

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 958
95TH GENERAL ASSEMBLY

2275L.04C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 32.105, 32.115, 52.230, 67.2000, 135.327, 135.484, 135.535, 135.562, 135.680, 137.016, 137.080, 138.431, 143.161, 143.183, 144.030, 144.080, 148.064, and 208.770, RSMo, and to enact in lieu thereof twenty-four new sections relating to taxes, with a penalty provision.

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

Section A. Sections 32.105, 32.115, 52.230, 67.2000, 135.327, 135.484, 135.535, 2 135.562, 135.680, 137.016, 137.080, 138.431, 143.161, 143.183, 144.030, 144.080, 148.064, and 3 208.770, RSMo, are repealed and twenty-four new sections enacted in lieu thereof, to be known 4 as sections 32.105, 32.115, 52.230, 67.2000, 135.327, 135.484, 135.535, 135.562, 135.680, 5 135.704, 135.706, 137.016, 137.080, 138.431, 142.814, 143.112, 143.161, 143.183, 144.030, 6 144.080, 148.064, 208.770, 321.227, and 1, to read as follows:

32.105. As used in sections 32.100 to 32.125, the following terms mean:

- 2 (1) "Affordable housing assistance activities", money, real or personal property, or
3 professional services expended or devoted to the construction, or rehabilitation of affordable
4 housing units;
- 5 (2) "Affordable housing unit", a residential unit generally occupied by persons and
6 families with incomes at or below the levels described in this subdivision and bearing a cost to
7 the occupant no greater than thirty percent of the maximum eligible household income for the
8 affordable housing unit. In the case of owner-occupied units, the cost to the occupant shall be
9 considered the amount of the gross monthly mortgage payment, including casualty insurance,
10 mortgage insurance, and taxes. In the case of rental units, the cost to the occupant shall be
11 considered the amount of the gross rent. The cost to the occupant shall include the cost of any
12 utilities, other than telephone. If any utilities are paid directly by the occupant, the maximum

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.

13 cost that may be paid by the occupant is to be reduced by a utility allowance prescribed by the
14 commission. **For rental units**, persons or families are eligible occupants of affordable housing
15 units if the household combined, adjusted gross income as defined by the commission is equal
16 to or less than the following percentages of the median family income for the geographic area
17 in which the residential unit is located, or the median family income for the state of Missouri,
18 whichever is larger; ("geographic area", **as used in this subdivision**, means the metropolitan
19 area or county designated as an area by the federal Department of Housing and Urban
20 Development under Section 8 of the United States Housing Act of 1937, as amended, for
21 purposes of determining fair market rental rates):

| | Percent of State or Geographic Area Family Median Income |
|----|--|
| 22 | |
| 23 | |
| 24 | Size of Household |
| 25 | One Person 35% |
| 26 | Two Persons 40% |
| 27 | Three Persons 45% |
| 28 | Four Persons 50% |
| 29 | Five Persons 54% |
| 30 | Six Persons 58% |
| 31 | Seven Persons 62% |
| 32 | Eight Persons 66% |

33

34 **For owner-occupied units**, persons or families are eligible occupants of affordable housing
35 **units if the household combined, adjusted gross income as defined by the commission is**
36 **equal to or less than the following percentages of the median family income for the**
37 **geographic area in which the residential unit is located, or the median family income for**
38 **the state of Missouri, whichever is larger:**

| | Percent of State or Geographic Area Family Median Income |
|----|--|
| 39 | |
| 40 | |
| 41 | Size of Household |
| 42 | One Person 70% |
| 43 | Two Persons 80% |
| 44 | Three Persons 90% |
| 45 | Four Persons 100% |
| 46 | Five Persons 108% |
| 47 | Six Persons 116% |
| 48 | Seven Persons 124% |

49 **Eight Persons**

132%

50 (3) "Business firm", person, firm, a partner in a firm, corporation or a shareholder in an
51 S corporation doing business in the state of Missouri and subject to the state income tax imposed
52 by the provisions of chapter 143, RSMo, including any charitable organization that is exempt
53 from federal income tax and whose Missouri unrelated business taxable income, if any, would
54 be subject to the state income tax imposed under such chapter, or a corporation subject to the
55 annual corporation franchise tax imposed by the provisions of chapter 147, RSMo, or an
56 insurance company paying an annual tax on its gross premium receipts in this state, or other
57 financial institution paying taxes to the state of Missouri or any political subdivision of this state
58 pursuant to the provisions of chapter 148, RSMo, or an express company which pays an annual
59 tax on its gross receipts in this state;

60 (4) "Commission", the Missouri housing development commission;

61 (5) "Community services", any type of counseling and advice, emergency assistance or
62 medical care furnished to individuals or groups in the state of Missouri or transportation services
63 at below-cost rates as provided in sections 208.250 to 208.275, RSMo;

64 (6) "Crime prevention", any activity which aids in the reduction of crime in the state of
65 Missouri;

66 (7) "Defense industry contractor", a person, corporation or other entity which will be or
67 has been negatively impacted as a result of its status as a prime contractor of the Department of
68 Defense or as a second or third tier contractor. A "second tier contractor" means a person,
69 corporation or other entity which contracts to perform manufacturing, maintenance or repair
70 services for a prime contractor of the Department of Defense, and a "third tier contractor" means
71 a person, corporation or other entity which contracts with a person, corporation or other entity
72 which contracts with a prime contractor of the Department of Defense;

73 (8) "Doing business", among other methods of doing business in the state of Missouri,
74 a partner in a firm or a shareholder in an S corporation shall be deemed to be doing business in
75 the state of Missouri if such firm or S corporation, as the case may be, is doing business in the
76 state of Missouri;

77 (9) "Economic development", the acquisition, renovation, improvement, or the
78 furnishing or equipping of existing buildings and real estate in distressed or blighted areas of the
79 state when such acquisition, renovation, improvement, or the furnishing or equipping of the
80 business development projects will result in the creation or retention of jobs within the state[;
81 or, until June 30, 1996, a defense conversion pilot project located in a standard metropolitan
82 statistical area which contains a city with a population of at least three hundred fifty thousand
83 inhabitants, which will assist Missouri-based defense industry contractors in their conversion
84 from predominately defense-related contracting to nondefense-oriented manufacturing]. Only

85 neighborhood organizations, as defined in subdivision (13) of this section, may apply to conduct
86 economic development projects. Prior to the approval of an economic development project, the
87 neighborhood organization shall enter into a contractual agreement with the department of
88 economic development. Credits approved for economic development projects may not exceed
89 six million dollars from within any one fiscal year's allocation. Neighborhood assistance
90 program tax credits for economic development projects and affordable housing assistance as
91 defined in section 32.111 may be transferred, sold or assigned by a notarized endorsement
92 thereof naming the transferee;

93 (10) "Education", any type of scholastic instruction or scholarship assistance to an
94 individual who resides in the state of Missouri that enables the individual to prepare himself or
95 herself for better opportunities or community awareness activities rendered by a statewide
96 organization established for the purpose of archeological education and preservation;

97 (11) "Homeless assistance pilot project", the program established pursuant to section
98 32.117;

99 (12) "Job training", any type of instruction to an individual who resides in the state of
100 Missouri that enables the individual to acquire vocational skills so that the individual can
101 become employable or be able to seek a higher grade of employment;

102 (13) "Neighborhood organization", any organization performing community services or
103 economic development activities in the state of Missouri and:

104 (a) Holding a ruling from the Internal Revenue Service of the United States Department
105 of the Treasury that the organization is exempt from income taxation pursuant to the provisions
106 of the Internal Revenue Code; or

107 (b) Incorporated in the state of Missouri as a not-for-profit corporation pursuant to the
108 provisions of chapter 355, RSMo; or

109 (c) Designated as a community development corporation by the United States
110 government pursuant to the provisions of Title VII of the Economic Opportunity Act of 1964;

111 (14) "Physical revitalization", furnishing financial assistance, labor, material, or technical
112 advice to aid in the physical improvement or rehabilitation of any part or all of a neighborhood
113 area;

114 (15) "S corporation", a corporation described in Section 1361(a)(1) of the United States
115 Internal Revenue Code and not subject to the taxes imposed by section 143.071, RSMo, by
116 reason of section 143.471, RSMo;

117 (16) "Workfare renovation project", any project initiated pursuant to sections 215.340
118 to 215.355, RSMo.

32.115. 1. The department of revenue shall grant a tax credit, to be applied in the
2 following order until used, against:

3 (1) The annual tax on gross premium receipts of insurance companies in chapter 148,
4 RSMo;

5 (2) The tax on banks determined pursuant to subdivision (2) of subsection 2 of section
6 148.030, RSMo;

7 (3) The tax on banks determined in subdivision (1) of subsection 2 of section 148.030,
8 RSMo;

9 (4) The tax on other financial institutions in chapter 148, RSMo;

10 (5) The corporation franchise tax in chapter 147, RSMo;

11 (6) The state income tax in chapter 143, RSMo; and

12 (7) The annual tax on gross receipts of express companies in chapter 153, RSMo.

13 2. For proposals approved pursuant to section 32.110:

14 (1) The amount of the tax credit shall not exceed fifty percent of the total amount
15 contributed during the taxable year by the business firm or, in the case of a financial institution,
16 where applicable, during the relevant income period in programs approved pursuant to section
17 32.110;

18 (2) Except as provided in subsection 2 or 5 of this section, a tax credit of up to seventy
19 percent may be allowed for contributions to programs where activities fall within the scope of
20 special program priorities as defined with the approval of the governor in regulations
21 promulgated by the director of the department of economic development;

22 (3) Except as provided in subsection 2 or 5 of this section, the tax credit allowed for
23 contributions to programs located in any community shall be equal to seventy percent of the total
24 amount contributed where such community is a city, town or village which has fifteen thousand
25 or less inhabitants as of the last decennial census and is located in a county which is either
26 located in:

27 (a) An area that is not part of a standard metropolitan statistical area;

28 (b) A standard metropolitan statistical area but such county has only one city, town or
29 village which has more than fifteen thousand inhabitants; or

30 (c) A standard metropolitan statistical area and a substantial number of persons in such
31 county derive their income from agriculture.

32

33 Such community may also be in an unincorporated area in such county as provided in
34 subdivision (1), (2) or (3) of this subsection. Except in no case shall the total economic benefit
35 of the combined federal and state tax savings to the taxpayer exceed the amount contributed by
36 the taxpayer during the tax year;

37 (4) Such tax credit allocation, equal to seventy percent of the total amount contributed,
38 shall not exceed four million dollars in fiscal year 1999 and six million dollars in fiscal year 2000

39 and any subsequent fiscal year. When the maximum dollar limit on the seventy percent tax credit
40 allocation is committed, the tax credit allocation for such programs shall then be equal to fifty
41 percent credit of the total amount contributed. Regulations establishing special program
42 priorities are to be promulgated during the first month of each fiscal year and at such times
43 during the year as the public interest dictates. Such credit shall not exceed two hundred and fifty
44 thousand dollars annually except as provided in subdivision (5) of this subsection. No tax credit
45 shall be approved for any bank, bank and trust company, insurance company, trust company,
46 national bank, savings association, or building and loan association for activities that are a part
47 of its normal course of business. Any tax credit not used in the period the contribution was made
48 may be carried over the next five succeeding calendar or fiscal years until the full credit has been
49 claimed. Except as otherwise provided for proposals approved pursuant to section 32.111,
50 32.112 or 32.117, in no event shall the total amount of all other tax credits allowed pursuant to
51 sections 32.100 to 32.125 exceed thirty-two million dollars in any one fiscal year, of which six
52 million shall be credits allowed pursuant to section 135.460, RSMo. If six million dollars in
53 credits are not approved, then the remaining credits may be used for programs approved pursuant
54 to sections 32.100 to 32.125. **To the extent that as of the last day of April in any year, less**
55 **than thirty million dollars in tax credits have been issued under the provisions of this**
56 **section, such remaining unissued tax credits shall be made available for allocation**
57 **pursuant to the provisions of sections 135.704 and 135.706, RSMo;**

58 (5) The credit may exceed two hundred fifty thousand dollars annually and shall not be
59 limited if community services, crime prevention, education, job training, physical revitalization
60 or economic development, as defined by section 32.105, is rendered in an area defined by federal
61 or state law as an impoverished, economically distressed, or blighted area or as a neighborhood
62 experiencing problems endangering its existence as a viable and stable neighborhood, or if the
63 community services, crime prevention, education, job training, physical revitalization or
64 economic development is limited to impoverished persons.

65 3. For proposals approved pursuant to section 32.111:

66 (1) The amount of the tax credit shall not exceed fifty-five percent of the total amount
67 invested in affordable housing assistance activities or market rate housing in distressed
68 communities as defined in section 135.530, RSMo, by a business firm. Whenever such
69 investment is made in the form of an equity investment or a loan, as opposed to a donation alone,
70 tax credits may be claimed only where the loan or equity investment is accompanied by a
71 donation which is eligible for federal income tax charitable deduction, and where the total value
72 of the tax credits herein plus the value of the federal income tax charitable deduction is less than
73 or equal to the value of the donation. Any tax credit not used in the period for which the credit
74 was approved may be carried over the next ten succeeding calendar or fiscal years until the full

75 credit has been allowed. If the affordable housing units or market rate housing units in distressed
76 communities for which a tax is claimed are within a larger structure, parts of which are not the
77 subject of a tax credit claim, then expenditures applicable to the entire structure shall be reduced
78 on a prorated basis in proportion to the ratio of the number of square feet devoted to the
79 affordable housing units or market rate housing units in distressed communities, for purposes of
80 determining the amount of the tax credit. The total amount of tax credit granted for programs
81 approved pursuant to section 32.111 for the fiscal year beginning July 1, 1991, shall not exceed
82 two million dollars, to be increased by no more than two million dollars each succeeding fiscal
83 year, until the total tax credits that may be approved reaches ten million dollars in any fiscal year;

84 (2) For any year during the compliance period indicated in the land use restriction
85 agreement, the owner of the affordable housing rental units for which a credit is being claimed
86 shall certify to the commission that all tenants renting claimed units are income eligible for
87 affordable housing units and that the rentals for each claimed unit are in compliance with the
88 provisions of sections 32.100 to 32.125. The commission is authorized, in its discretion, to audit
89 the records and accounts of the owner to verify such certification;

90 (3) In the case of owner-occupied affordable housing units, the qualifying owner
91 occupant shall, before the end of the first year in which credits are claimed, certify to the
92 commission that the occupant is income eligible during the preceding two years, and at the time
93 of the initial purchase contract, but not thereafter. The qualifying owner occupant shall further
94 certify to the commission, before the end of the first year in which credits are claimed, that
95 during the compliance period indicated in the land use restriction agreement, the cost of the
96 affordable housing unit to the occupant for the claimed unit can reasonably be projected to be
97 in compliance with the provisions of sections 32.100 to 32.125. Any succeeding owner occupant
98 acquiring the affordable housing unit during the compliance period indicated in the land use
99 restriction agreement shall make the same certification;

100 (4) If at any time during the compliance period the commission determines a project for
101 which a proposal has been approved is not in compliance with the applicable provisions of
102 sections 32.100 to 32.125 or rules promulgated therefor, the commission may within one
103 hundred fifty days of notice to the owner either seek injunctive enforcement action against the
104 owner, or seek legal damages against the owner representing the value of the tax credits, or
105 foreclose on the lien in the land use restriction agreement, selling the project at a public sale, and
106 paying to the owner the proceeds of the sale, less the costs of the sale and less the value of all tax
107 credits allowed herein. The commission shall remit to the director of revenue the portion of the
108 legal damages collected or the sale proceeds representing the value of the tax credits. However,
109 except in the event of intentional fraud by the taxpayer, the proposal's certificate of eligibility for
110 tax credits shall not be revoked.

