

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

Offered By

1 AMEND House Committee Substitute for House Bill No. 1640, Page 1, In the Title, Lines 2-3, by  
2 deleting the phrase "the science, technology, engineering and mathematics fund" and inserting in  
3 lieu thereof the phrase "tax incentives"; and

4  
5 Further amend said bill and page, Section A, Line 2, by inserting after all of said section and line  
6 the following:

7  
8 "135.647. 1. As used in this section, the following terms shall mean:

9 (1) "Food", food intended for human consumption including, but not limited to, livestock,  
10 wild game, poultry, seafood, or any other meat, that is processed at a processing facility certified by  
11 the United States Department of Agriculture; eggs; milk; or an agricultural crop including, but not  
12 limited to, grains, fruits, and vegetables;

13 (2) "Local food pantry", any food pantry that is:

14 (a) Exempt from taxation under section 501(c)(3) of the Internal Revenue Code of 1986, as  
15 amended; and

16 (b) Distributing emergency food supplies to Missouri low-income people who would  
17 otherwise not have access to food supplies in the area in which the taxpayer claiming the tax credit  
18 under this section resides;

19 [(2)] (3) "Taxpayer", an individual, a firm, a partner in a firm, corporation, or a shareholder  
20 in an S corporation doing business in this state and subject to the state income tax imposed by  
21 chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

22 2. (1) Beginning on March 29, 2013, any donation of cash or food made on or after January  
23 1, 2013, shall be eligible for tax credits as provided by this section.

24 (2) For all tax years beginning on or after January 1, 2007, any taxpayer who donates cash  
25 or food, unless such food is donated after the food's expiration date, to any local food pantry shall  
26 be allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax  
27 imposed by sections 143.191 to 143.265, in an amount equal to fifty percent of the value of the  
28 donations made to the extent such amounts that have been subtracted from federal adjusted gross  
29 income or federal taxable income are added back in the determination of Missouri adjusted gross  
30 income or Missouri taxable income before the credit can be claimed. Each taxpayer claiming a tax  
31 credit under this section shall file an affidavit with the income tax return verifying the amount of  
32 their contributions. The amount of the tax credit claimed shall not exceed the amount of the  
33 taxpayer's state tax liability for the tax year that the credit is claimed, and shall not exceed two  
34 thousand five hundred dollars per taxpayer claiming the credit. Any amount of credit that the  
35 taxpayer is prohibited by this section from claiming in a tax year shall not be refundable, but may be  
36 carried forward to any of the taxpayer's three subsequent taxable years. No tax credit granted under

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

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1 this section shall be transferred, sold, or assigned. No taxpayer shall be eligible to receive a credit  
2 pursuant to this section if such taxpayer employs persons who are not authorized to work in the  
3 United States under federal law.

4 3. The cumulative amount of tax credits under this section which may be allocated to all  
5 taxpayers contributing to a local food pantry in any one fiscal year shall not exceed one million  
6 seven hundred fifty thousand dollars. The director of revenue shall establish a procedure by which  
7 the cumulative amount of tax credits is apportioned among all taxpayers claiming the credit by April  
8 fifteenth of the fiscal year in which the tax credit is claimed. To the maximum extent possible, the  
9 director of revenue shall establish the procedure described in this subsection in such a manner as to  
10 ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of tax  
11 credits available for the fiscal year.

12 4. Any local food pantry may accept or reject any donation of food made under this section  
13 for any reason. For purposes of this section, any donations of food accepted by a local food pantry  
14 shall be valued at fair market value, or at wholesale value if the taxpayer making the donation of  
15 food is a retail grocery store, food broker, wholesaler, or restaurant.

16 5. The department of revenue shall promulgate rules to implement the provisions of this  
17 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created  
18 under the authority delegated in this section shall become effective only if it complies with and is  
19 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and  
20 chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to  
21 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently  
22 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after  
23 August 28, 2007, shall be invalid and void.

24 6. Under section 23.253 of the Missouri sunset act:

25 (1) The program authorized under this section shall be reauthorized as of March 29, 2013,  
26 and shall expire on December 31, 2019, unless reauthorized by the general assembly; and

27 (2) This section shall terminate on September first of the calendar year immediately  
28 following the calendar year in which the program authorized under this section is sunset; and

29 (3) The provisions of this subsection shall not be construed to limit or in any way impair the  
30 department's ability to redeem tax credits authorized on or before the date the program authorized  
31 under this section expires or a taxpayer's ability to redeem such tax credits.

