care"; and

5 Further amend said bill and page, section A, line 3 by
6 inserting after all of said line the following:

7 "135.1310. 1. This section shall be known and may be
8 cited as the "Child Care Contribution Tax Credit Act".

9 2. For purposes of this section, the following terms
10 shall mean:

11 (1) "Child care", the same as defined in section
12 210.201;

13 (2) "Child care desert", a census tract that has a
14 poverty rate of at least twenty percent or a median family
15 income of less than eighty percent of the statewide average
16 and where at least five hundred people or thirty-three
17 percent of the population are located at least one-half mile
18 away from a child care provider in urbanized areas or at
19 least ten miles away in rural areas;

20 (3) "Child care provider", the same as defined in
21 section 210.201 and licensed under section 210.221;

22 (4) "Contribution", an eligible donation of cash,
23 stock, bonds or other marketable securities, or real
24 property;

25 (5) "Department", the Missouri department of economic
26 development;

27 (6) "Person related to the taxpayer", an individual
28 connected with the taxpayer by blood, adoption, or marriage,
29 or an individual, corporation, partnership, limited
30 liability company, trust, or association controlled by, or
31 under the control of, the taxpayer directly, or through an
32 individual, corporation, limited liability company,
33 partnership, trust, or association under the control of the
34 taxpayer;

35 (7) "Rural area", a town or community within the state
36 that is not within a metropolitan statistical area and has a
37 population of six thousand or fewer inhabitants as
38 determined by the last preceding federal decennial census or
39 any unincorporated area not within a metropolitan
40 statistical area;

41 (8) "State tax liability", in the case of a business
42 taxpayer, any liability incurred by such taxpayer pursuant
43 to chapter 143 and chapter 148, exclusive of the provisions
44 relating to the withholding of tax as provided for in
45 sections 143.191 to 143.265 and related provisions, and in
46 the case of an individual taxpayer, any liability incurred
47 by such taxpayer pursuant to chapter 143;

48 (9) "Tax credit", a credit against the taxpayer's
49 state tax liability;

50 (10) "Taxpayer", a corporation as defined in section
51 143.441 or 143.471, any charitable organization that is
52 exempt from federal income tax and whose Missouri unrelated
53 business taxable income, if any, would be subject to the
54 state income tax imposed under chapter 143, or individuals
55 or partnerships subject to the state income tax imposed by
56 the provisions of chapter 143.

57 3. For all tax years beginning on or after January 1,
58 2023, a taxpayer may claim the tax credit authorized in this
59 section against the taxpayer's state tax liability for the

60 tax year in which a verified contribution was made in an
61 amount equal to up to seventy-five percent of the verified
62 contribution to a child care provider. The minimum amount
63 of any tax credit issued shall not be less than one hundred
64 dollars, and shall not exceed two hundred thousand dollars
65 per tax year.

66 (1) The child care provider receiving a contribution
67 shall, within sixty days of the date it received the
68 contribution, issue the taxpayer a contribution verification
69 and file a copy of the contribution verification with the
70 department. The contribution verification shall be in the
71 form established by the department and shall include the
72 taxpayer's name, taxpayer's state or federal tax
73 identification number or last four digits of the taxpayer's
74 Social Security number, amount of tax credit, amount of
75 contribution, legal name and address of the child care
76 provider receiving the tax credit, the child care provider's
77 federal employer identification number, the child care
78 provider's departmental vendor number or license number, and
79 the date the child care provider received the contribution
80 from the taxpayer. The contribution verification shall
81 include a signed attestation stating the child care provider
82 will use the contribution solely to promote child care.

83 (2) The failure of the child care provider to timely
84 issue the contribution verification to the taxpayer or file
85 it with the department shall entitle the taxpayer to a
86 refund of the contribution from the child care provider.

