

FIRST EXTRAORDINARY SESSION OF THE
FIRST REGULAR SESSION

[PERFECTED]

SENATE SUBSTITUTE NO. 2 FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 3

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR GREGORY (21).

3295S.08P

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 67.3000 and 67.3005, RSMo, and to enact in lieu thereof five new sections relating to taxation, with a severability clause.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 67.3000 and 67.3005, RSMo, are
2 repealed and five new sections enacted in lieu thereof, to be
3 known as sections 67.3000, 67.3005, 100.240, 135.445, and
4 137.1120, to read as follows:

67.3000. 1. As used in this section and section
2 67.3005, the following words shall mean:

3 (1) "Active member", an organization located in the
4 state of Missouri which solicits and services sports events,
5 sports organizations, and other types of sports-related
6 activities in that community;

7 (2) "Applicant" or "applicants", one or more certified
8 sponsors, endorsing counties, endorsing municipalities, or a
9 local organizing committee, acting individually or
10 collectively;

11 (3) "Certified sponsor" or "certified sponsors", a
12 nonprofit organization which is an active member of the

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

13 [National Association of Sports Commissions] **Sports Events**
14 **and Tourism Association;**

15 (4) "Department", the Missouri department of economic
16 development;

17 (5) "Director", the director of revenue;

18 (6) ["Eligible costs" shall include:

19 (a) Costs necessary for conducting the sporting event;

20 (b) Costs relating to the preparations necessary for
21 the conduct of the sporting event; and

22 (c) An applicant's pledged obligations to the site
23 selection organization as evidenced by the support contract
24 for the sporting event including, but not limited to, bid
25 fees and financial guarantees.

26 Eligible costs shall not include any cost associated with
27 the rehabilitation or construction of any facilities used to
28 host the sporting event or direct payments to a for-profit
29 site selection organization, but may include costs
30 associated with the retrofitting of a facility necessary to
31 accommodate the sporting event;

32 (7)] "Eligible donation", donations received, by a
33 certified sponsor or local organizing committee, from a
34 taxpayer that may include cash, publicly traded stocks and
35 bonds, and real estate that will be valued and documented
36 according to rules promulgated by the department. Such
37 donations shall be used solely to provide funding to attract
38 sporting events to this state;

39 [(8)] (7) "Endorsing municipality" or "endorsing
40 municipalities", any city, town, incorporated village, or
41 county that contains a site selected by a site selection
42 organization for one or more sporting events;

43 [(9)] (8) "Joinder agreement", an agreement entered
44 into by one or more applicants, acting individually or
45 collectively, and a site selection organization setting out
46 representations and assurances by each applicant in
47 connection with the selection of a site in this state for
48 the location of a sporting event;

49 [(10)] (9) "Joinder undertaking", an agreement entered
50 into by one or more applicants, acting individually or
51 collectively, and a site selection organization that each
52 applicant will execute a joinder agreement in the event that
53 the site selection organization selects a site in this state
54 for a sporting event;

55 [(11)] (10) "Local organizing committee", a nonprofit
56 corporation or its successor in interest that:

57 (a) Has been authorized by one or more certified
58 sponsors, endorsing municipalities, or endorsing counties,
59 acting individually or collectively, to pursue an
60 application and bid on its or the applicant's behalf to a
61 site selection organization for selection as the host of one
62 or more sporting events; or

63 (b) With the authorization of one or more certified
64 sponsors, endorsing municipalities, or endorsing counties,
65 acting individually or collectively, executes an agreement
66 with a site selection organization regarding a bid to host
67 one or more sporting events;

68 (11) "Registered participant", an individual who is
69 registered to compete in a sporting event, or an athlete,
70 coach, or other individual who is part of a team's official
71 contingent with an official capacity for such sporting event;

72 (12) "Site selection organization", the National
73 Collegiate Athletic Association (NCAA); an NCAA member
74 conference, university, or institution; the National

75 Association of Intercollegiate Athletics (NAIA); the United
76 States Olympic & Paralympic Committee [(USOC)] (USOPC); a
77 national governing body (NGB) or international federation of
78 a sport recognized by the [USOC] USOPC; the United States
79 Golf Association (USGA); the United States Tennis
80 Association (USTA); the Amateur Athletic Union (AAU); the
81 National Christian College Athletic Association (NCCAA); the
82 National Junior College Athletic Association (NJCAA); the
83 United States Sports Specialty Association (USSSA); any
84 rights holder member of the [National Association of Sports
85 Commissions (NASC)] **Sports Events and Tourism Association**
86 **(Sports ETA)**; other major regional, national, and
87 international sports associations, and amateur organizations
88 that promote, organize, or administer sporting games or
89 competitions; or other major regional, national, and
90 international organizations that promote or organize
91 sporting events;

