

CCS SS#2 SCS SB 590 -- HISTORIC PRESERVATION TAX CREDITS

This bill reduces the cap on historic structure tax credits issued by the Missouri Department of Economic Development from \$140 million to \$90 million with an additional \$30 million mandated for tax credits in qualified census areas as specified in the bill.

Currently, projects approved or applied for prior to January 1, 2010, are exempt from the authorization cap on the amount of tax credits that may be authorized. This bill changes such date to October 1, 2018.

Annual adjustments to the maximum limit on tax credits based on an inflation index are specified in the bill. Additional criteria for awarding tax credits for historic preservation such as net fiscal benefit, size, municipal input, and proof of ability to finance the project are specified.

Any taxpayer with an application approved on or after July 1, 2019, shall submit evidence of the capacity of the applicant to finance the cost and expenses for the rehabilitation of the eligible property, as specified in the bill.

The bill changes the time limit for rehabilitation of properties from two years to nine months. The department is authorized to charge a fee of 2.5% on tax credits issued and a fee of 4% on historic preservation tax credits to be spent as specified in the bill. The bill mandates that 37.5% of the revenue collected from the 4% fee be appropriated from the economic development advancement fund for business recruitment and marketing.