

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for House Bill No. 458, Page 1, In the title, Lines 2 and 3, by
2 deleting the words, "the Missouri special needs scholarship tax credit program known as Bryce's
3 Law" and inserting in lieu thereof the words, "tax credits"; and
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5 Further amend said bill, Page 1, Section A, Line 2, by inserting after all of said line the following:
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7 "135.760. 1. This section shall be known and may be cited as the "Missouri Earned Income
8 Tax Credit Act".

9 2. For all taxable years beginning on or after January 1, 2013, a resident individual who is
10 allowed a federal earned income tax credit under Section 32 of the Internal Revenue Code of 1986,
11 as amended, shall be allowed a credit against the tax otherwise due under chapter 143, not including
12 sections 143.191 to 143.265, in an amount equal to twenty percent of the allowable federal earned
13 income tax credit. The tax credit allowed by this section shall be claimed by such individual at the
14 time such individual files a return and shall be applied against the income tax liability imposed by
15 chapter 143 after reduction for all other credits allowed thereon. For taxpayers whose filing status is
16 married filing separately, such taxpayers may elect to apply the tax credit to the income tax liability
17 of either taxpayer, or may elect to apply the tax credit evenly to the income tax liability of each
18 spouse. Where the amount of the credit exceeds the tax liability, the difference shall be refunded to
19 the taxpayer.

20 3. Notwithstanding the provision of subsection 4 of section 32.057, the department of
21 revenue or any duly authorized employee or agent shall determine whether any taxpayer filing a
22 report or return with the department of revenue who has not applied for the credit allowed under this
23 section may qualify for the credit, and shall notify any qualified claimant of the claimant's potential
24 eligibility, where the department determines such potential eligibility exists. In making a
25 determination of eligibility under this section, the department shall use any appropriate and available
26 data, including but not limited to data available from the Internal Revenue Service, the United States
27 Department of Treasury, and state income tax returns from previous tax years.

28 4. The department shall prepare an annual report containing statistical information regarding
29 the tax credits issued under this section for the previous tax year, including the total amount of
30 revenue expended on the earned income tax credit, the number of credits claimed, and the average
31 value of the credits issued to taxpayers whose earned income falls within various income ranges
32 determined by the department.

33 5. The department shall contract with one or more nonprofit groups to provide notice of the
34 earned income tax credit to eligible taxpayers. The department shall require evidence of the
35 effectiveness of the nonprofit group, the connection with the community in which the group
36 operates, and the ability to contact taxpayers that are unlikely to claim the federal earned income tax
37 credit, including but not limited to non-English speakers, elderly, tenants, and very low-income

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1 taxpayers who do not file tax returns annually. The department shall give preference to nonprofit
2 groups with members in low- and moderate-income areas, nonprofit groups with at least fifty-one
3 percent of the board of directors having low- to moderate-incomes and residents of target
4 communities, and to nonprofit groups that have a record of effective door-to-door outreach for
5 similar community projects.

6 6. The director of the department of revenue shall promulgate rules and regulations to
7 administer the provisions of this section. Any rule or portion of a rule, as that term is defined in
8 section 536.010, that is created under the authority delegated in this section shall become effective
9 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable,
10 section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with
11 the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove
12 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and
13 any rule proposed or adopted after August 28, 2013, shall be invalid and void.

14 7. Under section 23.253 of the Missouri sunset act:

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

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

21 (3) This section shall terminate on September first of the calendar year immediately
22 following the calendar year in which the program authorized under this section is sunset."; and
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24 Further amend said bill by amending the title, enacting clause, and intersectional references
25 accordingly.
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