92 (13) "Sporting event" or "sporting events", an
93 amateur, collegiate, or Olympic sporting event that is
94 competitively bid or is awarded by a site selection
95 organization;

96 (14) "Support contract" or "support contracts", an
97 event award notification, joinder undertaking, joinder
98 agreement, or contract executed by an applicant and a site
99 selection organization;

100 (15) "Tax credit" or "tax credits", a credit or
101 credits issued by the department against the tax otherwise
102 due under chapter 143 or 148, excluding withholding tax
103 imposed under sections 143.191 to 143.265;

104 (16) "Taxpayer", any of the following individuals or
105 entities who make an eligible donation:

106 (a) A person, firm, partner in a firm, corporation, or
107 a shareholder in an S corporation doing business in the
108 state of Missouri and subject to the state income tax
109 imposed under chapter 143;

110 (b) A corporation subject to the annual corporation
111 franchise tax imposed under chapter 147;

112 (c) An insurance company paying an annual tax on its
113 gross premium receipts in this state;

114 (d) Any other financial institution paying taxes to
115 the state of Missouri or any political subdivision of this
116 state under chapter 148;

117 (e) An individual subject to the state income tax
118 imposed under chapter 143;

119 (f) Any charitable organization which is exempt from
120 federal income tax and whose Missouri unrelated business
121 taxable income, if any, would be subject to the state income
122 tax imposed under chapter 143.

123 2. An applicant may submit a copy of a support
124 contract for a sporting event to the department. Within
125 sixty days of receipt of the sporting event support
126 contract, the department may review the applicant's support
127 contract and certify such support contract if it complies
128 with the requirements of this section. Upon certification
129 of the support contract by the department, the applicant may
130 be authorized to receive the tax credit under subsection 4
131 of this section.

132 3. No more than ninety days following the conclusion
133 of the sporting event, the applicant shall submit [eligible
134 costs and documentation of the costs evidenced by receipts,
135 paid invoices, event settlements, or other documentation in
136 a manner prescribed by the department. Eligible costs may
137 be paid by the applicant or an entity cohosting the event

with the applicant] a ticket sales or box office statement verifying the total number of tickets sold for such event, or, if such event was participant-based, a list of all registered participants.

4. (1) [No later than seven days following the conclusion of the sporting event, the department, in consultation with the director, shall determine the total number of tickets sold at face value for such event or, if such event was participant-based and did not sell admission tickets, the total number of paid participant registrations.

(2)] No later than sixty days following the receipt of [eligible costs and] documentation of [such costs] ticket sales or registered participants from the applicant as required in subsection 3 of this section, the department shall, except for the limitations under subsection 5 of this section, issue a certificate for a refundable tax credit to the applicant for [the least of]:

(a) [One hundred percent of eligible costs incurred by the applicant;

(b)] An amount equal to [five] six dollars for every admission ticket sold to such event; or

[(c)] (b) An amount equal to [ten] twelve dollars for every [paid] registered participant [registration] if such event was participant-based [and did not sell admission tickets].

The calculations under paragraphs [(b)] (a) and [(c)] (b) of this subdivision shall use the actual number of tickets sold or [registrations paid] registered participants, not an estimated amount.

(2) The department of revenue shall issue a refund of the refundable tax credit to the applicant within ninety

169 days of the applicant's submission of a valid tax credit
170 certificate issued in accordance with subdivision (1) of
171 this subsection. Notwithstanding any provision of law to
172 the contrary, this may include a refund issued in advance of
173 the close of the tax period to which the tax credit applies.

174 (3) Tax credits authorized by this section may be
175 claimed against taxes imposed by chapters 143 and 148 [and
176 shall be claimed within one year of the close of the tax
177 year for which the credits were issued]. Tax credits
178 authorized by this section [may] **shall not** be transferred,
179 sold, or assigned [by filing a notarized endorsement thereof
180 with the department that names the transferee, the amount of
181 tax credit transferred, and the value received for the
182 credit, as well as any other information reasonably
183 requested by the department]. **Notwithstanding any provision**
184 **of law to the contrary, tax credits authorized by this**
185 **section may be refunded at any time following issuance, even**
186 **prior to the close of the tax period for which the credits**
187 **were issued. An erroneous, excessive, or improper refund of**
188 **these tax credits shall be considered an underpayment of tax**
189 **on the date made. If any applicant is issued tax credits**
190 **pursuant to this section that are refunded to such**
191 **applicant, but the department of revenue later determines**
192 **that the applicant receiving the credits owes or owed taxes**
193 **that were not paid for the tax year for which the tax credit**
194 **was issued, such applicant shall pay to the department of**
195 **revenue the applicant's tax liability still due, including**
196 **any underpayment caused by the erroneous, excessive, or**
197 **improper refund of these tax credits. The department of**
198 **revenue may promulgate such rules as are necessary to**
199 **administer such clawback provisions under this subdivision.**

