

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend SS/House Bill No. 2062, Page 83, Section 249.255, Line 18,

2 by inserting after all of said line the following:

3 "253.544. Sections 253.544 to 253.559 shall be known
 4 and may be cited as the "Missouri Historic, Rural
 5 Revitalization, and Regulatory Streamlining Act".

6 253.545. As used in sections [253.545] 253.544 to
 7 253.559, the following terms mean, unless the context
 8 requires otherwise:

9 (1) "Applicable percentage":

10 (a) For the rehabilitation of a property that receives
 11 or intends to receive a state tax credit under sections
 12 135.350 to 135.363, twenty-five percent;

13 (b) For the rehabilitation of a property located in a
 14 qualifying county approved for a state tax credit and that
 15 is not a property that receives or intends to receive a
 16 state tax credit under sections 135.350 to 135.363, thirty-
 17 five percent; or

18 (c) For the rehabilitation of a property not located
 19 in a qualifying county approved for a tax credit, twenty-
 20 five percent;

21 (2) "Certified historic structure", a [property]
 22 building located in Missouri and either:

23 (a) Listed individually on the National Register of
 24 Historic Places; or

25 (b) Located in a National Register-listed historic
 26 district or a local district that has been certified by the

27 United States Department of the Interior and certified by
 28 the Secretary of the Interior or the state historic
 29 preservation office as a contributing resource in the
 30 district;

31 [(2)] (3) "Deed in lieu of foreclosure or voluntary
 32 conveyance", a transfer of title from a borrower to the
 33 lender to satisfy the mortgage debt and avoid foreclosure;

34 (4) "Department", the department of economic
 35 development;

36 [(3)] (5) "Eligible property", property located in
 37 Missouri and offered or used for residential or business
 38 purposes;

39 (6) "Eligible recipient", an individual taxpayer or
 40 nonprofit entity incurring expenses in connection with an
 41 eligible property;

42 (7) "Historic theater", any historic theater that is a
 43 certified historic structure or is located in a historic
 44 district;

45 (8) "Historic school", any historic school that is a
 46 certified historic structure or that is located in a
 47 historic district;

48 [(4)] (9) "Leasehold interest", a lease in an eligible
 49 property for a term of not less than thirty years;

50 [(5)] (10) "Principal", a managing partner, general
 51 partner, or president of a taxpayer;

52 [(6)] "Projected net fiscal benefit", the total net
 53 fiscal benefit to the state or municipality, less any state
 54 or local benefits offered to the taxpayer for a project, as
 55 determined by the department of economic development;

56 [(7)] (11) "Qualified census tract", a census tract or
 57 census block with a poverty rate of twenty percent or higher
 58 as determined by a map and listing of census tracts which
 59 shall be published by the department [of economic

60 development] and updated on a five-year cycle, and which map
 61 and listing shall depict census tracts with twenty percent
 62 poverty rate or higher, grouped by census tracts with twenty
 63 percent to forty-two percent poverty, and forty-two percent
 64 to eighty-one percent poverty as determined by the most
 65 current five-year figures published by the American
 66 Community Survey conducted by the United States Census
 67 Bureau;

68 [(8) "Structure in a certified historic district", a
 69 structure located in Missouri which is certified by the
 70 department of natural resources as contributing to the
 71 historic significance of a certified historic district
 72 listed on the National Register of Historic Places, or a
 73 local district that has been certified by the United States
 74 Department of the Interior;]

75 (12) "Qualified rehabilitation standards", the
 76 Secretary of the Interior's Standards for Rehabilitation,
 77 codified under 36 CFR 67;

78 (13) "Qualifying county", any county or portion
 79 thereof in this state that is not:

80 (a) Within a city with more than four hundred thousand
 81 inhabitants and located in more than one county; or

82 (b) A city not within a county;

83 [(9)] (14) "Taxpayer", any person, firm, partnership,
 84 trust, estate, limited liability company, or corporation.

