

# 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 hundred seventy-five thousand dollars in tax credits.

159 (2) For each fiscal year beginning on or after July 1,  
160 2018, the department shall authorize an amount up to, but  
161 not to exceed, an additional thirty million dollars in tax  
162 credits issued under subsections ~~[4]~~ 6 and ~~[10]~~ 12 of  
163 section 253.559, provided that such tax credits are  
164 authorized solely for projects located in a qualified census  
165 tract. Projects that receive preliminary approval that are  
166 located within a qualified census tract may receive an  
167 authorization of tax credit under either subdivision (1) of  
168 this subsection or this subdivision, but such projects shall  
169 first be authorized from the tax credit amount in this  
170 subdivision before being authorized from the tax credit  
171 amount in subdivision (1) of this subsection.

172 (3) For each fiscal year beginning on or after July 1,  
173 2018, if the maximum amount of tax credits allowed in any  
174 fiscal year as provided under subdivisions (1) and (2) of  
175 this subsection is authorized, the maximum amount of tax  
176 credits allowed under ~~[subdivision (1)]~~ subdivisions (1) and  
177 (2) of this subsection shall be adjusted by the percentage  
178 increase in the Consumer Price Index for All Urban  
179 Consumers, or its successor index, as such index is defined  
180 and officially reported by the United States Department of  
181 Labor, or its successor agency. Only one such adjustment  
182 shall be made for each instance in which the provisions of  
183 this subdivision apply. The director of the department ~~[of~~  
184 ~~economic development]~~ shall publish such adjusted amount.

185 3. (1) For all applications for tax credits approved  
186 on or after January 1, 2010, no more than two hundred fifty  
187 thousand dollars in tax credits may be issued for eligible  
188 costs and expenses incurred in the rehabilitation of an  
189 eligible property ~~[which]~~ that is a ~~[nonincome]~~ non-income-

190 producing single-family[, owner-occupied] residential  
191 property occupied by the taxpayer applicant or any relative  
192 within the third degree of consanguinity or affinity of such  
193 applicant and that is either a certified historic structure  
194 or a structure in a certified historic district.

195 (2) For all applications for tax credits, an amount  
196 equal to the applicable percentage may be issued for  
197 eligible costs and expenses incurred in the rehabilitation  
198 of an eligible property that is a non-income-producing  
199 single-family residential property occupied by the taxpayer  
200 applicant or any relative within the third degree of  
201 consanguinity or affinity of such applicant and that is  
202 either a certified historic structure or a structure in a  
203 certified historic district. For properties not located in  
204 a qualifying county, tax credits shall not be issued under  
205 this subdivision unless the property is located in a  
206 distressed community, as defined under section 135.530.

207 4. The limitations on tax credit authorization  
208 provided under the provisions of subsection 2 of this  
209 section shall not apply to:

210 (1) Any application submitted by a taxpayer, which has  
211 received approval from the department prior to October 1,  
212 2018; or

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

217 (a) Has incurred costs and expenses for an eligible  
218 property which exceed the lesser of five percent of the  
219 total project costs or one million dollars and received an  
220 approved Part I from the Secretary of the United States  
221 Department of Interior; or

222 (b) Has received certification, by the state historic  
223 preservation officer, that the rehabilitation plan meets the  
224 qualified rehabilitation standards [consistent with the  
225 standards of the Secretary of the United States Department  
226 of the Interior], and the rehabilitation costs and expenses  
227 associated with such rehabilitation shall exceed fifty  
228 percent of the total basis in the property.

229 5. A single-resource certified historic structure of  
230 more than one million gross square feet with a Part I  
231 approval or on the National Register before January 1, 2024,  
232 shall be subject to the dollar caps under subsection 2 of  
233 section 253.550, provided that, for any such projects that  
234 are eligible for tax credits in an amount exceeding sixty  
235 million dollars, the total amount of tax credits for such  
236 project counted toward the annual limits provided in  
237 subsection 2 of section 253.550 shall be spread over a  
238 period of six years with one-sixth of such amount allocated  
239 each year if:

240 (1) The project otherwise meets all the requirements  
241 of this section;

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

245 (3) The taxpayer agrees with the department of  
246 economic development, on a form prescribed by the  
247 department, to then claim the entire award of the original  
248 "state historical tax credits" over three state fiscal years  
249 with the initial year being the calendar year when the tax  
250 credits are issued.