200 5. In no event shall the amount of tax credits issued
201 by the department under subsection 4 of this section exceed
202 **[three] six** million dollars in any fiscal year. For all
203 events located within the following counties, the total
204 amount of tax credits issued shall not exceed **[two] five**
205 million **[seven] five** hundred thousand dollars in any fiscal
206 year:

207 (1) A county with a charter form of government and
208 with more than six hundred thousand inhabitants; or

209 (2) A city not within a county.

210 6. An applicant shall provide any information
211 necessary as determined by the department for the department
212 and the director to fulfill the duties required by this
213 section. At any time upon the request of the state of
214 Missouri, a certified sponsor shall subject itself to an
215 audit conducted by the state.

216 7. This section shall not be construed as creating or
217 requiring a state guarantee of obligations imposed on an
218 endorsing municipality under a support contract or any other
219 agreement relating to hosting one or more sporting events in
220 this state.

221 8. The department shall only certify an applicant's
222 support contract for a sporting event in which the site
223 selection organization has yet to select a location for the
224 sporting event as of December 1, 2012. No support contract
225 shall be certified unless the site selection organization
226 has chosen to use a location in this state from competitive
227 bids, at least one of which was a bid for a location outside
228 of this state, except that competitive bids shall not be
229 required for any previously-awarded event whose site
230 selection organization extends its contractual agreement
231 with the event's certified sponsor or for any **[post-season]**

232 **neutral-site** collegiate [football game or other neutral-
233 site] game with at least one out-of-state team. Support
234 contracts shall not be certified by the department after
235 August 28, [2025] 2032, provided that the support contracts
236 may be certified on or prior to August 28, [2025] 2032, for
237 sporting events that will be held after such date.

238 9. The department may promulgate rules as necessary to
239 implement the provisions of this section. Any rule or
240 portion of a rule, as that term is defined in section
241 536.010, that is created under the authority delegated in
242 this section shall become effective only if it complies with
243 and is subject to all of the provisions of chapter 536 and,
244 if applicable, section 536.028. This section and chapter
245 536 are nonseverable and if any of the powers vested with
246 the general assembly pursuant to chapter 536 to review, to
247 delay the effective date, or to disapprove and annul a rule
248 are subsequently held unconstitutional, then the grant of
249 rulemaking authority and any rule proposed or adopted after
250 August 28, 2013, shall be invalid and void.

251 **10. The repeal and reenactment of subsection 8 of this**
252 **section shall become effective on the effective date of this**
253 **act and the repeal and reenactment of the remainder of the**
254 **provisions of this section shall become effective July 1,**
255 **2026, and shall apply only to tax credits issued on or after**
256 **July 1, 2026.**

67.3005. 1. For all tax years beginning on or after
2 January 1, 2013, any taxpayer shall be allowed a credit
3 against the taxes otherwise due under chapter 143, 147, or
4 148, excluding withholding tax imposed by sections 143.191
5 to 143.265, in an amount equal to fifty percent of the
6 amount of an eligible donation, subject to the restrictions
7 in this section. The amount of the tax credit claimed shall

8 not exceed the amount of the taxpayer's state income tax
9 liability in the tax year for which the credit is claimed.
10 Any amount of credit that the taxpayer is prohibited by this
11 section from claiming in a tax year shall not be refundable,
12 but may be carried forward to any of the taxpayer's two
13 subsequent tax years.

14 2. To claim the credit authorized in this section, a
15 certified sponsor or local organizing committee shall submit
16 to the department an application for the tax credit
17 authorized by this section on behalf of taxpayers. The
18 department shall verify that the applicant has submitted the
19 following items accurately and completely:

20 (1) A valid application in the form and format
21 required by the department;

22 (2) A statement attesting to the eligible donation
23 received, which shall include the name and taxpayer
24 identification number of the individual making the eligible
25 donation, the amount of the eligible donation, and the date
26 the eligible donation was received; and

27 (3) Payment from the certified sponsor or local
28 organizing committee equal to the value of the tax credit
29 for which application is made.

