

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend SS/SCS/Senate Bill No. 413, Page 1, Section Title, Lines 3-4,

2 by striking "tax credits for investments in certain Missouri
3 businesses" and inserting in lieu thereof the following:

4 "taxation"; and

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

7 "32.115. 1. The department of revenue shall grant a
8 tax credit, to be applied in the following order until used,
9 against:

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

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

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

16 (4) The tax on other financial institutions in chapter
17 148;

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

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

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

22 2. For proposals approved pursuant to section 32.110:

23 (1) The amount of the tax credit shall not exceed
24 [fifty] seventy percent of the total amount contributed
25 during the taxable year by the business firm or, in the case
26 of a financial institution, where applicable, during the

27 relevant income period in programs approved pursuant to
28 section 32.110;

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

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

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

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

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

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

56 (4) Such tax credit allocation, equal to seventy
57 percent of the total amount contributed, shall not exceed
58 four million dollars in fiscal year 1999 and six million
59 dollars in fiscal year 2000 and any subsequent fiscal year.

60 When the maximum dollar limit on the seventy percent tax
61 credit allocation is committed, the tax credit allocation
62 for such programs shall then be equal to fifty percent
63 credit of the total amount contributed. Regulations
64 establishing special program priorities are to be
65 promulgated during the first month of each fiscal year and
66 at such times during the year as the public interest
67 dictates. Such credit shall not exceed two hundred and
68 fifty thousand dollars annually except as provided in
69 subdivision (5) of this subsection. No tax credit shall be
70 approved for any bank, bank and trust company, insurance
71 company, trust company, national bank, savings association,
72 or building and loan association for activities that are a
73 part of its normal course of business. Any tax credit not
74 used in the period the contribution was made may be carried
75 over the next five succeeding calendar or fiscal years until
76 the full credit has been claimed. Except as otherwise
77 provided for proposals approved pursuant to section 32.111,
78 32.112 or 32.117, in no event shall the total amount of all
79 other tax credits allowed pursuant to sections 32.100 to
80 32.125 exceed thirty-two million dollars in any one fiscal
81 year, of which six million shall be credits allowed pursuant
82 to section 135.460. If six million dollars in credits are
83 not approved, then the remaining credits may be used for
84 programs approved pursuant to sections 32.100 to 32.125;

85 (5) The credit may exceed two hundred fifty thousand
86 dollars annually and shall not be limited if community
87 services, crime prevention, education, job training,
88 physical revitalization or economic development, as defined
89 by section 32.105, is rendered in an area defined by federal
90 or state law as an impoverished, economically distressed, or
91 blighted area or as a neighborhood experiencing problems
92 endangering its existence as a viable and stable

93 neighborhood, or if the community services, crime
94 prevention, education, job training, physical revitalization
95 or economic development is limited to impoverished persons.

96 3. For proposals approved pursuant to section 32.111:

97 (1) The amount of the tax credit shall not exceed
98 ~~[fifty-five]~~ seventy percent of the total amount invested in
99 affordable housing assistance activities or market rate
100 housing in distressed communities as defined in section
101 135.530 by a business firm. Whenever such investment is
102 made in the form of an equity investment or a loan, as
103 opposed to a donation alone, tax credits may be claimed only
104 where the loan or equity investment is accompanied by a
105 donation which is eligible for federal income tax charitable
106 deduction, and where the total value of the tax credits
107 herein plus the value of the federal income tax charitable
108 deduction is less than or equal to the value of the
109 donation. Any tax credit not used in the period for which
110 the credit was approved may be carried over the next ten
111 succeeding calendar or fiscal years until the full credit
112 has been allowed. If the affordable housing units or market
113 rate housing units in distressed communities for which a tax
114 is claimed are within a larger structure, parts of which are
115 not the subject of a tax credit claim, then expenditures
116 applicable to the entire structure shall be reduced on a
117 prorated basis in proportion to the ratio of the number of
118 square feet devoted to the affordable housing units or
119 market rate housing units in distressed communities, for
120 purposes of determining the amount of the tax credit. The
121 total amount of tax credit granted for programs approved
122 pursuant to section 32.111 for the fiscal year beginning
123 July 1, 1991, shall not exceed two million dollars, to be
124 increased by no more than two million dollars each