251 253.557. 1. If the amount of such credit exceeds the  
252 total tax liability for the year in which the rehabilitated  
253 property is placed in service, the amount that exceeds the  
254 state tax liability may be carried back to any of the three



255 preceding years and carried forward for credit against the  
256 taxes imposed pursuant to chapter 143 and chapter 148,  
257 except for sections 143.191 to 143.265 for the succeeding  
258 ten years, or until the full credit is used, whichever  
259 occurs first. Not-for-profit entities[, ] including, but not  
260 limited to, corporations organized as not-for-profit  
261 corporations pursuant to chapter 355 shall be [ineligible]  
262 eligible for the tax credits authorized under sections  
263 [253.545 through 253.561] 253.544 to 253.559. Taxpayers  
264 eligible for [such] tax credits may transfer, sell, or  
265 assign the credits. Credits granted to a partnership, a  
266 limited liability company taxed as a partnership, or  
267 multiple owners of property shall be passed through to the  
268 partners, members, or owners respectively pro rata or  
269 pursuant to an executed agreement among the partners,  
270 members, or owners documenting an alternate distribution  
271 method.

272 2. The assignee of the tax credits, hereinafter the  
273 assignee for purposes of this subsection, may use acquired  
274 credits to offset up to one hundred percent of the tax  
275 liabilities otherwise imposed pursuant to chapter 143 and  
276 chapter 148, except for sections 143.191 to 143.265. The  
277 assignor shall perfect such transfer by notifying the  
278 department [of economic development] in writing within  
279 thirty calendar days following the effective date of the  
280 transfer and shall provide any information as may be  
281 required by the department [of economic development] to  
282 administer and carry out the provisions of this section.

283 253.559. 1. To obtain approval for tax credits  
284 allowed under sections [253.545] 253.544 to 253.559, a  
285 taxpayer shall submit an application for tax credits to the  
286 department [of economic development]. The department shall  
287 establish an application cycle that allows for year-round

288 submission and year-round receipt and review of such  
289 applications. Each application for approval, including any  
290 applications received for supplemental allocations of tax  
291 credits as provided under subsection **[10]** 12 of this  
292 section, shall be prioritized for review and approval, in  
293 the order of the date on which the application was  
294 postmarked, with the oldest postmarked date receiving  
295 priority. Applications postmarked on the same day shall go  
296 through a lottery process to determine the order in which  
297 such applications shall be reviewed.

298 2. Each application shall be reviewed by the  
299 department **[of economic development]** for approval. In order  
300 to receive approval, an application, other than applications  
301 submitted under the provisions of subsection **[10]** 12 of this  
302 section, shall include:

303 (1) Proof of ownership or site control. Proof of  
304 ownership shall include evidence that the taxpayer is the  
305 fee simple owner of the eligible property, such as a  
306 warranty deed or a **[closing statement]** county assessor  
307 record as proof of ownership. Proof of site control may be  
308 evidenced by a leasehold interest or an option to acquire  
309 such an interest. If the taxpayer is in the process of  
310 acquiring fee simple ownership, proof of site control shall  
311 include an executed sales contract or an executed option to  
312 purchase the eligible property;

313 (2) Floor plans of the existing structure,  
314 architectural plans, and, where applicable, plans of the  
315 proposed alterations to the structure, as well as proposed  
316 additions;

317 (3) The estimated cost of rehabilitation, the  
318 anticipated total costs of the project, the actual basis of  
319 the property, as shown by proof of actual acquisition costs,

320 the anticipated total labor costs, the estimated project  
321 start date, and the estimated project completion date;

322 (4) Proof that the property is an eligible property  
323 and a certified historic structure or a structure in a  
324 certified historic district or part 1 of a federal  
325 application or a draft national register of historic places  
326 nomination has been submitted to the state historic  
327 preservation office. In such instances, the application may  
328 proceed as a preliminary application concurrent with the  
329 associated federal process for nomination to the National  
330 Register of Historic Places;

331 (5) A copy of [all] land use [and building approvals  
332 reasonably necessary for the commencement of the project]  
333 plans; and

334 (6) Any other information [which] the department [of  
335 economic development] may reasonably require to review the  
336 project for approval.