30 If the certified sponsor or local organizing committee
31 applying for the tax credit meets all criteria required by
32 this subsection, the department shall issue a certificate in
33 the appropriate amount.

34 3. Tax credits issued under this section may be
35 assigned, transferred, sold, or otherwise conveyed, and the
36 new owner of the tax credit shall have the same rights in
37 the credit as the taxpayer. Whenever a certificate is
38 assigned, transferred, sold, or otherwise conveyed, a

notarized endorsement shall be filed with the department specifying the name and address of the new owner of the tax credit or the value of the credit. In no event shall the amount of tax credits issued by the department under this section exceed **[ten million] five hundred thousand** dollars in any fiscal year.

4. 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, 2013, shall be invalid and void.

5. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under **this section and section 67.3000 [and under this section]** shall automatically sunset six years after August 28, **[2019] 2026**, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under **this section and section 67.3000 [and under this section]** shall automatically sunset twelve years after the effective date of the reauthorization of these sections; and

(3) Section 67.3000 and this section shall terminate on September first of the calendar year immediately

71 following the calendar year in which the program authorized
72 under these sections is sunset.

73 6. The repeal and reenactment of subsection 5 of this
74 section shall become effective on the effective date of this
75 act and the repeal and reenactment of the remainder of the
76 provisions of this section shall become effective July 1,
77 2026, and shall apply only to tax credits issued on or after
78 July 1, 2026.

100.240. 1. This section shall be known and may be
2 cited as the "Show-Me Sports Investment Act".

3 2. The state of Missouri, acting through the
4 department and the office of administration, may, upon such
5 terms and with reasonable consideration as it may determine,
6 subject to appropriation, expend funds for the purpose of
7 aiding and cooperating in the planning, undertaking,
8 financing, or carrying out of an athletic and entertainment
9 facility project for which application is made to the
10 department and approved by the director and the commissioner.

11 3. As used in this section, the following terms shall
12 mean:

13 (1) "Athletic and entertainment facility", structures,
14 fixtures, systems, and facilities of sports and
15 entertainment venues with seating capacity of more than
16 thirty thousand, including associated parking facilities,
17 and that the director and commissioner determine is a
18 contributing factor in the attraction or retention of
19 sports, recreational, or entertainment activities, whether
20 professional, commercial, or private, and a primary factor
21 in the retention of a professional sports franchise in the
22 state. An athletic and entertainment facility may include a
23 professional sports franchise's headquarters facility and
24 training facility, regardless of whether they are co-located

in or adjacent to the stadium, but still located within the state. Such structures, fixtures, systems, and facilities may include, but are not limited to, foundations, roofs, interior and exterior walls or windows, floors, steps, stairs, concourses, hallways, restrooms, event or meeting spaces or other hospitality-related areas, concession or food preparation areas, or services systems such as mechanical, gas utility, electrical, lighting, communication, sound, sanitary, HVAC, elevator, escalator, plumbing, sprinkler, cabling and wiring, life-safety security cameras, access deterrents, public safety improvements, or other building systems;

(2) "Baseline year", the calendar year prior to submission of an application to the department under this section;

(3) "Baseline year state tax revenues", the state tax revenues derived directly from the operations of the athletic and entertainment facility of the professional sports franchise, including vendors and tenants located in the athletic and entertainment facility but excluding all state tax revenues derived from matches of the 2026 FIFA World Cup soccer tournament which are held in any county with more than seven hundred thousand but fewer than eight hundred thousand inhabitants, during the baseline year;

(4) "Board", the Missouri development finance board created by section 100.265;

(5) "Commissioner", the commissioner of the office of administration of the state of Missouri;

(6) "Department", the Missouri department of economic development created by section 620.010;

(7) "Director", the director of the department of economic development;

57 (8) "Lease", a lease agreement between the
58 professional sports franchise and the owner of the athletic
59 and entertainment facility, without regard to options to
60 renew the lease. For the purposes of subdivision (5) of
61 subsection 5 of this section, in the event one component of
62 the athletic and entertainment facility has a different end
63 of the term of the lease date than another component, the
64 lease term that ends the latest in time shall be applicable;

65 (9) "Professional sports franchise", any professional
66 sports team that is a member of Major League Baseball or the
67 National Football League;

68 (10) "Project", the development, construction,
69 reconstruction, rehabilitation, repair, or improvement of
70 any athletic and entertainment facility for which an
71 application is made and approved by the director and the
72 commissioner. A project must have total project costs of at
73 least five hundred million dollars to be eligible for
74 funding under this section. Residential, commercial,
75 retail, or mixed-use development adjacent to an athletic and
76 entertainment facility shall not be included as part of the
77 project. All projects receiving appropriations pursuant to
78 this section shall comply with the provisions of sections
79 290.210 to 290.340;

