

CCS SCS SB 729 -- TAXATION

This bill changes the laws regarding taxation.

WOOD ENERGY PRODUCERS TAX CREDIT (Section 135.305, RSMo)

The bill reauthorizes the provisions regarding the tax credit for a Missouri wood energy producer until June 30, 2020, and limits the total amount of all tax credits in any fiscal year to \$6 million. The tax credits cannot be authorized unless an appropriation is made for the credits.

ALTERNATIVE FUEL VEHICLE REFUELING PROPERTY TAX CREDIT (Section 135.710)

The bill reauthorizes the alternative fuel vehicle refueling property tax credit for all tax years beginning on January 1, 2015, but before January 1, 2018, for a person installing and operating an alternative fuel vehicle recharging or refueling property. The credit allowed per eligible applicant who is a private citizen must not exceed \$1,500 or must not exceed the lesser of \$20,000 or 20% of the total eligible costs per eligible applicant that is a business entity. The cumulative amount of tax credits that may be claimed by eligible applicants cannot exceed \$1 million in any calendar year, subject to appropriations.

PROPERTY TAX ASSESSMENTS (Section 137.010)

The bill adds property used for the storage of liquid and gaseous products and propane and LP gas equipment to the definition of "real property" for the purpose of classifying property for property tax assessment.

RURAL REGIONAL DEVELOPMENT GRANTS (Section 620.750)

Subject to an appropriation not to exceed \$5 million each fiscal year, the Department of Economic Development must develop and implement rural regional development grants to qualified groups.

After a rural regional development group is awarded the grant, the group must:

- (1) Track and monitor job creation and investment in the region using quantitative measures that measure progress toward preestablished goals;
- (2) Establish a process for enrolling commercial and industrial development sites in the region in the state-certified sites program or maintain a list of state-certified commercial and

industrial development sites in the region;

(3) Measure the skills of the region's workforce;

(4) Provide an organizational chart demonstrating that private businesses and local governmental and educational officials are involved in the group; and

(5) Provide documentation of the group's financial activities for the current year.

A development group must not qualify for a grant if:

(1) The group's region includes a county or portion of another state outside the State of Missouri; or

(2) The group maintains an operating budget greater than \$250,000.

Grant applications must only be submitted by a regional planning commission on behalf of a group recognized by the commission as an economic development authority for the county that the authority represents.

A grant cannot exceed \$150,000 and no more than two grants can be awarded annually to a commission in each of the 19 regions created under Chapter 251.

The eligible amount of a grant for a group in operation for two years or more must provide or raise a \$1 match for every \$3 of state funds provided by the grant, including the value of in-kind services, supplies, or equipment. The eligible amount of a grant for a group in operation for less than two years must provide or raise a \$1 match for every \$1 of state funds provided by the grant, including the value of in-kind services, supplies, or equipment.

The grant recipient must annually report to the Governor; the Director of the Department of Economic Development; the Committee on Commerce, Consumer Protection and the Environment of the Senate; the Committee on Economic Development of the House of Representatives; and any successor committees on the allocation of the grants and the purposes for which the funding was used.

INNOVATION CAMPUS TAX CREDIT ACT (Section 620.2600)

The Innovation Campus Tax Credit Act is established that authorizes, beginning January 1, 2015, a tax credit in an amount equal to 50% of an eligible donation to an innovation campus to be used solely for projects that advance learning in the areas of science, technology, engineering, and mathematics. An innovation

campus is an educational partnership consisting of at least a Missouri high school or K-12 school district, a Missouri four-year higher education institution, a Missouri-based business, and a Missouri two-year public higher education institution or state technical college.

The tax credit is available for taxes imposed under Chapters 143, 147, or 148, excluding the withholding tax imposed by Sections 143.191 to 143.265.

The tax credit is not refundable but may be carried forward for four years or transferred. To claim the credit, an innovation campus may submit an application to the Department of Economic Development on behalf of taxpayers with a payment from the campus in an amount equal to the value of the tax credits. If the campus meets all the required criteria, the department must issue a certificate in the appropriate amount.

The provisions of the bill regarding the innovation campus tax credit will expire six years after the effective date.