111 4. For proposals approved pursuant to section 32.112, the amount of the tax credit shall
112 not exceed fifty-five percent of the total amount contributed to a neighborhood organization by
113 business firms. Any tax credit not used in the period for which the credit was approved may be
114 carried over the next ten succeeding calendar or fiscal years until the full credit has been allowed.
115 The total amount of tax credit granted for programs approved pursuant to section 32.112 shall
116 not exceed one million dollars for each fiscal year.

117 5. The total amount of tax credits used for market rate housing in distressed communities
118 pursuant to sections 32.100 to 32.125 shall not exceed thirty percent of the total amount of all
119 tax credits authorized pursuant to sections 32.111 and 32.112.

52.230. Each year the collectors of revenue in all counties of the first class not having
2 a charter form of government, and in all second, third and fourth class counties of the state, not
3 under township organization, shall mail to all resident taxpayers[, at least thirty days prior to
4 delinquent date,] a statement of all real and tangible personal property taxes due and assessed on
5 the current tax books in the name of the taxpayers. **Such statements shall be mailed at least
6 thirty days before the delinquent date in all counties of the second classification, third
7 classification without a township form of government, and fourth classification, and at
8 least forty-five days before the delinquent date in all counties of the first classification.**
9 Such statement shall also include the amount of real and tangible personal property taxes
10 delinquent at the time of the mailing of the statement, including any interest and penalties
11 associated with the delinquent taxes. Such statement shall declare upon its face, or by an
12 attachment thereto, that they are delinquent at the time such statement is mailed for an amount
13 of real or tangible personal property taxes, or both. Collectors shall also mail tax receipts for all
14 the taxes received by mail.

67.2000. 1. This section shall be known as the "Exhibition Center and Recreational
2 Facility District Act".

3 2. [Whenever not less than fifty owners of real property located within] **An exhibition
4 center and recreational facility district may be created under this section in the following
5 counties:**

6 (1) Any county of the first classification with more than seventy-one thousand three
7 hundred but less than seventy-one thousand four hundred inhabitants[, or] ;

8 (2) Any county of the first classification with more than one hundred ninety-eight
9 thousand but less than one hundred ninety-nine thousand two hundred inhabitants[, or] ;

10 (3) Any county of the first classification with more than eighty-five thousand nine
11 hundred but less than eighty-six thousand inhabitants[, or] ;

12 (4) Any county of the second classification with more than fifty-two thousand six
13 hundred but less than fifty-two thousand seven hundred inhabitants[, or] ;

14 (5) Any county of the first classification with more than one hundred four thousand six
15 hundred but less than one hundred four thousand seven hundred inhabitants[, or] ;

16 (6) Any county of the third classification without a township form of government and
17 with more than seventeen thousand nine hundred but less than eighteen thousand inhabitants[,
18 or] ;

19 (7) Any county of the first classification with more than thirty-seven thousand but less
20 than thirty-seven thousand one hundred inhabitants[, or] ;

21 (8) Any county of the third classification without a township form of government and
22 with more than twenty-three thousand five hundred but less than twenty-three thousand six
23 hundred inhabitants[, or] ;

24 (9) Any county of the third classification without a township form of government and
25 with more than nineteen thousand three hundred but less than nineteen thousand four hundred
26 inhabitants[, or] ;

27 (10) Any county of the first classification with more than two hundred forty thousand
28 three hundred but less than two hundred forty thousand four hundred inhabitants[,] ;

29 **(11) Any county of the third classification with a township form of government and**
30 **with more than eight thousand nine hundred but fewer than nine thousand inhabitants;**

31 **(12) Any county of the third classification without a township form of government**
32 **and with more than eighteen thousand nine hundred but fewer than nineteen thousand**
33 **inhabitants;**

34 **(13) Any county of the third classification with a township form of government and**
35 **with more than eight thousand but fewer than eight thousand one hundred inhabitants;**

36 **(14) Any county of the third classification with a township form of government and**
37 **with more than eleven thousand five hundred but fewer than eleven thousand six hundred**
38 **inhabitants.**

39 **3. Whenever not less than fifty owners of real property located within any county**
40 **listed in subsection 2 of this section** desire to create an exhibition center and recreational
41 facility district, the property owners shall file a petition with the governing body of each county
42 located within the boundaries of the proposed district requesting the creation of the district. The
43 district boundaries may include all or part of the counties described in this section. The petition
44 shall contain the following information:

45 (1) The name and residence of each petitioner and the location of the real property
46 owned by the petitioner;

47 (2) A specific description of the proposed district boundaries, including a map
48 illustrating the boundaries; and

49 (3) The name of the proposed district.

50 [3.] 4. Upon the filing of a petition pursuant to this section, the governing body of any
51 county described in this section may, by resolution, approve the creation of a district. Any
52 resolution to establish such a district shall be adopted by the governing body of each county
53 located within the proposed district, and shall contain the following information:

- 54 (1) A description of the boundaries of the proposed district;
55 (2) The time and place of a hearing to be held to consider establishment of the proposed
56 district;
57 (3) The proposed sales tax rate to be voted on within the proposed district; and
58 (4) The proposed uses for the revenue generated by the new sales tax.

59 [4.] 5. Whenever a hearing is held as provided by this section, the governing body of
60 each county located within the proposed district shall:

- 61 (1) Publish notice of the hearing on two separate occasions in at least one newspaper of
62 general circulation in each county located within the proposed district, with the first publication
63 to occur not more than thirty days before the hearing, and the second publication to occur not
64 more than fifteen days or less than ten days before the hearing;
65 (2) Hear all protests and receive evidence for or against the establishment of the
66 proposed district; and
67 (3) Rule upon all protests, which determinations shall be final.

68 [5.] 6. Following the hearing, if the governing body of each county located within the
69 proposed district decides to establish the proposed district, it shall adopt an order to that effect;
70 if the governing body of any county located within the proposed district decides to not establish
71 the proposed district, the boundaries of the proposed district shall not include that county. The
72 order shall contain the following:

- 73 (1) The description of the boundaries of the district;
74 (2) A statement that an exhibition center and recreational facility district has been
75 established;
76 (3) The name of the district;
77 (4) The uses for any revenue generated by a sales tax imposed pursuant to this section;
78 and
79 (5) A declaration that the district is a political subdivision of the state.

80 [6.] 7. A district established pursuant to this section may, at a general, primary, or special
81 election, submit to the qualified voters within the district boundaries a sales tax of one-fourth of
82 one percent, for a period not to exceed twenty-five years, on all retail sales within the district,
83 which are subject to taxation pursuant to sections 144.010 to 144.525, RSMo, to fund the
84 acquisition, construction, maintenance, operation, improvement, and promotion of an exhibition

85 center and recreational facilities. The ballot of submission shall be in substantially the following
86 form:

87 Shall the (name of district) impose a sales tax of one-fourth of one percent to fund
88 the acquisition, construction, maintenance, operation, improvement, and promotion of an
89 exhibition center and recreational facilities, for a period of (insert number of years)?

90 ☐ YES ☐ NO

91

92 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
93 to the question, place an "X" in the box opposite "NO".

94

95 If a majority of the votes cast in the portion of any county that is part of the proposed district
96 favor the proposal, then the sales tax shall become effective in that portion of the county that is
97 part of the proposed district on the first day of the first calendar quarter immediately following
98 the election. If a majority of the votes cast in the portion of a county that is a part of the
99 proposed district oppose the proposal, then that portion of such county shall not impose the sales
100 tax authorized in this section until after the county governing body has submitted another such
101 sales tax proposal and the proposal is approved by a majority of the qualified voters voting
102 thereon. However, if a sales tax proposal is not approved, the governing body of the county shall
103 not resubmit a proposal to the voters pursuant to this section sooner than twelve months from
104 the date of the last proposal submitted pursuant to this section. If the qualified voters in two or
105 more counties that have contiguous districts approve the sales tax proposal, the districts shall
106 combine to become one district.

107 [7.] **8.** There is hereby created a board of trustees to administer any district created and
108 the expenditure of revenue generated pursuant to this section consisting of four individuals to
109 represent each county approving the district, as provided in this subsection. The governing body
110 of each county located within the district, upon approval of that county's sales tax proposal, shall
111 appoint four members to the board of trustees; at least one shall be an owner of a nonlodging
112 business located within the taxing district, or their designee, at least one shall be an owner of a
113 lodging facility located within the district, or their designee, and all members shall reside in the
114 district except that one nonlodging business owner, or their designee, and one lodging facility
115 owner, or their designee, may reside outside the district. Each trustee shall be at least twenty-five
116 years of age and a resident of this state. Of the initial trustees appointed from each county, two
117 shall hold office for two years, and two shall hold office for four years. Trustees appointed after
118 expiration of the initial terms shall be appointed to a four-year term by the governing body of the
119 county the trustee represents, with the initially appointed trustee to remain in office until a
120 successor is appointed, and shall take office upon being appointed. Each trustee may be

121 reappointed. Vacancies shall be filled in the same manner in which the trustee vacating the
122 office was originally appointed. The trustees shall not receive compensation for their services,
123 but may be reimbursed for their actual and necessary expenses. The board shall elect a chair and
124 other officers necessary for its membership. Trustees may be removed if:

125 (1) By a two-thirds vote, the board moves for the member's removal and submits such
126 motion to the governing body of the county from which the trustee was appointed; and

127 (2) The governing body of the county from which the trustee was appointed, by a
128 majority vote, adopts the motion for removal.

129 [8.] 9. The board of trustees shall have the following powers, authority, and privileges:

130 (1) To have and use a corporate seal;

131 (2) To sue and be sued, and be a party to suits, actions, and proceedings;

132 (3) To enter into contracts, franchises, and agreements with any person or entity, public
133 or private, affecting the affairs of the district, including contracts with any municipality, district,
134 or state, or the United States, and any of their agencies, political subdivisions, or
135 instrumentalities, for the funding, including without limitation interest rate exchange or swap
136 agreements, planning, development, construction, acquisition, maintenance, or operation of a
137 single exhibition center and recreational facilities or to assist in such activity. "Recreational
138 facilities" means locations explicitly designated for public use where the primary use of the
139 facility involves participation in hobbies or athletic activities;

140 (4) To borrow money and incur indebtedness and evidence the same by certificates,
141 notes, or debentures, to issue bonds and use any one or more lawful funding methods the district
142 may obtain for its purposes at such rates of interest as the district may determine. Any bonds,
143 notes, and other obligations issued or delivered by the district may be secured by mortgage,
144 pledge, or deed of trust of any or all of the property and income of the district. Every issue of
145 such bonds, notes, or other obligations shall be payable out of property and revenues of the
146 district and may be further secured by other property of the district, which may be pledged,
147 assigned, mortgaged, or a security interest granted for such payment, without preference or
148 priority of the first bonds issued, subject to any agreement with the holders of any other bonds
149 pledging any specified property or revenues. Such bonds, notes, or other obligations shall be
150 authorized by resolution of the district board, and shall bear such date or dates, and shall mature
151 at such time or times, but not in excess of thirty years, as the resolution shall specify. Such
152 bonds, notes, or other obligations shall be in such denomination, bear interest at such rate or
153 rates, be in such form, either coupon or registered, be issued as current interest bonds, compound
154 interest bonds, variable rate bonds, convertible bonds, or zero coupon bonds, be issued in such
155 manner, be payable in such place or places, and be subject to redemption as such resolution may
156 provide, notwithstanding section 108.170, RSMo. The bonds, notes, or other obligations may

157 be sold at either public or private sale, at such interest rates, and at such price or prices as the
158 district shall determine;

159 (5) To acquire, transfer, donate, lease, exchange, mortgage, and encumber real and
160 personal property in furtherance of district purposes;

161 (6) To refund any bonds, notes, or other obligations of the district without an election.
162 The terms and conditions of refunding obligations shall be substantially the same as those of the
163 original issue, and the board shall provide for the payment of interest at not to exceed the legal
164 rate, and the principal of such refunding obligations in the same manner as is provided for the
165 payment of interest and principal of obligations refunded;

166 (7) To have the management, control, and supervision of all the business and affairs of
167 the district, and the construction, installation, operation, and maintenance of district
168 improvements therein; to collect rentals, fees, and other charges in connection with its services
169 or for the use of any of its facilities;

170 (8) To hire and retain agents, employees, engineers, and attorneys;

171 (9) To receive and accept by bequest, gift, or donation any kind of property;

172 (10) To adopt and amend bylaws and any other rules and regulations not in conflict with
173 the constitution and laws of this state, necessary for the carrying on of the business, objects, and
174 affairs of the board and of the district; and

175 (11) To have and exercise all rights and powers necessary or incidental to or implied
176 from the specific powers granted by this section.

177 [9.] **10.** There is hereby created the "Exhibition Center and Recreational Facility District
178 Sales Tax Trust Fund", which shall consist of all sales tax revenue collected pursuant to this
179 section. The director of revenue shall be custodian of the trust fund, and moneys in the trust fund
180 shall be used solely for the purposes authorized in this section. Moneys in the trust fund shall
181 be considered nonstate funds pursuant to section 15, article IV, Constitution of Missouri. The
182 director of revenue shall invest moneys in the trust fund in the same manner as other funds are
183 invested. Any interest and moneys earned on such investments shall be credited to the trust fund.
184 All sales taxes collected by the director of revenue pursuant to this section on behalf of the
185 district, less one percent for the cost of collection which shall be deposited in the state's general
186 revenue fund after payment of premiums for surety bonds as provided in section 32.087, RSMo,
187 shall be deposited in the trust fund. The director of revenue shall keep accurate records of the
188 amount of moneys in the trust fund which was collected in the district imposing a sales tax
189 pursuant to this section, and the records shall be open to the inspection of the officers of each
190 district and the general public. Not later than the tenth day of each month, the director of
191 revenue shall distribute all moneys deposited in the trust fund during the preceding month to the
192 district. The director of revenue may authorize refunds from the amounts in the trust fund and

193 credited to the district for erroneous payments and overpayments made, and may redeem
194 dishonored checks and drafts deposited to the credit of the district.

195 [10.] **11.** The sales tax authorized by this section is in addition to all other sales taxes
196 allowed by law. Except as modified in this section, all provisions of sections 32.085 and 32.087,
197 RSMo, apply to the sales tax imposed pursuant to this section.

198 [11.] **12.** Any sales tax imposed pursuant to this section shall not extend past the initial
199 term approved by the voters unless an extension of the sales tax is submitted to and approved by
200 the qualified voters in each county in the manner provided in this section. Each extension of the
201 sales tax shall be for a period not to exceed twenty years. The ballot of submission for the
202 extension shall be in substantially the following form:

203 Shall the (name of district) extend the sales tax of one-fourth of one percent for a
204 period of (insert number of years) years to fund the acquisition, construction, maintenance,
205 operation, improvement, and promotion of an exhibition center and recreational facilities?