85 253.550. 1. (1) Any taxpayer incurring costs and
 86 expenses for the rehabilitation of eligible property, which
 87 is a certified historic structure or structure in a
 88 certified historic district, may, subject to the provisions
 89 of this section and section 253.559, receive a credit
 90 against the taxes imposed pursuant to chapters 143 and 148,
 91 except for sections 143.191 to 143.265, on such taxpayer in
 92 an amount equal to twenty-five percent of the total costs

93 and expenses of rehabilitation incurred after January 1,
94 1998, which shall include, but not be limited to, qualified
95 rehabilitation expenditures as defined under Section
96 47(c)(2)(A) of the Internal Revenue Code of 1986, as
97 amended, and the related regulations thereunder, provided
98 the rehabilitation costs associated with rehabilitation and
99 the expenses exceed fifty percent of the total basis in the
100 property and the rehabilitation meets standards consistent
101 with the standards of the Secretary of the United States
102 Department of the Interior for rehabilitation as determined
103 by the state historic preservation officer of the Missouri
104 department of natural resources.

105 (2) Any taxpayer incurring costs and expenses for the
106 rehabilitation of eligible property that is in a qualifying
107 county and is a certified historic structure shall, subject
108 to the provisions of this section and section 253.559,
109 receive a credit against the taxes imposed under chapters
110 143 and 148, excluding withholding tax imposed under
111 sections 143.191 to 143.265, on such taxpayer in an amount
112 equal to thirty-five percent of the total costs and expenses
113 of rehabilitation incurred on or after July 1, 2024. Ten
114 percent of the total costs and expenses of rehabilitation
115 upon which the tax credit is based may be incurred for
116 investigation assessments and building stabilization before
117 the taxpayer submits the application for tax credits under
118 sections 253.544 to 253.559. Such total costs and expenses
119 of rehabilitation shall include, but not be limited to,
120 qualified rehabilitation expenditures as defined under 26
121 U.S.C. Section 47(c)(2)(A), as amended, and related
122 regulations, if:

123 (a) Such qualified rehabilitation expenditures exceed
124 fifty percent of the total basis in the property; and

125 (b) The rehabilitation meets the qualified
126 rehabilitation standards of the Secretary of the United
127 States Department of the Interior for rehabilitation of
128 historic structures.

129 (3) State historic rehabilitation standards shall not
130 be more restrictive than the Secretary of the Interior's
131 Standards for Rehabilitation set forth under 36 CFR 67.

132 2. (1) During the period beginning on January 1,
133 2010, but ending on or after June 30, 2010, the department
134 of economic development shall not approve applications for
135 tax credits under the provisions of subsections 4 and 10 of
136 section 253.559 which, in the aggregate, exceed seventy
137 million dollars, increased by any amount of tax credits for
138 which approval shall be rescinded under the provisions of
139 section 253.559. For each fiscal year beginning on or after
140 July 1, 2010, but ending before June 30, 2018, the
141 department of economic development shall not approve
142 applications for tax credits under the provisions of
143 subsections 4 and 10 of section 253.559 which, in the
144 aggregate, exceed one hundred forty million dollars,
145 increased by any amount of tax credits for which approval
146 shall be rescinded under the provisions of section 253.559.
147 For each fiscal year beginning on or after July 1, 2018,]
148 The department [of economic development] shall not approve
149 applications for tax credits for properties not located in a
150 qualified census tract under the provisions of subsections
151 [4] 6 and [10] 12 of section 253.559 which, in the
152 aggregate, exceed ninety million dollars, increased by any
153 amount of tax credits for which approval shall be rescinded
154 under the provisions of section 253.559. The limitations
155 provided under this subsection shall not apply to
156 applications approved under the provisions of subsection [4]
157 6 of section 253.559 for projects to receive less than [two]

158 four hundred seventy-five thousand dollars in tax credits,
159 which number shall be annually adjusted by the percentage
160 increase in the Consumer Price Index for All Urban
161 Consumers, or its successor index, as such index is defined
162 and officially reported by the United States Department of
163 Labor, or its successor agency, provided that no such
164 adjustments shall be made after June 30, 2030.

165 (2) For each fiscal year beginning on or after July 1,
166 2018, the department shall authorize an amount up to, but
167 not to exceed, an additional thirty million dollars in tax
168 credits issued under subsections [4] 6 and [10] 12 of
169 section 253.559, provided that such tax credits are
170 authorized solely for projects located in a qualified census
171 tract. Projects that receive preliminary approval that are
172 located within a qualified census tract may receive an
173 authorization of tax credit under either subdivision (1) of
174 this subsection or this subdivision, but such projects shall
175 first be authorized from the tax credit amount in this
176 subdivision before being authorized from the tax credit
177 amount in subdivision (1) of this subsection. The thirty
178 million dollars in tax credits provided in this subdivision
179 shall be annually adjusted by the percentage increase in the
180 Consumer Price Index for All Urban Consumers, or its
181 successor index, as such index is defined and officially
182 reported by the United States Department of Labor, or its
183 successor agency, provided that no such adjustments shall be
184 made after June 30, 2030.