337 Only the property for which a property address is provided  
338 in the application shall be reviewed for approval. Once  
339 selected for review, a taxpayer shall not be permitted to  
340 request the review of another property for approval in the  
341 place of the property contained in such application. Any  
342 disapproved application shall be removed from the review  
343 process. If an application is removed from the review  
344 process, the department [of economic development] shall  
345 notify the taxpayer in writing of the decision to remove  
346 such application. Disapproved applications shall lose  
347 priority in the review process. A disapproved application,  
348 which is removed from the review process, may be  
349 resubmitted, but shall be deemed to be a new submission for  
350 purposes of the priority procedures described in this  
351 section.

352 3. (1) In evaluating an application for tax credits  
353 submitted under this section, the department [of economic  
354 development] shall also consider:

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

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

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

363 b. The estimated number of construction jobs and  
364 professional jobs associated with the project that are  
365 included in total project costs;

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

368 d. Increased revenues from sales or property taxes;

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

370 and

371 f. Other similar factors; and

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

373 (d)] Input from the local elected officials in the  
374 local municipality in which the proposed project is located  
375 as to the importance of the proposed project to the  
376 municipality. [For any proposed project in any city not  
377 within a county, input from the local elected officials  
378 shall include, but shall not be limited to, the president of  
379 the board of aldermen.]

380 (2) The provisions of this subsection shall not apply  
381 to historic schools or theaters or applications for projects  
382 to receive less than two hundred seventy-five thousand  
383 dollars in tax credits.

384           4.   (1) The department shall promptly notify the state  
385 historic preservation office of each preliminary application  
386 for tax credits. After receipt of such notice, the state  
387 historic preservation office shall determine whether a  
388 rehabilitation satisfies the qualified rehabilitation  
389 standards within sixty days of a taxpayer filing an initial  
390 application for tax credits. The determination shall be  
391 based upon evidence that the rehabilitation will meet  
392 qualified rehabilitation standards, and that evidence shall  
393 consist of one of the following:

394           (a) Preliminary approval by the state historic  
395 preservation office; or

396           (b) An approved part 2 of the federal application,  
397 which the state historic preservation office shall forward  
398 directly to the department without any additional review by  
399 such office.

400           (2) If the state historic preservation office approves  
401 the application for tax credits within the sixty-day  
402 determination period established in subdivision (1) of this  
403 subsection, such office shall forward the application with  
404 any review comments to the National Park Service and shall  
405 forward any such review comments to the applicant. If such  
406 office fails to approve the application within the sixty-day  
407 determination period, such office shall forward the  
408 application without any comments to the National Park  
409 Service and shall have no further opportunity to submit any  
410 comments on such application.

411           (3) Conditions on a state preliminary application or  
412 on part 2 of a federal application shall not delay  
413 preliminary state approval but shall be addressed by the  
414 applicant for final approval of such application.

415           (4) Any application for state tax credits that does  
416 not include an application for federal tax credits or a

417 nomination to the federal National Register of Historic  
418 Places shall be reviewed by the state historic preservation  
419 office within sixty days of a notice received under  
420 subdivision (1) of this subsection.

421 (5) (a) An application for state tax credits may  
422 provide information indicating that the project is a phased  
423 rehabilitation project as described under 26 U.S.C. Section  
424 47, as amended. Such application for a phased  
425 rehabilitation project shall include at least the following:

426 a. A schedule of the phases of the project with a  
427 beginning and end date for each phase and the expected costs  
428 for the whole project. The applicant may submit detailed  
429 plans for the project at a later time within the application  
430 process;

431 b. The adjusted total basis of such project, which  
432 shall be submitted with the schedule of phases of the  
433 project; and

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

437 (b) The applicant may submit a preliminary  
438 certification of costs upon the completion of each phase of  
439 the project.

440 (c) Upon approval of the cost certification submitted  
441 and the work completed on each phase of such project, the  
442 department shall issue eighty percent of the amount of the  
443 state tax credit for which the taxpayer is approved under  
444 this section. The remaining twenty percent of the amount of  
445 the state tax credit for which the taxpayer is approved  
446 under this section shall be issued upon the final approval  
447 of the project under this section.

