

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By \_\_\_\_\_

1 AMEND House Committee Substitute for Senate Bill No. 365, Page 2, Section 92.117, Line 21, by  
2 inserting after all of said section and line the following:

3  
4 "135.305. A Missouri wood energy producer shall be eligible for a tax credit on taxes  
5 otherwise due under chapter 143, except sections 143.191 to 143.261, as a production incentive to  
6 produce processed wood products in a qualified wood-producing facility using Missouri forest  
7 product residue. The tax credit to the wood energy producer shall be five dollars per ton of  
8 processed material. The credit may be claimed for a period of five years and is to be a tax credit  
9 against the tax otherwise due. No new tax credits, provided for under sections 135.300 to 135.311,  
10 shall be authorized after June 30, ~~[2020]~~ 2027. In no event shall the aggregate amount of all tax  
11 credits allowed under sections 135.300 to 135.311 exceed six million dollars in any given fiscal  
12 year. There shall be no tax credits authorized under sections 135.300 to 135.311 unless an  
13 appropriation is made for such tax credits.

14 135.755. 1. For the purposes of this section, the following terms shall mean:

15 (1) "Department", the Missouri department of revenue;

16 (2) "Higher ethanol blend", a fuel capable of being dispensed directly into motor vehicle  
17 fuel tanks for consumption that is comprised of at least fifteen percent but not more than eighty-five  
18 percent ethanol;

19 (3) "Retail dealer", a person that owns or operates a retail service station;

20 (4) "Retail service station", a location from which higher ethanol blend is sold to the general  
21 public and is dispensed directly into motor vehicle fuel tanks for consumption.

22 2. For all tax years beginning on or after January 1, 2022, a retail dealer that sells higher  
23 ethanol blend at such retail dealer's retail service station shall be allowed a tax credit to be taken  
24 against the retail dealer's state income tax liability. The amount of the credit shall equal five cents  
25 per gallon of higher ethanol blend sold by the retail dealer and dispensed through metered pumps at  
26 the retail dealer's retail service station during the tax year in which the tax credit is claimed. Tax  
27 credits authorized pursuant to this section shall not be transferred, sold, or assigned. If the amount  
28 of the tax credit exceeds the taxpayer's state tax liability, the difference shall not be refundable, but  
29 may be carried forward to any of the five subsequent tax years. The total amount of tax credits  
30 authorized pursuant to this section for any given fiscal year shall not exceed four million dollars.

31 3. The tax credit allowed by this section shall be claimed by such taxpayer at the time such  
32 taxpayer files a return and shall be applied against the income tax liability imposed by chapter 143  
33 after reduction for all other credits allowed thereon. The department may require any  
34 documentation it deems necessary to implement the provisions of this section.

35 4. Nothing in this section shall be construed to mandate the sale of higher ethanol blends in  
36 Missouri.

Action Taken \_\_\_\_\_ Date \_\_\_\_\_

5. The department shall promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid and void.

6. Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of this section shall automatically sunset on December 31, 2027, unless reauthorized by an act of the general assembly; and

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

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

135.775. 1. For the purposes of this section, the following terms shall mean:

(1) "Biodiesel blend", a blend of diesel fuel and biodiesel fuel between five percent and twenty percent for on-road and off-road diesel-fueled vehicle use. Biodiesel blend shall comply with the ASTM International specification D7467-19, or the most recent specifications;

(2) "Biodiesel fuel", a renewable, biodegradable, mono alkyl ester combustible liquid fuel that is derived from agricultural and other plant oils or animal fats and that meets the ASTM International specification D6751-19, or the most recent specification, for Biodiesel Fuel (B100) or (B99) Blend Stock for Distillate Fuels. Biodiesel produced from palm oil is not biodiesel fuel for the purposes of this section, unless the palm oil is contained within waste oil and grease collected within the United States;

(3) "Department", the Missouri department of revenue;

(4) "Retail dealer", a person that owns or operates a retail service station;

(5) "Retail service station", a location from which biodiesel blend is sold to the general public and is dispensed directly into motor vehicle fuel tanks for consumption.

