

SECOND REGULAR SESSION

# HOUSE BILL NO. 1239

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE STACY.

4080H.011

D. ADAM CRUMBLISS, Chief Clerk

## AN ACT

To repeal sections 253.545 and 253.550, RSMo, and to enact in lieu thereof two new sections relating to the historic structures rehabilitation tax credit.

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

Section A. Sections 253.545 and 253.550, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 253.545 and 253.550, to read as follows:

253.545. As used in sections 253.545 to 253.559, the following terms mean, unless the context requires otherwise:

(1) "Certified historic structure", a property located in Missouri and listed individually on the National Register of Historic Places;

(2) "Deed in lieu of foreclosure or voluntary conveyance", a transfer of title from a borrower to the lender to satisfy the mortgage debt and avoid foreclosure;

(3) "Eligible property", property located in Missouri and offered or used for residential or business purposes **but not used as a residence by the taxpayer**;

(4) "Leasehold interest", a lease in an eligible property for a term of not less than thirty years;

(5) "Principal", a managing partner, general partner, or president of a taxpayer;

(6) "Structure in a certified historic district", a structure located in Missouri which is certified by the department of natural resources as contributing to the historic significance of a certified historic district listed on the National Register of Historic Places, or a local district that has been certified by the United States Department of the Interior;

(7) "Taxpayer", any person, firm, partnership, trust, estate, limited liability company, or corporation.

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.

253.550. 1. Any taxpayer incurring costs and expenses for the rehabilitation of eligible property, which is a certified historic structure or structure in a certified historic district, may, subject to the provisions of this section and section 253.559, receive a credit against the taxes imposed pursuant to chapters 143 and 148, except for sections 143.191 to 143.265, on such taxpayer in an amount equal to **the lesser of:**

(1) **After January 1, 2019, two million dollars per eligible property; or**

(2) Twenty-five percent of the total costs and expenses of rehabilitation incurred after January 1, 1998, which shall include, but not be limited to, qualified rehabilitation expenditures as defined under section 47(c)(2)(A) of the Internal Revenue Code of 1986, as amended, and the related regulations thereunder[;];

provided the rehabilitation costs associated with rehabilitation and the expenses exceed fifty percent of the total basis in the property and the rehabilitation meets standards consistent with the standards of the Secretary of the United States Department of the Interior for rehabilitation as determined by the state historic preservation officer of the Missouri department of natural resources.

2. During the period beginning on January 1, 2010, but ending on or after June 30, 2010, the department of economic development shall not approve applications for tax credits under the provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed seventy million dollars, increased by any amount of tax credits for which approval shall be rescinded under the provisions of section 253.559. For each fiscal year beginning on or after July 1, 2010, **and ending on or before June 30, 2018**, the department of economic development shall not approve applications for tax credits under the provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed one hundred forty million dollars, increased by any amount of tax credits for which approval shall be rescinded under the provisions of section 253.559. **For each fiscal year beginning on or after July 1, 2018, the department of economic development shall not approve applications for tax credits under the provisions of subsections 3 and 8 of section 253.559 which, in the aggregate, exceed fifty million dollars, increased by any amount of tax credits for which approval shall be rescinded under the provisions of section 253.559.** The limitations provided under this subsection shall not apply to applications approved under the provisions of subsection 3 of section 253.559 for projects to receive less than two hundred seventy-five thousand dollars in tax credits.

3. For all applications for tax credits approved on or after January 1, 2010, no more than two hundred fifty thousand dollars in tax credits may be issued for eligible costs and expenses incurred in the rehabilitation of an eligible property which is a nonincome producing

36 single-family, owner-occupied residential property and is either a certified historic structure or  
37 a structure in a certified historic district.

38 4. The limitations on tax credit authorization provided under the provisions of  
39 subsections 2 and 3 of this section shall not apply to:

40 (1) Any application submitted by a taxpayer, which has received approval from the  
41 department prior to January 1, 2010; or

42 (2) Any taxpayer applying for tax credits, provided under this section, which, on or  
43 before January 1, 2010, has filed an application with the department evidencing that such  
44 taxpayer:

45 (a) Has incurred costs and expenses for an eligible property which exceed the lesser of  
46 five percent of the total project costs or one million dollars and received an approved Part I from  
47 the Secretary of the United States Department of Interior; or

48 (b) Has received certification, by the state historic preservation officer, that the  
49 rehabilitation plan meets the standards consistent with the standards of the Secretary of the  
50 United States Department of the Interior, and the rehabilitation costs and expenses associated  
51 with such rehabilitation shall exceed fifty percent of the total basis in the property.

✓