185 (3) For each fiscal year beginning on or after July 1,
186 2018, if the maximum amount of tax credits allowed in any
187 fiscal year as provided under subdivisions (1) and (2) of
188 this subsection is authorized, the maximum amount of tax
189 credits allowed under [subdivision (1)] subdivisions (1) and
190 (2) of this subsection shall be adjusted by the percentage

191 increase in the Consumer Price Index for All Urban
192 Consumers, or its successor index, as such index is defined
193 and officially reported by the United States Department of
194 Labor, or its successor agency. Only one such adjustment
195 shall be made for each instance in which the provisions of
196 this subdivision apply. The director of the department [of
197 economic development] shall publish such adjusted amount.

198 3. (1) For all applications for tax credits approved
199 on or after January 1, 2010, no more than two hundred fifty
200 thousand dollars in tax credits may be issued for eligible
201 costs and expenses incurred in the rehabilitation of an
202 eligible property [which] that is a [nonincome] non-income-
203 producing single-family[, owner-occupied] residential
204 property occupied by the taxpayer applicant or any relative
205 within the third degree of consanguinity or affinity of such
206 applicant and that is either a certified historic structure
207 or a structure in a certified historic district.

208 (2) For all applications for tax credits, an amount
209 equal to the applicable percentage may be issued for
210 eligible costs and expenses incurred in the rehabilitation
211 of an eligible property that is a non-income-producing
212 single-family residential property occupied by the taxpayer
213 applicant or any relative within the third degree of
214 consanguinity or affinity of such applicant and that is
215 either a certified historic structure or a structure in a
216 certified historic district. For properties not located in
217 a qualifying county, tax credits shall not be issued under
218 this subdivision unless the property is located in a
219 distressed community, as defined under section 135.530.

220 4. The limitations on tax credit authorization
221 provided under the provisions of subsection 2 of this
222 section shall not apply to:

223 (1) Any application submitted by a taxpayer, which has
224 received approval from the department prior to October 1,
225 2018; or

226 (2) Any taxpayer applying for tax credits, provided
227 under this section, which, on or before October 1, 2018, has
228 filed an application with the department evidencing that
229 such taxpayer:

230 (a) Has incurred costs and expenses for an eligible
231 property which exceed the lesser of five percent of the
232 total project costs or one million dollars and received an
233 approved Part I from the Secretary of the United States
234 Department of Interior; or

235 (b) Has received certification, by the state historic
236 preservation officer, that the rehabilitation plan meets the
237 qualified rehabilitation standards [consistent with the
238 standards of the Secretary of the United States Department
239 of the Interior], and the rehabilitation costs and expenses
240 associated with such rehabilitation shall exceed fifty
241 percent of the total basis in the property.

242 5. A single-resource certified historic structure of
243 more than one million gross square feet with a Part I
244 approval or on the National Register before January 1, 2024,
245 shall be subject to the dollar caps under subsection 2 of
246 section 253.550, provided that, for any such projects that
247 are eligible for tax credits in an amount exceeding sixty
248 million dollars, the total amount of tax credits for such
249 project counted toward the annual limits provided in
250 subsection 2 of section 253.550 shall be spread over a
251 period of six years with one-sixth of such amount allocated
252 each year if:

253 (1) The project otherwise meets all the requirements
254 of this section;

255 (2) The project meets the ten percent incurred costs
256 test under subsection 9 of section 253.559 within thirty-six
257 months after an award is issued; and

258 (3) The taxpayer agrees with the department of
259 economic development, on a form prescribed by the
260 department, to then claim the entire award of the original
261 "state historical tax credits" over three state fiscal years
262 with the initial year being the calendar year when the tax
263 credits are issued.