206 ☐ YES ☐ NO

207

208 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
209 to the question, place an "X" in the box opposite "NO".

210

211 If a majority of the votes cast favor the extension, then the sales tax shall remain in effect at the
212 rate and for the time period approved by the voters. If a sales tax extension is not approved, the
213 district may submit another sales tax proposal as authorized in this section, but the district shall
214 not submit such a proposal to the voters sooner than twelve months from the date of the last
215 extension submitted.

216 [12.] **13.** Once the sales tax authorized by this section is abolished or terminated by any
217 means, all funds remaining in the trust fund shall be used solely for the purposes approved in the
218 ballot question authorizing the sales tax. The sales tax shall not be abolished or terminated while
219 the district has any financing or other obligations outstanding; provided that any new financing,
220 debt, or other obligation or any restructuring or refinancing of an existing debt or obligation
221 incurred more than ten years after voter approval of the sales tax provided in this section or more
222 than ten years after any voter-approved extension thereof shall not cause the extension of the
223 sales tax provided in this section or cause the final maturity of any financing or other obligations
224 outstanding to be extended. Any funds in the trust fund which are not needed for current
225 expenditures may be invested by the district in the securities described in subdivisions (1) to (12)
226 of subsection 1 of section 30.270, RSMo, or repurchase agreements secured by such securities.
227 If the district abolishes the sales tax, the district shall notify the director of revenue of the action
228 at least ninety days before the effective date of the repeal, and the director of revenue may order

229 retention in the trust fund, for a period of one year, of two percent of the amount collected after
230 receipt of such notice to cover possible refunds or overpayment of the sales tax and to redeem
231 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
232 after the effective date of abolition of the sales tax in the district, the director of revenue shall
233 remit the balance in the account to the district and close the account of the district. The director
234 of revenue shall notify the district of each instance of any amount refunded or any check
235 redeemed from receipts due the district.

236 [13.] 14. In the event that the district is dissolved or terminated by any means, the
237 governing bodies of the counties in the district shall appoint a person to act as trustee for the
238 district so dissolved or terminated. Before beginning the discharge of duties, the trustee shall
239 take and subscribe an oath to faithfully discharge the duties of the office, and shall give bond
240 with sufficient security, approved by the governing bodies of the counties, to the use of the
241 dissolved or terminated district, for the faithful discharge of duties. The trustee shall have and
242 exercise all powers necessary to liquidate the district, and upon satisfaction of all remaining
243 obligations of the district, shall pay over to the county treasurer of each county in the district and
244 take receipt for all remaining moneys in amounts based on the ratio the levy of each county bears
245 to the total levy for the district in the previous three years or since the establishment of the
246 district, whichever time period is shorter. Upon payment to the county treasurers, the trustee
247 shall deliver to the clerk of the governing body of any county in the district all books, papers,
248 records, and deeds belonging to the dissolved district.

135.327. 1. As used in this section, the following terms shall mean:

2 (1) **"Adoption resource center", an agency funded by the state to provide all of the**
3 **following services to preadoptive and postadoptive families to prevent adoption disruption**
4 **and recruit adoptive parents:**

- 5 (a) **Information and referral;**
- 6 (b) **Training;**
- 7 (c) **Parent support groups;**
- 8 (d) **Youth support groups;**
- 9 (e) **Case-based advocacy;**
- 10 (f) **Respite care;**
- 11 (g) **Educational advocacy;**
- 12 (h) **Crisis intervention;**

13 (2) **"CASA", an entity which receives funding from the court-appointed special advocate**
14 **fund established under section 476.777, RSMO, including an association based in this state,**
15 **affiliated with a national association, organized to provide support to entities receiving funding**
16 **from the court-appointed special advocate fund;**

17 [(2)] (3) "Child advocacy centers", the regional child assessment centers listed in
18 subsection 2 of section 210.001, RSMO;

19 [(3)] (4) "Contribution", **the** amount of a donation to qualified agency;

20 [(4)] (5) "Crisis care center", entities contracted with this state which provide temporary
21 care for children whose age ranges from birth through seventeen years of age whose parents or
22 guardian are experiencing an unexpected and unstable or serious condition that requires
23 immediate action resulting in short-term care, usually three to five continuous, uninterrupted
24 days, for children who may be at risk for child abuse, neglect, or in an emergency situation;

25 [(5)] (6) "Department", the department of revenue;

26 [(6)] (7) "Director", the director of the department of revenue;

27 [(7)] (8) "Qualified agency", CASA, child advocacy centers, [or] a crisis care center, **or**
28 **an adoption resource center**;

29 [(8)] (9) "Tax liability", the tax due under chapter 143, RSMO, other than taxes withheld
30 under sections 143.191 to 143.265, RSMO.

31 2. [Any person residing in this state who legally adopts a special needs child on or after
32 January 1, 1988, and before January 1, 2000, shall be eligible to receive a tax credit of up to ten
33 thousand dollars for nonrecurring adoption expenses for each child adopted that may be applied
34 to taxes due under chapter 143, RSMO. Any business entity providing funds to an employee to
35 enable that employee to legally adopt a special needs child shall be eligible to receive a tax credit
36 of up to ten thousand dollars for nonrecurring adoption expenses for each child adopted that may
37 be applied to taxes due under such business entity's state tax liability, except that only one ten
38 thousand dollar credit is available for each special needs child that is adopted.

39 3.] Any person residing in this state who proceeds in good faith with the adoption of a
40 special needs child on or after January 1, 2000, shall be eligible to receive a tax credit of up to
41 ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to
42 taxes due under chapter 143, RSMO; provided, however, that beginning on or after July 1, 2004,
43 two million dollars of the tax credits allowed shall be allocated for the adoption of special needs
44 children who are residents or wards of residents of this state at the time the adoption is initiated.
45 Any business entity providing funds to an employee to enable that employee to proceed in good
46 faith with the adoption of a special needs child shall be eligible to receive a tax credit of up to
47 ten thousand dollars for nonrecurring adoption expenses for each child that may be applied to
48 taxes due under such business entity's state tax liability, except that only one ten thousand dollar
49 credit is available for each special needs child that is adopted.

50 [4.] **3.** Individuals and business entities may claim a tax credit for their total nonrecurring
51 adoption expenses in each year that the expenses are incurred. A claim for fifty percent of the
52 credit shall be allowed when the child is placed in the home. A claim for the remaining fifty

53 percent shall be allowed when the adoption is final. The total of these tax credits shall not
54 exceed the maximum limit of ten thousand dollars per child. [The cumulative amount of tax
55 credits which may be claimed by taxpayers claiming the credit for nonrecurring adoption
56 expenses in any one fiscal year prior to July 1, 2004, shall not exceed two million dollars.] The
57 cumulative amount of tax credits that may be claimed by taxpayers claiming the credit for
58 nonrecurring adoption expenses shall not be more than four million dollars but may be increased
59 by appropriation in any fiscal year beginning on or after July 1, 2004; provided, however, that
60 by December thirty-first following each July, if less than two million dollars in credits have been
61 issued for adoption of special needs children who are not residents or wards of residents of this
62 state at the time the adoption is initiated, the remaining amount of the cap shall be available for
63 the adoption of special needs children who are residents or wards of residents of this state at the
64 time the adoption is initiated. For all fiscal years beginning on or after July 1, 2006, applications
65 to claim the adoption tax credit for special needs children who are residents or wards of residents
66 of this state at the time the adoption is initiated shall be filed between July first and April
67 fifteenth of each fiscal year. For all fiscal years beginning on or after July 1, 2006, applications
68 to claim the adoption tax credit for special needs children who are not residents or wards of
69 residents of this state at the time the adoption is initiated shall be filed between July first and
70 December thirty-first of each fiscal year.

71 [5.] 4. Notwithstanding any provision of law to the contrary, any individual or business
72 entity may assign, transfer or sell tax credits allowed in this section. Any sale of tax credits
73 claimed pursuant to this section shall be at a discount rate of seventy-five percent or greater of
74 the amount sold.

75 [6.] 5. The director of revenue shall establish a procedure by which, for each fiscal year,
76 the cumulative amount of tax credits authorized in this section is equally apportioned among all
77 taxpayers within the two categories specified in subsection [3] 2 of this section claiming the
78 credit in that fiscal year. To the maximum extent possible, the director of revenue shall establish
79 the procedure described in this subsection in such a manner as to ensure that taxpayers within
80 each category can claim all the tax credits possible up to the cumulative amount of tax credits
81 available for the fiscal year.

82 [7.] 6. For all tax years beginning on or after January 1, 2006, a tax credit may be
83 claimed in an amount equal to up to fifty percent of a verified contribution to a qualified agency
84 and shall be named the children in crisis tax credit. The minimum amount of any tax credit
85 issued shall not be less than fifty dollars and shall be applied to taxes due under chapter 143,
86 RSMO, excluding sections 143.191 to 143.265, RSMO. A contribution verification shall be
87 issued to the taxpayer by the agency receiving the contribution. Such contribution verification
88 shall include the taxpayer's name, Social Security number, amount of tax credit, amount of

89 contribution, the name and address of the agency receiving the credit, and the date the
90 contribution was made. The tax credit provided under this subsection shall be initially filed for
91 the year in which the verified contribution is made.

92 [8.] 7. The cumulative amount of the tax credits redeemed shall not exceed the
93 unclaimed portion of the resident adoption category allocation as described in this section. The
94 director of revenue shall determine the unclaimed portion available. The amount available shall
95 be equally divided among the [three] **four** qualified agencies: CASA, child advocacy centers,
96 [or] crisis care centers, **or adoption resource centers**, to be used towards tax credits issued. In
97 the event tax credits claimed under one agency do not total the allocated amount for that agency,
98 the unused portion for that agency will be made available to the remaining agencies equally. In
99 the event the total amount of tax credits claimed for any one agency exceeds the amount
100 available for that agency, the amount redeemed shall and will be apportioned equally to all
101 eligible taxpayers claiming the credit under that agency. After all children in crisis tax credits
102 have been claimed, any remaining unclaimed portion of the reserved allocation for adoptions of
103 special needs children who are residents or wards of residents of this state shall then be made
104 available for adoption tax credit claims of special needs children who are not residents or wards
105 of residents of this state at the time the adoption is initiated.

106 [9.] 8. Prior to December thirty-first of each year, [the entities listed under the definition
107 of] **each** qualified agency shall apply to the department of social services in order to verify their
108 qualified agency status. Upon a determination that the agency is eligible to be a qualified
109 agency, the department of social services shall provide a letter of eligibility to such agency. No
110 later than February first of each year, the department of social services shall provide a list of
111 qualified agencies to the department of revenue. All tax credit applications to claim the children
112 in crisis tax credit shall be filed between July first and April fifteenth of each fiscal year. A
113 taxpayer shall apply for the children in crisis tax credit by attaching a copy of the contribution
114 verification provided by a qualified agency to such taxpayer's income tax return.

115 [10.] 9. The tax credits provided under this section shall be subject to the provisions of
116 section 135.333.

117 [11.] 10. (1) In the event a credit denial[,] due to lack of available funds[,] causes a
118 balance-due notice to be generated by the department of revenue[,] or any other redeeming
119 agency, the taxpayer [will] **shall** not be held liable for any penalty or interest, provided the
120 balance is paid, or approved payment arrangements have been made, within sixty days from the
121 notice of denial.

122 (2) In the event the balance is not paid within sixty days from the notice of denial, the
123 remaining balance shall be due and payable under the provisions of chapter 143, RSMO.

[12.] 11. The director shall calculate the level of appropriation necessary to issue all tax credits for nonresident special needs adoptions applied for under this section and provide such calculation to the speaker of the house of representatives, the president pro tempore of the senate, and the director of the division of budget and planning in the office of administration by January thirty-first of each year.

[13.] 12. The department may promulgate such rules or regulations as are necessary to administer the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMO, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMO, and, if applicable, section 536.028, RSMO. This section and chapter 536, RSMO, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMO, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2006, shall be invalid and void.

[14.] 13. Pursuant to section 23.253, RSMO, of the Missouri sunset act:

(1) The provisions of the new program authorized under subsections 7 to 12 of this section shall automatically sunset six years after August 28, 2006, unless reauthorized by an act of the general assembly; and

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

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

135.484. 1. Beginning January 1, 2000, tax credits shall be allowed pursuant to section 135.481 in an amount not to exceed sixteen million dollars per year. Of this total amount of tax credits in any given year, eight million dollars shall be set aside for projects in areas described in subdivision (6) of section 135.478 and eight million dollars for projects in areas described in subdivision (10) of section 135.478. The maximum tax credit for a project consisting of multiple-unit qualifying residences in a distressed community shall not exceed three million dollars. **To the extent that as of the first day of December in any year, less than sixteen million dollars in tax credits have been issued under the provisions of this section, such remaining unissued tax credits shall be made available for allocation under the provisions of sections 135.704 and 135.706.**

2. Any amount of credit which exceeds the tax liability of a taxpayer for the tax year in which the credit is first claimed may be carried back to any of the taxpayer's three prior tax years and carried forward to any of the taxpayer's five subsequent tax years. A certificate of tax credit

14 issued to a taxpayer by the department may be assigned, transferred, sold or otherwise conveyed.
15 Whenever a certificate of tax credit is assigned, transferred, sold or otherwise conveyed, a
16 notarized endorsement shall be filed with the department specifying the name and address of the
17 new owner of the tax credit and the value of the credit.

18 3. The tax credits allowed pursuant to sections 135.475 to 135.487 may not be claimed
19 in addition to any other state tax credits, with the exception of the historic structures
20 rehabilitation tax credit authorized pursuant to sections 253.545 to 253.559, RSMo, which
21 insofar as sections 135.475 to 135.487 are concerned may be claimed only in conjunction with
22 the tax credit allowed pursuant to subsection 4 of section 135.481. In order for a taxpayer
23 eligible for the historic structures rehabilitation tax credit to claim the tax credit allowed pursuant
24 to subsection 4 of section 135.481, the taxpayer must comply with the requirements of sections
25 253.545 to 253.559, RSMo, and in such cases, the amount of the tax credit pursuant to
26 subsection 4 of section 135.481 shall be limited to the lesser of twenty percent of the taxpayer's
27 eligible costs or forty thousand dollars.

135.535. 1. A corporation, limited liability corporation, partnership or sole
2 proprietorship, which moves its operations from outside Missouri or outside a distressed
3 community into a distressed community, or which commences operations in a distressed
4 community on or after January 1, 1999, and in either case has more than seventy-five percent of
5 its employees at the facility in the distressed community, and which has fewer than one hundred
6 employees for whom payroll taxes are paid, and which is a manufacturing, biomedical, medical
7 devices, scientific research, animal research, computer software design or development,
8 computer programming, including Internet, web hosting, and other information technology,
9 wireless or wired or other telecommunications or a professional firm shall receive a forty percent
10 credit against income taxes owed pursuant to chapter 143, 147 or 148, RSMo, other than taxes
11 withheld pursuant to sections 143.191 to 143.265, RSMo, for each of the three years after such
12 move, if approved by the department of economic development, which shall issue a certificate
13 of eligibility if the department determines that the taxpayer is eligible for such credit. The
14 maximum amount of credits per taxpayer set forth in this subsection shall not exceed one
15 hundred twenty-five thousand dollars for each of the three years for which the credit is claimed.
16 The department of economic development, by means of rule or regulation promulgated pursuant
17 to the provisions of chapter 536, RSMo, shall assign appropriate North American Industry
18 Classification System numbers to the companies which are eligible for the tax credits provided
19 for in this section. Such three-year credits shall be awarded only one time to any company which
20 moves its operations from outside of Missouri or outside of a distressed community into a
21 distressed community or to a company which commences operations within a distressed
22 community. A taxpayer shall file an application for certification of the tax credits for the first

23 year in which credits are claimed and for each of the two succeeding taxable years for which
24 credits are claimed.

