

# HOUSE BILL NO. 580

## 99TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE VESCOVO.

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D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for employing apprentices.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be known as section 135.450, to read as follows:

**135.450. 1. This section shall be known and may be cited as the "Skilled Trade and Apprenticeship Revitalization Tax Credit" or as the "STAR Tax Credit".**

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

**(1) "Apprentice", an employee of the taxpayer who is not certified to perform work in the taxpayer's field without supervision and is enrolled:**

**(a) In a full-time apprenticeship program certified by the Department of Labor;**  
**or**

**(b) As a student in a vocational or technical program of an accredited Missouri high school;**

**(2) "Full-time", engaged in employment for at least thirty-five hours per week;**

**(3) "Journeyman", an employee of the taxpayer who is certified to perform work in the taxpayer's field without supervision;**

**(4) "Part-time", engaged in employment for at least ten hours but less than thirty-five hours per week;**

**(5) "Skilled trade", a labor trade or craft that requires specific training and certification but does not require a bachelor's degree;**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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

19           **(7) "Taxpayer", an employer in the field of a skilled trade.**

20           **3. For all tax years beginning on or after January 1, 2018, a taxpayer who employs**  
21 **an individual as an apprentice pursuant to an apprenticeship program registered with the**  
22 **United States Department of Labor full-time for at least nine months of the tax year shall**  
23 **be allowed to claim a tax credit against the taxpayer's state tax liability in an amount equal**  
24 **to one thousand dollars per apprentice.**

25           **4. For all tax years beginning on or after January 1, 2018, a taxpayer who employs**  
26 **a student of a high school as an apprentice pursuant to a vocational or technical program**  
27 **of the high school part-time for at least nine months of a tax year shall be allowed to claim**  
28 **a tax credit against the taxpayer's state tax liability in an amount equal to five hundred**  
29 **dollars per apprentice.**

30           **5. No individual shall be claimed as an apprentice under this section, regardless of**  
31 **employer, more than four times.**

32           **6. A taxpayer may claim different apprentices for multiple tax credits but shall not**  
33 **claim more than two apprentices per journeyman. No corporate taxpayer shall claim more**  
34 **than ten apprentices per tax year.**

35           **7. Tax credits issued under the provisions of this section shall not be refundable,**  
36 **and any amount of a tax credit that exceeds the taxpayer's tax liability shall not be carried**  
37 **over to any of the taxpayer's subsequent tax years.**

38           **8. Tax credits issued under this section shall not be sold, transferred, or assigned.**

39           **9. The total amount of tax credits authorized under this section shall not exceed**  
40 **four hundred thousand dollars per tax year. If the amount of claimed tax credits in a tax**  
41 **year exceeds four hundred thousand dollars, then credit shall be issued on a first-come,**  
42 **first-served basis.**

43           **10. The department of revenue may promulgate rules to implement the provisions**  
44 **of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that**  
45 **is created under the authority delegated in this section shall become effective only if it**  
46 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**  
47 **section 536.028. This section and chapter 536 are nonseverable, and if any of the powers**  
48 **vested with the general assembly pursuant to chapter 536 to review, to delay the effective**  
49 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**  
50 **grant of rulemaking authority and any rule proposed or adopted after August 28, 2017,**  
51 **shall be invalid and void.**

52           **11. Under section 23.253 of the Missouri sunset act:**

53           **(1) The provisions of the new program authorized under this section shall**  
54 **automatically sunset December thirty-first six years after the effective date of this section**  
55 **unless reauthorized by an act of the general assembly;**

56           **(2) If such program is reauthorized, the program authorized under this section**  
57 **shall automatically sunset December thirty-first twelve years after the effective date of the**  
58 **reauthorization of this section; and**

59           **(3) This section shall terminate on September first of the calendar year immediately**  
60 **following the calendar year in which the program authorized under this section is sunset.**

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