

SENATE SUBSTITUTE  
FOR  
SENATE BILL NO. 143  
AN ACT

To repeal section 135.1610, RSMo, and to enact in lieu thereof three new sections relating to improving access to food.

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

Section A. Section 135.1610, RSMo, is repealed and three  
2 new sections enacted in lieu thereof, to be known as sections  
3 135.1610, 135.1620, and 261.021, to read as follows:

135.1610. 1. As used in this section, the following  
2 terms mean:

3 (1) "Eligible expenses", expenses incurred in the  
4 construction or development of establishing or improving an  
5 urban farm in an urban area or a small-scale specialty crop  
6 farm in a food desert. The term eligible expenses shall not  
7 include any expense for labor or any expense incurred to  
8 grow medical marijuana or industrial hemp;

9 (2) "Food desert", a census tract that has a poverty  
10 rate of at least twenty percent or a median family income of  
11 less than eighty percent of the statewide average and where  
12 at least five hundred people or thirty-three percent of the  
13 population is located at least a half mile away from a full-  
14 service grocery store in an urban area or at least ten miles  
15 away from a full-service grocery store in a rural area;

16 (3) "Rural area", a rural place as designated by the  
17 United States Census Bureau;

18 (4) "Small-scale specialty crop farm", a farm no  
19 larger than thirty acres and growing three or more types of  
20 specialty crops at any given time on at least half of its  
21 total acreage;

22           (5) "Specialty crop", fruits and vegetables, tree  
23 nuts, dried fruits, and horticulture and nursery crops  
24 including, but not limited to, floriculture;

25           (6) "Tax credit", a credit against the tax otherwise  
26 due under chapter 143, excluding withholding tax imposed  
27 under sections 143.191 to 143.265;

28           [(3)] (7) "Taxpayer", any individual, partnership, or  
29 corporation as described under section 143.441 or 143.471  
30 that is subject to the tax imposed under chapter 143,  
31 excluding withholding tax imposed under sections 143.191 to  
32 143.265, or any charitable organization that is exempt from  
33 federal income tax and whose Missouri unrelated business  
34 taxable income, if any, would be subject to the state income  
35 tax imposed under chapter 143;

36           [(4)] (8) "Urban area", an urbanized area as defined  
37 by the United States Census Bureau;

38           [(5)] (9) "Urban farm", an agricultural plot or  
39 facility in an urban area that produces agricultural food  
40 products used solely for distribution to the public by sale  
41 or donation. Urban farm shall include community-run gardens  
42 and shall not exceed five acres in size. Urban farm shall  
43 not include personal farms or residential lots for personal  
44 use.

45           2. For all tax years beginning on or after January 1,  
46 2023, a taxpayer shall be allowed to claim a tax credit  
47 against the taxpayer's state tax liability in an amount  
48 equal to fifty percent of the taxpayer's eligible expenses  
49 for establishing or improving an urban farm or small-scale  
50 specialty crop farm in a food desert that focuses on food  
51 production.

52           3. The amount of the tax credit claimed shall not  
53 exceed the amount of the taxpayer's state tax liability in  
54 the tax year for which the credit is claimed, and the

55 taxpayer shall not be allowed to claim a tax credit under  
56 this section in excess of five thousand dollars for each  
57 urban farm or small-scale specialty crop farm. The total  
58 amount of tax credits that may be authorized for all  
59 taxpayers for eligible expenses incurred on any given urban  
60 farm or small-scale specialty crop farm shall not exceed  
61 twenty-five thousand dollars. Any issued tax credit that  
62 cannot be claimed in the tax year in which the eligible  
63 expenses were incurred may be carried over to the next three  
64 succeeding tax years until the full credit is claimed.

65 4. The total amount of tax credits that may be  
66 authorized under this section shall not exceed [two hundred  
67 thousand] three million dollars in any calendar year.

68 5. Tax credits issued under the provisions of this  
69 section shall not be transferred, sold, or assigned.

70 6. The Missouri agricultural and small business  
71 development authority shall recapture the amount of tax  
72 credits issued to any taxpayer who, after receiving such tax  
73 credit, uses the urban farm for the personal benefit of the  
74 taxpayer instead of for producing agricultural food products  
75 used solely for distribution to the public by sale or  
76 donation.

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

88 held unconstitutional, then the grant of rulemaking  
89 authority and any rule proposed or adopted after January 2,  
90 2023, shall be invalid and void.