264 253.557. 1. If the amount of such credit exceeds the
265 total tax liability for the year in which the rehabilitated
266 property is placed in service, the amount that exceeds the
267 state tax liability may be carried back to any of the three
268 preceding years and carried forward for credit against the
269 taxes imposed pursuant to chapter 143 and chapter 148,
270 except for sections 143.191 to 143.265 for the succeeding
271 ten years, or until the full credit is used, whichever
272 occurs first. Not-for-profit entities[,] including, but not
273 limited to, corporations organized as not-for-profit
274 corporations pursuant to chapter 355 shall be [ineligible]
275 eligible for the tax credits authorized under sections
276 [253.545 through 253.561] 253.544 to 253.559. Taxpayers
277 eligible for [such] tax credits may transfer, sell, or
278 assign the credits. Credits granted to a partnership, a
279 limited liability company taxed as a partnership, or
280 multiple owners of property shall be passed through to the
281 partners, members, or owners respectively pro rata or
282 pursuant to an executed agreement among the partners,
283 members, or owners documenting an alternate distribution
284 method.

285 2. The assignee of the tax credits, hereinafter the
286 assignee for purposes of this subsection, may use acquired
287 credits to offset up to one hundred percent of the tax

288 liabilities otherwise imposed pursuant to chapter 143 and
289 chapter 148, except for sections 143.191 to 143.265. The
290 assignor shall perfect such transfer by notifying the
291 department [of economic development] in writing within
292 thirty calendar days following the effective date of the
293 transfer and shall provide any information as may be
294 required by the department [of economic development] to
295 administer and carry out the provisions of this section.

296 253.559. 1. To obtain approval for tax credits
297 allowed under sections [253.545] 253.544 to 253.559, a
298 taxpayer shall submit an application for tax credits to the
299 department [of economic development]. The department shall
300 establish an application cycle that allows for year-round
301 submission and year-round receipt and review of such
302 applications. Each application for approval, including any
303 applications received for supplemental allocations of tax
304 credits as provided under subsection [10] 12 of this
305 section, shall be prioritized for review and approval, in
306 the order of the date on which the application was
307 postmarked, with the oldest postmarked date receiving
308 priority. Applications postmarked on the same day shall go
309 through a lottery process to determine the order in which
310 such applications shall be reviewed.

311 2. Each application shall be reviewed by the
312 department [of economic development] for approval. In order
313 to receive approval, an application, other than applications
314 submitted under the provisions of subsection [10] 12 of this
315 section, shall include:

316 (1) Proof of ownership or site control. Proof of
317 ownership shall include evidence that the taxpayer is the
318 fee simple owner of the eligible property, such as a
319 warranty deed or a [closing statement] county assessor
320 record as proof of ownership. Proof of site control may be

321 evidenced by a leasehold interest or an option to acquire
322 such an interest. If the taxpayer is in the process of
323 acquiring fee simple ownership, proof of site control shall
324 include an executed sales contract or an executed option to
325 purchase the eligible property;

326 (2) Floor plans of the existing structure,
327 architectural plans, and, where applicable, plans of the
328 proposed alterations to the structure, as well as proposed
329 additions;

330 (3) The estimated cost of rehabilitation, the
331 anticipated total costs of the project, the actual basis of
332 the property, as shown by proof of actual acquisition costs,
333 the anticipated total labor costs, the estimated project
334 start date, and the estimated project completion date;

335 (4) Proof that the property is an eligible property
336 and a certified historic structure or a structure in a
337 certified historic district or part 1 of a federal
338 application or a draft national register of historic places
339 nomination has been submitted to the state historic
340 preservation office. In such instances, the application may
341 proceed as a preliminary application concurrent with the
342 associated federal process for nomination to the National
343 Register of Historic Places;

344 (5) A copy of [all] land use [and building approvals
345 reasonably necessary for the commencement of the project]
346 plans; and

347 (6) Any other information [which] the department [of
348 economic development] may reasonably require to review the
349 project for approval.

350 Only the property for which a property address is provided
351 in the application shall be reviewed for approval. Once
352 selected for review, a taxpayer shall not be permitted to
353 request the review of another property for approval in the

354 place of the property contained in such application. Any
355 disapproved application shall be removed from the review
356 process. If an application is removed from the review
357 process, the department [of economic development] shall
358 notify the taxpayer in writing of the decision to remove
359 such application. Disapproved applications shall lose
360 priority in the review process. A disapproved application,
361 which is removed from the review process, may be
362 resubmitted, but shall be deemed to be a new submission for
363 purposes of the priority procedures described in this
364 section.