2. For all tax years beginning on or after January 1, 2022, a retail dealer that sells a biodiesel blend at a retail service station shall be allowed a tax credit to be taken against the retail dealer's state income tax liability. The amount of the tax credit shall be as follows:

(1) Two cents per gallon of biodiesel blend of at least five percent but not more than ten percent sold by a retail dealer at a retail service station during the tax year for which the tax credit is claimed; or

(2) Five cents per gallon of biodiesel blend in excess of ten percent sold by a retail dealer at a retail service station during the tax year for which the tax credit is claimed.

Tax credits authorized pursuant to this section shall not be transferred, sold, or assigned. If the amount of the tax credit exceeds the taxpayer's state tax liability, the difference shall be refundable. The total amount of tax credits authorized pursuant to this section for any given fiscal year shall not exceed sixteen million dollars.

3. In the event the total amount of tax credits claimed under this section exceeds the amount of available tax credits, the tax credits shall be apportioned equally to all eligible retail dealers claiming the credit by April fifteenth of the fiscal year in which the tax credit is claimed.

4. The tax credit allowed by this section shall be claimed by such taxpayer at the time such taxpayer files a return and shall be applied against the income tax liability imposed by chapter 143 after reduction for all other credits allowed thereon. The department may require any documentation it deems necessary to implement the provisions of this section.

1       5. The department may work with the division of weights and measures within the  
 2 department of agriculture to validate that the biodiesel blend a retail dealer claims for the tax credit  
 3 authorized under this section contains a sufficient percentage of biodiesel fuel.

4       6. The department shall promulgate rules to implement the provisions of this section. Any  
 5 rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority  
 6 delegated in this section shall become effective only if it complies with and is subject to all of the  
 7 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are  
 8 nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to  
 9 review, to delay the effective date, or to disapprove and annul a rule are subsequently held  
 10 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after  
 11 August 28, 2021, shall be invalid and void.

12       7. Nothing in this section shall be construed to mandate the sale of biodiesel blends in  
 13 Missouri.

14       8. Pursuant to section 23.253 of the Missouri sunset act:

15       (1) The provisions of this section shall automatically sunset on December 31, 2027, unless  
 16 reauthorized by an act of the general assembly; and

17       (2) If such program is reauthorized, the program authorized under this section shall  
 18 automatically sunset twelve years after the effective date of the reauthorization of this section; and

19       (3) This section shall terminate on September first of the calendar year immediately  
 20 following the calendar year in which the program authorized under this section is sunset."; and

21       135.686. 1. This section shall be known and may be cited as the "Meat Processing Facility  
 22 Investment Tax Credit Act".

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

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

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

29       (3) "Meat processing modernization or expansion", constructing, improving, or acquiring  
 30 buildings or facilities, or acquiring equipment for meat processing including the following, if used  
 31 exclusively for meat processing and if acquired and placed in service in this state during tax years  
 32 beginning on or after January 1, 2017, but ending on or before December 31, [2024] 2027:

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

35       (b) Building additions;

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

38       (d) Livestock intake and storage equipment;

39       (e) Processing and manufacturing equipment including cutting equipment, mixers, grinders,  
 40 sausage stuffers, meat smokers, curing equipment, cooking equipment, pipes, motors, pumps, and  
 41 valves;

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

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

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

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

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

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

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

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

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

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

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

14 3. For all tax years beginning on or after January 1, 2017, but ending on or before December  
15 31, ~~[2024]~~ 2027, a taxpayer shall be allowed a tax credit for meat processing modernization or  
16 expansion related to the taxpayer's meat processing facility. The tax credit amount shall be equal to  
17 twenty-five percent of the amount the taxpayer paid in the tax year for meat processing  
18 modernization or expansion.

