

HOUSE AMENDMENT NO. __ 1 __
TO
HOUSE AMENDMENT NO. __ 1 __

Offered By

1 AMEND House Amendment No. 1 to House Committee Substitute for House Bill No. 1089,
2 Page 1, Line 1, by inserting after "Section 620.2425," the following:

3 "Page 1, Line 6, by deleting "function" and inserting in lieu thereof "functional"; and

4
5 FURTHER AMEND said Section and Page, Lines 8-13, by deleting all of said Lines and inserting in lieu
6 thereof the following:

7 "(3) "Eligible expenses":

8 (a) Any amount for which a deduction is allowed to the taxpayer under Section 162 of the Internal
9 Revenue Code of 1986, as amended; and

10 (b) Permit and license fees, lease brokerage fees, equipment installation costs and other similar
11 expenses.

12
13 Such term does not include any compensation which is paid or incurred in connection with severance from
14 employment and any similar amount or expenses deducted in determining federal taxable income;"; and

15
16 FURTHER AMEND said Section and Page, Line 14, by inserting the following on said Line:

17 "(4) "Eligible insourcing expenses":

18 (a) Eligible expenses paid or incurred by the taxpayer in connection with the elimination of any
19 business unit of the taxpayer or of any member of any expanded affiliated group in which the taxpayer is also
20 a member located outside the state of Missouri; and

21 (b) Eligible expenses paid or incurred by the taxpayer in connection with the establishment of any
22 business unit of the taxpayer or of any member of any expanded affiliated group in which the taxpayer is also
23 a member located within the state of Missouri if such establishment constitutes the relocation of the business
24 unit so eliminated."; and

25
26 FURTHER AMEND said Section and Page, Lines 16-17, by deleting all of said Lines and inserting in lieu
27 thereof the following:

28 "elimination occurs in a different taxable year than such establishment;"; and

29
30 FURTHER AMEND said Section, Page 2, Line 18, by inserting after "(4)" the following:

31 ""Expanded affiliated group", an affiliated group as defined in Section 1504(a) of the Internal
32 Revenue Code of 1986, as amended, determined without regard to Section 1504(b)(3) of the Internal Revenue
33 Code of 1986, as amended, and by substituting more than fifty percent for at least eighty percent each place it
34 appears in Section 1504(a) of the Internal Revenue Code of 1986, as amended. A partnership or any other
35 entity other than a corporation shall be treated as a member of an expanded affiliated group if such entity is
36 controlled by members of such group including any entity treated as a member of such group by reason of this
37 subdivision;

38 (5) "Expenses shall be under insourcing plan", amounts that shall be taken into account under

Action Taken _____ Date _____

1 subdivision (3) of this subsection only to the extent that such amounts are paid or incurred under a written
2 plan to carry out the relocation described in subdivision (3) of this subsection;
3 (6)" and renumbering remaining subdivisions accordingly; and
4

5 FURTHER AMEND said Section and Page, Line 19, by deleting "amended;" and inserting in lieu thereof the
6 following:

7 "amended, determined by only taking into account wages as otherwise defined in Section 45R(e) of
8 the Internal Revenue Code of 1986, as amended, paid with respect to services performed within Missouri;"
9 and
10

11 FURTHER AMEND said Section and Page, Line 26, by deleting "a taxpayer shall be"; and
12

13 FURTHER AMEND said Section and Page, Lines 27-30, by deleting all of said Lines and inserting in lieu
14 thereof the following:

15 "the insourcing expenses tax credit for any taxable year shall be taken against the taxes imposed under
16 chapter 143, except for sections 143.191 to 143.625, and is an amount equal to twenty percent of the eligible
17 insourcing expenses of the taxpayer which are taken into account in such taxable year under subsection 5 of
18 this section. The"; and
19

20 FURTHER AMEND said Section and Page, Line 32, by deleting "Any tax credit that cannot be"; and
21

22 FURTHER AMEND said Section and Page, Lines 33-34, by deleting all of said Lines and inserting in lieu
23 thereof "Any amount"; and
24

25 FURTHER AMEND said Section and Page, Line 41, by inserting the word "insourcing" after the word
26 "eligible"; and
27

28 FURTHER AMEND said Section and Page, Lines 42-43, by deleting all of said Lines and inserting in lieu
29 thereof "were paid or incurred."; and
30

31 FURTHER AMEND said Section and Page, Line 44, by inserting after "5." the following:

32 "(1) Except as provided in subdivisions (2) and (3) of this subsection, eligible insourcing expenses
33 shall be taken into account in the taxable year during which the plan described in subdivision (5) of subsection
34 2 of this section has been completed and all eligible insourcing expenses under such plan have been paid or
35 incurred.

36 "(2) If the taxpayer elects the application of this subdivision, eligible insourcing expenses shall be
37 taken into account in the first taxable year after the taxable year described in subdivision (1) of this
38 subsection.

39 "(3) If a taxpayer is not allowed a tax credit under subsection 3 for a given year, then the taxpayer may
40 claim the tax credit in the following year.

41 6."; and renumbering remaining subsections accordingly; and
42

43 FURTHER AMEND said Section,"; and
44

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