365 3. (1) In evaluating an application for tax credits
366 submitted under this section, the department [of economic
367 development] shall also consider:

368 (a) The amount of projected net fiscal benefit of the
369 project to the state and local municipality[, and the period
370 in which the state and municipality would realize such net
371 fiscal benefit] as calculated based on reasonable methods;

372 (b) The overall size and quality of the proposed
373 project, including, but not limited to:

374 a. The estimated number of new jobs or housing units,
375 or both, to be created by the project[.];

376 b. The estimated number of construction jobs and
377 professional jobs associated with the project that are
378 included in total project costs;

379 c. Capital improvements created by a project and the
380 potential of future community investments and improvements;

381 d. Increased revenues from sales or property taxes;

382 e. The potential multiplier effect of the project[.];

383 and

384 f. Other similar factors; and

385 (c) [The level of economic distress in the area; and

386 (d)] Input from the local elected officials in the
387 local municipality in which the proposed project is located
388 as to the importance of the proposed project to the
389 municipality. [For any proposed project in any city not
390 within a county, input from the local elected officials
391 shall include, but shall not be limited to, the president of
392 the board of aldermen.]

393 (2) The provisions of this subsection shall not apply
394 to historic schools or theaters or applications for projects
395 to receive less than [two] four hundred seventy-five
396 thousand dollars in tax credits, which number shall be
397 annually adjusted by the percentage increase in the Consumer
398 Price Index for All Urban Consumers, or its successor index,
399 as such index is defined and officially reported by the
400 United States Department of Labor, or its successor agency.

401 4. (1) The department shall promptly notify the state
402 historic preservation office of each preliminary application
403 for tax credits. After receipt of such notice, the state
404 historic preservation office shall determine whether a
405 rehabilitation satisfies the qualified rehabilitation
406 standards within sixty days of a taxpayer filing an initial
407 application for tax credits. The determination shall be
408 based upon evidence that the rehabilitation will meet
409 qualified rehabilitation standards, and that evidence shall
410 consist of one of the following:

411 (a) Preliminary approval by the state historic
412 preservation office; or

413 (b) An approved part 2 of the federal application,
414 which the state historic preservation office shall forward
415 directly to the department without any additional review by
416 such office.

417 (2) If the state historic preservation office approves
418 the application for tax credits within the sixty-day

419 determination period established in subdivision (1) of this
420 subsection, such office shall forward the application with
421 any review comments to the National Park Service and shall
422 forward any such review comments to the applicant. If such
423 office fails to approve the application within the sixty-day
424 determination period, such office shall forward the
425 application without any comments to the National Park
426 Service and shall have no further opportunity to submit any
427 comments on such application.

428 (3) Conditions on a state preliminary application or
429 on part 2 of a federal application shall not delay
430 preliminary state approval but shall be addressed by the
431 applicant for final approval of such application.

432 (4) Any application for state tax credits that does
433 not include an application for federal tax credits or a
434 nomination to the federal National Register of Historic
435 Places shall be reviewed by the state historic preservation
436 office within sixty days of a notice received under
437 subdivision (1) of this subsection.

438 (5) (a) An application for state tax credits may
439 provide information indicating that the project is a phased
440 rehabilitation project as described under 26 U.S.C. Section
441 47, as amended. Such application for a phased
442 rehabilitation project shall include at least the following:

443 a. A schedule of the phases of the project with a
444 beginning and end date for each phase and the expected costs
445 for the whole project. The applicant may submit detailed
446 plans for the project at a later time within the application
447 process;

448 b. The adjusted total basis of such project, which
449 shall be submitted with the schedule of phases of the
450 project; and

451 c. A statement that the applicant agrees to begin each
452 phase of such project within twelve months of the start date
453 for such phase listed in the schedule of the phases.

454 (b) The applicant may submit a preliminary
455 certification of costs upon the completion of each phase of
456 the project.

457 (c) Upon approval of the cost certification submitted
458 and the work completed on each phase of such project, the
459 department shall issue eighty percent of the amount of the
460 state tax credit for which the taxpayer is approved under
461 this section. The remaining twenty percent of the amount of
462 the state tax credit for which the taxpayer is approved
463 under this section shall be issued upon the final approval
464 of the project under this section.

