

FIRST REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 891**  
**94TH GENERAL ASSEMBLY**

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Reported from the Special Committee on Job Creation and Economic Development March 12, 2007 with recommendation that House Committee Substitute for House Bill No. 891 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(21)(f).

D. ADAM CRUMBLISS, Chief Clerk

1782L.02C

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**AN ACT**

To amend chapter 135, RSMo, by adding thereto one new section relating to income tax credits for hiring disabled workers.

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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 135.566, to read as follows:

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

(1) "Disabled employee", any person who is employed by the taxpayer claiming the tax credit under this section for a minimum of forty weeks in each taxable year for which the credit allowed under this section is claimed and who:

(a) Is determined to be disabled by the Social Security Administration or the Department of Veterans' Affairs; or

(b) Is determined to be disabled by the division of vocational rehabilitation and is participating in the division's job placement program;

(2) "Tax credit", a credit against the tax otherwise due under chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or otherwise due under chapter 147, 148, or 153, RSMo;

(3) "Taxpayer", any entity subject to the tax imposed in chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or the tax

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 imposed in chapter 147, 148, or 153, RSMo, except "taxpayer" shall not include a resident  
15 or nonresident individual subject to the tax imposed in chapter 143, RSMo.

16       **2. For all taxable years beginning on or after January 1, 2008, a taxpayer shall be**  
17 **allowed a tax credit for each disabled employee hired by the taxpayer. The tax credit shall**  
18 **be claimed in the following amounts:**

19       **(1) For disabled employees who work an average of at least ten hours per week in**  
20 **the taxable year, one thousand dollars per disabled employee;**

21       **(2) For disabled employees who work an average of at least twenty hours per week**  
22 **in the taxable year, one thousand five hundred dollars per disabled employee;**

23       **(3) For disabled employees who work an average of at least forty hours per week**  
24 **in the taxable year, three thousand dollars per disabled employee.**

25       **3. The amount of the tax credit issued shall not exceed the amount of the taxpayer's**  
26 **state tax liability for the tax year for which the credit is claimed. No amount of credit that**  
27 **the taxpayer is prohibited by this section from claiming in a tax year shall be refundable,**  
28 **nor shall any tax credit granted under this section be transferred, sold, or assigned.**

29       **4. The department of revenue shall promulgate rules to implement the provisions**  
30 **of this section. Any rule or portion of a rule, as that term is defined in section 536.010,**  
31 **RSMo, that is created under the authority delegated in this section shall become effective**  
32 **only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and,**  
33 **if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are**  
34 **nonseverable and if any of the powers vested with the general assembly pursuant to**  
35 **chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule**  
36 **are subsequently held unconstitutional, then the grant of rulemaking authority and any**  
37 **rule proposed or adopted after August 28, 2007, shall be invalid and void.**

38       **5. Under section 23.253, RSMo, of the Missouri Sunset Act:**

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

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

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

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