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

33 5. To claim the tax credit allowed under this section, the taxpayer shall submit to the  
34 authority an application for the tax credit on a form provided by the authority and any application  
35 fee imposed by the authority. The application shall be filed with the authority at the end of each  
36 calendar year in which a meat processing modernization or expansion project was completed and for  
37 which a tax credit is claimed under this section. The application shall include any certified  
38 documentation, proof of meat processing modernization or expansion, and any other information  
39 required by the authority. All required information obtained by the authority shall be confidential  
40 and not disclosed except by court order, subpoena, or as otherwise provided by law. If the taxpayer  
41 and the meat processing modernization or expansion meet all criteria required by this section and  
42 approval is granted by the authority, the authority shall issue a tax credit certificate in the  
43 appropriate amount. Tax credit certificates issued under this section may be assigned, transferred,  
44 sold, or otherwise conveyed, and the new owner of the tax credit certificate shall have the same  
45 rights in the tax credit as the original taxpayer. If a tax credit certificate is assigned, transferred,  
46 sold, or otherwise conveyed, a notarized endorsement shall be filed with the authority specifying the  
47 name and address of the new owner of the tax credit certificate and the value of the tax credit.

48 6. Any information provided under this section shall be confidential information, to be  
49 shared with no one except state and federal animal health officials, except as provided in subsection

5 of this section.

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

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

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

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

Further amend said bill, Page 4, Section 137.280, Line 52, by inserting after all of said section and line the following:

"137.1018. 1. The commission shall ascertain the statewide average rate of property taxes levied the preceding year, based upon the total assessed valuation of the railroad and street railway companies and the total property taxes levied upon the railroad and street railway companies. It shall determine total property taxes levied from reports prescribed by the commission from the railroad and street railway companies. Total taxes levied shall not include revenues from the surtax on subclass three real property.

2. The commission shall report its determination of average property tax rate for the preceding year, together with the taxable distributable assessed valuation of each freight line company for the current year to the director no later than October first of each year.

3. Taxes on property of such freight line companies shall be collected at the state level by the director on behalf of the counties and other local public taxing entities and shall be distributed in accordance with sections 137.1021 and 137.1024. The director shall tax such property based upon the distributable assessed valuation attributable to Missouri of each freight line company, using the average tax rate for the preceding year of the railroad and street railway companies certified by the commission. Such tax shall be due and payable on or before December thirty-first of the year levied and, if it becomes delinquent, shall be subject to a penalty equal to that specified in section 140.100.

4. (1) As used in this subsection, the following terms mean:

(a) "Eligible expenses", expenses incurred in this state to manufacture, maintain, or improve a freight line company's qualified rolling stock;

(b) "Qualified rolling stock", any freight, stock, refrigerator, or other railcars subject to the tax levied under this section.

(2) For all taxable years beginning on or after January 1, 2009, a freight line company shall, subject to appropriation, be allowed a credit against the tax levied under this section for the applicable tax year. The tax credit amount shall be equal to the amount of eligible expenses incurred during the calendar year immediately preceding the tax year for which the credit under this section is claimed. The amount of the tax credit issued shall not exceed the freight line company's liability for the tax levied under this section for the tax year for which the credit is claimed.

1 (3) A freight line company may apply for the credit by submitting to the commission an  
2 application in the form prescribed by the state tax commission.

3 (4) Subject to appropriation, the state shall reimburse, on an annual basis, any political  
4 subdivision of this state for any decrease in revenue due to the provisions of this subsection.

5 5. Pursuant to section 23.253 of the Missouri sunset act:

6 (1) The program authorized under subsection 4 of this section shall expire on August 28,  
7 ~~[2020]~~ 2027; and

8 (2) Subsection 4 of this section shall terminate on September 1, ~~[2021]~~ 2028."; and  
9

10 Further amend said bill, Page 10, Section 143.171, Line 43, by inserting after all of said section and  
11 line the following:

12  
13 "348.436. The provisions of sections 348.430 to 348.436 shall expire December 31, ~~[2021]~~  
14 2027."; and  
15

16 Further amend said bill by amending the title, enacting clause, and intersectional references  
17 accordingly.  
18