465 (6) If the department determines that the amount of
466 tax credits issued to a taxpayer under subdivision (5) of
467 this subsection is in excess of the total amount of tax
468 credits such taxpayer is eligible to receive, the department
469 shall notify such taxpayer, and such taxpayer shall repay
470 the department an amount equal to such excess.

471 5. If the department [of economic development] deems
472 the application sufficient, the taxpayer shall be notified
473 in writing of the approval for an amount of tax credits
474 equal to the amount provided under section 253.550 less any
475 amount of tax credits previously approved. Such approvals
476 shall be granted to applications in the order of priority
477 established under this section and shall require full
478 compliance thereafter with all other requirements of law as
479 a condition to any claim for such credits. If the
480 department [of economic development] disapproves an
481 application, the taxpayer shall be notified in writing of
482 the reasons for such disapproval. A disapproved application
483 may be resubmitted. If the scope of a project for which an

484 application has been approved under this section materially
485 changes, the taxpayer shall be eligible to receive
486 additional tax credits in the year in which the department
487 is notified of and approves of such change in scope, subject
488 to the provisions of subsection 2 of section 253.550 and
489 subsection 7 of this section, if applicable; however, if
490 such project was originally approved prior to August 28,
491 2018, the department shall evaluate the change in scope of
492 the project under the criteria in effect prior to such
493 date. A change in project scope shall be considered
494 material under this subsection if:

495 (1) The project was not previously subject to a
496 material change in scope for which additional tax credits
497 were approved; and

498 (2) The requested amount of tax credits for the
499 project after the change in scope is higher than the
500 originally approved amount of tax credits.

501 **[5.]** 6. Following approval of an application, the
502 identity of the taxpayer contained in such application shall
503 not be modified except:

504 (1) The taxpayer may add partners, members, or
505 shareholders as part of the ownership structure, so long as
506 the principal remains **[the same]** a principal of the
507 taxpayer, provided however, that subsequent to the
508 commencement of renovation and the expenditure of at least
509 ten percent of the proposed rehabilitation budget, removal
510 of the principal for failure to perform duties and the
511 appointment of a new principal thereafter shall not
512 constitute a change of the principal; or

513 (2) Where the ownership of the project is changed due
514 to a foreclosure, deed in lieu of a foreclosure or voluntary
515 conveyance, or a transfer in bankruptcy.

516 [6.] 7. In the event that the department [of economic
517 development] grants approval for tax credits equal to the
518 total amount available or authorized, as applicable, under
519 subsection 2 of section 253.550, or sufficient that when
520 totaled with all other approvals, the amount available or
521 authorized, as applicable, under subsection 2 of section
522 253.550 is exhausted, all taxpayers with applications then
523 awaiting approval or thereafter submitted for approval shall
524 be notified by the department [of economic development] that
525 no additional approvals shall be granted during the fiscal
526 year and shall be notified of the priority given to such
527 taxpayer's application then awaiting approval. Such
528 applications shall be kept on file by the department [of
529 economic development] and shall be considered for approval
530 for tax credits in the order established in this section in
531 the event that additional credits become available due to
532 the rescission of approvals or when a new fiscal year's
533 allocation of credits becomes available for approval or
534 authorized, as applicable.

535 [7.] 8. All taxpayers with applications receiving
536 approval on or after July 1, 2019, shall submit within
537 [sixty] one hundred twenty days following the award of
538 credits evidence of the capacity of the applicant to finance
539 the costs and expenses for the rehabilitation of the
540 eligible property in the form of a line of credit or letter
541 of commitment subject to the lender's termination for a
542 material adverse change impacting the extension of credit.
543 If the department [of economic development] determines that
544 a taxpayer has failed to comply with the requirements under
545 this subsection, then the department shall notify the
546 applicant of such failure and the applicant shall have a
547 thirty-day period from the date of such notice to submit
548 additional evidence to remedy the failure.