25 2. Employees of such facilities physically working and earning wages for that work
26 within a distressed community whose employers have been approved for tax credits pursuant to
27 subsection 1 of this section by the department of economic development for whom payroll taxes
28 are paid shall also be eligible to receive a tax credit against individual income tax, imposed
29 pursuant to chapter 143, RSMo, equal to one and one-half percent of their gross salary paid at
30 such facility earned for each of the three years that the facility receives the tax credit provided
31 by this section, so long as they were qualified employees of such entity. The employer shall
32 calculate the amount of such credit and shall report the amount to the employee and the
33 department of revenue.

34 3. A tax credit against income taxes owed pursuant to chapter 143, 147 or 148, RSMo,
35 other than the taxes withheld pursuant to sections 143.191 to 143.265, RSMo, in lieu of the
36 credit against income taxes as provided in subsection 1 of this section, may be taken by such an
37 entity in a distressed community in an amount of forty percent of the amount of funds expended
38 for computer equipment and its maintenance, medical laboratories and equipment, research
39 laboratory equipment, manufacturing equipment, fiber optic equipment, high speed
40 telecommunications, wiring or software development expense up to a maximum of seventy-five
41 thousand dollars in tax credits for such equipment or expense per year per entity and for each of
42 three years after commencement in or moving operations into a distressed community.

43 4. A corporation, partnership or sole partnership, which has no more than one hundred
44 employees for whom payroll taxes are paid, which is already located in a distressed community
45 and which expends funds for such equipment pursuant to subsection 3 of this section in an
46 amount exceeding its average of the prior two years for such equipment, shall be eligible to
47 receive a tax credit against income taxes owed pursuant to chapters 143, 147 and 148, RSMo,
48 in an amount equal to the lesser of seventy-five thousand dollars or twenty-five percent of the
49 funds expended for such additional equipment per such entity. Tax credits allowed pursuant to
50 this subsection or subsection 1 of this section may be carried back to any of the three prior tax
51 years and carried forward to any of the **next** five tax years.

52 5. An existing corporation, partnership or sole proprietorship that is located within a
53 distressed community and that relocates employees from another facility outside of the distressed
54 community to its facility within the distressed community, and an existing business located
55 within a distressed community that hires new employees for that facility may both be eligible for
56 the tax credits allowed by subsections 1 and 3 of this section. To be eligible for such tax credits,
57 such a business, during one of its tax years, shall employ within a distressed community at least
58 twice as many employees as were employed at the beginning of that tax year. A business hiring

59 employees shall have no more than one hundred employees before the addition of the new
60 employees. This subsection shall only apply to a business which is a manufacturing, biomedical,
61 medical devices, scientific research, animal research, computer software design or development,
62 computer programming or telecommunications business, or a professional firm.

63 6. Tax credits shall be approved for applicants meeting the requirements of this section
64 in the order that such applications are received. Certificates of tax credits issued in accordance
65 with this section may be transferred, sold or assigned by notarized endorsement which names the
66 transferee.

67 7. The tax credits allowed pursuant to subsections 1, 2, 3, 4 and 5 of this section shall
68 be for an amount of no more than ten million dollars for each year beginning in 1999. To the
69 extent there are available tax credits remaining under the ten million dollar cap provided in this
70 section, [up to one hundred thousand dollars in the] **such** remaining credits shall first be used for
71 tax credits authorized under section 135.562. **To the extent that as of the first day of**
72 **December in any year, less than ten million dollars in tax credits have been issued under**
73 **the provisions of this section, such remaining unissued tax credits shall be made available**
74 **for allocation under the provisions of sections 135.704 and 135.706.** The total maximum
75 credit for all entities already located in distressed communities and claiming credits pursuant to
76 subsection 4 of this section shall be seven hundred and fifty thousand dollars. The department
77 of economic development in approving taxpayers for the credit as provided for in subsection 6
78 of this section shall use information provided by the department of revenue regarding taxes paid
79 in the previous year, or projected taxes for those entities newly established in the state, as the
80 method of determining when this maximum will be reached and shall maintain a record of the
81 order of approval. Any tax credit not used in the period for which the credit was approved may
82 be carried over until the full credit has been allowed.

83 8. A Missouri employer relocating into a distressed community and having employees
84 covered by a collective bargaining agreement at the facility from which it is relocating shall not
85 be eligible for the credits in subsection 1, 3, 4 or 5 of this section, and its employees shall not be
86 eligible for the credit in subsection 2 of this section if the relocation violates or terminates a
87 collective bargaining agreement covering employees at the facility, unless the affected collective
88 bargaining unit concurs with the move.

89 9. Notwithstanding any provision of law to the contrary, no taxpayer shall earn the tax
90 credits allowed in this section and the tax credits otherwise allowed in section 135.110, or the
91 tax credits, exemptions, and refund otherwise allowed in sections 135.200, 135.220, 135.225 and
92 135.245, respectively, for the same business for the same tax period.

135.562. 1. If any taxpayer with a federal adjusted gross income of thirty thousand
2 dollars or less incurs costs for the purpose of making all or any portion of such taxpayer's

principal dwelling accessible to [an individual with a disability] **a disabled individual or a senior** who permanently resides with the taxpayer, such taxpayer shall receive a tax credit against such taxpayer's Missouri income tax liability in an amount equal to the lesser of one hundred percent of such costs or two thousand five hundred dollars per taxpayer, per tax year.

For purposes of this section, "disabled individual" means any natural person who:

(1) Is a hearing-impaired person as defined in section 302.174, RSMo;

(2) Is a blind person as defined in section 8.700, RSMo; or

(3) Has medical disabilities that, as determined by a health care professional as defined in section 191.300, RSMo, prohibit, limit, or severely impair the person's ability to ambulate or walk as follows:

(a) The person is unable to ambulate or walk less than fifty feet without stopping to rest due to a severe and disabling arthritic, neurological, orthopedic, or other severe and disabling condition; or

(b) The person is unable to ambulate or walk without the use of or assistance from a brace, cane, crutch, prosthetic device, wheelchair, other assistive device, or another person.

2. Any taxpayer with a federal adjusted gross income greater than thirty thousand dollars but less than sixty thousand dollars who incurs costs for the purpose of making all or any portion of such taxpayer's principal dwelling accessible to [an individual with a disability] **a disabled individual or senior** who permanently resides with the taxpayer shall receive a tax credit against such taxpayer's Missouri income tax liability in an amount equal to the lesser of fifty percent of such costs or two thousand five hundred dollars per taxpayer per tax year. No taxpayer shall be eligible to receive tax credits under this section in any tax year immediately following a tax year in which such taxpayer received tax credits under the provisions of this section.

3. Tax credits issued pursuant to this section may be refundable in an amount not to exceed two thousand five hundred dollars per tax year.

4. Eligible costs for which the credit may be claimed include:

- (1) Constructing entrance or exit ramps;
- (2) Widening exterior or interior doorways;
- (3) Widening hallways;
- (4) Installing handrails or grab bars;
- (5) Moving electrical outlets and switches;
- (6) Installing stairway lifts;
- (7) Installing or modifying fire alarms, smoke detectors, and other alerting systems;
- (8) Modifying hardware of doors; [or]

39 (9) Modifying bathrooms; or

40 **(10) Constructing additional rooms in the dwelling or structures on the property**
41 **for the purpose of accommodating the senior or disabled person.**

42 5. The tax credits allowed, including the maximum amount that may be claimed,
43 pursuant to this section shall be reduced by an amount sufficient to offset any amount of such
44 costs a taxpayer has already deducted from such taxpayer's federal adjusted gross income or to
45 the extent such taxpayer has applied any other state or federal income tax credit to such costs.

46 6. A taxpayer shall claim a credit allowed by this section in the same taxable year as the
47 credit is issued, and at the time such taxpayer files his or her Missouri income tax return;
48 provided that such return is timely filed.

49 7. The department may, in consultation with the department of social services,
50 promulgate such rules or regulations as are necessary to administer the provisions of this section.
51 Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created
52 under the authority delegated in this section shall become effective only if it complies with and
53 is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028,
54 RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested
55 with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date
56 or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of
57 rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid
58 and void.

59 8. The provisions of this section shall apply to all tax years beginning on or after January
60 1, 2008.

61 9. The provisions of this section shall expire December 31, 2013.

62 10. In no event shall the aggregate amount of all tax credits allowed pursuant to this
63 section exceed [one hundred thousand dollars] **the amount of tax credits remaining unused**
64 **under the program authorized under section 135.535** in any given fiscal year. The tax credits
65 issued pursuant to this section shall be on a first-come, first-served filing basis.

135.680. 1. As used in this section, the following terms shall mean:

2 (1) "Adjusted purchase price", the product of:

3 (a) The amount paid to the issuer of a qualified equity investment for such qualified
4 equity investment; and

5 (b) The following fraction:

6 a. The numerator shall be the dollar amount of qualified low-income community
7 investments held by the issuer in this state as of the credit allowance date during the applicable
8 tax year; and

9 b. The denominator shall be the total dollar amount of qualified low-income community
10 investments held by the issuer in all states as of the credit allowance date during the applicable
11 tax year;

12 c. For purposes of calculating the amount of qualified low-income community
13 investments held by an issuer, an investment shall be considered held by an issuer even if the
14 investment has been sold or repaid; provided that the issuer reinvests an amount equal to the
15 capital returned to or recovered by the issuer from the original investment, exclusive of any
16 profits realized, in another qualified low-income community investment within twelve months
17 of the receipt of such capital. An issuer shall not be required to reinvest capital returned from
18 qualified low-income community investments after the sixth anniversary of the issuance of the
19 qualified equity investment, the proceeds of which were used to make the qualified low-income
20 community investment, and the qualified low-income community investment shall be considered
21 held by the issuer through the seventh anniversary of the qualified equity investment's issuance;

22 (2) "Applicable percentage", zero percent for each of the first two credit allowance dates,
23 seven percent for the third credit allowance date, and eight percent for the next four credit
24 allowance dates;

25 (3) "Credit allowance date", with respect to any qualified equity investment:

26 (a) The date on which such investment is initially made; and

27 (b) Each of the six anniversary dates of such date thereafter;

28 (4) "Long-term debt security", any debt instrument issued by a qualified community
29 development entity, at par value or a premium, with an original maturity date of at least seven
30 years from the date of its issuance, with no acceleration of repayment, amortization, or
31 prepayment features prior to its original maturity date, and with no distribution, payment, or
32 interest features related to the profitability of the qualified community development entity or the
33 performance of the qualified community development entity's investment portfolio. The
34 foregoing shall in no way limit the holder's ability to accelerate payments on the debt instrument
35 in situations where the issuer has defaulted on covenants designed to ensure compliance with this
36 section or Section 45D of the Internal Revenue Code of 1986, as amended;

37 (5) "Qualified active low-income community business", the meaning given such term
38 in Section 45D of the Internal Revenue Code of 1986, as amended; provided that any business
39 that derives or projects to derive fifteen percent or more of its annual revenue from the rental or
40 sale of real estate shall not be considered to be a qualified active low-income community
41 business;

42 (6) "Qualified community development entity", the meaning given such term in Section
43 45D of the Internal Revenue Code of 1986, as amended; provided that such entity has entered
44 into an allocation agreement with the Community Development Financial Institutions Fund of

45 the U.S. Treasury Department with respect to credits authorized by Section 45D of the Internal
46 Revenue Code of 1986, as amended, which includes the state of Missouri within the service area
47 set forth in such allocation agreement;

48 (7) "Qualified equity investment", any equity investment in, or long-term debt security
49 issued by, a qualified community development entity that:

50 (a) Is acquired after September 4, 2007, at its original issuance solely in exchange for
51 cash;

52 (b) Has at least eighty-five percent of its cash purchase price used by the issuer to make
53 qualified low-income community investments; and

54 (c) Is designated by the issuer as a qualified equity investment under this subdivision and
55 is certified by the department of economic development as not exceeding the limitation contained
56 in subsection 2 of this section.

57

58 This term shall include any qualified equity investment that does not meet the provisions of
59 paragraph (a) of this subdivision if such investment was a qualified equity investment in the
60 hands of a prior holder;

61 (8) "Qualified low-income community investment", any capital or equity investment in,
62 or loan to, any qualified active low-income community business. With respect to any one
63 qualified active low-income community business, the maximum amount of qualified low-income
64 community investments made in such business, on a collective basis with all of its affiliates, that
65 may be used from the calculation of any numerator described in subparagraph a. of paragraph
66 (b) of subdivision (1) of this subsection shall be ten million dollars whether issued to one or
67 several qualified community development entities;

68 (9) "Tax credit", a credit against the tax otherwise due under chapter 143, RSMo,
69 excluding withholding tax imposed in sections 143.191 to 143.265, RSMo, or otherwise due
70 under section 375.916, RSMo, or chapter 147, 148, or 153, RSMo;

71 (10) "Taxpayer", any individual or entity subject to the tax imposed in chapter 143,
72 RSMo, excluding withholding tax imposed in sections 143.191 to 143.265, RSMo, or the tax
73 imposed in section 375.916, RSMo, or chapter 147, 148, or 153, RSMo.

74 2. A taxpayer that makes a qualified equity investment earns a vested right to tax credits
75 under this section. On each credit allowance date of such qualified equity investment the
76 taxpayer, or subsequent holder of the qualified equity investment, shall be entitled to a tax credit
77 during the taxable year including such credit allowance date. The tax credit amount shall be
78 equal to the applicable percentage of the adjusted purchase price paid to the issuer of such
79 qualified equity investment. The amount of the tax credit claimed shall not exceed the amount
80 of the taxpayer's state tax liability for the tax year for which the tax credit is claimed. No tax

81 credit claimed under this section shall be refundable or transferable. Tax credits earned by a
82 partnership, limited liability company, S-corporation, or other pass-through entity may be
83 allocated to the partners, members, or shareholders of such entity for their direct use in
84 accordance with the provisions of any agreement among such partners, members, or
85 shareholders. Any amount of tax credit that the taxpayer is prohibited by this section from
86 claiming in a taxable year may be carried forward to any of the taxpayer's five subsequent taxable
87 years. The department of economic development shall limit the monetary amount of qualified
88 equity investments permitted under this section to a level necessary to limit tax credit utilization
89 at no more than fifteen million dollars of tax credits in any fiscal year. **To the extent that as of**
90 **the last day of April in any year, less than fifteen million dollars in tax credits have been**
91 **issued under the provisions of this section, such remaining unissued tax credits shall be**
92 **made available for allocation under the provisions of sections 135.704 and 135.706.** Such
93 limitation on qualified equity investments shall be based on the anticipated utilization of credits
94 without regard to the potential for taxpayers to carry forward tax credits to later tax years.