125 succeeding fiscal year, until the total tax credits that may
126 be approved reaches ten million dollars in any fiscal year;

127 (2) For any year during the compliance period
128 indicated in the land use restriction agreement, the owner
129 of the affordable housing rental units for which a credit is
130 being claimed shall certify to the commission that all
131 tenants renting claimed units are income eligible for
132 affordable housing units and that the rentals for each
133 claimed unit are in compliance with the provisions of
134 sections 32.100 to 32.125. The commission is authorized, in
135 its discretion, to audit the records and accounts of the
136 owner to verify such certification;

137 (3) In the case of owner-occupied affordable housing
138 units, the qualifying owner occupant shall, before the end
139 of the first year in which credits are claimed, certify to
140 the commission that the occupant is income eligible during
141 the preceding two years, and at the time of the initial
142 purchase contract, but not thereafter. The qualifying owner
143 occupant shall further certify to the commission, before the
144 end of the first year in which credits are claimed, that
145 during the compliance period indicated in the land use
146 restriction agreement, the cost of the affordable housing
147 unit to the occupant for the claimed unit can reasonably be
148 projected to be in compliance with the provisions of
149 sections 32.100 to 32.125. Any succeeding owner occupant
150 acquiring the affordable housing unit during the compliance
151 period indicated in the land use restriction agreement shall
152 make the same certification;

153 (4) If at any time during the compliance period the
154 commission determines a project for which a proposal has
155 been approved is not in compliance with the applicable
156 provisions of sections 32.100 to 32.125 or rules promulgated
157 therefor, the commission may within one hundred fifty days

158 of notice to the owner either seek injunctive enforcement
159 action against the owner, or seek legal damages against the
160 owner representing the value of the tax credits, or
161 foreclose on the lien in the land use restriction agreement,
162 selling the project at a public sale, and paying to the
163 owner the proceeds of the sale, less the costs of the sale
164 and less the value of all tax credits allowed herein. The
165 commission shall remit to the director of revenue the
166 portion of the legal damages collected or the sale proceeds
167 representing the value of the tax credits. However, except
168 in the event of intentional fraud by the taxpayer, the
169 proposal's certificate of eligibility for tax credits shall
170 not be revoked.

171 4. For proposals approved pursuant to section 32.112,
172 the amount of the tax credit shall not exceed [fifty-five]
173 seventy percent of the total amount contributed to a
174 neighborhood organization by business firms. Any tax credit
175 not used in the period for which the credit was approved may
176 be carried over the next ten succeeding calendar or fiscal
177 years until the full credit has been allowed. The total
178 amount of tax credit granted for programs approved pursuant
179 to section 32.112 shall not exceed one million dollars for
180 each fiscal year.

181 5. The total amount of tax credits used for market
182 rate housing in distressed communities pursuant to sections
183 32.100 to 32.125 shall not exceed thirty percent of the
184 total amount of all tax credits authorized pursuant to
185 sections 32.111 and 32.112.

186 135.327. 1. Any person residing in this state who
187 legally adopts a special needs child on or after January 1,
188 1988, and before January 1, 2000, shall be eligible to
189 receive a tax credit of up to ten thousand dollars for
190 nonrecurring adoption expenses for each child adopted that

191 may be applied to taxes due under chapter 143. Any business
192 entity providing funds to an employee to enable that
193 employee to legally adopt a special needs child shall be
194 eligible to receive a tax credit of up to ten thousand
195 dollars for nonrecurring adoption expenses for each child
196 adopted that may be applied to taxes due under such business
197 entity's state tax liability, except that only one ten
198 thousand dollar credit is available for each special needs
199 child that is adopted.