549 [8.] 9. All taxpayers with applications receiving
550 approval on or after the effective date of this act shall
551 commence rehabilitation within [nine] twenty-four months of
552 the date of issuance of the letter from the department [of
553 economic development] granting the approval for tax
554 credits. "Commencement of rehabilitation" shall mean that
555 as of the date in which actual physical work, contemplated
556 by the architectural plans submitted with the application,
557 has begun, the taxpayer has incurred no less than ten
558 percent of the estimated costs of rehabilitation provided in
559 the application. Taxpayers with approval of a project shall
560 submit evidence of compliance with the provisions of this
561 subsection. Taxpayers shall notify the department of any
562 loss of site control or of any failure to exercise any
563 option to obtain site control within the prescribed time
564 period within ten days of such loss or failure. If the
565 department [of economic development] determines that a
566 taxpayer has lost or failed to obtain site control of the
567 eligible property or otherwise failed to comply with the
568 requirements provided under this section, the approval for
569 the amount of tax credits for such taxpayer shall be
570 rescinded [and such amount of tax credits]. A taxpayer may
571 voluntarily forfeit such approval at any time by written
572 notice to the department. Any approval rescinded or
573 forfeited under this subsection shall then be included in
574 the total amount of tax credits available in the year of
575 such rescission or forfeiture, provided under subsection 2
576 of section 253.550, from which approvals may be granted.
577 Any taxpayer whose approval [shall be subject to rescission]
578 is rescinded or forfeited under this subsection shall be
579 notified of such from the department [of economic
580 development] and, upon receipt of such notice, may submit a
581 new application for the project. If a taxpayer's approval

582 is rescinded or forfeited under this subsection and such
 583 taxpayer later submits a new application for the same
 584 project, any expenditures eligible for tax credits under
 585 section 253.550 that are incurred by such taxpayer from and
 586 after the date of the rescinded or forfeited approval shall
 587 remain eligible expenditures for the purposes of determining
 588 the amount of tax credits that may be approved under section
 589 253.550.

590 [9.] 10. (1) (a) To claim the credit authorized
 591 under sections [253.550] 253.544 to 253.559, a taxpayer with
 592 approval shall apply for final approval and issuance of tax
 593 credits from the department [of economic development],
 594 which[, in consultation with the department of natural
 595 resources,] shall determine the final amount of eligible
 596 rehabilitation costs and expenses and whether the completed
 597 rehabilitation meets the qualified rehabilitation standards
 598 [of the Secretary of the United States Department of the
 599 Interior for rehabilitation as determined by the state
 600 historic preservation officer of the Missouri department of
 601 natural resources].

602 (b) Evidence that the completed rehabilitation meets
 603 the qualified rehabilitation standards shall be shown by one
 604 of the following:

605 a. Final approval by the state historic preservation
 606 office; or

607 b. An approved part 3 of the federal application.

608 (c) The state historic preservation office shall
 609 review each final application within sixty days and then
 610 forward the application to the National Park Service and
 611 send copies of any review comments to the applicant. If the
 612 state historic preservation office fails to review the
 613 application within sixty days, the application shall be
 614 forwarded without comments to the National Park Service and

615 the state historic preservation office shall have no further
616 opportunity to submit comments on such application.

617 (d) An award of tax credits under sections 253.544 to
618 253.559 shall be contingent on and awarded upon the listing
619 of such eligible property on the National Register of
620 Historic Places.

621 (2) Within seventy-five days of the department's
622 receipt of all materials required by the department for an
623 application for final approval and issuance of tax credits,
624 which shall include a state approval by the state historic
625 preservation office or an approved part 3 of the federal
626 application for projects receiving federal rehabilitation
627 credits, the department shall issue to the taxpayer tax
628 credit certificates in the amount of seventy-five percent of
629 the lesser of:

630 (a) The total amount of the tax credits for which the
631 taxpayer is eligible as provided in the taxpayer's
632 certification of qualified expenses submitted with an
633 application for final approval; or

634 (b) The total amount of tax credits approved for such
635 project under subsection 3 of this section, including any
636 amounts approved in connection with a material change in the
637 scope of the project.

638 (3) Within one hundred twenty days of the department's
639 receipt of all materials required by the department for an
640 application of final approval and issuance of tax credits
641 for a project, the department shall, unless such project is
642 under appeal under subsection 14 of this section:

643 (a) Make a final determination of the total costs and
644 expenses of rehabilitation and the amount of tax credits to
645 be issued for such costs and expenses;

646 (b) Notify the taxpayer in writing of its final
647 determination; and

648 (c) Issue to the taxpayer tax credit certificates in
649 an amount equal to the remaining amount of tax credits such
650 taxpayer is eligible to receive, as determined by the
651 department, but was not issued in the initial tax credit
652 issuance under subdivision (2) of this subsection.