95 3. The issuer of the qualified equity investment shall certify to the department of
96 economic development the anticipated dollar amount of such investments to be made in this state
97 during the first twelve-month period following the initial credit allowance date. If on the second
98 credit allowance date, the actual dollar amount of such investments is different than the amount
99 estimated, the department of economic development shall adjust the credits arising on the second
100 allowance date to account for such difference.

101 4. The department of economic development shall recapture the tax credit allowed under
102 this section with respect to such qualified equity investment under this section if:

103 (1) Any amount of the federal tax credit available with respect to a qualified equity
104 investment that is eligible for a tax credit under this section is recaptured under Section 45D of
105 the Internal Revenue Code of 1986, as amended; or

106 (2) The issuer redeems or makes principal repayment with respect to a qualified equity
107 investment prior to the seventh anniversary of the issuance of such qualified equity investment.

108

109 Any tax credit that is subject to recapture shall be recaptured from the taxpayer that claimed the
110 tax credit on a return.

111 5. The department of economic development shall promulgate rules to implement the
112 provisions of this section, including recapture provisions on a scaled proportional basis, and to
113 administer the allocation of tax credits issued for qualified equity investments, which shall be
114 conducted on a first-come, first-serve basis. Any rule or portion of a rule, as that term is defined
115 in section 536.010, RSMo, that is created under the authority delegated in this section shall
116 become effective only if it complies with and is subject to all of the provisions of chapter 536,

117 RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are
118 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536,
119 RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently
120 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted
121 after September 4, 2007, shall be invalid and void.

122 6. For fiscal years following fiscal year 2010, qualified equity investments shall not be
123 made under this section unless reauthorization is made pursuant to this subsection. For all fiscal
124 years following fiscal year 2010, unless the general assembly adopts a concurrent resolution
125 granting authority to the department of economic development to approve qualified equity
126 investments for the Missouri new markets development program and clearly describing the
127 amount of tax credits available for the next fiscal year, or otherwise complies with the provisions
128 of this subsection, no qualified equity investments may be permitted to be made under this
129 section. The amount of available tax credits contained in such a resolution shall not exceed the
130 limitation provided under subsection 2 of this section. In any year in which the provisions of this
131 section shall sunset pursuant to subsection 7 of this section, reauthorization shall be made by
132 general law and not by concurrent resolution. Nothing in this subsection shall preclude a
133 taxpayer who makes a qualified equity investment prior to the expiration of authority to make
134 qualified equity investments from claiming tax credits relating to such qualified equity
135 investment for each applicable credit allowance date.

136 7. Under section 23.253, RSMo, of the Missouri sunset act:

137 (1) The provisions of the new program authorized under this section shall automatically
138 sunset six years after September 4, 2007, unless reauthorized by an act of the general assembly;
139 and

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

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

145

146 However, nothing in this subsection shall preclude a taxpayer who makes a qualified equity
147 investment prior to sunset of this section under the provisions of section 23.253, RSMo, from
148 claiming tax credits relating to such qualified equity investment for each credit allowance date.

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

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

4 (2) "Milk producer", any person with a valid Missouri milk producer identification
5 number who operates a dairy farm and provides, sells, or offers milk for sale to a milk
6 plant, receiving station, or transfer station;

7 (3) "Noncontrollable input cost", feed, fertilizer, and fuel costs;

8 (4) "Taxpayer", any individual, partnership, or corporation as described in
9 sections 143.441 and 143.471, RSMo, that is subject to the tax imposed in chapter 143,
10 RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or the
11 tax imposed in chapter 147, RSMo.

12 2. For all taxable years beginning on or after January 1, 2009, any resident
13 taxpayer who is actively engaged in business as a milk, swine, or cattle producer shall be
14 granted a tax credit based upon the amount of milk, swine, or cattle produced and sold.
15 The tax credit authorized under this section shall be allowed based upon production for
16 any month in which the average amount of revenue received from products drops below
17 the announced production price determined by the Food and Agricultural Policy Research
18 Institution on the basis of noncontrollable input cost. The tax credit authorized under this
19 section may be claimed against a taxpayer's state tax liability or quarterly estimated tax
20 in the year of issuance. If the amount of the tax credit issued exceeds the amount of the
21 taxpayer's state tax liability for the tax year for which the credit is claimed, the difference
22 shall not be refundable but may be carried forward to any of the taxpayer's three
23 subsequent taxable years.

24 3. The authority shall be responsible for the administration and issuance of the
25 certificate of tax credits authorized by this section. The authority may impose a fee for the
26 provision of services authorized by this section.

27 4. Taxpayers shall apply for the milk, swine, or cattle production tax credit by
28 submitting an application to the authority on a form provided by the authority.

29 5. As of the first day of January, 2011, and the first day of every calendar month
30 thereafter, the authority shall report and make available for public inspection the
31 announced price based upon the following factors:

32 (1) The average price of milk in the top five states where milk is imported into
33 Missouri;

34 (2) The average transportation costs of importing milk from the top five states
35 where milk is imported into Missouri; and

36 (3) The cost of milk production in the state of Missouri.

37 6. The authority shall not issue more than five thousand dollars in tax credits per
38 producer taxpayer per year. The authority shall not issue more tax credits in any calendar
39 year than are allocable to this program for such calendar year as provided under section

40 32.115, RSMo, section 99.1205, RSMo, sections 135.484, 135.535, and 135.680, and section
41 208.770, RSMo.

42 7. The authority may promulgate rules to implement the provisions of this section.
43 Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is
44 created under the authority delegated in this section shall become effective only if it
45 complies with and is subject to all of the provisions of chapter 536, RSMo, and, if
46 applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable
47 and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo,
48 to review, to delay the effective date, or to disapprove and annul a rule are subsequently
49 held unconstitutional, then the grant of rulemaking authority and any rule proposed or
50 adopted after August 28, 2009, shall be invalid and void.

51 8. Under section 23.253, RSMo, of the Missouri sunset act:

52 (1) The provisions of the new program authorized under this section shall
53 automatically sunset on December thirty-first six years after August 28, 2009, unless
54 reauthorized by an act of the general assembly; and

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

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

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

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

4 (2) "Livestock", any swine or beef cattle;

5 (3) "Livestock production costs", the market value of feed commodities used in the
6 production of livestock, including but not limited to corn and soybeans, of the type and in
7 the quantity determined by the authority needed to bring livestock to market based on the
8 sale weight of such livestock;

9 (4) "Market value", the market price of any feed commodity or livestock on the
10 date of sale;

11 (5) "Qualifying loss", an aggregate loss from the sale of livestock during a twelve-
12 month period based on the total of all sales of livestock during such twelve-month period;

13 (6) "Taxpayer", any individual, partnership, or corporation as described in
14 sections 143.441 and 143.471, RSMo, that is subject to the tax imposed in chapter 143,
15 RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or the
16 tax imposed in chapter 147, RSMo.

17 **2. For all taxable years beginning on or after January 1, 2009, any resident**
18 **taxpayer who is actively engaged in business as a livestock producer shall be granted a tax**
19 **credit based upon the amount of livestock produced and sold. The tax credit authorized**
20 **under this section shall be allowed based upon losses incurred as a result of market**
21 **fluctuations which result in current livestock production costs exceeding the current**
22 **market value of livestock. The tax credit authorized under this section may be claimed**
23 **against a taxpayer's state tax liability or quarterly estimated tax in the year of issuance.**
24 **If the amount of the tax credit issued exceeds the amount of the taxpayer's state tax**
25 **liability for the tax year for which the credit is claimed, the difference shall not be**
26 **refundable but may be carried forward to any of the taxpayer's three subsequent taxable**
27 **years. No tax credit issued under this section shall be transferred, sold, assigned, or**
28 **otherwise conveyed.**

29 **3. The authority shall be responsible for the administration and issuance of the**
30 **certificate of tax credits authorized by this section. The authority may impose a fee for the**
31 **provision of services authorized by this section.**

32 **4. Taxpayers shall apply for the livestock production tax credit by submitting an**
33 **application to the department on a form provided by the authority. As part of the**
34 **application, the taxpayer shall provide documentation as to the total amount of livestock**
35 **produced and sold during the tax credit allowance period.**

36 **5. The authority shall determine the market value of feed commodities used in the**
37 **production of swine and beef cattle, such as corn and soybeans, and the market value of**
38 **the livestock. Such market values shall be calculated and posted on the fifteenth and last**
39 **day of each month. Based on the current market value of such feed commodities and**
40 **livestock, the authority shall determine on a bimonthly basis:**

41 **(1) The current per pound or per unit livestock production cost of bringing each**
42 **type of livestock;**

43 **(2) The current per pound or per unit market price necessary for the livestock**
44 **producer to equal the livestock production costs for each type of livestock;**

45 **(3) The current per pound or per unit market price of each type of livestock; and**

46 **(4) Whether the current livestock production costs exceed the current market price**
47 **for each type of livestock.**

48

49 **If, based on the calculations made by the authority, the current livestock production costs**
50 **exceed the current market price of livestock, any participant in the program shall be**
51 **eligible to receive a tax credit if the participant has a qualifying loss for a twelve-month**
52 **period.**

53 **6. In any calendar year in which tax credits are available for issuance under the**
54 **provisions of this section, eligible taxpayers may be issued a credit in an amount equal to**
55 **the sum of the qualifying loss for a twelve-month period. The authority shall not issue**
56 **more than five thousand dollars in tax credits per livestock producer taxpayer per year.**
57 **The authority shall not issue more tax credits in any calendar year than are allocable to**
58 **this program for such calendar year as provided under section 32.115, RSMo, section**
59 **99.1205, RSMo, sections 135.484, 135.535, and 135.680, and section 208.770, RSMo.**

60 **7. The authority may promulgate rules to implement the provisions of this section.**
61 **Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is**
62 **created under the authority delegated in this section shall become effective only if it**
63 **complies with and is subject to all of the provisions of chapter 536, RSMo, and, if**
64 **applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable**
65 **and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo,**
66 **to review, to delay the effective date, or to disapprove and annul a rule are subsequently**
67 **held unconstitutional, then the grant of rulemaking authority and any rule proposed or**
68 **adopted after August 28, 2009, shall be invalid and void.**

69 **8. Under section 23.253, RSMo, of the Missouri sunset act:**

70 **(1) The provisions of the new program authorized under this section shall**
71 **automatically sunset on December thirty-first six years after August 28, 2009, unless**
72 **reauthorized by an act of the general assembly; and**

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

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

137.016. 1. As used in section 4(b) of article X of the Missouri Constitution, the
2 following terms mean:

3 (1) "Agricultural and horticultural property", all real property used for agricultural
4 purposes and devoted primarily to the raising and harvesting of crops; to the feeding, breeding
5 and management of livestock which shall include breeding, showing, and boarding of horses; to
6 dairying, or to any other combination thereof; and buildings and structures customarily
7 associated with farming, agricultural, and horticultural uses. Agricultural and horticultural
8 property shall also include land devoted to and qualifying for payments or other compensation
9 under a soil conservation or agricultural assistance program under an agreement with an agency
10 of the federal government. Agricultural and horticultural property shall further include land and
11 improvements, exclusive of structures, on privately owned airports that qualify as reliever

12 airports under the Nation Plan of Integrated Airports System, to receive federal airport
13 improvement project funds through the Federal Aviation Administration. Real property
14 classified as forest croplands shall not be agricultural or horticultural property so long as it is
15 classified as forest croplands and shall be taxed in accordance with the laws enacted to
16 implement section 7 of article X of the Missouri Constitution;

17 (2) "Residential property", all real property improved by a structure which is used or
18 intended to be used for residential living by human occupants, vacant land in connection with
19 an airport, land used as a golf course, **any watercraft as defined in section 137.080**, and
20 manufactured home parks, but residential property shall not include other similar facilities used
21 primarily for transient housing. For the purposes of this section, "transient housing" means all
22 rooms available for rent or lease for which the receipts from the rent or lease of such rooms are
23 subject to state sales tax pursuant to subdivision (6) of subsection 1 of section 144.020, RSMo;

24 (3) "Utility, industrial, commercial, railroad and other real property", all real property
25 used directly or indirectly, for any commercial, mining, industrial, manufacturing, trade,
26 professional, business, or similar purpose, including all property centrally assessed by the state
27 tax commission but shall not include floating docks, portions of which are separately owned and
28 the remainder of which is designated for common ownership and in which no one person or
29 business entity owns more than five individual units. All other real property not included in the
30 property listed in subclasses (1) and (2) of section 4(b) of article X of the Missouri Constitution,
31 as such property is defined in this section, shall be deemed to be included in the term "utility,
32 industrial, commercial, railroad and other real property".

33 2. Pursuant to article X of the state constitution, any taxing district may adjust its
34 operating levy to recoup any loss of property tax revenue, except revenues from the surtax
35 imposed pursuant to article X, subsection 2 of section 6 of the constitution, as the result of
36 changing the classification of structures intended to be used for residential living by human
37 occupants which contain five or more dwelling units if such adjustment of the levy does not
38 exceed the highest tax rate in effect subsequent to the 1980 tax year. For purposes of this
39 section, loss in revenue shall include the difference between the revenue that would have been
40 collected on such property under its classification prior to enactment of this section and the
41 amount to be collected under its classification under this section. The county assessor of each
42 county or city not within a county shall provide information to each taxing district within its
43 boundaries regarding the difference in assessed valuation of such property as the result of such
44 change in classification.

45 3. All reclassification of property as the result of changing the classification of structures
46 intended to be used for residential living by human occupants which contain five or more
47 dwelling units shall apply to assessments made after December 31, 1994.

48 4. Where real property is used or held for use for more than one purpose and such uses
49 result in different classifications, the county assessor shall allocate to each classification the
50 percentage of the true value in money of the property devoted to each use; except that, where
51 agricultural and horticultural property, as defined in this section, also contains a dwelling unit
52 or units, the farm dwelling, appurtenant residential-related structures and up to five acres
53 immediately surrounding such farm dwelling shall be residential property, as defined in this
54 section.

55 5. All real property which is vacant, unused, or held for future use; which is used for a
56 private club, a not-for-profit or other nonexempt lodge, club, business, trade, service
57 organization, or similar entity; or for which a determination as to its classification cannot be
58 made under the definitions set out in subsection 1 of this section, shall be classified according
59 to its immediate most suitable economic use, which use shall be determined after consideration
60 of:

- 61 (1) Immediate prior use, if any, of such property;
- 62 (2) Location of such property;
- 63 (3) Zoning classification of such property; except that, such zoning classification shall
64 not be considered conclusive if, upon consideration of all factors, it is determined that such
65 zoning classification does not reflect the immediate most suitable economic use of the property;
- 66 (4) Other legal restrictions on the use of such property;
- 67 (5) Availability of water, electricity, gas, sewers, street lighting, and other public services
68 for such property;
- 69 (6) Size of such property;
- 70 (7) Access of such property to public thoroughfares; and
- 71 (8) Any other factors relevant to a determination of the immediate most suitable
72 economic use of such property.

73 6. All lands classified as forest croplands shall not, for taxation purposes, be classified
74 as subclass (1), subclass (2), or subclass (3) real property, as such classes are prescribed in
75 section 4(b) of article X of the Missouri Constitution and defined in this section, but shall be
76 taxed in accordance with the laws enacted to implement section 7 of article X of the Missouri
77 Constitution.