448 (6) If the department determines that the amount of  
449 tax credits issued to a taxpayer under subdivision (5) of

450 this subsection is in excess of the total amount of tax  
451 credits such taxpayer is eligible to receive, the department  
452 shall notify such taxpayer, and such taxpayer shall repay  
453 the department an amount equal to such excess.

454 5. If the department [of economic development] deems  
455 the application sufficient, the taxpayer shall be notified  
456 in writing of the approval for an amount of tax credits  
457 equal to the amount provided under section 253.550 less any  
458 amount of tax credits previously approved. Such approvals  
459 shall be granted to applications in the order of priority  
460 established under this section and shall require full  
461 compliance thereafter with all other requirements of law as  
462 a condition to any claim for such credits. If the  
463 department [of economic development] disapproves an  
464 application, the taxpayer shall be notified in writing of  
465 the reasons for such disapproval. A disapproved application  
466 may be resubmitted. If the scope of a project for which an  
467 application has been approved under this section materially  
468 changes, the taxpayer shall be eligible to receive  
469 additional tax credits in the year in which the department  
470 is notified of and approves of such change in scope, subject  
471 to the provisions of subsection 2 of section 253.550 and  
472 subsection 7 of this section, if applicable; however, if  
473 such project was originally approved prior to August 28,  
474 2018, the department shall evaluate the change in scope of  
475 the project under the criteria in effect prior to such  
476 date. A change in project scope shall be considered  
477 material under this subsection if:

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

481           (2) The requested amount of tax credits for the  
482 project after the change in scope is higher than the  
483 originally approved amount of tax credits.

484           [5.] 6. Following approval of an application, the  
485 identity of the taxpayer contained in such application shall  
486 not be modified except:

487           (1) The taxpayer may add partners, members, or  
488 shareholders as part of the ownership structure, so long as  
489 the principal remains [the same] a principal of the  
490 taxpayer, provided however, that subsequent to the  
491 commencement of renovation and the expenditure of at least  
492 ten percent of the proposed rehabilitation budget, removal  
493 of the principal for failure to perform duties and the  
494 appointment of a new principal thereafter shall not  
495 constitute a change of the principal; or

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

499           [6.] 7. In the event that the department [of economic  
500 development] grants approval for tax credits equal to the  
501 total amount available or authorized, as applicable, under  
502 subsection 2 of section 253.550, or sufficient that when  
503 totaled with all other approvals, the amount available or  
504 authorized, as applicable, under subsection 2 of section  
505 253.550 is exhausted, all taxpayers with applications then  
506 awaiting approval or thereafter submitted for approval shall  
507 be notified by the department [of economic development] that  
508 no additional approvals shall be granted during the fiscal  
509 year and shall be notified of the priority given to such  
510 taxpayer's application then awaiting approval. Such  
511 applications shall be kept on file by the department [of  
512 economic development] and shall be considered for approval  
513 for tax credits in the order established in this section in



514 the event that additional credits become available due to  
515 the rescission of approvals or when a new fiscal year's  
516 allocation of credits becomes available for approval or  
517 authorized, as applicable.

518 [7.] 8. All taxpayers with applications receiving  
519 approval on or after July 1, 2019, shall submit within  
520 [sixty] one hundred twenty days following the award of  
521 credits evidence of the capacity of the applicant to finance  
522 the costs and expenses for the rehabilitation of the  
523 eligible property in the form of a line of credit or letter  
524 of commitment subject to the lender's termination for a  
525 material adverse change impacting the extension of credit.  
526 If the department [of economic development] determines that  
527 a taxpayer has failed to comply with the requirements under  
528 this subsection, then the department shall notify the  
529 applicant of such failure and the applicant shall have a  
530 thirty-day period from the date of such notice to submit  
531 additional evidence to remedy the failure.