91 8. Under section 23.253 of the Missouri sunset act:

92 (1) The program authorized under this section shall  
93 automatically sunset on December 31, 2028, unless  
94 reauthorized by an act of the general assembly;

95 (2) If such program is reauthorized, the program  
96 authorized under this section shall automatically sunset on  
97 December thirty-first twelve years after the effective date  
98 of the reauthorization of this section;

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

103 (4) Nothing in this subsection shall prevent a  
104 taxpayer from claiming a tax credit properly issued before  
105 the program was sunset in a tax year after the program is  
106 sunset.

2 135.1620. 1. As used in this section, the following  
3 terms mean:

4 (1) "Department", the Missouri department of economic  
5 development;

6 (2) "Eligible expenses", expenses incurred in the  
7 construction or development of real property for the purpose  
8 of establishing a full-service grocery store in a food  
9 desert;

10 (3) "Food desert", a census tract that has a poverty  
11 rate of at least twenty percent or a median family income of  
12 less than eighty percent of the statewide average and where  
13 at least five hundred people or thirty-three percent of the  
population are located at least one-half mile away from a

14 full-service grocery store in urbanized areas or at least  
15 ten miles away in rural areas;

16 (4) "Full-service grocery store", a grocery store that  
17 provides a full complement of healthful fruits, vegetables,  
18 grains, meat, and dairy products along with household  
19 items. Fresh fruits and vegetables shall be available for  
20 sale in quantities that are substantially similar to  
21 industry standards for facilities of similar size. A lack  
22 of availability of fresh fruits and vegetables in  
23 sufficient quantities due to a supply shortage, as  
24 determined by the department, shall not disqualify an entity  
25 from being a full-service grocery store otherwise eligible  
26 for tax credits pursuant to this section;

27 (5) "New location", a full-service grocery store  
28 facility located on a tract of real property within a food  
29 desert acquired by or leased to a taxpayer on or after  
30 January 1, 2024. A location shall be deemed to have been  
31 acquired by or leased to a taxpayer on or after January 1,  
32 2024, if the transfer of title to the taxpayer, the transfer  
33 of possession under a binding contract to transfer title to  
34 the taxpayer, or the commencement of the term of the lease  
35 to the taxpayer occurs on or after January 1, 2024, or if  
36 the commencement of the construction or installation of the  
37 facility by or on behalf of a taxpayer occurs on or after  
38 January 1, 2024;

39 (6) "Rural area", a town or community within the state  
40 that is not within a metropolitan statistical area and has a  
41 population of six thousand or fewer inhabitants as  
42 determined by the last preceding federal decennial census or  
43 any unincorporated area not within a metropolitan  
44 statistical area;

45 (7) "Tax credit", a credit against the tax otherwise  
46 due under chapter 143, excluding withholding tax imposed  
47 under sections 143.191 to 143.265;

48 (8) "Taxpayer", any individual, partnership, or  
49 corporation as described under section 143.441 or 143.471  
50 that is subject to the tax imposed under chapter 143,  
51 excluding withholding tax imposed under sections 143.191 to  
52 143.265, or any charitable organization that is exempt from  
53 federal income tax and whose Missouri unrelated business  
54 taxable income, if any, would be subject to the state income  
55 tax imposed under chapter 143;

56 (9) "Urbanized area", an urbanized area as designated  
57 by the United States Census Bureau.

58 2. For all tax years beginning on or after January 1,  
59 2024, a taxpayer shall be allowed to claim a tax credit  
60 against the taxpayer's state tax liability in an amount  
61 equal to fifty percent of the taxpayer's eligible expenses  
62 that are in excess of initial eligible expenses of:

63 (1) One million dollars if the full-service grocery  
64 store is established in a charter county, a county of the  
65 first classification, or a city not within a county; or

66 (2) Five hundred thousand dollars if the full-service  
67 grocery store is established in any other county.

68 3. (1) In order to claim a tax credit pursuant to  
69 this section, a taxpayer shall submit an application to the  
70 department, which shall include:

71 (a) All eligible expenses incurred by the taxpayer;

72 (b) The date of the commencement of construction of  
73 the full-service grocery store;

74 (c) The anticipated date of the commencement of  
75 operations of the full-service grocery store; and

76 (d) Any other information required by the department  
77 to implement the provisions of this section;

78           (2) The amount of the tax credit shall not exceed the  
79 amount of the taxpayer's state tax liability in the tax year  
80 for which the credit is claimed, and such taxpayer shall not  
81 be allowed to claim a tax credit in excess of two million  
82 five hundred thousand dollars per tax year. However, any  
83 tax credit that cannot be claimed in the tax year the  
84 eligible expenses were incurred may be carried over to the  
85 next three succeeding tax years until the full credit is  
86 claimed.