137.080. 1. Real estate and tangible personal property shall be assessed annually at the
2 assessment which commences on the first day of January. For purposes of assessing and taxing
3 tangible personal property, all tangible personal property shall be divided into the following
4 subclasses:

- 5 (1) Grain and other agricultural crops in an unmanufactured condition;
- 6 (2) Livestock;

7 (3) Farm machinery;

8 (4) Vehicles, including recreational vehicles, but not including manufactured homes, as
9 defined in section 700.010, RSMo, which are actually used as dwelling units, **and not including**
10 **watercraft as defined in this section;**

11 (5) Manufactured homes, as defined in section 700.010, RSMo, which are actually used
12 as dwelling units;

13 (6) Motor vehicles which are eligible for registration and are registered as historic motor
14 vehicles under section 301.131, RSMo;

15 (7) All taxable tangible personal property not included in subclass (1), subclass (2),
16 subclass (3), subclass (4), subclass (5), or subclass (6).

17 **2. As used in this section, "watercraft" means any vessel or watercraft, as such**
18 **terms are defined in section 306.010, RSMo, that has bath and toilet facilities, a sleeping**
19 **area, and kitchen facilities, that is eligible for the home mortgage interest deduction on the**
20 **taxpayer's federal income tax return, that is registered under chapter 306, RSMo, and that**
21 **is used as the taxpayer's principal place of residence or as a temporary residence for the**
22 **taxpayer.**

138.431. 1. To hear and decide appeals pursuant to section 138.430, the commission
2 shall appoint one or more hearing officers. The hearing officers shall be subject to supervision
3 by the commission. No person shall participate on behalf of the commission in any case in
4 which such person is an interested party.

5 2. The commission may assign such appeals as it deems fit to a hearing officer for
6 disposition.

7 (1) **The assignment shall be deemed made when the scheduling order is first issued**
8 **by the commission and signed by the hearing officer assigned, unless another hearing**
9 **officer is assigned to the case for disposition by other language in said order.**

10 (2) **A change of hearing officer, or a reservation of the appeal for disposition as**
11 **described in subsection 3 of this section, shall be ordered by the commission in any appeal**
12 **upon the timely filing of a written application by a party to disqualify the hearing officer**
13 **assigned. The application shall be filed within thirty days from the assignment of any**
14 **appeal to a hearing officer and need not allege or prove any cause for such change and**
15 **need not be verified. No more than one change of hearing officer shall be allowed for each**
16 **party in any appeal.**

17 3. The commission may, in its discretion, reserve such appeals as it deems fit to be heard
18 and decided by the full commission, a quorum thereof, or any commissioner, subject to the
19 provisions of section 138.240, and, in such case, the decision shall be final, subject to judicial
20 review in the manner provided in subsection 4 of section 138.470.

21 [3.] 4. The manner in which appeals shall be presented and the conduct of hearings shall
22 be made in accordance with rules prescribed by the commission for determining the rights of the
23 parties; provided that, the commission, with the consent of all the parties, may refer an appeal
24 to mediation. The commission shall promulgate regulations for mediation pursuant to this
25 section. No regulation or portion of a regulation promulgated pursuant to the authority of this
26 section shall become effective unless it has been promulgated pursuant to the provisions of
27 chapter 536, RSMo. There shall be no presumption that the assessor's valuation is correct. A
28 full and complete record shall be kept of all proceedings. All testimony at any hearing shall be
29 recorded but need not be transcribed unless the matter is further appealed.

30 [4.] 5. Unless an appeal is voluntarily dismissed, a hearing officer, after affording the
31 parties reasonable opportunity for fair hearing, shall issue a decision and order affirming,
32 modifying, or reversing the determination of the board of equalization, and correcting any
33 assessment which is unlawful, unfair, improper, arbitrary, or capricious. The commission may,
34 prior to the decision being rendered, transfer to another hearing officer the proceedings on an
35 appeal determination before a hearing officer. The complainant, respondent-assessor, or other
36 party shall be duly notified of a hearing officer's decision and order, together with findings of fact
37 and conclusions of law. Appeals from decisions of hearing officers shall be made pursuant to
38 section 138.432.

39 [5.] 6. All decisions issued pursuant to this section or section 138.432 by the commission
40 or any of its duly assigned hearing officers shall be issued no later than sixty days after the
41 hearing on the matter to be decided is held or the date on which the last party involved in such
42 matter files his or her brief, whichever event later occurs.

**142.814. 1. Motor fuel sold to be used to operate school buses to transport students
2 to or from school or to transport students to or from any place for educational purposes
3 is exempt from the fuel tax imposed by this chapter. As used in this section, "school buses"
4 shall have the same meaning as section 302.010, RSMo, and shall not include any motor
5 vehicle owned by the parent of a student for personal use.**

**6 2. The department shall promulgate rules to implement the provisions of this
7 section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo,
8 that is created under the authority delegated in this section shall become effective only if
9 it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if
10 applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable
11 and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo,
12 to review, to delay the effective date, or to disapprove and annul a rule are subsequently
13 held unconstitutional, then the grant of rulemaking authority and any rule proposed or
14 adopted after August 28, 2009, shall be invalid and void.**

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

(1) "Deduction", an amount subtracted from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income under section 143.121 for the tax year in which such deduction is claimed;

(2) "Qualified fuel cell property", a fuel cell power plant that:

(a) Has a nameplate capacity of at least one-half of one kilowatt of electricity using an electrochemical process;

(b) Has an electricity-only generation efficiency greater than thirty percent; and

(c) Is installed on or in connection with a dwelling unit located in the United States and used as a principal residence by the taxpayer;

(3) "Qualified photovoltaic property", any property that uses solar energy to generate electricity for use in a dwelling unit located in this state and used as a residence by the taxpayer;

(4) "Taxpayer", any individual subject to the income tax imposed in this chapter.

2. In addition to all deductions listed in section 143.111, for all taxable years beginning on or after January 1, 2010, a taxpayer shall be allowed a deduction for the purchase price of any qualified fuel cell property or any qualified photovoltaic property. The deduction amount shall be equal to the lesser of:

(1) Fifty percent of the purchase price of any qualified fuel cell property or one thousand dollars;

(2) Fifty percent of the purchase price of any qualified photovoltaic property or four thousand dollars.

3. The department of revenue shall establish the procedure by which the deduction provided in this section may be claimed, and may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2009, shall be invalid and void.

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

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

37 **(2) If such program is reauthorized, the program authorized under this section**
38 **shall automatically sunset on December thirty-first twelve years after the effective date of**
39 **the reauthorization of this 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.**

143.161. 1. For all taxable years beginning after December 31, 1997, a resident may
2 deduct one thousand two hundred dollars for each dependent for whom such resident is entitled
3 to a dependency exemption deduction for federal income tax purposes. In the case of a
4 dependent who has attained sixty-five years of age on or before the last day of the taxable year,
5 if such dependent resides in the taxpayer's home or the dependent's own home or if such
6 dependent does not receive Medicaid or state funding while residing in a facility licensed
7 pursuant to chapter 198, RSMo, the taxpayer may deduct an additional one thousand dollars.

8 2. [For all taxable years beginning before January 1, 1999, a resident who qualifies as
9 an unmarried head of household or as a surviving spouse for federal income tax purposes may
10 deduct an additional eight hundred dollars.] For all taxable years beginning on or after January
11 1, 1999, a resident who qualifies as an unmarried head of household or as a surviving spouse for
12 federal income tax purposes may deduct an additional one thousand four hundred dollars.

13 **3. For all taxable years beginning on or after January 1, 2010, for each birth for**
14 **which a certificate of birth resulting in stillbirth has been issued under section 193.165,**
15 **RSMo, a taxpayer may claim the exemption under subsection 1 of this section only in the**
16 **taxable year in which the stillbirth occurred, if the child otherwise would have been a**
17 **member of the taxpayer's household.**

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

2 (1) "Nonresident entertainer", a person residing or registered as a corporation outside this
3 state who, for compensation, performs any vocal, instrumental, musical, comedy, dramatic,
4 dance or other performance in this state before a live audience and any other person traveling
5 with and performing services on behalf of a nonresident entertainer, including a nonresident
6 entertainer who is paid compensation for providing entertainment as an independent contractor,
7 a partnership that is paid compensation for entertainment provided by nonresident entertainers,
8 a corporation that is paid compensation for entertainment provided by nonresident entertainers,
9 or any other entity that is paid compensation for entertainment provided by nonresident
10 entertainers;

11 (2) "Nonresident member of a professional athletic team", a professional athletic team
12 member who resides outside this state, including any active player, any player on the disabled
13 list if such player is in uniform on the day of the game at the site of the game, and any other
14 person traveling with and performing services on behalf of a professional athletic team;

15 (3) "Personal service income" includes exhibition and regular season salaries and wages,
16 guaranteed payments, strike benefits, deferred payments, severance pay, bonuses, and any other
17 type of compensation paid to the nonresident entertainer or nonresident member of a professional
18 athletic team, but does not include prizes, bonuses or incentive money received from competition
19 in a livestock, equine or rodeo performance, exhibition or show;

20 (4) "Professional athletic team" includes, but is not limited to, any professional baseball,
21 basketball, football, soccer and hockey team.

22 2. Any person, venue, or entity who pays compensation to a nonresident entertainer shall
23 deduct and withhold from such compensation as a prepayment of tax an amount equal to two
24 percent of the total compensation if the amount of compensation is in excess of three hundred
25 dollars paid to the nonresident entertainer.

26 3. Any person, venue, or entity required to deduct and withhold tax pursuant to
27 subsection 2 of this section shall, for each calendar quarter, on or before the last day of the month
28 following the close of such calendar quarter, remit the taxes withheld in such form or return as
29 prescribed by the director of revenue and pay over to the director of revenue or to a depository
30 designated by the director of revenue the taxes so required to be deducted and withheld.

31 4. Any person, venue, or entity subject to this section shall be considered an employer
32 for purposes of section 143.191, and shall be subject to all penalties, interest, and additions to
33 tax provided in this chapter for failure to comply with this section.

34 5. Notwithstanding other provisions of this chapter to the contrary, the commissioner of
35 administration, for all taxable years beginning on or after January 1, 1999, but none after
36 December 31, 2015, shall annually estimate the amount of state income tax revenues collected
37 pursuant to this chapter which are received from nonresident members of professional athletic
38 teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal year for
39 a period of sixteen years, sixty percent of the annual estimate of taxes generated from the
40 nonresident entertainer and professional athletic team income tax shall be allocated annually to
41 the Missouri arts council trust fund, and shall be transferred from the general revenue fund to the
42 Missouri arts council trust fund established in section 185.100, RSMo, and any amount
43 transferred shall be in addition to such agency's budget base for each fiscal year.
44 [Notwithstanding other provisions of this section, the Missouri arts council shall not be
45 appropriated more than ten million dollars in any fiscal year.] The director shall by rule establish
46 the method of determining the portion of personal service income of such persons that is
47 allocable to Missouri.

48 6. Notwithstanding the provisions of sections 186.050 to 186.067, RSMo, to the
49 contrary, the commissioner of administration, for all taxable years beginning on or after January
50 1, 1999, but for none after December 31, 2015, shall estimate annually the amount of state

51 income tax revenues collected pursuant to this chapter which are received from nonresident
52 members of professional athletic teams and nonresident entertainers. For fiscal year 2000, and
53 for each subsequent fiscal year for a period of sixteen years, ten percent of the annual estimate
54 of taxes generated from the nonresident entertainer and professional athletic team income tax
55 shall be allocated annually to the Missouri humanities council trust fund, and shall be transferred
56 from the general revenue fund to the Missouri humanities council trust fund established in
57 section 186.055, RSMo, and any amount transferred shall be in addition to such agency's budget
58 base for each fiscal year.

59 7. Notwithstanding other provisions of section 182.812, RSMo, to the contrary, the
60 commissioner of administration, for all taxable years beginning on or after January 1, 1999, but
61 for none after December 31, 2015, shall estimate annually the amount of state income tax
62 revenues collected pursuant to this chapter which are received from nonresident members of
63 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each
64 subsequent fiscal year for a period of sixteen years, ten percent of the annual estimate of taxes
65 generated from the nonresident entertainer and professional athletic team income tax shall be
66 allocated annually to the Missouri state library networking fund, and shall be transferred from
67 the general revenue fund to the secretary of state for distribution to public libraries for
68 acquisition of library materials as established in section 182.812, RSMo, and any amount
69 transferred shall be in addition to such agency's budget base for each fiscal year.

70 8. Notwithstanding other provisions of section 185.200, RSMo, to the contrary, the
71 commissioner of administration, for all taxable years beginning on or after January 1, 1999, but
72 for none after December 31, 2015, shall estimate annually the amount of state income tax
73 revenues collected pursuant to this chapter which are received from nonresident members of
74 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each
75 subsequent fiscal year for a period of sixteen years, ten percent of the annual estimate of taxes
76 generated from the nonresident entertainer and professional athletic team income tax shall be
77 allocated annually to the Missouri public television broadcasting corporation special fund, and
78 shall be transferred from the general revenue fund to the Missouri public television broadcasting
79 corporation special fund [established in section 185.200, RSMo], and any amount transferred
80 shall be in addition to such agency's budget base for each fiscal year; provided, however, that
81 twenty-five percent of such allocation shall be used for grants to public radio stations which were
82 qualified by the corporation for public broadcasting as of November 1, 1996. Such grants shall
83 be distributed to each of such public radio stations in this state after receipt of the station's
84 certification of operating and programming expenses for the prior fiscal year. Certification shall
85 consist of the most recent fiscal year financial statement submitted by a station to the corporation
86 for public broadcasting. The grants shall be divided into two categories, an annual basic service

87 grant and an operating grant. The basic service grant shall be equal to thirty-five percent of the
88 total amount and shall be divided equally among the public radio stations receiving grants. The
89 remaining amount shall be distributed as an operating grant to the stations on the basis of the
90 proportion that the total operating expenses of the individual station in the prior fiscal year bears
91 to the aggregate total of operating expenses for the same fiscal year for all Missouri public radio
92 stations which are receiving grants.

93 9. Notwithstanding other provisions of section 253.402, RSMo, to the contrary, the
94 commissioner of administration, for all taxable years beginning on or after January 1, 1999, but
95 for none after December 31, 2015, shall estimate annually the amount of state income tax
96 revenues collected pursuant to this chapter which are received from nonresident members of
97 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each
98 subsequent fiscal year for a period of sixteen years, ten percent of the annual estimate of taxes
99 generated from the nonresident entertainer and professional athletic team income tax shall be
100 allocated annually to the Missouri department of natural resources Missouri historic preservation
101 revolving fund, and shall be transferred from the general revenue fund to the Missouri
102 department of natural resources Missouri historic preservation revolving fund established in
103 section 253.402, RSMo, and any amount transferred shall be in addition to such agency's budget
104 base for each fiscal year. As authorized pursuant to subsection 2 of section 30.953, RSMo, it is
105 the intention and desire of the general assembly that the state treasurer convey, to the Missouri
106 investment trust on January 1, 1999, up to one hundred percent of the balances of the Missouri
107 arts council trust fund established pursuant to section 185.100, RSMo, and the Missouri
108 humanities council trust fund established pursuant to section 186.055, RSMo. The funds shall
109 be reconveyed to the state treasurer by the investment trust as follows: the Missouri arts council
110 trust fund, no earlier than January 2, 2009; and the Missouri humanities council trust fund, no
111 earlier than January 2, 2009.

