

FIRST REGULAR SESSION

# HOUSE BILL NO. 1122

## 98TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE ZERR.

2432H.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

To amend chapter 135, RSMo, by adding thereto six new sections relating to an air export incentive.

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

Section A. Chapter 135, RSMo, is amended by adding thereto six new sections, to be known as sections 135.1550, 135.1555, 135.1560, 135.1565, 135.1570, and 135.1575, to read as follows:

**135.1550. 1. Sections 135.1550 to 135.1575 shall be known and may be cited as the "Missouri Export Incentive Act".**

**2. As used in sections 135.1550 to 135.1575, unless the context clearly requires otherwise, the following terms shall mean:**

**(1) "Air export tax credit", the tax credit against the taxes imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265, to be issued by the department to a claiming freight forwarder for the shipment of air cargo on a qualifying outbound flight;**

**(2) "Airport", an airport which is owned and operated by a city located within this state;**

**(3) "Chargeable kilo", the shipment of a kilo of freight, as measured by the greater of:**

**(a) Actual weight; or**

**(b) A dimensional weight, as determined by the conversion factors promulgated by the International Air Transport Association, on a qualifying outbound flight;**

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.

16 (4) "Claiming freight forwarder", the freight forwarder designated as the "agent"  
17 on the airway bill for the qualifying outbound flight for which such air export tax credit  
18 is sought;

19 (5) "Department", the Missouri department of economic development;

20 (6) "Direct international aircraft flight", a single aircraft transoceanic flight that  
21 operates to an international destination in accordance with the operator's bilateral route  
22 authority;

23 (7) "Freight forwarder", a person who assumes responsibility in the ordinary  
24 course of business for the transportation of cargo from the place of receipt to the place of  
25 destination, including the utilization of a qualifying outbound flight;

26 (8) "Qualifying outbound flight", a direct international aircraft flight from the  
27 airport to an international destination that carries either all cargo or a mix of passengers  
28 and cargo.

135.1555. 1. For all fiscal years beginning on or after July 1, 2015, a claiming  
2 freight forwarder shall be entitled to an air export tax credit for the shipment of cargo on  
3 a qualifying outbound flight in an amount equal to forty cents per chargeable kilo.

4 2. The department shall index, and the secretary of state shall publish in the  
5 Missouri Register, the amount of the air export tax credits to adjust each year depending  
6 upon fluctuations in the cost of fuel for over-the-road transportation.

135.1560. 1. To receive benefits provided under section 135.1555, a claiming freight  
2 forwarder shall file an application with the department within one hundred twenty  
3 calendar days of the date of shipment. The documentation to be presented by the claiming  
4 freight forwarder in such an application shall consist of the master airway bill for the  
5 shipment on the qualifying outbound flight for which the claiming freight forwarder is  
6 seeking air export tax credits. The department shall establish procedures to allow claiming  
7 freight forwarders that file applications for air export tax credits to receive such tax credits  
8 within twenty business days of the filing of the application.

9 2. No tax credits provided under this section shall be authorized after June 30,  
10 2023. Any tax credits authorized on or before June 30, 2023, but not issued, may be issued  
11 until all such authorized tax credits have been issued.

135.1565. The total aggregate amount for air export tax credits authorized under  
2 section 135.1555 shall not exceed sixty million dollars. The amount of the air export tax  
3 credits issued under section 135.1555 shall not exceed three million six hundred thousand  
4 dollars for each fiscal year beginning on or after July 1, 2015. The amount of tax credits  
5 issued for each fiscal year thereafter shall not exceed eight million fifty-seven thousand  
6 dollars.

2           **135.1570. Tax credits granted to a partnership, a limited liability company taxed**  
3 **as a partnership, or multiple owners of property shall be passed through to the partners,**  
4 **members, or owners respectively pro rata or as determined under an executed agreement**  
5 **among the partners, members, or owners documenting an alternate distribution method.**

6           **135.1575. 1. The department may promulgate rules to implement the provisions**  
7 **of sections 135.1550 to 135.1575. 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**  
9 **effective only if it complies with and is subject to all of the provisions of chapter 536 and,**  
10 **if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any**  
11 **of the powers vested with the general assembly pursuant to chapter 536, to review, to delay**  
12 **the effective date, or to disapprove and annul a rule are subsequently held**  
13 **unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted**  
14 **after the effective date of this act, shall be invalid and void.**

15           **2. The provisions of section 23.253 of the Missouri sunset act notwithstanding:**

16           **(1) The provisions of the new programs authorized under sections 135.1550 to**  
17 **135.1575 shall automatically sunset eight years after the effective date of this act, unless**  
18 **reauthorized by an act of the general assembly;**

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

22           **(3) This section shall terminate on September first of the calendar year immediately**  
23 **following the calendar year in which the programs authorized under sections 135.1550 to**  
24 **135.1575 sunset.**

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