32 135.1620. 1. As used in this section, the following terms mean:

33 (1) "Eligible expenses", expenses incurred in the construction or development of real  
34 property for the purpose of establishing a full-service grocery store in a food desert;

35 (2) "Food desert", a census tract that has a poverty rate of at least twenty percent or a  
36 median family income of less than eighty percent of the statewide average and where at least five  
37 hundred people or thirty-three percent of the population are located at least half a mile from a full-  
38 service grocery store in urban areas or ten miles in rural areas;

39 (3) "Full-service grocery store", a grocery store that provides a full complement of healthful  
40 fruits, vegetables, grains, meat, and dairy products along with household items. Fresh fruits and  
41 vegetables shall be available for sale in quantities that are substantially similar to industry standards  
42 for facilities of similar size;

43 (4) "New location", a full-service grocery store facility located on a tract of real property  
44 within a food desert acquired by or leased to a taxpayer on or after January 1, 2017. A location  
45 shall be deemed to have been acquired by or leased to a taxpayer on or after January 1, 2017, if the  
46 transfer of title to the taxpayer, the transfer of possession under a binding contract to transfer title to  
47 a taxpayer, or the commencement of the term of the lease to a taxpayer occurs on or after January 1,  
48 2017, or if the commencement of the construction or installation of the facility by or on behalf of a

1 taxpayer occurs on or after January 1, 2017;

2 (5) "Rural area", a town or community within the state that is not within a standard  
3 metropolitan statistical area and has a population of six thousand or fewer inhabitants as determined  
4 by the last preceding federal decennial census or any unincorporated area not within a standard  
5 metropolitan statistical area;

6 (6) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding  
7 withholding tax imposed by sections 143.191 to 143.265;

8 (7) "Taxpayer", any individual, partnership, or corporation as described in section 143.441  
9 or 143.471 that is subject to the tax imposed under chapter 143, excluding withholding tax imposed  
10 under sections 143.191 to 143.265, or any charitable organization that is exempt from federal  
11 income tax and whose Missouri unrelated business taxable income, if any, would be subject to the  
12 state income tax imposed under chapter 143;

13 (8) "Urban area", an urban place as designated by the Bureau of the Census.

14 2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's state tax liability  
15 in an amount equal to fifty percent of the taxpayer's eligible expenses for establishing a full-service  
16 grocery store in a food desert after initial expenses of:

17 (1) One million dollars if the full-service grocery store is established in a charter county, a  
18 county of the first classification, or a city not within any county; or

19 (2) Five hundred thousand dollars if the full-service grocery store is established in any other  
20 county or city.

21 3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state  
22 tax liability for the tax year that the credit is claimed, and such taxpayer shall not be allowed to  
23 claim a tax credit in excess of two million five hundred thousand dollars per tax year. However, any  
24 tax credit that cannot be claimed in the tax year the contribution was made may be carried over to  
25 the next three succeeding tax years until the full credit has been claimed.

26 4. The total amount of tax credits that may be authorized under this section in any calendar  
27 year shall not exceed twenty-five million dollars.

28 5. Tax credits issued under the provisions of this section may be transferred, sold, or  
29 assigned.

30 6. The issuance of tax credits authorized under this section shall cease and the taxpayer shall  
31 immediately submit payment to the state general revenue fund in an amount equal to all credits  
32 previously issued to the taxpayer, less any amounts previously repaid, increased by an amount equal  
33 to a reasonable rate of return on the value of the credits issued in the event that the taxpayer:

34 (1) Fails to complete construction on a full-service grocery store within five years of the  
35 commencement of the project; or

36 (2) Fails to operate a full-service grocery store at the same new location for at least ten  
37 consecutive years.

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

46 8. Under section 23.253 of the Missouri sunset act:

47 (1) The program authorized under this section shall automatically sunset six years after  
48 August 28, 2016, unless reauthorized by an act of the general assembly;

1           (2) If such program is reauthorized, the program authorized under this section shall  
2 automatically sunset twelve years after the effective date of the reauthorization of this section; and  
3           (3) This section shall terminate on September first of the calendar year immediately  
4 following the calendar year in which the program authorized under this section is sunset."; and  
5  
6 Further amend said bill by amending the title, enacting clause, and intersectional references  
7 accordingly.