144.030. 1. There is hereby specifically exempted from the provisions of sections
2 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to
3 sections 144.010 to 144.525 such retail sales as may be made in commerce between this state and
4 any other state of the United States, or between this state and any foreign country, and any retail
5 sale which the state of Missouri is prohibited from taxing pursuant to the Constitution or laws
6 of the United States of America, and such retail sales of tangible personal property which the
7 general assembly of the state of Missouri is prohibited from taxing or further taxing by the
8 constitution of this state.

9 2. There are also specifically exempted from the provisions of the local sales tax law as
10 defined in section 32.085, RSMo, section 238.235, RSMo, and sections 144.010 to 144.525 and
11 144.600 to 144.761 and from the computation of the tax levied, assessed or payable pursuant to

12 the local sales tax law as defined in section 32.085, RSMo, section 238.235, RSMo, and sections
13 144.010 to 144.525 and 144.600 to 144.745:

14 (1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of
15 such excise tax is refunded pursuant to section 142.824, RSMo; or upon the sale at retail of fuel
16 to be consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing
17 water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into
18 foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone or
19 fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested will
20 be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed form at
21 retail; economic poisons registered pursuant to the provisions of the Missouri pesticide
22 registration law (sections 281.220 to 281.310, RSMo) which are to be used in connection with
23 the growth or production of crops, fruit trees or orchards applied before, during, or after planting,
24 the crop of which when harvested will be sold at retail or will be converted into foodstuffs which
25 are to be sold ultimately in processed form at retail;

26 (2) Materials, manufactured goods, machinery and parts which when used in
27 manufacturing, processing, compounding, mining, producing or fabricating become a component
28 part or ingredient of the new personal property resulting from such manufacturing, processing,
29 compounding, mining, producing or fabricating and which new personal property is intended to
30 be sold ultimately for final use or consumption; and materials, including without limitation,
31 gases and manufactured goods, including without limitation slagging materials and firebrick,
32 which are ultimately consumed in the manufacturing process by blending, reacting or interacting
33 with or by becoming, in whole or in part, component parts or ingredients of steel products
34 intended to be sold ultimately for final use or consumption;

35 (3) Materials, replacement parts and equipment purchased for use directly upon, and for
36 the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock
37 or aircraft engaged as common carriers of persons or property;

38 (4) Replacement machinery, equipment, and parts and the materials and supplies solely
39 required for the installation or construction of such replacement machinery, equipment, and
40 parts, used directly in manufacturing, mining, fabricating or producing a product which is
41 intended to be sold ultimately for final use or consumption; and machinery and equipment, and
42 the materials and supplies required solely for the operation, installation or construction of such
43 machinery and equipment, purchased and used to establish new, or to replace or expand existing,
44 material recovery processing plants in this state. For the purposes of this subdivision, a "material
45 recovery processing plant" means a facility that has as its primary purpose the recovery of
46 materials into a useable product or a different form which is used in producing a new product and
47 shall include a facility or equipment which are used exclusively for the collection of recovered

48 materials for delivery to a material recovery processing plant but shall not include motor vehicles
49 used on highways. For purposes of this section, the terms motor vehicle and highway shall have
50 the same meaning pursuant to section 301.010, RSMo. Material recovery is not the reuse of
51 materials within a manufacturing process or the use of a product previously recovered. The
52 material recovery processing plant shall qualify under the provisions of this section regardless
53 of ownership of the material being recovered;

54 (5) Machinery and equipment, and parts and the materials and supplies solely required
55 for the installation or construction of such machinery and equipment, purchased and used to
56 establish new or to expand existing manufacturing, mining or fabricating plants in the state if
57 such machinery and equipment is used directly in manufacturing, mining or fabricating a product
58 which is intended to be sold ultimately for final use or consumption;

59 (6) Tangible personal property which is used exclusively in the manufacturing,
60 processing, modification or assembling of products sold to the United States government or to
61 any agency of the United States government;

62 (7) Animals or poultry used for breeding or feeding purposes;

63 (8) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and
64 other machinery, equipment, replacement parts and supplies used in producing newspapers
65 published for dissemination of news to the general public;

66 (9) The rentals of films, records or any type of sound or picture transcriptions for public
67 commercial display;

68 (10) Pumping machinery and equipment used to propel products delivered by pipelines
69 engaged as common carriers;

70 (11) Railroad rolling stock for use in transporting persons or property in interstate
71 commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or
72 more or trailers used by common carriers, as defined in section 390.020, RSMo, in the
73 transportation of persons or property;

74 (12) Electrical energy used in the actual primary manufacture, processing, compounding,
75 mining or producing of a product, or electrical energy used in the actual secondary processing
76 or fabricating of the product, or a material recovery processing plant as defined in subdivision
77 (4) of this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical
78 energy so used exceeds ten percent of the total cost of production, either primary or secondary,
79 exclusive of the cost of electrical energy so used or if the raw materials used in such processing
80 contain at least twenty-five percent recovered materials as defined in section 260.200, RSMo.
81 There shall be a rebuttable presumption that the raw materials used in the primary manufacture
82 of automobiles contain at least twenty-five percent recovered materials. For purposes of this
83 subdivision, "processing" means any mode of treatment, act or series of acts performed upon

84 materials to transform and reduce them to a different state or thing, including treatment necessary
85 to maintain or preserve such processing by the producer at the production facility;

86 (13) Anodes which are used or consumed in manufacturing, processing, compounding,
87 mining, producing or fabricating and which have a useful life of less than one year;

88 (14) Machinery, equipment, appliances and devices purchased or leased and used solely
89 for the purpose of preventing, abating or monitoring air pollution, and materials and supplies
90 solely required for the installation, construction or reconstruction of such machinery, equipment,
91 appliances and devices;

92 (15) Machinery, equipment, appliances and devices purchased or leased and used solely
93 for the purpose of preventing, abating or monitoring water pollution, and materials and supplies
94 solely required for the installation, construction or reconstruction of such machinery, equipment,
95 appliances and devices;

96 (16) Tangible personal property purchased by a rural water district;

97 (17) All amounts paid or charged for admission or participation or other fees paid by or
98 other charges to individuals in or for any place of amusement, entertainment or recreation, games
99 or athletic events, including museums, fairs, zoos and planetariums, owned or operated by a
100 municipality or other political subdivision where all the proceeds derived therefrom benefit the
101 municipality or other political subdivision and do not inure to any private person, firm, or
102 corporation;

103 (18) All sales of insulin and prosthetic or orthopedic devices as defined on January 1,
104 1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of
105 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically
106 including hearing aids and hearing aid supplies and all sales of drugs which may be legally
107 dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to
108 administer those items, including samples and materials used to manufacture samples which may
109 be dispensed by a practitioner authorized to dispense such samples and all sales of medical
110 oxygen, home respiratory equipment and accessories, hospital beds and accessories and
111 ambulatory aids, all sales of manual and powered wheelchairs, stairway lifts, Braille writers,
112 electronic Braille equipment and, if purchased by or on behalf of a person with one or more
113 physical or mental disabilities to enable them to function more independently, all sales of
114 scooters, reading machines, electronic print enlargers and magnifiers, electronic alternative and
115 augmentative communication devices, and items used solely to modify motor vehicles to permit
116 the use of such motor vehicles by individuals with disabilities or sales of over-the-counter or
117 nonprescription drugs to individuals with disabilities, **or any medical equipment, supplies, or**
118 **devices that are provided to a person on or by the order of a physician, or otherwise paid**
119 **for by a third party health insurer, or Medicare and Medicaid;**

120 (19) All sales made by or to religious and charitable organizations and institutions in
121 their religious, charitable or educational functions and activities and all sales made by or to all
122 elementary and secondary schools operated at public expense in their educational functions and
123 activities;

124 (20) All sales of aircraft to common carriers for storage or for use in interstate commerce
125 and all sales made by or to not-for-profit civic, social, service or fraternal organizations,
126 including fraternal organizations which have been declared tax-exempt organizations pursuant
127 to Section 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or
128 charitable functions and activities and all sales made to eleemosynary and penal institutions and
129 industries of the state, and all sales made to any private not-for-profit institution of higher
130 education not otherwise excluded pursuant to subdivision (19) of this subsection or any
131 institution of higher education supported by public funds, and all sales made to a state relief
132 agency in the exercise of relief functions and activities;

133 (21) All ticket sales made by benevolent, scientific and educational associations which
134 are formed to foster, encourage, and promote progress and improvement in the science of
135 agriculture and in the raising and breeding of animals, and by nonprofit summer theater
136 organizations if such organizations are exempt from federal tax pursuant to the provisions of the
137 Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any
138 fair conducted by a county agricultural and mechanical society organized and operated pursuant
139 to sections 262.290 to 262.530, RSMo;

140 (22) All sales made to any private not-for-profit elementary or secondary school, all sales
141 of feed additives, medications or vaccines administered to livestock or poultry in the production
142 of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for
143 food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber,
144 all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying
145 agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as
146 defined in section 142.028, RSMo, natural gas, propane, and electricity used by an eligible new
147 generation cooperative or an eligible new generation processing entity as defined in section
148 348.432, RSMo, and all sales of farm machinery and equipment, other than airplanes, motor
149 vehicles and trailers. As used in this subdivision, the term "feed additives" means tangible
150 personal property which, when mixed with feed for livestock or poultry, is to be used in the
151 feeding of livestock or poultry. As used in this subdivision, the term "pesticides" includes
152 adjuvants such as crop oils, surfactants, wetting agents and other assorted pesticide carriers used
153 to improve or enhance the effect of a pesticide and the foam used to mark the application of
154 pesticides and herbicides for the production of crops, livestock or poultry. As used in this
155 subdivision, the term "farm machinery and equipment" means new or used farm tractors and such

156 other new or used farm machinery and equipment and repair or replacement parts thereon, and
157 supplies and lubricants used exclusively, solely, and directly for producing crops, raising and
158 feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for ultimate sale
159 at retail, including field drain tile, and one-half of each purchaser's purchase of diesel fuel
160 therefor which is:

161 (a) Used exclusively for agricultural purposes;

162 (b) Used on land owned or leased for the purpose of producing farm products; and

163 (c) Used directly in producing farm products to be sold ultimately in processed form or
164 otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold
165 ultimately in processed form at retail;

166 (23) Except as otherwise provided in section 144.032, all sales of metered water service,
167 electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil
168 for domestic use and in any city not within a county, all sales of metered or unmetered water
169 service for domestic use:

170 (a) "Domestic use" means that portion of metered water service, electricity, electrical
171 current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not
172 within a county, metered or unmetered water service, which an individual occupant of a
173 residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility
174 service through a single or master meter for residential apartments or condominiums, including
175 service for common areas and facilities and vacant units, shall be deemed to be for domestic use.
176 Each seller shall establish and maintain a system whereby individual purchases are determined
177 as exempt or nonexempt;

178 (b) Regulated utility sellers shall determine whether individual purchases are exempt or
179 nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file
180 with and approved by the Missouri public service commission. Sales and purchases made
181 pursuant to the rate classification "residential" and sales to and purchases made by or on behalf
182 of the occupants of residential apartments or condominiums through a single or master meter,
183 including service for common areas and facilities and vacant units, shall be considered as sales
184 made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales
185 tax upon the entire amount of purchases classified as nondomestic use. The seller's utility
186 service rate classification and the provision of service thereunder shall be conclusive as to
187 whether or not the utility must charge sales tax;

188 (c) Each person making domestic use purchases of services or property and who uses any
189 portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day
190 of the fourth month following the year of purchase, and without assessment, notice or demand,
191 file a return and pay sales tax on that portion of nondomestic purchases. Each person making

192 nondomestic purchases of services or property and who uses any portion of the services or
193 property so purchased for domestic use, and each person making domestic purchases on behalf
194 of occupants of residential apartments or condominiums through a single or master meter,
195 including service for common areas and facilities and vacant units, under a nonresidential utility
196 service rate classification may, between the first day of the first month and the fifteenth day of
197 the fourth month following the year of purchase, apply for credit or refund to the director of
198 revenue and the director shall give credit or make refund for taxes paid on the domestic use
199 portion of the purchase. The person making such purchases on behalf of occupants of residential
200 apartments or condominiums shall have standing to apply to the director of revenue for such
201 credit or refund;

202 (24) All sales of handicraft items made by the seller or the seller's spouse if the seller or
203 the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such
204 sales do not constitute a majority of the annual gross income of the seller;

205 (25) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061, 4071,
206 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of
207 revenue shall promulgate rules pursuant to chapter 536, RSMo, to eliminate all state and local
208 sales taxes on such excise taxes;

209 (26) Sales of fuel consumed or used in the operation of ships, barges, or waterborne
210 vessels which are used primarily in or for the transportation of property or cargo, or the
211 conveyance of persons for hire, on navigable rivers bordering on or located in part in this state,
212 if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel while
213 it is afloat upon such river;

214 (27) All sales made to an interstate compact agency created pursuant to sections 70.370
215 to 70.441, RSMo, or sections 238.010 to 238.100, RSMo, in the exercise of the functions and
216 activities of such agency as provided pursuant to the compact;

217 (28) Computers, computer software and computer security systems purchased for use
218 by architectural or engineering firms headquartered in this state. For the purposes of this
219 subdivision, "headquartered in this state" means the office for the administrative management
220 of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;

221 (29) All livestock sales when either the seller is engaged in the growing, producing or
222 feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering
223 or leasing of such livestock;

224 (30) All sales of barges which are to be used primarily in the transportation of property
225 or cargo on interstate waterways;

226 (31) Electrical energy or gas, whether natural, artificial or propane, water, or other
227 utilities which are ultimately consumed in connection with the manufacturing of cellular glass

228 products or in any material recovery processing plant as defined in subdivision (4) of this
229 subsection;

230 (32) Notwithstanding other provisions of law to the contrary, all sales of pesticides or
231 herbicides used in the production of crops, aquaculture, livestock or poultry;

232 (33) Tangible personal property and utilities purchased for use or consumption directly
233 or exclusively in the research and development of agricultural/biotechnology and plant genomics
234 products and prescription pharmaceuticals consumed by humans or animals;

235 (34) All sales of grain bins for storage of grain for resale;

236 (35) All sales of feed which are developed for and used in the feeding of pets owned by
237 a commercial breeder when such sales are made to a commercial breeder, as defined in section
238 273.325, RSMo, and licensed pursuant to sections 273.325 to 273.357, RSMo;

239 (36) All purchases by a contractor on behalf of an entity located in another state,
240 provided that the entity is authorized to issue a certificate of exemption for purchases to a
241 contractor under the provisions of that state's laws. For purposes of this subdivision, the term
242 "certificate of exemption" shall mean any document evidencing that the entity is exempt from
243 sales and use taxes on purchases pursuant to the laws of the state in which the entity is located.
244 Any contractor making purchases on behalf of such entity shall maintain a copy of the entity's
245 exemption certificate as evidence of the exemption. If the exemption certificate issued by the
246 exempt entity to the contractor is later determined by the director of revenue to be invalid for any
247 reason and the contractor has accepted the certificate in good faith, neither the contractor or the
248 exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result
249 of use of the invalid exemption certificate. Materials shall be exempt from all state and local
250 sales and use taxes when purchased by a contractor for the purpose of fabricating tangible
251 personal property which is used in fulfilling a contract for the purpose of constructing, repairing
252 or remodeling facilities for the following:

253 (a) An exempt entity located in this state, if the entity is one of those entities able to issue
254 project exemption certificates in accordance with the provisions of section 144.062; or

255 (b) An exempt entity located outside the state if the exempt entity is authorized to issue
256 an exemption certificate to contractors in accordance with the provisions of that state's law and
257 the applicable provisions of this section;

258 (37) All sales or other transfers of tangible personal property to a lessor who leases the
259 property under a lease of one year or longer executed or in effect at the time of the sale or other
260 transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441, RSMo,
261 or sections 238.010 to 238.100, RSMo;

262 (38) Sales of tickets to any collegiate athletic championship event that is held in a facility
263 owned or operated by a governmental authority or commission, a quasi-governmental agency,

264 a state university or college or by the state or any political subdivision thereof, including a
265 municipality, and that is played on a neutral site and may reasonably be played at a site located
266 outside the state of Missouri. For purposes of this subdivision, "neutral site" means any site that
267 is not located on the campus of a conference member institution participating in the event;

268 (39) All purchases by a sports complex authority created under section 64.920, RSMo;

269 (40) Beginning January 1, 2009, but not after January 1, 2015, materials, replacement
270 parts, and equipment purchased for use directly upon, and for the modification, replacement,
271 repair, and maintenance of aircraft, aircraft power plants, and aircraft accessories.

