

HB 1201 -- TAX CREDIT FOR DONATIONS TO THE STATE

SPONSOR: Messenger

Beginning January 1, 2015, this bill authorizes a taxpayer to receive a tax credit equal to 120% of a cash donation of at least \$500, up to a maximum donation of \$50,000, to the newly created State Building and Capital Improvement Fund. The money in the fund, upon appropriation, must be used solely for the construction, repair, renovation, and rebuilding of state buildings, ports, facilities, infrastructure, utilities infrastructure, and other projects designated by the General Assembly. A minimum balance of \$25 million must remain in the fund to cover the costs of repair to government buildings in order to prevent imminent further or future damage. The tax credit is not refundable, but can be carried forward for up to three years. The tax credits cannot be sold or transferred. The credit is capped at \$60,000 in any taxable year, per taxpayer. The total amount of tax credits authorized cannot exceed \$100 million in any fiscal year, and the total amount of tax credits issued but not redeemed cannot exceed \$300 million in any fiscal year.

Beginning January 1, 2015, the bill authorizes a check-off box on the Missouri individual and corporate income tax forms for a contribution to the fund. A taxpayer may donate to the fund by designating a portion of his or her income tax refund to go to the fund. The amount of the donation must be at least \$10 on an individual return or at least \$20 on a combined return. Any contribution to the fund of \$500 or more, up to a maximum contribution of \$50,000, must be eligible for the tax credit.

The bill modifies, for all fiscal years beginning July 1, 2017, the caps on nine tax credits so that the total reduction in tax credit caps equals \$100 million. The new cap amounts are: \$16 million for the tax credit under the Neighborhood Assistance Act under Section 32.110, RSMo; \$5 million for the tax credit for amateur sporting event support contracts under Section 67.3005; \$40 million for the tax credit for bondholders under the Missouri Development Finance Board Act under Section 100.297; \$15 million for the tax credit equal to the job development assessment fee under the Missouri Business Use Incentives for Large-Scale Development Act under Section 100.850; \$8 million for the tax credit for qualified investment in Missouri small businesses and qualified investors in community banks or community development corporations under Section 135.403; \$6 million for the tax credit for rehabilitation and construction of residences in distressed communities and census blocks under Section 135.484, \$15 million for the tax credit for qualified equity investment under Section 135.680; \$14 million for the tax credit for enhanced enterprise zones under Section 135.967;

and \$76 million for the tax credit for the retention of withholding taxes for new jobs under the Missouri Works Program under Section 620.2010.