200 2. Any person residing in this state who proceeds in
201 good faith with the adoption of a special needs child on or
202 after January 1, 2000, and before January 1, 2022, shall be
203 eligible to receive a tax credit of up to ten thousand
204 dollars for nonrecurring adoption expenses for each child
205 that may be applied to taxes due under chapter 143;
206 provided, however, that beginning on March 29, 2013, the tax
207 credits shall only be allocated for the adoption of special
208 needs children who are residents or wards of residents of
209 this state at the time the adoption is initiated. Any
210 business entity providing funds to an employee to enable
211 that employee to proceed in good faith with the adoption of
212 a special needs child shall be eligible to receive a tax
213 credit of up to ten thousand dollars for nonrecurring
214 adoption expenses for each child that may be applied to
215 taxes due under such business entity's state tax liability,
216 except that only one ten thousand dollar credit is available
217 for each special needs child that is adopted.

218 3. Any person residing in this state who proceeds in
219 good faith with the adoption of a child on or after January
220 1, 2022, regardless of whether such child is a special needs
221 child, shall be eligible to receive a tax credit of up to
222 ten thousand dollars for nonrecurring adoption expenses for
223 each child that may be applied to taxes due under chapter

224 143. The tax credit shall be allowed regardless of whether
225 the child adopted is a resident or ward of a resident of
226 this state at the time the adoption is initiated; however,
227 for tax years ending on or before December 31, 2023,
228 priority shall be given to applications to claim the tax
229 credit for special needs children who are residents or wards
230 of residents of this state at the time the adoption is
231 initiated. Any business entity providing funds to an
232 employee to enable that employee to proceed in good faith
233 with the adoption of a child shall be eligible to receive a
234 tax credit of up to ten thousand dollars for nonrecurring
235 adoption expenses for each child that may be applied to
236 taxes due under such business entity's state tax liability;
237 except that, only one credit, up to ten thousand dollars,
238 shall be available for each child who is adopted.

239 4. Individuals and business entities may claim a tax
240 credit for their total nonrecurring adoption expenses in
241 each year that the expenses are incurred. A claim for fifty
242 percent of the credit shall be allowed when the child is
243 placed in the home. A claim for the remaining fifty percent
244 shall be allowed when the adoption is final. The total of
245 these tax credits shall not exceed the maximum limit of ten
246 thousand dollars per child. The cumulative amount of tax
247 credits which may be claimed by taxpayers claiming the
248 credit for nonrecurring adoption expenses in any one fiscal
249 year prior to July 1, 2004, shall not exceed two million
250 dollars. The cumulative amount of tax credits that may be
251 claimed by taxpayers claiming the credit for nonrecurring
252 adoption expenses shall not be more than two million dollars
253 but may be increased by appropriation in any fiscal year
254 beginning on or after July 1, 2004, and ending on or before
255 June 30, 2021. The cumulative amount of tax credits that
256 may be claimed by taxpayers claiming the credit for

257 nonrecurring adoption expenses shall not exceed six million
258 dollars in any fiscal year beginning on or after July 1,
259 2021, and ending on or before June 30, 2023. For all fiscal
260 years beginning on or after July 1, 2023, there shall be no
261 limit imposed on the cumulative amount of tax credits that
262 may be claimed by taxpayers claiming the credit for
263 nonrecurring adoption expenses. For all fiscal years
264 beginning on or after July 1, 2006, applications to claim
265 the adoption tax credit shall be filed between July first
266 and April fifteenth of each fiscal year.

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

273 135.331. No credit shall be allowable for the adoption
274 of any child who has attained the age of eighteen, unless it
275 has been determined that the child has a medical condition
276 or [handicap] disability that would limit the child's
277 ability to live independently of the adoptive parents.

278 135.333. 1. (1) For all tax years ending on or
279 before December 31, 2023, any amount of tax credit which
280 exceeds the tax due or which is applied for and otherwise
281 eligible for issuance but not issued shall not be refunded
282 but may be carried over to any subsequent taxable year, not
283 to exceed a total of five years for which a tax credit may
284 be taken for each child adopted.

285 (2) For all tax years beginning on or after January 1,
286 2024, any amount of tax credit that is issued and which
287 exceeds the tax due shall be refunded to the taxpayer.

