

SENATE BILL NO. 817

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR MCCREERY.

3180S.01H

KRISTINA MARTIN, Secretary

AN ACT

To repeal section 135.800, RSMo, and to enact in lieu thereof two new sections relating to a tax credit for certain charitable donations.

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

Section A. Section 135.800, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 135.640 and 135.800, to read as follows:

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

(1) "Local hospital foundation", any hospital foundation that:

(a) Is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended; and

(b) Provides financial relief for unpaid hospital bills for services provided at not-for-profit hospitals to any person whom the foundation deems to be in need of relief in the area in which the taxpayer claiming the tax credit under this section resides, but donations made by a qualified taxpayer to such foundation may be utilized by the foundation to support programs, equipment purchases, or any other manner the foundation determines as necessary that aligns with the foundation's purpose and goals;

(2) "Qualified amount", for any qualified taxpayer in a given tax year, an amount equal to fifty percent of the value of the donations made to a local hospital foundation,

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

19 to the extent such amount was subtracted from federal
20 adjusted gross income or federal taxable income is added
21 back in to the determination of Missouri adjusted gross
22 income or Missouri taxable income before the credit can be
23 claimed;

24 (3) "Qualified taxpayer", any individual subject to
25 the state income tax imposed under chapter 143 who makes a
26 donation to a local hospital foundation;

27 (4) "Tax credit", a credit against the tax otherwise
28 due under chapter 143, excluding withholding tax imposed
29 under sections 143.191 to 143.265.

30 2. For all tax years beginning on or after January 1,
31 2026, a qualified taxpayer shall be allowed to claim a tax
32 credit against the taxpayer's state income tax liability in
33 an amount equal to the taxpayer's qualified amount. Each
34 taxpayer claiming a tax credit under this section shall file
35 an affidavit with his or her income tax return verifying the
36 amount of the taxpayer's donations. The amount of the tax
37 credit claimed shall not exceed the amount of the taxpayer's
38 state income tax liability for the tax year that the credit
39 is claimed and shall not exceed two thousand five hundred
40 dollars per taxpayer claiming the credit.

41 3. The cumulative amount of tax credits allowed to all
42 taxpayers under this section shall not exceed two million
43 dollars per calendar year. If the amount of tax credits
44 claimed in a calendar year under this section exceeds two
45 million dollars, tax credits shall be allowed based on the
46 order in which they are claimed.

47 4. No tax credit claimed under this section shall be
48 refundable, but the unused portion of a tax credit that has
49 been claimed and allowed may be carried forward to any of
50 the taxpayer's three subsequent tax years.

51 5. No tax credit claimed under this section shall be
52 assigned, transferred, sold, or otherwise conveyed.

53 6. The tax credit authorized under this section shall
54 constitute a domestic and social tax credit, as such term is
55 defined under section 135.800, and shall be subject to the
56 provisions of sections 135.800 to 135.830.

57 7. Notwithstanding any provision of section 105.1500
58 to the contrary, any requirement to provide information,
59 documents, or records under this section, and any
60 requirement established by the department of revenue to
61 provide information, documents, or records for the purpose
62 of administering and enforcing this section, shall be exempt
63 from section 105.1500.

64 8. The department of revenue shall promulgate all
65 necessary rules and regulations for the administration of
66 this section including, but not limited to, rules relating
67 to the verification of a taxpayer's qualified amount. Any
68 rule or portion of a rule, as that term is defined in
69 section 536.010, that is created under the authority
70 delegated in this section shall become effective only if it
71 complies with and is subject to all of the provisions of
72 chapter 536 and, if applicable, section 536.028. This
73 section and chapter 536 are nonseverable and if any of the
74 powers vested with the general assembly pursuant to chapter
75 536 to review, to delay the effective date, or to disapprove
76 and annul a rule are subsequently held unconstitutional,
77 then the grant of rulemaking authority and any rule proposed
78 or adopted after August 28, 2025, shall be invalid and void.

79 9. Under section 23.253 of the Missouri sunset act:

80 (1) The provisions of the new program authorized under
81 this section shall automatically sunset December thirty-

82 first, six years after the effective date of this section
83 unless reauthorized by an act of the general assembly;

84 (2) If such program is reauthorized, the program
85 authorized under this section shall automatically sunset
86 December thirty-first, twelve years after the effective date
87 of the reauthorization of this section;

88 (3) This section shall terminate on September first of
89 the calendar year immediately following the calendar year in
90 which the provisions authorized under this section are
91 sunset; and

92 (4) The provisions of this subsection shall not be
93 construed to limit or in any way impair a taxpayer's ability
94 to redeem tax credits authorized on or before the date the
95 program authorized under this section expires.

135.800. 1. The provisions of sections 135.800 to
2 135.830 shall be known and may be cited as the "Tax Credit
3 Accountability Act of 2004".