87 4. A donation is eligible when:

88 (1) The donation is used directly by a child care
89 provider to promote child care for children twelve years of
90 age or younger, including by acquiring or improving child
91 care facilities, equipment, or services, or improving staff
92 salaries, staff training, or the quality of child care;

93 (2) The donation is made to a child care provider in
94 which the taxpayer or a person related to the taxpayer does
95 not have a direct financial interest; and

96 (3) The donation is not made in exchange for care of a
97 child or children in the case of an individual taxpayer that
98 is not an employer making a contribution on behalf of its
99 employees.

100 5. A child care provider that uses the contribution
101 for an ineligible purpose shall repay to the department the
102 value of the tax credit for the contribution amount used for
103 an ineligible purpose.

104 6. The tax credits authorized by this section shall
105 not be refundable and shall not be transferred, sold, or
106 otherwise conveyed. Any amount of approved tax credits that
107 a taxpayer is prohibited by this subsection from using for
108 the tax year in which the credit is first claimed may be
109 carried back to the taxpayer's immediately prior tax year
110 and carried forward to the taxpayer's subsequent tax year
111 for up to five succeeding tax years.

112 7. Notwithstanding any provision of subsection 6 of
113 this section to the contrary, a taxpayer that is exempt,
114 under 26 U.S.C. Section 501(c)(3), and any amendments
115 thereto, from all or part of the federal income tax shall be
116 eligible for a refund of its tax credit issued under this
117 section, without regard to whether it has incurred any state
118 tax liability. Such exempt taxpayer may claim a refund of
119 the tax credit on its tax return required to be filed under
120 the provisions of chapter 143, exclusive of the return for
121 the withholding of tax under sections 143.191 to 143.265.
122 If such exempt taxpayer is not required to file a tax return
123 under the provisions of chapter 143, the exempt taxpayer may
124 claim a refund of the tax credit on a refund claim form
125 prescribed by the department of revenue. The department of

126 revenue shall prescribe such forms, instructions, and rules
127 as it deems appropriate to carry out the provisions of this
128 subsection.

129 8. (1) The cumulative amount of tax credits
130 authorized pursuant to this section shall not exceed twenty
131 million dollars for each calendar year. The department
132 shall approve tax credit applications on a first-come, first-
133 served basis until the cumulative tax credit authorization
134 limit is reached for the calendar year. A taxpayer shall
135 apply to the department for the child care contribution tax
136 credit by submitting a copy of the contribution verification
137 provided by a child care provider to such taxpayer. Upon
138 receipt of the contribution verification, the department
139 shall issue a tax credit certificate to the applicant.

140 (2) If the maximum amount of tax credits allowed in
141 any calendar year as provided pursuant to subdivision (1) of
142 this subsection is authorized, the maximum amount of tax
143 credits allowed pursuant to subdivision (1) of this
144 subsection shall be increased by fifteen percent, provided
145 that all such increases in the allowable amount of tax
146 credits shall be reserved for contributions made to child
147 care providers located in a child care desert. The director
148 of the department shall publish such adjusted amount.

149 9. The tax credits allowed under this section shall be
150 considered a domestic and social tax credit under
151 subdivision (5) of subsection 2 of section 135.800.

152 10. All action and communication undertaken or
153 required under this section shall be exempt from section
154 105.1500.

155 11. The department may promulgate rules to implement
156 and administer the provisions of this section. Any rule or
157 portion of a rule, as that term is defined in section
158 536.010, that is created pursuant to the authority delegated

159 in this section shall become effective only if it complies
160 with and is subject to all of the provisions of chapter 536
161 and, if applicable, section 536.028. This section and
162 chapter 536 are nonseverable and if any of the powers vested
163 with the general assembly pursuant to chapter 536 to review,
164 to delay the effective date, or to disapprove and annul a
165 rule are subsequently held unconstitutional, then the grant
166 of rulemaking authority and any rule proposed or adopted
167 after August 28, 2023, shall be invalid and void.

