

SECOND REGULAR SESSION

HOUSE BILL NO. 1621

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES SUTHERLAND (Sponsor), KRATKY, FLOOK, WETER,
NOLTE, CORCORAN, MEINERS, CHAPPELLE-NADAL, JACKSON, SANDER, AVERY,
BRINGER AND SHOEMYER (Co-sponsors).

Read 1st time February 1, 2006 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

4498L.01I

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to residential treatment agency tax credits.

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
2 known as section 135.1142, to read as follows:

**135.1142. 1. This section shall be known and may be cited as the "Residential
2 Treatment Agency Tax Credit Act".**

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

4 (1) "Certificate", a tax credit certificate issued under the provisions of this section;

5 (2) "Department", the Missouri department of social services;

**6 (3) "Taxpayer", a person, firm, a partner in a firm, corporation, or a shareholder
7 in an S corporation doing business in the state of Missouri and subject to the state income
8 tax imposed by the provisions of chapter 143, RSMo, or a corporation subject to the annual
9 corporation franchise tax imposed by the provisions of chapter 147, RSMo, or an insurance
10 company paying an annual tax on its gross premium receipts in this state, or other
11 financial institution paying taxes to the state of Missouri or any political subdivision of this
12 state under the provisions of chapter 148, RSMo, or an individual subject to the state
13 income tax imposed by the provisions of chapter 143, RSMo;**

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.

14 (4) "Qualifying residential treatment agency" or "agency", a residential care
15 facility that is licensed under section 210.484, RSMo, and is under contract with the
16 Missouri department of social services to provide treatment services.

17 3. An individual who makes a monetary donation to a qualifying residential
18 treatment agency may receive credit against taxes owed under chapter 143, RSMo, equal
19 to fifty percent of the amount of the donation, subject to the conditions and limitations of
20 subsection 4 of this section.

21 4. The department shall authorize the issuance of residential treatment agency tax
22 credits. Application for a tax credit shall be made to the department. Only a qualifying
23 residential treatment agency may submit an application for the tax credit on behalf of
24 individuals making monetary donations to the agency. Agencies may apply for tax credits
25 in an aggregate amount that does not exceed forty percent of the payments made by the
26 department to the agency in the preceding twelve months. A certificate shall be issued to
27 the individual by the department after the department has verified that the agency has
28 submitted the following items accurately and completely:

29 (1) A valid application in the form and format required by the department;

30 (2) A statement attesting to the donation received, which shall include the name and
31 taxpayer identification number of the individual making the donation, the amount of the
32 donation, and the date the donation was received by the agency; and

33 (3) Payment from the agency equal to the value of the tax credit for which
34 application is made.

35 5. For tax years beginning on or after January 1, 2007, the tax credits under this
36 subsection or subsection 4 of this section may be used to satisfy taxes owed under section
37 143, RSMo, excluding sections 143.191 to 143.265, RSMo, in the tax year the credit is
38 certified or that was owed during the previous three years. Any unused portion of the tax
39 credit authorized under this section may be carried forward for up to four years.

40 6. Certificates issued in accordance with this section may be transferred, sold, or
41 assigned by notarized endorsement, which names the transferee.

42 7. The department of social services shall promulgate such rules and regulations
43 as are necessary to implement the provisions of this section. Any rule or portion of a rule,
44 as that term is defined in section 536.010, RSMo, that is created under the authority
45 delegated in this section shall become effective only if it complies with and is subject to all
46 of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This
47 section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the
48 general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or
49 to disapprove and annul a rule are subsequently held unconstitutional, then the grant of

50 **rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be**
51 **invalid and void.**

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