144.080. 1. Every person receiving any payment or consideration upon the sale of
2 property or rendering of service, subject to the tax imposed by the provisions of sections 144.010
3 to 144.525, is exercising the taxable privilege of selling the property or rendering the service at
4 retail and is subject to the tax levied in section 144.020. The person shall be responsible not only
5 for the collection of the amount of the tax imposed on the sale or service to the extent possible
6 under the provisions of section 144.285, but shall, on or before the last day of the month
7 following each calendar quarterly period of three months, file a return with the director of
8 revenue showing the person's gross receipts and the amount of tax levied in section 144.020 for
9 the preceding quarter, and shall remit to the director of revenue, with the return, the taxes levied
10 in section 144.020, except as provided in subsections 2 and 3 of this section. The director of
11 revenue may promulgate rules or regulations changing the filing and payment requirements of
12 sellers, but shall not require any seller to file and pay more frequently than required in this
13 section.

14 2. Where the aggregate amount levied and imposed upon a seller by section 144.020 is
15 in excess of two hundred and fifty dollars for either the first or second month of a calendar
16 quarter, the seller shall file a return and pay such aggregate amount for such months to the
17 director of revenue by the twentieth day of the succeeding month.

18 3. Where the aggregate amount levied and imposed upon a seller by section 144.020 is
19 less than forty-five dollars in a calendar quarter, the director of revenue shall by regulation permit
20 the seller to file a return for a calendar year. The return shall be filed and the taxes paid on or
21 before January thirty-first of the succeeding year.

22 4. The seller of any property or person rendering any service, subject to the tax imposed
23 by sections 144.010 to 144.525, shall collect the tax from the purchaser of such property or the
24 recipient of the service to the extent possible under the provisions of section 144.285, but the
25 seller's inability to collect any part or all of the tax does not relieve the seller of the obligation
26 to pay to the state the tax imposed by section 144.020; except that the collection of the tax
27 imposed by sections 144.010 to 144.525 on motor vehicles and trailers shall be made as provided
28 in sections 144.070 and 144.440.

29 5. [It shall be unlawful for] Any person [to] **may** advertise or hold out or state to the
30 public or to any customer directly [or indirectly] that the tax or any part thereof imposed by
31 sections 144.010 to 144.525, and required to be collected by the person, will be assumed or
32 absorbed by the person, [or that it will not be separately stated and added to the selling price of
33 the] **provided that the amount of tax assumed or absorbed shall be stated on any invoice**
34 **or receipt for the** property sold or service rendered[, or if added, that it or any part thereof will
35 be refunded]. **Failure to separately state such assumed or absorbed tax on the invoice or**
36 **receipt shall be unlawful, and** any person violating any of the provisions of this section shall
37 be guilty of a misdemeanor. **This subsection shall not apply to any retailer prohibited from**
38 **collecting and remitting sales tax under section 66.630, RSMo.**

 148.064. 1. Notwithstanding any law to the contrary, this section shall determine the
2 ordering and limit reductions for certain taxes and tax credits which may be used as credits
3 against various taxes paid or payable by banking institutions. Except as adjusted in subsections
4 2, 3 and 6 of this section, such credits shall be applied in the following order until used against:
5 (1) The tax on banks determined under subdivision (2) of subsection 2 of section
6 148.030;

7 (2) The tax on banks determined under subdivision (1) of subsection 2 of section
8 148.030;

9 (3) The state income tax in section 143.071, RSMo.

10 2. The tax credits permitted against taxes payable pursuant to subdivision (2) of
11 subsection 2 of section 148.030 shall be utilized first and include taxes referenced in
12 subdivisions (2) and (3) of subsection 1 of this section, which shall be determined without
13 reduction for any tax credits identified in subsection 5 of this section which are used to reduce
14 such taxes. Where a banking institution subject to this section joins in the filing of a
15 consolidated state income tax return under chapter 143, RSMo, the credit allowed under this
16 section for state income taxes payable under chapter 143, RSMo, shall be determined based upon
17 the consolidated state income tax liability of the group and allocated to a banking institution,
18 without reduction for any tax credits identified in subsection 5 of this section which are used to
19 reduce such consolidated taxes as provided in chapter 143, RSMo.

20 3. The taxes referenced in subdivisions (2) and (3) of subsection 1 of this section may
21 be reduced by the tax credits in subsection 5 of this section without regard to any adjustments
22 in subsection 2 of this section.

23 4. To the extent that certain tax credits which the taxpayer is entitled to claim are
24 transferable, such transferability may include transfers among such taxpayers who are members
25 of a single consolidated income tax return, and this subsection shall not impact other tax credit
26 transferability.

27 5. For the purpose of this section, the tax credits referred to in subsections 2 and 3 shall
28 include tax credits available for economic development, low-income housing and neighborhood
29 assistance which the taxpayer is entitled to claim for the year, including by way of example and
30 not of limitation, tax credits pursuant to the following sections: section 32.115, RSMo, section
31 100.286, RSMo, and sections 135.110, 135.225, 135.352 and 135.403, RSMo.

32 6. For tax returns filed on or after January 1, 2001, including returns based on income
33 in the year 2000, and after, a banking institution shall be entitled to an annual tax credit equal
34 to one-sixtieth of one percent of its outstanding shares and surplus employed in this state if the
35 outstanding shares and surplus exceed one million dollars, determined in the same manner as in
36 section 147.010, RSMo. This tax credit shall be taken as a dollar-for-dollar credit against the
37 bank tax provided for in subdivision (2) of subsection 2 of section 148.030; if such bank tax was
38 already reduced to zero by other credits, then against the corporate income tax provided for in
39 chapter 143, RSMo.

40 7. In the event the corporation franchise tax in chapter 147, RSMo, is repealed by the
41 general assembly, there shall also be a reduction in the taxation of banks as follows: in lieu of
42 the loss of the corporation franchise tax credit reduction in subdivision (1) of subsection 2 of
43 section 148.030, the bank shall receive a tax credit equal to one and one-half percent of net
44 income as determined in this chapter. This subsection shall take effect at the same time the
45 corporation franchise tax in chapter 147, RSMo, is repealed.

46 8. An S corporation bank or bank holding company that otherwise qualifies to distribute
47 tax credits to its shareholders shall pass through any tax credits referred to in subsection 5 of this
48 section to its shareholders as otherwise provided for in subsection 9 of section 143.471, RSMo,
49 with no reductions or limitations resulting from the transfer through such S corporation, and on
50 the same terms originally made available to the original taxpayer, subject to any original dollar
51 or percentage limitations on such credits, and when such S corporation is the original taxpayer,
52 treating such S corporation as having not elected Subchapter S status.

53 9. Notwithstanding any law to the contrary, in the event the corporation franchise tax in
54 chapter 147, RSMo, is repealed by the general assembly, after such repeal all Missouri taxes of
55 any nature and type imposed directly or used as a tax credit against the bank's taxes shall be
56 passed through to the S corporation bank or bank holding company shareholder in the form
57 otherwise permitted by law, except for the following:

58 (1) Credits for taxes on real estate and tangible personal property owned by the bank and
59 held for lease or rental to others;

60 (2) Contributions paid pursuant to the unemployment compensation tax law of Missouri;

61 or

62 (3) State and local sales and use taxes collected by the bank on its sales of tangible
63 personal property and the services enumerated in chapter 144, RSMo.

64 **10. Notwithstanding any other provision of law to the contrary, when a foreign**
65 **state imposes a tax on a Missouri bank without a physical presence in the taxing state, a**
66 **similar tax shall be assessed in this state on any state or national bank that:**

67 (1) Is chartered in the taxing state;

68 (2) Has no physical presence in this state; and

69 (3) Conducts business in this state.

70 **11. When a foreign state imposes a tax on a Missouri bank without a physical**
71 **presence in the foreign taxing state, a tax credit shall be granted to that bank against the**
72 **taxes described in this section and section 148.030 in an amount equal to the tax imposed**
73 **by the foreign state. The credit shall be granted as otherwise provided in this section or,**
74 **in the case of a Subchapter S bank or bank holding company, such tax credit shall be**
75 **passed through to any Subchapter S shareholder in a manner similar to the treatment of**
76 **Subchapter S tax credits in subsection 8 of this section.**

208.770. 1. Moneys deposited in or withdrawn pursuant to subsection 1 of section
2 208.760 from a family development account by an account holder are exempted from taxation
3 pursuant to chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to
4 143.265, RSMo, and chapter 147, 148 or 153, RSMo, provided, however, that any money
5 withdrawn for an unapproved use should be subject to tax as required by law.

6 2. Interest earned by a family development account is exempted from taxation pursuant
7 to chapter 143, RSMo.

8 3. Any funds in a family development account, including accrued interest, shall be
9 disregarded when determining eligibility to receive, or the amount of, any public assistance or
10 benefits.

11 4. A program contributor shall be allowed a credit against the tax imposed by chapter
12 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, and
13 chapter 147, 148 or 153, RSMo, pursuant to sections 208.750 to 208.775. Contributions up to
14 fifty thousand dollars per program contributor are eligible for the tax credit which shall not
15 exceed fifty percent of the contribution amount.

16 5. The department of economic development shall verify all tax credit claims by
17 contributors. The administrator of the community-based organization, with the cooperation of
18 the participating financial institutions, shall submit the names of contributors and the total
19 amount each contributor contributes to a family development account reserve fund for the
20 calendar year. The director shall determine the date by which such information shall be

21 submitted to the department by the local administrator. The department shall submit verification
22 of qualified tax credits pursuant to sections 208.750 to 208.775 to the department of revenue.

23 6. The total tax credits authorized pursuant to sections 208.750 to 208.775 shall not
24 exceed four million dollars in any fiscal year. **To the extent that as of the last day of April in**
25 **any year, less than four million dollars in tax credits have been issued under the provisions**
26 **of this section, such remaining unissued tax credits shall be made available for allocation**
27 **under the provisions of sections 135.704 and 135.706, RSMo.**

321.227. 1. The governing body of any fire protection district, which has property
2 contained within its boundaries that is subject to tax abatement or a redistribution of tax
3 revenues under the provisions of chapter 72, 99, 100, 135, or 353, RSMo, or any other
4 abatement program, and is located in any county with a charter form of government and
5 with more than one million inhabitants, may, by order or ordinance, impose a sales tax on
6 all retail sales made within the fire protection district which are subject to sales tax under
7 chapter 144, RSMo. The tax authorized in this section shall not exceed one percent, and
8 shall be imposed solely for the purpose of funding the operation of such fire protection
9 district. Any fire protection district imposing a sales tax authorized under this section shall
10 reduce the district's property tax rate, as such term is defined in section 137.073, RSMo,
11 by an amount sufficient to decrease property tax revenues by fifty percent of the previous
12 year's revenue received from the fire protection district sales tax fund.

13 2. Any tax imposed under this section shall not be considered "economic activity
14 taxes" as such term is defined under sections 99.805 and 99.918, RSMo, and tax revenues
15 derived from such tax shall not be subject to allocation under the provisions of subsection
16 3 of section 99.845, RSMo, or subsection 4 of section 99.957, RSMo. The tax authorized in
17 this section shall be in addition to all other taxes imposed by law, and shall be stated
18 separately from all other charges and taxes.

19 3. No order or ordinance adopted under this section shall become effective unless
20 the governing body of the fire protection district submits to the voters residing within the
21 fire protection district at a state general, primary, or special election a proposal to
22 authorize the governing body of the fire protection district to impose a tax under this
23 section.

24 4. Such proposal shall be submitted in substantially the following form:

25
26 "Shall (insert name of fire protection district) impose a sales tax of (insert
27 amount up to one percent) for the purpose of providing revenues for the operation of the
28 (insert name of fire protection district) and the total property tax levy on
29 properties in the (insert name of fire protection district) shall be decreased

30 annually by an amount which reduces property tax revenues by fifty percent of the
31 previous year's revenue received from the fire protection district sales tax fund?''.

32 5. If a majority of the votes cast on the question by the qualified voters voting
33 thereon are in favor of the question, then the tax shall become effective on the first day of
34 the second calendar quarter after the director of revenue receives notification of adoption
35 of the local sales tax. If a majority of the votes cast on the question by the qualified voters
36 voting thereon are opposed to the question, then the tax shall not become effective unless
37 and until the question is resubmitted under this section to the qualified voters and such
38 question is approved by a majority of the qualified voters voting on the question.

39 6. All revenue collected under this section by the director of the department of
40 revenue on behalf of any fire protection district, except for one percent for the cost of
41 collection which shall be deposited in the state's general revenue fund, shall be deposited
42 in a special trust fund, which is hereby created within the treasury and shall be known as
43 the "Fire Protection District Sales Tax Fund". Moneys in the fund shall not be deemed to
44 be state funds, and shall not be commingled with any funds of the state. The director of
45 revenue may authorize the state treasurer to make refunds from the amounts in the fund
46 for erroneous payments and overpayments made. Any interest and moneys earned on
47 moneys in the fund shall be credited to the fund.

48 7. Revenues from the fire protection district sales tax fund shall be distributed, at
49 the end of each calendar quarter, in the following manner:

50 (1) Ninety percent of revenues generated from the sales tax shall be allocated to the
51 fire protection district from which they were collected;

52 (2) Ten percent shall be distributed to distressed fire protection districts per capita
53 based upon the population of each distressed fire protection district.

54 8. As used in this section "distressed fire protection districts" means a fire
55 protection district with an assessed valuation of two hundred and twenty-five million
56 dollars or less, located within any county with a charter form of government with more
57 than one million inhabitants.

Section 1. No global positioning system or other technology that identifies and
2 records a person's location at all times shall be used to monitor mileage traveled by any
3 motor vehicle on any road, highway, or street in this state for the purpose of imposing any
4 tax on the mileage traveled by such motor vehicle.

✓