4 2. As used in sections 135.800 to 135.830, the
5 following terms mean:

6 (1) "Administering agency", the state agency or
7 department charged with administering a particular tax
8 credit program, as set forth by the program's enacting
9 statute; where no department or agency is set forth, the
10 department of revenue;

11 (2) "Agricultural tax credits", the agricultural
12 product utilization contributor tax credit created pursuant
13 to section 348.430, the new generation cooperative incentive
14 tax credit created pursuant to section 348.432, the family
15 farm breeding livestock loan tax credit created under
16 section 348.505, the qualified beef tax credit created under
17 section 135.679, and the wine and grape production tax
18 credit created pursuant to section 135.700;

19 (3) "Business recruitment tax credits", the business
20 facility tax credit created pursuant to sections 135.110 to
21 135.150 and section 135.258, the enterprise zone tax
22 benefits created pursuant to sections 135.200 to 135.270,
23 the business use incentives for large-scale development
24 programs created pursuant to sections 100.700 to 100.850,
25 the development tax credits created pursuant to sections
26 32.100 to 32.125, the rebuilding communities tax credit
27 created pursuant to section 135.535, the **[film] qualified**
28 **motion media production project** tax credit created pursuant
29 to section 135.750, the enhanced enterprise zone created
30 pursuant to sections 135.950 to 135.970, and the Missouri
31 quality jobs program created pursuant to sections 620.1875
32 to 620.1900;

33 (4) "Community development tax credits", the
34 neighborhood assistance tax credit created pursuant to
35 sections 32.100 to 32.125, the family development account
36 tax credit created pursuant to sections 208.750 to 208.775,
37 the dry fire hydrant tax credit created pursuant to section
38 320.093, and the transportation development tax credit
39 created pursuant to section 135.545;

40 (5) "Domestic and social tax credits", the youth
41 opportunities tax credit created pursuant to section 135.460
42 and sections 620.1100 to 620.1103, the shelter for victims
43 of domestic violence **or rape crisis center tax credit**
44 created pursuant to section 135.550, the senior citizen or
45 disabled person property tax credit created pursuant to
46 sections 135.010 to 135.035, the adoption tax credit created
47 pursuant to sections 135.325 to 135.339, the champion for
48 children tax credit created pursuant to section 135.341, the
49 maternity home tax credit created pursuant to section
50 135.600, the surviving spouse tax credit created pursuant to

51 section 135.090, the residential treatment agency tax credit
52 created pursuant to section 135.1150, the pregnancy resource
53 center tax credit created pursuant to section 135.630, the
54 food pantry tax credit created pursuant to section 135.647,
55 the residential dwelling access tax credit created pursuant
56 to section 135.562, the developmental disability care
57 provider tax credit created under section 135.1180, the
58 shared care tax credit created pursuant to section 192.2015,
59 the health, hunger, and hygiene tax credit created pursuant
60 to section 135.1125, [and] the diaper bank tax credit
61 created pursuant to section 135.621, **and the local hospital**
62 **foundation charitable donation tax credit created under**
63 **section 135.640;**

64 (6) "Entrepreneurial tax credits", the capital tax
65 credit created pursuant to sections 135.400 to 135.429, the
66 certified capital company tax credit created pursuant to
67 sections 135.500 to 135.529, the seed capital tax credit
68 created pursuant to sections 348.300 to 348.318, the new
69 enterprise creation tax credit created pursuant to sections
70 620.635 to 620.653, the research tax credit created pursuant
71 to section 620.1039, the small business incubator tax credit
72 created pursuant to section 620.495, the guarantee fee tax
73 credit created pursuant to section 135.766, and the new
74 generation cooperative tax credit created pursuant to
75 sections 32.105 to 32.125;

76 (7) "Environmental tax credits", the charcoal producer
77 tax credit created pursuant to section 135.313, the wood
78 energy tax credit created pursuant to sections 135.300 to
79 135.311, and the alternative fuel stations tax credit
80 created pursuant to section 135.710;

81 (8) "Financial and insurance tax credits", the bank
82 franchise tax credit created pursuant to section 148.030,

83 the bank tax credit for S corporations created pursuant to
84 section 143.471, the exam fee tax credit created pursuant to
85 section 148.400, the health insurance pool tax credit
86 created pursuant to section 376.975, the life and health
87 insurance guaranty **association** tax credit created pursuant
88 to section 376.745, the property and casualty guaranty
89 **association** tax credit created pursuant to section 375.774,
90 and the self-employed health insurance tax credit created
91 pursuant to section 143.119;

92 (9) "Housing tax credits", the neighborhood
93 preservation tax credit created pursuant to sections 135.475
94 to 135.487, the low-income housing tax credit created
95 pursuant to sections 135.350 to 135.363, and the affordable
96 housing tax credit created pursuant to sections 32.105 to
97 32.125;

98 (10) "Recipient", the individual or entity who both:

99 (a) Is the original applicant for a tax credit; and
100 (b) Who directly receives a tax credit or the right to
101 transfer a tax credit under a tax credit program, regardless
102 as to whether the tax credit has been used or redeemed; a
103 recipient shall not include the transferee of a transferable
104 tax credit;

105 (11) "Redevelopment tax credits", the historic
106 preservation tax credit created pursuant to sections 253.545
107 to 253.559, the brownfield redevelopment program tax credit
108 created pursuant to sections 447.700 to 447.718, the
109 community development corporations tax credit created
110 pursuant to sections 135.400 to 135.430, the infrastructure
111 tax credit created pursuant to subsection 6 of section
112 100.286, the bond guarantee tax credit created pursuant to
113 section 100.297, the disabled access tax credit created
114 pursuant to section 135.490, the new markets tax credit

115 created pursuant to section 135.680, and the distressed
116 areas land assemblage tax credit created pursuant to section
117 99.1205;

118 (12) "Tax credit program", any of the tax credit
119 programs included in the definitions of agricultural tax
120 credits, business recruitment tax credits, community
121 development tax credits, domestic and social tax credits,
122 entrepreneurial tax credits, environmental tax credits,
123 housing tax credits, redevelopment tax credits, and training
124 and educational tax credits;

125 (13) "Training and educational tax credits", the
126 Missouri [works] **one start** new jobs tax credit and Missouri
127 [works] **one start** retained jobs credit created pursuant to
128 sections 620.800 to 620.809.

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