532 [8.] 9. All taxpayers with applications receiving  
533 approval on or after the effective date of this act shall  
534 commence rehabilitation within [nine] twenty-four months of  
535 the date of issuance of the letter from the department [of  
536 economic development] granting the approval for tax  
537 credits. "Commencement of rehabilitation" shall mean that  
538 as of the date in which actual physical work, contemplated  
539 by the architectural plans submitted with the application,  
540 has begun, the taxpayer has incurred no less than ten  
541 percent of the estimated costs of rehabilitation provided in  
542 the application. Taxpayers with approval of a project shall  
543 submit evidence of compliance with the provisions of this  
544 subsection. Taxpayers shall notify the department of any  
545 loss of site control or of any failure to exercise any  
546 option to obtain site control within the prescribed time

547 period within ten days of such loss or failure. If the  
548 department [of economic development] determines that a  
549 taxpayer has lost or failed to obtain site control of the  
550 eligible property or otherwise failed to comply with the  
551 requirements provided under this section, the approval for  
552 the amount of tax credits for such taxpayer shall be  
553 rescinded [and such amount of tax credits]. A taxpayer may  
554 voluntarily forfeit such approval at any time by written  
555 notice to the department. Any approval rescinded or  
556 forfeited under this subsection shall then be included in  
557 the total amount of tax credits available in the year of  
558 such rescission or forfeiture, provided under subsection 2  
559 of section 253.550, from which approvals may be granted.  
560 Any taxpayer whose approval [shall be subject to rescission]  
561 is rescinded or forfeited under this subsection shall be  
562 notified of such from the department [of economic  
563 development] and, upon receipt of such notice, may submit a  
564 new application for the project. If a taxpayer's approval  
565 is rescinded or forfeited under this subsection and such  
566 taxpayer later submits a new application for the same  
567 project, any expenditures eligible for tax credits under  
568 section 253.550 that are incurred by such taxpayer from and  
569 after the date of the rescinded or forfeited approval shall  
570 remain eligible expenditures for the purposes of determining  
571 the amount of tax credits that may be approved under section  
572 253.550.

573 [9.] 10. (1) (a) To claim the credit authorized  
574 under sections [253.550] 253.544 to 253.559, a taxpayer with  
575 approval shall apply for final approval and issuance of tax  
576 credits from the department [of economic development],  
577 which[, in consultation with the department of natural  
578 resources,] shall determine the final amount of eligible  
579 rehabilitation costs and expenses and whether the completed

580 rehabilitation meets the qualified rehabilitation standards  
581 [of the Secretary of the United States Department of the  
582 Interior for rehabilitation as determined by the state  
583 historic preservation officer of the Missouri department of  
584 natural resources].

585 (b) Evidence that the completed rehabilitation meets  
586 the qualified rehabilitation standards shall be shown by one  
587 of the following:

588 a. Final approval by the state historic preservation  
589 office; or

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

591 (c) The state historic preservation office shall  
592 review each final application within sixty days and then  
593 forward the application to the National Park Service and  
594 send copies of any review comments to the applicant. If the  
595 state historic preservation office fails to review the  
596 application within sixty days, the application shall be  
597 forwarded without comments to the National Park Service and  
598 the state historic preservation office shall have no further  
599 opportunity to submit comments on such application.

600 (d) An award of tax credits under sections 253.544 to  
601 253.559 shall be contingent on and awarded upon the listing  
602 of such eligible property on the National Register of  
603 Historic Places.

604 (2) Within seventy-five days of the department's  
605 receipt of all materials required by the department for an  
606 application for final approval and issuance of tax credits,  
607 which shall include a state approval by the state historic  
608 preservation office or an approved part 3 of the federal  
609 application for projects receiving federal rehabilitation  
610 credits, the department shall issue to the taxpayer tax  
611 credit certificates in the amount of seventy-five percent of  
612 the lesser of:

613           (a) The total amount of the tax credits for which the  
614 taxpayer is eligible as provided in the taxpayer's  
615 certification of qualified expenses submitted with an  
616 application for final approval; or

617           (b) The total amount of tax credits approved for such  
618 project under subsection 3 of this section, including any  
619 amounts approved in connection with a material change in the  
620 scope of the project.

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

626           (a) Make a final determination of the total costs and  
627 expenses of rehabilitation and the amount of tax credits to  
628 be issued for such costs and expenses;

629           (b) Notify the taxpayer in writing of its final  
630 determination; and

631           (c) Issue to the taxpayer tax credit certificates in  
632 an amount equal to the remaining amount of tax credits such  
633 taxpayer is eligible to receive, as determined by the  
634 department, but was not issued in the initial tax credit  
635 issuance under subdivision (2) of this subsection.