168 12. Pursuant to section 23.253 of the Missouri sunset
169 act:

170 (1) The program authorized under this section shall
171 expire on December 31, 2029, unless reauthorized by the
172 general assembly; and

173 (2) The act shall terminate on September first of the
174 calendar year immediately following the calendar year in
175 which the program authorized under this section is sunset;
176 and

177 (3) If such program is reauthorized, the program
178 authorized under this act shall automatically sunset six
179 years after the effective date of the reauthorization of
180 this section; and

181 (4) The provisions of this subsection shall not be
182 construed to limit or in any way impair the department of
183 revenue's ability to redeem tax credits authorized on or
184 before the date the program authorized pursuant to this
185 section expires, or a taxpayer's ability to redeem such tax
186 credits.

187 135.1325. 1. This section shall be known and may be
188 cited as the "Employer Provided Child Care Assistance Tax
189 Credit Act".

190 2. For purposes of this section, the following terms
191 shall mean:

192 (1) "Child care desert", a census tract that has a
193 poverty rate of at least twenty percent or a median family
194 income of less than eighty percent of the statewide average
195 and where at least five hundred people or thirty-three
196 percent of the population are located at least one-half mile
197 away from a child care provider in urbanized areas or at
198 least ten miles away in rural areas;

199 (2) "Child care facility", the same as defined in
200 section 210.201;

201 (3) "Department", the Missouri department of economic
202 development;

203 (4) "Qualified child care expenditure", an amount paid
204 of reasonable costs incurred that meet any of the following:

205 (a) To acquire, construct, rehabilitate, or expand
206 property that will be, or is, used as part of a child care
207 facility that is either operated by the taxpayer or
208 contracted with by the taxpayer and which does not
209 constitute part of the principal residence of the taxpayer
210 or any employee of the taxpayer;

211 (b) For the operating costs of a child care facility
212 of the taxpayer, including costs relating to the training of
213 employees, scholarship programs, and for compensation to
214 employees; or

215 (c) Under a contract with a child care facility to
216 provide child care services to employees of the taxpayer;

217 (5) "Rural area", a town or community within the state
218 that is not within a metropolitan statistical area and has a
219 population of six thousand or fewer inhabitants as
220 determined by the last preceding federal decennial census or
221 any unincorporated area not within a metropolitan
222 statistical area;

223 (6) "State tax liability", in the case of a business
224 taxpayer, any liability incurred by such taxpayer pursuant

225 to the provisions of chapter 143 and chapter 148, exclusive
226 of the provisions relating to the withholding of tax as
227 provided for in sections 143.191 to 143.265 and related
228 provisions, and in the case of an individual taxpayer, any
229 liability incurred by such taxpayer pursuant to the
230 provisions of chapter 143;

231 (7) "Tax credit", a credit against the taxpayer's
232 state tax liability;

233 (8) "Taxpayer", a corporation as defined in section
234 143.441 or 143.471, any charitable organization that is
235 exempt from federal income tax and whose Missouri unrelated
236 business taxable income, if any, would be subject to the
237 state income tax imposed under chapter 143, or individuals
238 or partnerships subject to the state income tax imposed by
239 the provisions of chapter 143.

240 3. For all tax years beginning on or after January 1,
241 2023, a taxpayer may claim a tax credit authorized in this
242 section in an amount equal to thirty percent of the
243 qualified child care expenditures paid or incurred with
244 respect to a child care facility. The maximum amount of any
245 tax credit issued under this section shall not exceed two
246 hundred thousand dollars per taxpayer per tax year.

247 4. A facility shall not be treated as a child care
248 facility with respect to a taxpayer unless the following
249 conditions have been met:

250 (1) Enrollment in the facility is open to employees of
251 the taxpayer during the tax year; and

252 (2) If the facility is the principal business of the
253 taxpayer, at least thirty percent of the enrollees of such
254 facility are dependents of employees of the taxpayer.

255 5. The tax credits authorized by this section shall
256 not be refundable or transferable. The tax credits shall
257 not be sold, assigned, or otherwise conveyed. Any amount of

258 approved tax credits that a taxpayer is prohibited by this
259 subsection from using for the tax year in which the credit
260 is first claimed may be carried back to the taxpayer's
261 immediately prior tax year and carried forward to the
262 taxpayer's subsequent tax year for up to five succeeding tax
263 years.

