

HOUSE BILL NO. 2682

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BANGERT.

6448H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to child care deserts.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be
2 known as section 135.555, to read as follows:

135.555. 1. As used in this section, the following terms mean:

2 **(1) "Child care capacity", the total number of children that all child care facilities**
3 **in a ZIP code could admit to such facilities at their maximum capacity;**

4 **(2) "Child care demand", the number of children five years of age or younger in**
5 **a ZIP code with both parents, or with the parent if a single-parent household, in the**
6 **workforce;**

7 **(3) "Child care desert", a ZIP code:**

8 **(a) That contains at least thirty children five years of age or younger; and**

9 **(b) Where child care demand exceeds the child care capacity;**

10 **(4) "Child care facility", any licensed or license-exempt child care home, licensed**
11 **or license-exempt child-care center, child-placing agency, residential care facility for**
12 **children, group home, foster family group home, foster family home, or employment**
13 **agency that refers a child-care worker, as defined under section 289.005, to parents or**
14 **guardians. The term "child-care provider" shall not include summer camps or voluntary**
15 **associations designed primarily for recreational or educational purposes;**

16 **(5) "Taxpayer", any individual, partnership, or corporation that is subject to the**
17 **tax imposed under chapter 143, excluding withholding tax imposed under sections 143.191**
18 **to 143.265; any insurance company paying an annual tax on its gross premium receipts in**

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.

19 this state; any financial institution paying taxes under chapter 148; or any express
20 company paying an annual tax on its gross receipts in this state under chapter 153.

21 **2. For all tax years beginning on or after January 1, 2019, a taxpayer that operates**
22 **a child care facility in a child care desert shall be allowed to claim a tax credit against such**
23 **taxpayer's state tax liability. The amount of the tax credit shall be:**

24 **(1) If the child care demand is at least three times greater than child care capacity,**
25 **equal to twenty-five percent of the taxpayer's income that is attributable to providing child**
26 **care;**

27 **(2) If the child care demand is at least two times the child care capacity but less**
28 **than three times the child care capacity, equal to fifteen percent of the taxpayer's income**
29 **that is attributable to providing child care; or**

30 **(3) If the child care demand is at least the child care capacity but less than two**
31 **times the child care capacity, equal to five percent of the taxpayer's income that is**
32 **attributable to providing child care.**

33 **3. The amount of the tax credit claimed shall not exceed the amount of the**
34 **taxpayer's state tax liability for the tax year for which the credit is claimed. No taxpayer**
35 **shall be allowed to claim a tax credit in excess of fifty thousand dollars per tax year.**

36 **4. The tax credit authorized under this section is nonrefundable and shall not be**
37 **assigned, transferred, or sold.**

38 **5. The total amount of tax credits authorized under this section shall not exceed two**
39 **million dollars in one fiscal year.**

40 **6. The department of health and senior services shall annually determine which**
41 **areas of this state are child care deserts. The department shall publish such determination**
42 **and shall notify child care facilities within child care deserts that they qualify for a tax**
43 **credit under this section.**

44 **7. The department of health and senior services and the department of revenue may**
45 **promulgate rules to implement the provisions of this section. Any rule or portion of a rule,**
46 **as that term is defined in section 536.010, that is created under the authority delegated in**
47 **this section shall become effective only if it complies with and is subject to all of the**
48 **provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536**
49 **are nonseverable, and if any of the powers vested with the general assembly pursuant to**
50 **chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are**
51 **subsequently held unconstitutional, then the grant of rulemaking authority and any rule**
52 **proposed or adopted after August 28, 2018, shall be invalid and void.**

53 **8. Under section 23.253 of the Missouri sunset act:**

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

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

60 **(3) This section shall terminate on September first of the calendar year immediately**
61 **following the calendar year in which the program authorized under this section is sunset.**

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