87           4. The total amount of tax credits that may be  
88 authorized under this section shall not exceed twenty-two  
89 million dollars in any calendar year, which shall be  
90 authorized on a first-come, first-served basis.

91           5. Tax credits issued under the provisions of this  
92 section may be transferred, sold, or assigned.

93           6. (1) The issuance of tax credits authorized under  
94 this section shall cease and the department shall recoup  
95 from the taxpayer and deposit in the general revenue fund an  
96 amount equal to all credits previously issued to the  
97 taxpayer under this section, less any amounts previously  
98 repaid, increased by the amount of interest that would have  
99 been earned on the amount of such tax credits, in the event  
100 that the taxpayer:

101           (a) Fails to complete construction of a full-service  
102 grocery store within five years of the commencement of the  
103 project; or

104           (b) Fails to operate a full-service grocery store at  
105 the same new location for at least ten consecutive years.

106           (2) A taxpayer shall annually submit a report to the  
107 department, on a form to be developed by the department,  
108 indicating that the taxpayer is in compliance with the  
109 provisions of this section.

110           7. The department may promulgate rules to implement  
111 the provisions of this section. Any rule or portion of a  
112 rule, as that term is defined in section 536.010, that is  
113 created under the authority delegated in this section shall  
114 become effective only if it complies with and is subject to  
115 all of the provisions of chapter 536 and, if applicable,  
116 section 536.028. This section and chapter 536 are  
117 nonseverable, and if any of the powers vested with the  
118 general assembly pursuant to chapter 536 to review, to delay  
119 the effective date, or to disapprove and annul a rule are  
120 subsequently held unconstitutional, then the grant of  
121 rulemaking authority and any rule proposed or adopted after  
122 August 28, 2023, shall be invalid and void.

123           8. Under section 23.253 of the Missouri sunset act:

124           (1) The program authorized under this section shall  
125 automatically sunset on December thirty-first, six years  
126 after the effective date of this section, unless  
127 reauthorized by an act of the general assembly;

128           (2) If such program is reauthorized, the program  
129 authorized under this section shall automatically sunset on  
130 December thirty-first, twelve years after the effective date  
131 of the reauthorization of this section;

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

136           (4) Nothing in this subsection shall prevent a  
137 taxpayer from claiming a tax credit properly issued before  
138 the program was sunset in a tax year after the program is  
139 sunset.

261.021. 1. As used in this section, the term  
2 "socially disadvantaged community" means an area containing  
3 a group of individuals whose members have been subjected to



4 racial or ethnic prejudice because of the identity of such  
5 individuals as members of a group without regard to the  
6 individual qualities of such individuals.

7 2. There is hereby created within the department of  
8 agriculture the "Socially Disadvantaged Communities Outreach  
9 Program" to connect historically unserved and underserved  
10 communities with access to healthy fresh food and knowledge  
11 and skills related to food production.

12 3. The outreach program shall:

13 (1) Provide financial assistance for people growing  
14 food in socially disadvantaged communities through programs  
15 such as those authorized in section 135.1610;

16 (2) Encourage activities that support and promote  
17 urban agriculture or specialty crop farming in socially  
18 disadvantaged communities;

19 (3) Provide educational and skills training related to  
20 food production in socially disadvantaged communities; and

21 (4) Address food deserts in urban and rural socially  
22 disadvantaged communities.

23 4. The department shall designate an employee to  
24 administer and monitor the socially disadvantaged  
25 communities outreach program and to serve as a liaison to  
26 affected communities. The duties of such employee shall  
27 include, but not be limited to:

28 (1) Providing leadership at the state level to  
29 encourage participation in programs to meet the goals under  
30 subsections 2 and 3 of this section;

31 (2) Conducting workshops and other sessions that  
32 provide educational and skills training related to food  
33 production to residents of socially disadvantaged  
34 communities; and

35           (3) Seeking grants, private donations, or other  
36 funding sources to support the socially disadvantaged  
37 communities outreach program.

38           5. On or before December thirty-first of each year,  
39 the department shall submit a report to the general assembly  
40 detailing the number of residents who received training  
41 under this section, the number of tax credits issued under  
42 section 135.1610, and any recommendations for legislative  
43 action to improve the program.