264 6. Notwithstanding any provision of subsection 5 of
265 this section to the contrary, a taxpayer that is exempt,
266 under 26 U.S.C. Section 501(c) (3), and any amendments
267 thereto, from all or part of the federal income tax shall be
268 eligible for a refund of its tax credit issued under this
269 section, without regard to whether it has incurred any state
270 tax liability. Such exempt taxpayer may claim a refund of
271 the tax credit on its tax return required to be filed under
272 the provisions of chapter 143, exclusive of the return for
273 the withholding of tax under sections 143.191 to 143.265.
274 If such exempt taxpayer is not required to file a tax return
275 under the provisions of chapter 143, the exempt taxpayer may
276 claim a refund of the tax credit on a refund claim form
277 prescribed by the department of revenue. The department of
278 revenue shall prescribe such forms, instructions, and rules
279 as it deems appropriate to carry out the provisions of this
280 subsection.

281 7. (1) The cumulative amount of tax credits
282 authorized pursuant to this section shall not exceed twenty
283 million dollars for each calendar year. The department
284 shall approve tax credit applications on a first-come, first-
285 served basis until the cumulative tax credit authorization
286 limit is reached for the calendar year.

287 (2) If the maximum amount of tax credits allowed in
288 any calendar year as provided pursuant to subdivision (1) of
289 this subsection is authorized, the maximum amount of tax
290 credits allowed pursuant to subdivision (1) of this

291 subsection shall be increased by fifteen percent, provided
292 that all such increases in the allowable amount of tax
293 credits shall be reserved for qualified child care
294 expenditures for child care facilities located in a child
295 care desert. The director of the department shall publish
296 such adjusted amount.

297 8. A taxpayer who has claimed a tax credit under this
298 section shall notify the department within sixty days of any
299 cessation of operation, change in ownership, or agreement to
300 assume recapture liability as such terms are defined by 26
301 U.S.C. Section 45F, in the form and manner prescribed by
302 department rule or instruction. If there is a cessation of
303 operation or change in ownership relating to a child care
304 facility, the taxpayer shall repay the department the
305 applicable recapture percentage of the credit allowed under
306 this section, but this recapture amount shall be limited to
307 the tax credit allowed under this section. The recapture
308 amount shall be considered a tax liability arising on the
309 tax payment due date for the tax year in which the cessation
310 of operation, change in ownership, or agreement to assume
311 recapture liability occurred and shall be assessed and
312 collected under the same provisions that apply to a tax
313 liability under chapter 143 or chapter 148.

314 9. The tax credit allowed pursuant to this section
315 shall be considered a domestic and social tax credit under
316 subdivision (5) of subsection 2 of section 135.800.

317 10. All action and communication undertaken or
318 required under this section shall be exempt from section
319 105.1500.

320 11. The department may promulgate rules to implement
321 and administer the provisions of this section. Any rule or
322 portion of a rule, as that term is defined in section
323 536.010, that is created pursuant to the authority delegated

324 in this section shall become effective only if it complies
325 with and is subject to all of the provisions of chapter 536
326 and, if applicable, section 536.028. This section and
327 chapter 536 are nonseverable and if any of the powers vested
328 with the general assembly pursuant to chapter 536 to review,
329 to delay the effective date, or to disapprove and annul a
330 rule are subsequently held unconstitutional, then the grant
331 of rulemaking authority and any rule proposed or adopted
332 after August 28, 2023, shall be invalid and void.

333 12. Pursuant to section 23.253 of the Missouri sunset
334 act:

335 (1) The program authorized under this act shall expire
336 on December 31, 2029, unless reauthorized by the general
337 assembly; and

338 (2) The act shall terminate on September first of the
339 calendar year immediately following the calendar year in
340 which the program authorized under the act is sunset; and

341 (3) If such program is reauthorized, the program
342 authorized under this act shall automatically sunset six
343 years after the effective date of the reauthorization of the
344 act; and

345 (4) The provisions of this subsection shall not be
346 construed to limit or in any way impair the department of
347 revenue's ability to redeem tax credits authorized on or
348 before the date the program authorized pursuant to this
349 section expires, or a taxpayer's ability to redeem such tax
350 credits.