636           (4) If the department determines that the amount of  
637 tax credits issued to a taxpayer in the initial tax credit  
638 issuance under subdivision (2) of this subsection is in  
639 excess of the total amount of tax credits such taxpayer is  
640 eligible to receive, the department shall notify such  
641 taxpayer, and such taxpayer shall repay the department an  
642 amount equal to such excess.

643           (5) For financial institutions credits authorized  
644 pursuant to sections [253.550 to 253.561] 253.544 to 253.559  
645 shall be deemed to be economic development credits for

646 purposes of section 148.064. The approval of all  
647 applications and the issuing of certificates of eligible  
648 credits to taxpayers shall be performed by the department  
649 [of economic development]. The department [of economic  
650 development] shall inform a taxpayer of final approval by  
651 letter and shall issue, to the taxpayer, tax credit  
652 certificates. The taxpayer shall attach the certificate to  
653 all Missouri income tax returns on which the credit is  
654 claimed.

655 [10.] 11. Except as expressly provided in this  
656 subsection, tax credit certificates shall be issued in the  
657 final year that costs and expenses of rehabilitation of the  
658 project are incurred, or within the twelve-month period  
659 immediately following the conclusion of such  
660 rehabilitation. In the event the amount of eligible  
661 rehabilitation costs and expenses incurred by a taxpayer  
662 would result in the issuance of an amount of tax credits in  
663 excess of the amount provided under such taxpayer's approval  
664 granted under subsection [4] 6 of this section, such  
665 taxpayer may apply to the department for issuance of tax  
666 credits in an amount equal to such excess. Applications for  
667 issuance of tax credits in excess of the amount provided  
668 under a taxpayer's application shall be made on a form  
669 prescribed by the department. Such applications shall be  
670 subject to all provisions regarding priority provided under  
671 subsection 1 of this section.

672 [11.] 12. The department [of economic development]  
673 shall determine, on an annual basis, the overall economic  
674 impact to the state from the rehabilitation of eligible  
675 property.

676 13. (1) With regard to an application submitted under  
677 sections 253.544 to 253.559, an applicant or an applicant's  
678 duly authorized representative may appeal any official

679 decision, including all preliminary or final approvals,  
680 denials of approvals, or dollar amounts of issued tax  
681 credits, made by the department of economic development or  
682 the state historic preservation office. Such an appeal  
683 shall constitute an administrative review of the decision  
684 and shall not be conducted as an adjudicative proceeding.

685 (2) The department shall establish an equitable  
686 appeals process.

687 (3) The appeals process shall incorporate an  
688 independent review panel consisting of members of the  
689 private sector and the department.

690 (4) The department shall name an independent appeals  
691 officer as chair.

692 (5) An appeal shall be submitted to the designated  
693 appeals officer or review panel in writing within thirty  
694 days of receipt by the applicant or the applicant's duly  
695 authorized representative of the decision that is the  
696 subject of the appeal and shall include all information the  
697 appellant wishes the appeals officer or review panel to  
698 consider in deciding the appeal.

699 (6) Within fourteen days of receipt of an appeal, the  
700 appeals officer or review panel shall notify the department  
701 of economic development or the state historic preservation  
702 office that an appeal is pending, identify the decision  
703 being appealed, and forward a copy of the information  
704 submitted by the appellant. The department of economic  
705 development or the state historic preservation office may  
706 submit a written response to the appeal within thirty days.

707 (7) The appellant shall be entitled to one meeting  
708 with the appeals officer or review panel to discuss the  
709 appeal, and the appeals officer or review panel may schedule  
710 additional meetings at the officer's or panel's discretion.

711 The department of economic development or the state historic  
712 preservation office may appear at any such meeting.

713 (8) The appeals officer or review panel shall consider  
714 the record of the decision in question; any further written  
715 submissions by the appellant, department of economic  
716 development, or state historic preservation office; and  
717 other available information and shall deliver a written  
718 decision to all parties as promptly as circumstances permit  
719 but no later than ninety days after the initial receipt of  
720 an appeal by the appeals officer or review panel.

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

723 Further amend the title and enacting clause accordingly.