

SECOND REGULAR SESSION

HOUSE BILL NO. 1778

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES BOWMAN (Sponsor), BOYKINS, WRIGHT-JONES,
HAYWOOD, LOW (39), WALSH, WALTON, SCHOEMEHL, STORCH AND BROWN (50) (Co-sponsors).

Read 1st time February 15, 2006 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

5083L.01I

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for school upkeep and beautification projects.

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 135.565, to read as follows:

**135.565. 1. As used in this section, "taxpayer" means any person or entity subject
2 to income tax under chapter 143, RSMo, the corporation franchise tax under chapter 147,
3 RSMo, or any tax under chapter 148, RSMo.**

**4 2. For all taxable years beginning on or after January 1, 2007, any taxpayer who
5 assists in the upkeep and beautification of a school exterior and grounds may claim a credit
6 against the tax otherwise due under chapter 147, 148, or 143, RSMo, excluding withholding
7 tax imposed by sections 143.191 to 143.265, RSMo, in an amount not to exceed fifty percent
8 of the amount of the taxpayer's state tax liability in the taxable year for which the credit
9 is claimed. No amount of credit that the taxpayer is prohibited by this section from
10 claiming in a tax year shall be refundable or transferrable. No taxpayer shall receive a tax
11 credit in excess of ten thousand dollars in a taxable year.**

**12 3. The cumulative amount of tax credits under this section which may be allocated
13 to all taxpayers under this section shall not exceed one million dollars. The director of the
14 department of elementary and secondary education, in conjunction with the director of the**

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.

15 department of revenue, shall establish a procedure by which the cumulative amount of tax
16 credits is apportioned among all taxpayers claiming the credit. To the maximum extent
17 possible, the directors shall establish the procedure described in this subsection in such a
18 manner as to ensure that taxpayers can claim all the tax credits possible up to the
19 cumulative amount of tax credits available for the fiscal year.

20 4. The director of the department of elementary and secondary education shall
21 establish a procedure by which a taxpayer may apply for a tax credit under this section to
22 aid in funding the upkeep and beautification effort.

23 5. The department of elementary and secondary education and the department of
24 revenue may promulgate rules to implement the provisions of this section. Any rule or
25 portion of a rule, as that term is defined in section 536.010, RSMo, that is created under
26 the authority delegated in this section shall become effective only if it complies with and
27 is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028,
28 RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers
29 vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the
30 effective date, or to disapprove and annul a rule are subsequently held unconstitutional,
31 then the grant of rulemaking authority and any rule proposed or adopted after August 28,
32 2006, shall be invalid and void.

33 6. Under section 23.253, RSMo, of the Missouri Sunset Act:

34 (1) The provisions of the new program authorized under this section shall
35 automatically sunset six years after the effective date of this section unless reauthorized by
36 an act of the general assembly; and

37 (2) If such program is reauthorized, the program authorized under this section
38 shall automatically sunset twelve years after the effective date of the reauthorization of this
39 section; and

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

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