

HOUSE _____ **AMENDMENT NO.** _____

Offered By

1 AMEND House Committee Substitute for House Bill No. 1854, Page 4, Section 34.450, Line 88, by
2 inserting after all of said section and line, the following:

3
4 "135.327. 1. As used in this section, the following terms shall mean:

5 (1) "CASA", an entity which receives funding from the court-appointed special advocate fund
6 established under section 476.777, including an association based in this state, affiliated with a national
7 association, organized to provide support to entities receiving funding from the court-appointed special
8 advocate fund;

9 (2) "Child advocacy centers", the regional child assessment centers listed in subsection 2 of
10 section 210.001;

11 (3) "Contribution", the amount of a donation to a qualified agency;

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

17 (5) "Department", the department of revenue;

18 (6) "Director", the director of the department of revenue;

19 (7) "Qualified agency", CASA, child advocacy centers, or a crisis care center;

20 (8) "Tax liability", the tax due under chapter 143 other than taxes withheld under sections
21 143.191 to 143.265.

22 2. Any person residing in this state who legally adopts a special needs child on or after January 1,
23 1988, and before January 1, 2000, shall be eligible to receive a tax credit of up to ten thousand dollars for
24 nonrecurring adoption expenses for each child adopted that may be applied to taxes due under chapter
25 143. Any business entity providing funds to an employee to enable that employee to legally adopt a
26 special needs child shall be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring
27 adoption expenses for each child adopted that may be applied to taxes due under such business entity's
28 state tax liability, except that only one ten thousand dollar credit is available for each special needs child
29 that is adopted.

30 3. Any person residing in this state who proceeds in good faith with the adoption of a special

1 needs child on or after January 1, 2000, shall be eligible to receive a tax credit of up to ten thousand
2 dollars for nonrecurring adoption expenses for each child that may be applied to taxes due under chapter
3 143; provided, however, that beginning on or after July 1, 2004, two million dollars of the tax credits
4 allowed shall be allocated for the adoption of special needs children who are residents or wards of
5 residents of this state at the time the adoption is initiated. Any business entity providing funds to an
6 employee to enable that employee to proceed in good faith with the adoption of a special needs child shall
7 be eligible to receive a tax credit of up to ten thousand dollars for nonrecurring adoption expenses for each
8 child that may be applied to taxes due under such business entity's state tax liability, except that only one
9 ten thousand dollar credit is available for each special needs child that is adopted.

10 4. Individuals and business entities may claim a tax credit for their total nonrecurring adoption
11 expenses in each year that the expenses are incurred. A claim for fifty percent of the credit shall be
12 allowed when the child is placed in the home. A claim for the remaining fifty percent shall be allowed
13 when the adoption is final. The total of these tax credits shall not exceed the maximum limit of ten
14 thousand dollars per child. The cumulative amount of tax credits which may be claimed by taxpayers
15 claiming the credit for nonrecurring adoption expenses in any one fiscal year prior to July 1, 2004, shall
16 not exceed two million dollars. The cumulative amount of tax credits that may be claimed by taxpayers
17 claiming the credit for nonrecurring adoption expenses shall not be more than four million dollars but may
18 be increased by appropriation in any fiscal year beginning on or after July 1, 2004; provided, however,
19 that by December thirty-first following each July, if less than two million dollars in credits have been
20 issued for adoption of special needs children who are not residents or wards of residents of this state at the
21 time the adoption is initiated, the remaining amount of the cap shall be available for the adoption of
22 special needs children who are residents or wards of residents of this state at the time the adoption is
23 initiated. For all fiscal years beginning on or after July 1, 2006, applications to claim the adoption tax
24 credit for special needs children who are residents or wards of residents of this state at the time the
25 adoption is initiated shall be filed between July first and April fifteenth of each fiscal year. For all fiscal
26 years beginning on or after July 1, 2006, applications to claim the adoption tax credit for special needs
27 children who are not residents or wards of residents of this state at the time the adoption is initiated shall
28 be filed between July first and December thirty-first of each fiscal year.

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

32 6. The director of revenue shall establish a procedure by which, for each fiscal year, the
33 cumulative amount of tax credits authorized in this section is equally apportioned among all taxpayers
34 within the two categories specified in subsection 3 of this section claiming the credit in that fiscal year.
35 To the maximum extent possible, the director of revenue shall establish the procedure described in this
36 subsection in such a manner as to ensure that taxpayers within each category can claim all the tax credits
37 possible up to the cumulative amount of tax credits available for the fiscal year.

38 7. For all tax years beginning on or after January 1, 2006, a tax credit may be claimed in an
39 amount equal to up to fifty percent of a verified contribution to a qualified agency and shall be named the

1 children in crisis tax credit. The minimum amount of any tax credit issued shall not be less than fifty
2 dollars and shall be applied to taxes due under chapter 143, excluding sections 143.191 to 143.265. A
3 contribution verification shall be issued to the taxpayer by the agency receiving the contribution. Such
4 contribution verification shall include the taxpayer's name, Social Security number, amount of tax credit,
5 amount of contribution, the name and address of the agency receiving the credit, and the date the
6 contribution was made. The tax credit provided under this subsection shall be initially filed for the year in
7 which the verified contribution is made.

8 8. The cumulative amount of the tax credits redeemed shall not exceed the unclaimed portion of
9 the resident adoption category allocation as described in this section. The director of revenue shall
10 determine the unclaimed portion available. The amount available shall be equally divided among the
11 three qualified agencies: CASA, child advocacy centers, or crisis care centers to be used towards tax
12 credits issued. In the event tax credits claimed under one agency do not total the allocated amount for that
13 agency, the unused portion for that agency will be made available to the remaining agencies equally. In
14 the event the total amount of tax credits claimed for any one agency exceeds the amount available for that
15 agency, the amount redeemed shall and will be apportioned equally to all eligible taxpayers claiming the
16 credit under that agency. After all children in crisis tax credits have been claimed, any remaining
17 unclaimed portion of the reserved allocation for adoptions of special needs children who are residents or
18 wards of residents of this state shall then be made available for adoption tax credit claims of special needs
19 children who are not residents or wards of residents of this state at the time the adoption is initiated.

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

28 10. The tax credits provided under this section shall be subject to the provisions of section
29 135.333.

30 11. (1) In the event a credit denial, due to lack of available funds, causes a balance-due notice to
31 be generated by the department of revenue, or any other redeeming agency, the taxpayer will not be held
32 liable for any penalty or interest, provided the balance is paid, or approved payment arrangements have
33 been made, within sixty days from the notice of denial.

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

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

1 13. The department may promulgate such rules or regulations as are necessary to administer the
2 provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is
3 created under the authority delegated in this section shall become effective only if it complies with and is
4 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter
5 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to
6 review, to delay the effective date, or to disapprove and annul a rule are subsequently held
7 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28,
8 2006, shall be invalid and void.

9 14. [Pursuant to section 23.253 of the Missouri sunset act:

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

13 (2) If such program is reauthorized,] (1) The program authorized under [this section shall
14 automatically sunset twelve years after the effective date of the reauthorization of this section; and

15 (3) This section shall terminate on September first of the calendar year immediately following the
16 calendar year in which the program authorized under this section is sunset] subsections 7 to 12 of this
17 section shall expire on August 28, 2018;

18 (2) Subsections 7 to 12 of this section shall terminate on September 1, 2019.”; and

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20 Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.