351 135.1350. 1. This section shall be known and may be
352 cited as the "Child Care Providers Tax Credit Act".

353 2. For purposes of this section, the following terms
354 shall mean:

355 (1) "Capital expenditures", expenses incurred by a
356 child care provider, during the tax year for which a tax

357 credit is claimed pursuant to this section, for the
358 construction, renovation, or rehabilitation of a child care
359 facility to the extent necessary to operate a child care
360 facility and comply with applicable child care facility
361 regulations promulgated by the department of elementary and
362 secondary education;

363 (2) "Child care desert", a census tract that has a
364 poverty rate of at least twenty percent or a median family
365 income of less than eighty percent of the statewide average
366 and where at least five hundred people or thirty-three
367 percent of the population are located at least one-half mile
368 away from a child care provider in urbanized areas or at
369 least ten miles away in rural areas;

370 (3) "Child care facility", the same as defined in
371 section 210.201;

372 (4) "Child care provider", a taxpayer that is also a
373 child care provider as defined in section 210.201 and
374 licensed under section 210.221;

375 (5) "Department", the department of elementary and
376 secondary education;

377 (6) "Employee", an employee, as that term is used in
378 subsection 2 of section 143.191, of a child care provider
379 who worked for the child care provider for an average of at
380 least ten hours per week for at least a three-month period
381 during the tax year for which a tax credit is claimed
382 pursuant to this section and who is not an immediate family
383 member of the child care provider;

384 (7) "Eligible employer withholding tax", the total
385 amount of tax that the child care provider was required,
386 under section 143.191, to deduct and withhold from the wages
387 it paid to employees during the tax year for which the child
388 care provider is claiming a tax credit pursuant to this
389 section, to the extent actually paid;

390 (8) "Rural area", a town or community within the state
391 that is not within a metropolitan statistical area and has a
392 population of six thousand or fewer inhabitants as
393 determined by the last preceding federal decennial census or
394 any unincorporated area not within a metropolitan
395 statistical area;

396 (9) "State tax liability", any liability incurred by
397 the taxpayer pursuant to the provisions of chapter 143,
398 exclusive of the provisions relating to the withholding of
399 tax as provided for in sections 143.191 to 143.265 and
400 related provisions;

401 (10) "Tax credit", a credit against the taxpayer's
402 state tax liability;

403 (11) "Taxpayer", a corporation as defined in section
404 143.441 or 143.471, any charitable organization that is
405 exempt from federal income tax and whose Missouri unrelated
406 business taxable income, if any, would be subject to the
407 state income tax imposed under chapter 143, or an individual
408 or partnership subject to the state income tax imposed by
409 the provisions of chapter 143.

410 3. For all tax years beginning on or after January 1,
411 2024, a child care provider with three or more employees may
412 claim a tax credit authorized in this section in an amount
413 equal to the child care provider's eligible employer
414 withholding tax, and may also claim a tax credit in an
415 amount up to thirty percent of the child care provider's
416 capital expenditures. No tax credit for capital
417 expenditures shall be allowed if the capital expenditures
418 are less than one thousand dollars. The amount of any tax
419 credit issued under this section shall not exceed two
420 hundred thousand dollars per child care provider per tax
421 year.

422 4. To claim a tax credit authorized pursuant to this
423 section, a child care provider shall submit to the
424 department, for preliminary approval, an application for the
425 tax credit on a form provided by the department and at such
426 times as the department may require. If the child care
427 provider is applying for a tax credit for capital
428 expenditures, the child care provider shall present proof
429 acceptable to the department that the child care provider's
430 capital expenditures satisfy the requirements of subdivision
431 (1) of subsection 2 of this section. Upon final approval of
432 an application, the department shall issue the child care
433 provider a certificate of tax credit.

