

SECOND REGULAR SESSION

# HOUSE BILL NO. 2016

## 93RD GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES SCHLOTTACH (Sponsor), LOEHNER, KELLY, DETHROW,  
SCHAD, MUNZLINGER, MYERS AND KUESSNER (Co-sponsors).

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

STEPHEN S. DAVIS, Chief Clerk

5251L.01I

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### AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for sales of certain cattle.

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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  
2 known as section 135.660, to read as follows:

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

2 (1) "Authority", the agricultural and small business development authority  
3 established in chapter 348, RSMo;

4 (2) "Qualifying beef", any beef cattle born in this state after August 28, 2006, that  
5 was raised and backgrounded or finished in this state by the taxpayer, and that weighs  
6 more than five hundred pounds;

7 (3) "Qualifying sale", the first time a qualifying beef is sold in this state after the  
8 qualifying beef's weight reaches five hundred pounds;

9 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, RSMo,  
10 excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or otherwise due  
11 under chapter 147, RSMo;

12 (5) "Taxpayer", any individual or entity who:

13 (a) Is subject to the tax imposed in chapter 143, RSMo, excluding withholding tax  
14 imposed by sections 143.191 to 143.265, RSMo, or the tax imposed in chapter 147, 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.

15 (b) Is a citizen of this state; and

16 (c) Owns or rents a livestock facility in this state.

17 2. For all taxable years beginning on or after January 1, 2007, but ending on or  
18 before December 1, 2010, a taxpayer shall be allowed a tax credit for each qualifying sale  
19 of a qualifying beef. The tax credit amount shall be based on the qualifying beef's weight  
20 at the time of the qualifying sale, and shall be equal to six cents per pound above five  
21 hundred pounds.

22 3. The amount of the tax credit claimed shall not exceed the amount of the  
23 taxpayer's state tax liability for the taxable year for which the credit is claimed. No tax  
24 credit claimed under this section shall be refundable. The tax credit shall be claimed in the  
25 taxable year in which the qualifying sale of the qualifying beef occurred, but any amount  
26 of credit that the taxpayer is prohibited by this section from claiming in a taxable year may  
27 be carried forward to any of the taxpayer's five subsequent taxable years and carried  
28 backward to any of the taxpayer's three previous taxable years. The amount of tax credits  
29 that may be claimed by eligible applicants claiming tax credits authorized in this section  
30 in a taxable year shall not exceed ten million dollars, and the cumulative amount of tax  
31 credits that may be claimed by eligible applicants claiming all tax credits authorized in this  
32 section shall not exceed thirty million dollars.

33 4. To claim the tax credit allowed under this section, the taxpayer shall submit to  
34 the authority an application for the tax credit on a form provided by the authority. The  
35 application shall be filed with the authority at the end of each taxable year in which a  
36 qualified sale was made and for which a tax credit is claimed under this section. The  
37 application shall include any documentation and information required by the authority.  
38 All required information obtained by the authority shall be confidential and not disclosed  
39 except by court order or as otherwise provided by law. If the taxpayer and the qualified  
40 sale meets all criteria required by this section and is approved by the authority, the  
41 authority shall issue a tax credit certificate in the appropriate amount. Tax credit  
42 certificates issued under this section may be assigned, transferred, sold, or otherwise  
43 conveyed, and the new owner of the tax credit certificate shall have the same rights in the  
44 tax credit as the original taxpayer. Whenever a tax credit certificate is assigned,  
45 transferred, sold or otherwise conveyed, a notarized endorsement shall be filed with the  
46 authority specifying the name and address of the new owner of the tax credit certificate or  
47 the value of the tax credit.

48 5. The director of revenue shall establish a procedure by which the amount of tax  
49 credits available for the taxable year is apportioned equally among all eligible applicants  
50 claiming the credit. To the maximum extent possible, the director of revenue shall

51 establish the procedure described in this subsection in such a manner as to ensure that  
52 eligible applicants can claim all the tax credits possible up to the amount of tax credits  
53 available for the taxable year. No eligible applicant claiming a tax credit under this section  
54 shall be liable for any interest or penalty for filing a tax return after the date fixed for  
55 filing such return as a result of the apportionment procedure under this subsection.

56         **6. Any information provided under this section that is related to premises**  
57 **registration shall be confidential information, to be shared with no one except state and**  
58 **federal animal health officials, and shall not be subject to subpoena or other compulsory**  
59 **production.**

60         **7. The department of revenue and the authority shall promulgate rules to**  
61 **implement the provisions of this section. Any rule or portion of a rule, as that term is**  
62 **defined in section 536.010, RSMo, that is created under the authority delegated in this**  
63 **section shall become effective only if it complies with and is subject to all of the provisions**  
64 **of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter**  
65 **536, RSMo, are nonseverable and if any of the powers vested with the general assembly**  
66 **pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and**  
67 **annul a rule are subsequently held unconstitutional, then the grant of rulemaking**  
68 **authority and any rule proposed or adopted after August 28, 2006, shall be invalid and**  
69 **void.**

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