

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for Senate Substitute for Senate Committee Substitute for
2 Senate Bill Nos. 153 & 97, Page 8, Section 67.2720, Line 39, by inserting after all of said section
3 and line the following:
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5 "135.305. A Missouri wood energy producer shall be eligible for a tax credit on taxes
6 otherwise due under chapter 143, except sections 143.191 to 143.261, as a production incentive to
7 produce processed wood products in a qualified wood-producing facility using Missouri forest
8 product residue. The tax credit to the wood energy producer shall be five dollars per ton of
9 processed material. The credit may be claimed for a period of five years and is to be a tax credit
10 against the tax otherwise due. No new tax credits, provided for under sections 135.300 to 135.311,
11 shall be authorized after June 30, ~~2020~~ 2027. In no event shall the aggregate amount of all tax
12 credits allowed under sections 135.300 to 135.311 exceed six million dollars in any given fiscal
13 year. There shall be no tax credits authorized under sections 135.300 to 135.311 unless an
14 appropriation is made for such tax credits."; and
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16 Further amend said bill, Page 9, Section 135.445, Line 44, by inserting after all of said section and
17 line the following:
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19 "135.686. 1. This section shall be known and may be cited as the "Meat Processing Facility
20 Investment Tax Credit Act".

21 2. As used in this section, the following terms mean:

22 (1) "Authority", the agricultural and small business development authority established in
23 chapter 348;

24 (2) "Meat processing facility", any commercial plant, as defined under section 265.300, at
25 which livestock are slaughtered or at which meat or meat products are processed for sale
26 commercially and for human consumption;

27 (3) "Meat processing modernization or expansion", constructing, improving, or acquiring
28 buildings or facilities, or acquiring equipment for meat processing including the following, if used
29 exclusively for meat processing and if acquired and placed in service in this state during tax years
30 beginning on or after January 1, 2017, but ending on or before December 31, ~~2021~~ 2027:

31 (a) Building construction including livestock handling, product intake, storage, and
32 warehouse facilities;

33 (b) Building additions;

34 (c) Upgrades to utilities including water, electric, heat, refrigeration, freezing, and waste
35 facilities;

36 (d) Livestock intake and storage equipment;

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1 (e) Processing and manufacturing equipment including cutting equipment, mixers, grinders,
2 sausage stuffers, meat smokers, curing equipment, cooking equipment, pipes, motors, pumps, and
3 valves;

4 (f) Packaging and handling equipment including sealing, bagging, boxing, labeling,
5 conveying, and product movement equipment;

6 (g) Warehouse equipment including storage and curing racks;

7 (h) Waste treatment and waste management equipment including tanks, blowers, separators,
8 dryers, digesters, and equipment that uses waste to produce energy, fuel, or industrial products;

9 (i) Computer software and hardware used for managing the claimant's meat processing
10 operation including software and hardware related to logistics, inventory management, production
11 plant controls, and temperature monitoring controls; and

12 (j) Construction or expansion of retail facilities or the purchase or upgrade of retail
13 equipment for the commercial sale of meat products if the retail facility is located at the same
14 location as the meat processing facility;

15 (4) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding
16 withholding tax imposed under sections 143.191 to 143.265, or otherwise due under chapter 147;

17 (5) "Taxpayer", any individual or entity who:

18 (a) Is subject to the tax imposed under chapter 143, excluding withholding tax imposed
19 under sections 143.191 to 143.265, or the tax imposed under chapter 147;

20 (b) In the case of an individual, is a resident of this state as verified by a 911 address or, in
21 the absence of a 911 system, a physical address; and

22 (c) Owns a meat processing facility located in this state;

23 (6) "Used exclusively", used to the exclusion of all other uses except for use not exceeding
24 five percent of total use.

25 3. For all tax years beginning on or after January 1, 2017, but ending on or before December
26 31, [2024] 2027, a taxpayer shall be allowed a tax credit for meat processing modernization or
27 expansion related to the taxpayer's meat processing facility. The tax credit amount shall be equal to
28 twenty-five percent of the amount the taxpayer paid in the tax year for meat processing
29 modernization or expansion.

30 4. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state
31 tax liability for the tax year for which the credit is claimed. No tax credit claimed under this section
32 shall be refundable. The tax credit shall be claimed in the tax year in which the meat processing
33 modernization or expansion expenses were paid, but any amount of credit that the taxpayer is
34 prohibited by this section from claiming in a tax year may be carried forward to any of the
35 taxpayer's four subsequent tax years. The total amount of tax credits that any taxpayer may claim
36 shall not exceed seventy-five thousand dollars per year. If two or more persons own and operate the
37 meat processing facility, each person may claim a credit under this section in proportion to his or her
38 ownership interest; except that, the aggregate amount of the credits claimed by all persons who own
39 and operate the meat processing facility shall not exceed seventy-five thousand dollars per year.
40 The amount of tax credits authorized in this section and section 135.679 in a calendar year shall not
41 exceed two million dollars. Tax credits shall be issued on an as-received application basis until the
42 calendar year limit is reached. Any credits not issued in any calendar year shall expire and shall not
43 be issued in any subsequent year.

44 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the
45 authority an application for the tax credit on a form provided by the authority and any application
46 fee imposed by the authority. The application shall be filed with the authority at the end of each
47 calendar year in which a meat processing modernization or expansion project was completed and for
48 which a tax credit is claimed under this section. The application shall include any certified
49 documentation, proof of meat processing modernization or expansion, and any other information

1 required by the authority. All required information obtained by the authority shall be confidential
2 and not disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer
3 and the meat processing modernization or expansion meet all criteria required by this section and
4 approval is granted by the authority, the authority shall issue a tax credit certificate in the
5 appropriate amount. Tax credit certificates issued under this section may be assigned, transferred,
6 sold, or otherwise conveyed, and the new owner of the tax credit certificate shall have the same
7 rights in the tax credit as the original taxpayer. If a tax credit certificate is assigned, transferred,
8 sold, or otherwise conveyed, a notarized endorsement shall be filed with the authority specifying the
9 name and address of the new owner of the tax credit certificate and the value of the tax credit.

10 6. Any information provided under this section shall be confidential information, to be
11 shared with no one except state and federal animal health officials, except as provided in subsection
12 5 of this section.

13 7. The authority shall promulgate rules establishing a process for verifying that a facility's
14 modernization or expansion for which tax credits were allowed under this section has in fact
15 expanded the facility's production within three years of the issuance of the tax credit and if not, the
16 authority shall promulgate through rulemaking a process by which the taxpayer shall repay the
17 authority an amount equal to that of the tax credit allowed.

18 8. The authority shall, at least annually, submit a report to the Missouri general assembly
19 reviewing the costs and benefits of the program established under this section.

20 9. The authority may promulgate rules to implement the provisions of this section. Any rule
21 or portion of a rule, as that term is defined in section 536.010, that is created under the authority
22 delegated in this section shall become effective only if it complies with and is subject to all of the
23 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
24 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to
25 review, to delay the effective date, or to disapprove and annul a rule are subsequently held
26 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
27 August 28, 2016, shall be invalid and void.

28 10. This section shall not be subject to the Missouri sunset act, sections 23.250 to 23.298.

29 348.436. The provisions of sections 348.430 to 348.436 shall expire December 31, [~~2021~~
30 2027]."; and

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32 Further amend said bill by amending the title, enacting clause, and intersectional references
33 accordingly.