434 5. The tax credits authorized by this section shall
435 not be refundable and shall not be transferred, sold,
436 assigned, or otherwise conveyed. Any amount of credit that
437 exceeds the child care provider's state tax liability for
438 the tax year for which the tax credit is issued may be
439 carried back to the child care provider's immediately prior
440 tax year or carried forward to the child care provider's
441 subsequent tax year for up to five succeeding tax years.

442 6. Notwithstanding any provision of subsection 5 of
443 this section to the contrary, a child care provider that is
444 exempt, under 26 U.S.C. Section 501(c)(3), and any
445 amendments thereto, from all or part of the federal income
446 tax shall be eligible for a refund of its tax credit issued
447 under this section, without regard to whether it has
448 incurred any state tax liability. Such exempt child care
449 provider may claim a refund of the tax credit on its tax
450 return required to be filed under the provisions of chapter
451 143, exclusive of the return for the withholding of tax
452 under sections 143.191 to 143.265. If such exempt child
453 care provider is not required to file a tax return under the
454 provisions of chapter 143, the exempt child care provider

455 may claim a refund of the tax credit on a refund claim form
456 prescribed by the department of revenue. The department of
457 revenue shall prescribe such forms, instructions, and rules
458 as it deems appropriate to carry out the provisions of this
459 subsection.

460 7. (1) The cumulative amount of tax credits
461 authorized pursuant to this section shall not exceed twenty
462 million dollars for each calendar year. The department shall
463 approve tax credit applications on a first-come, first-
464 served basis until the cumulative tax credit authorization
465 limit is reached for the calendar year.

466 (2) If the maximum amount of tax credits allowed in
467 any calendar year as provided pursuant to subdivision (1) of
468 this subsection is authorized, the maximum amount of tax
469 credits allowed pursuant to subdivision (1) of this
470 subsection shall be increased by fifteen percent, provided
471 that all such increases in the allowable amount of tax
472 credits shall be reserved for child care providers located
473 in a child care desert. The director of the department shall
474 publish such adjusted amount.

475 8. The tax credit authorized by this section shall be
476 considered a domestic and social tax credit under
477 subdivision (5) of subsection 2 of section 135.800.

478 9. All action and communication undertaken or required
479 with respect to this section shall be exempt from section
480 105.1500. Notwithstanding section 32.057 or any other tax
481 confidentiality law to the contrary, the department of
482 revenue may disclose tax information to the department for
483 the purpose of the verification of a child care provider's
484 eligible employer withholding tax under this section.

485 10. The department may promulgate rules and adopt
486 statements of policy, procedures, forms and guidelines to
487 implement and administer the provisions of this section.

488 Any rule or portion of a rule, as that term is defined in
489 section 536.010, that is created pursuant to the authority
490 delegated in this section shall become effective only if it
491 complies with and is subject to all of the provisions of
492 chapter 536 and, if applicable, section 536.028. This
493 section and chapter 536 are nonseverable and if any of the
494 powers vested with the general assembly pursuant to chapter
495 536 to review, to delay the effective date, or to disapprove
496 and annul a rule are subsequently held unconstitutional,
497 then the grant of rulemaking authority and any rule proposed
498 or adopted after August 28, 2023, shall be invalid and void.

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

501 (1) The program authorized under this section shall
502 expire on December 31, 2029, unless reauthorized by the
503 general assembly; and

504 (2) The act shall terminate on September first of the
505 calendar year immediately following the calendar year in
506 which the program authorized under this section is sunset;
507 and

508 (3) If such program is reauthorized, the program
509 authorized under this section shall automatically sunset six
510 years after the effective date of the reauthorization of
511 this section; and

512 (4) The provisions of this subsection shall not be
513 construed to limit or in any way impair the department of
514 revenue's ability to redeem tax credits authorized on or
515 before the date the program authorized pursuant to this
516 section expires, or a taxpayer's ability to redeem such tax
517 credits."; and

518 Further amend the title and enacting clause accordingly.