288 2. Tax credits that are assigned, transferred or sold
289 as allowed in section 135.327 may be assigned, transferred

290 or sold in their entirety notwithstanding the taxpayer's tax
291 due.

292 135.460. 1. This section and sections 620.1100 and
293 620.1103 shall be known and may be cited as the "Youth
294 Opportunities and Violence Prevention Act".

295 2. As used in this section, the term "taxpayer" shall
296 include corporations as defined in section 143.441 or
297 143.471, any charitable organization which is exempt from
298 federal income tax and whose Missouri unrelated business
299 taxable income, if any, would be subject to the state income
300 tax imposed under chapter 143, and individuals, individual
301 proprietorships and partnerships.

302 3. A taxpayer shall be allowed a tax credit against
303 the tax otherwise due pursuant to chapter 143, excluding
304 withholding tax imposed by sections 143.191 to 143.265,
305 chapter 147, chapter 148, or chapter 153 in an amount equal
306 to thirty percent for property contributions and **[fifty]**
307 seventy percent for monetary contributions of the amount
308 such taxpayer contributed to the programs described in
309 subsection 5 of this section, not to exceed two hundred
310 thousand dollars per taxable year, per taxpayer; except as
311 otherwise provided in subdivision (5) of subsection 5 of
312 this section. The department of economic development shall
313 prescribe the method for claiming the tax credits allowed in
314 this section. No rule or portion of a rule promulgated
315 under the authority of this section shall become effective
316 unless it has been promulgated pursuant to the provisions of
317 chapter 536. All rulemaking authority delegated prior to
318 June 27, 1997, is of no force and effect and repealed;
319 however, nothing in this section shall be interpreted to
320 repeal or affect the validity of any rule filed or adopted
321 prior to June 27, 1997, if such rule complied with the
322 provisions of chapter 536. The provisions of this section

323 and chapter 536 are nonseverable and if any of the powers
324 vested with the general assembly pursuant to chapter 536,
325 including the ability to review, to delay the effective
326 date, or to disapprove and annul a rule or portion of a
327 rule, are subsequently held unconstitutional, then the
328 purported grant of rulemaking authority and any rule so
329 proposed and contained in the order of rulemaking shall be
330 invalid and void.

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

336 5. The tax credit allowed by this section may only be
337 claimed for monetary or property contributions to public or
338 private programs authorized to participate pursuant to this
339 section by the department of economic development and may be
340 claimed for the development, establishment, implementation,
341 operation, and expansion of the following activities and
342 programs:

343 (1) An adopt-a-school program. Components of the
344 adopt-a-school program shall include donations for school
345 activities, seminars, and functions; school-business
346 employment programs; and the donation of property and
347 equipment of the corporation to the school;

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

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

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

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

362 (6) Mentor and role model programs;

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

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

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

374 (10) Nonviolent conflict resolution and mediation
375 programs;

376 (11) Youth outreach and counseling programs.

377 6. Any program authorized in subsection 5 of this
378 section shall, at least annually, submit a report to the
379 department of economic development outlining the purpose and
380 objectives of such program, the number of youth served, the
381 specific activities provided pursuant to such program, the
382 duration of such program and recorded youth attendance where
383 applicable.

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

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

391 9. For the purposes of the credits described in this
392 section, in the case of a corporation described in section
393 143.471, partnership, limited liability company described in
394 section 347.015, cooperative, marketing enterprise, or
395 partnership, in computing Missouri's tax liability, such
396 credits shall be allowed to the following:

397 (1) The shareholders of the corporation described in
398 section 143.471;

399 (2) The partners of the partnership;

400 (3) The members of the limited liability company; and

401 (4) Individual members of the cooperative or marketing
402 enterprise.

403 Such credits shall be apportioned to the entities described
404 in subdivisions (1) and (2) of this subsection in proportion
405 to their share of ownership on the last day of the
406 taxpayer's tax period."; and

407 Further amend the title and enacting clause accordingly.