

FIRST REGULAR SESSION

HOUSE BILL NO. 88

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES BROWN (50) (Sponsor),
NANCE AND SCHIEFFER (Co-sponsors).

0469L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for employers who hire high school students for summer jobs.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be
2 known as section 135.1169, to read as follows:

135.1169. 1. As used in this section, the following terms mean:

2 (1) "**Qualified high school student**", a student hired for summer employment who
3 is currently enrolled for junior or senior year in high school, or home school under section
4 **167.042, RSMo, who met the minimum attendance requirements of section 167.031, RSMo,**
5 **and earned a grade point average of at least two-point zero on a four-point scale or**
6 **equivalent in the school year immediately preceding such summer employment, and who**
7 **is eligible for a free or reduced price school lunch under the National School Lunch Act,**
8 **42 U.S.C. 1751 et seq.;**

9 (2) "**State tax liability**", in the case of a business taxpayer, any liability incurred by
10 such taxpayer under the provisions of chapters 143, 147, 148, and 153, RSMo, excluding
11 withholding tax imposed by sections 143.191 to 143.265, RSMo, and related provisions, and
12 in the case of an individual taxpayer, any liability incurred by such taxpayer under the
13 provisions of chapter 143, RSMo;

14 (3) "**Taxpayer**", a person, firm, a partner in a firm, corporation or a shareholder
15 in an S corporation doing business in the state of Missouri and subject to the state income
16 tax imposed by the provisions of chapter 143, RSMo, or a corporation subject to the annual

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.

17 corporation franchise tax imposed by the provisions of chapter 147, RSMo, or an insurance
18 company paying an annual tax on its gross premium receipts in this state, or other
19 financial institution paying taxes to the state of Missouri or any political subdivision of this
20 state under the provisions of chapter 148, RSMo, or an express company which pays an
21 annual tax on its gross receipts in this state under chapter 153, RSMo, or an individual
22 subject to the state income tax imposed by the provisions of chapter 143, RSMo.

23 **2. For all tax years beginning on or after January 1, 2010, a taxpayer shall be**
24 **allowed to claim a tax credit against the taxpayer's state tax liability in an amount equal**
25 **to thirty-five percent of the amount such taxpayer paid to a qualified high school student**
26 **in wages for summer employment.**

27 **3. The amount of the tax credit issued shall not exceed the amount of the taxpayer's**
28 **state tax liability for the taxable year for which the credit is claimed, and such taxpayer**
29 **shall not be allowed to claim a tax credit in excess of fifty thousand dollars per taxable**
30 **year. However, any tax credit that cannot be claimed in the taxable year the contribution**
31 **was made may be carried forward to the next four succeeding taxable years until the full**
32 **credit has been claimed.**

33 **4. Except for any excess credit which is carried forward under subsection 3 of this**
34 **section, a taxpayer shall not be allowed to claim a tax credit unless the total amount the**
35 **taxpayer paid to a qualified high school student was at least one hundred dollars.**

36 **5. The department of elementary and secondary education shall establish a**
37 **procedure by which a taxpayer can determine if a student is a qualified high school**
38 **student, and by which such taxpayer can then claim a tax credit. The cumulative amount**
39 **of tax credits which may be claimed by all the taxpayers under this program in any one**
40 **fiscal year shall not exceed three million dollars. The department shall also establish a**
41 **procedure for tracking students for which employers receive tax credits under this section.**

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

52 **7. Under section 23.253, RSMo, of the Missouri Sunset Act:**

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

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

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

✓