653 (4) If the department determines that the amount of
654 tax credits issued to a taxpayer in the initial tax credit
655 issuance under subdivision (2) of this subsection is in
656 excess of the total amount of tax credits such taxpayer is
657 eligible to receive, the department shall notify such
658 taxpayer, and such taxpayer shall repay the department an
659 amount equal to such excess.

660 (5) For financial institutions credits authorized
661 pursuant to sections [253.550 to 253.561] 253.544 to 253.559
662 shall be deemed to be economic development credits for
663 purposes of section 148.064. The approval of all
664 applications and the issuing of certificates of eligible
665 credits to taxpayers shall be performed by the department
666 [of economic development]. The department [of economic
667 development] shall inform a taxpayer of final approval by
668 letter and shall issue, to the taxpayer, tax credit
669 certificates. The taxpayer shall attach the certificate to
670 all Missouri income tax returns on which the credit is
671 claimed.

672 [10.] 11. Except as expressly provided in this
673 subsection, tax credit certificates shall be issued in the
674 final year that costs and expenses of rehabilitation of the
675 project are incurred, or within the twelve-month period
676 immediately following the conclusion of such
677 rehabilitation. In the event the amount of eligible
678 rehabilitation costs and expenses incurred by a taxpayer
679 would result in the issuance of an amount of tax credits in
680 excess of the amount provided under such taxpayer's approval

681 granted under subsection [4] 6 of this section, such
682 taxpayer may apply to the department for issuance of tax
683 credits in an amount equal to such excess. Applications for
684 issuance of tax credits in excess of the amount provided
685 under a taxpayer's application shall be made on a form
686 prescribed by the department. Such applications shall be
687 subject to all provisions regarding priority provided under
688 subsection 1 of this section.

689 [11.] 12. The department [of economic development]
690 shall determine, on an annual basis, the overall economic
691 impact to the state from the rehabilitation of eligible
692 property.

693 13. (1) With regard to an application submitted under
694 sections 253.544 to 253.559, an applicant or an applicant's
695 duly authorized representative may appeal any official
696 decision, including all preliminary or final approvals,
697 denials of approvals, or dollar amounts of issued tax
698 credits, made by the department of economic development or
699 the state historic preservation office. Such an appeal
700 shall constitute an administrative review of the decision
701 and shall not be conducted as an adjudicative proceeding.

702 (2) The department shall establish an equitable
703 appeals process.

704 (3) The appeals process shall incorporate an
705 independent review panel consisting of members of the
706 private sector and the department.

707 (4) The department shall name an independent appeals
708 officer as chair.

709 (5) An appeal shall be submitted to the designated
710 appeals officer or review panel in writing within thirty
711 days of receipt by the applicant or the applicant's duly
712 authorized representative of the decision that is the
713 subject of the appeal and shall include all information the

714 appellant wishes the appeals officer or review panel to
715 consider in deciding the appeal.

716 (6) Within fourteen days of receipt of an appeal, the
717 appeals officer or review panel shall notify the department
718 of economic development or the state historic preservation
719 office that an appeal is pending, identify the decision
720 being appealed, and forward a copy of the information
721 submitted by the appellant. The department of economic
722 development or the state historic preservation office may
723 submit a written response to the appeal within thirty days.

724 (7) The appellant shall be entitled to one meeting
725 with the appeals officer or review panel to discuss the
726 appeal, and the appeals officer or review panel may schedule
727 additional meetings at the officer's or panel's discretion.
728 The department of economic development or the state historic
729 preservation office may appear at any such meeting.

730 (8) The appeals officer or review panel shall consider
731 the record of the decision in question; any further written
732 submissions by the appellant, department of economic
733 development, or state historic preservation office; and
734 other available information and shall deliver a written
735 decision to all parties as promptly as circumstances permit
736 but no later than ninety days after the initial receipt of
737 an appeal by the appeals officer or review panel.

738 (9) The appeals officer and the members of the review
739 panel shall serve without compensation."; and

740 Further amend the title and enacting clause accordingly.