80 (11) "State tax liability", any liability incurred by
81 a taxpayer under chapter 143, 147, or 148, exclusive of the
82 provisions relating to the withholding of tax as provided
83 for in sections 143.191 to 143.265 and related provisions;

84 (12) "State tax revenues", the sum of the following:

85 (a) The general revenue portion of state sales tax
86 revenues received under section 144.020, excluding sales
87 taxes that are constitutionally dedicated, taxes deposited
88 to the school district trust fund in accordance with section

89 144.701, sales and use taxes on motor vehicles, trailers,
90 boats, and outboard motors, and future sales taxes earmarked
91 by law;

92 (b) The state income tax withheld on behalf of
93 employees by an employer under section 143.221; and

94 (c) The nonresident professional athletes and
95 entertainers state income tax revenues as set forth in
96 section 143.183;

97 (13) "Tax credit", a credit against the taxpayer's
98 state tax liability, or which may be transferred or sold as
99 provided for in subsection 7 of section 100.286.

100 4. Applicants shall submit an application to the
101 department containing all information required by the
102 department, including information to ascertain the
103 applicant's baseline year state tax revenues. The director
104 and the commissioner shall review the application for
105 eligibility and may, in their discretion, enter into an
106 agreement as described in subsection 2 of this section,
107 provided the agreement meets all other requirements of this
108 section. Notwithstanding section 32.057 to the contrary,
109 the department of revenue shall, pursuant to an agreement as
110 authorized by section 610.032, disclose to the director and
111 the commissioner, or their duly authorized employees,
112 information from reports or returns so that the baseline
113 state tax revenues can be verified.

114 5. Any annual expenditure by the state in connection
115 with an athletic and entertainment facility project shall be
116 subject to annual appropriation and shall be no greater than
117 an amount equal to the baseline year state tax revenues for
118 the applicable professional sports franchise's athletic and
119 entertainment facility, as stated in an agreement entered

120 into between the department, the office of administration,
121 and the applicant; provided, however, that:

122 (1) The term of state appropriations under any such
123 agreement shall not exceed thirty years;

124 (2) The annual amount of the state appropriation
125 authorized under this section for a project shall not exceed
126 an amount equal to the baseline year state tax revenues for
127 the athletic and entertainment facility of the professional
128 sports franchise for any fiscal year;

129 (3) The net bond proceeds of any bonds supported by
130 annual expenditures by the state under subsections 2 to 5 of
131 this section for any project shall not exceed fifty percent
132 of the total costs of the project;

133 (4) The director and the commissioner are satisfied
134 that there is sufficient public investment made or to be
135 made by units of local government to support infrastructure
136 or other needs generated by the project; and

137 (5) For any athletic and entertainment facility
138 project for which funds are expended under this section, if
139 the owners of the applicable professional sports franchise
140 relocate any of the professional sports franchise, athletic
141 and entertainment facility, headquarters, or training
142 facility, and if any such facility is located in the state
143 at the time the application is submitted or is constructed
144 in the state as part of the project, to another state during
145 the term of the agreement entered into under subsections 2
146 to 5 of this section, it shall be considered a default
147 event, and such owners of the professional sports franchise
148 shall repay to the state general revenue fund:

149 (a) The amount of funds expended by the state pursuant
150 to such agreement through the date of the default event;

151 (b) The total debt service remaining for any
152 outstanding bonded indebtedness for the project that was to
153 be paid from state revenues under the agreement after the
154 date of the default event through the maturity date of any
155 such bonds or an amount sufficient to pay off any such
156 bonds; and

157 (c) The amount of the tax credits issued under
158 subsection 6 of this section. If, however, the default
159 event occurs within five years of the ending of the term of
160 the lease, then the owners of the professional sports
161 franchise shall be responsible for the total debt service
162 remaining for any outstanding bonded indebtedness for the
163 project that was to be paid from state revenues under the
164 agreement or an amount sufficient to pay off any such bonds,
165 and for no other funds expended by the state under the
166 agreement nor for tax credits issued under subsection 6 of
167 this section.

168 6. (1) For the purposes of funding an athletic and
169 entertainment facility project as described in this section,
170 the board may, in addition to the authority under subsection
171 6 of section 100.286, authorize any taxpayer, including any
172 charitable organization that is exempt from federal income
173 tax and whose Missouri unrelated business taxable income, if
174 any, would be subject to the state income tax imposed
175 pursuant to chapter 143, to receive a tax credit in the
176 amount of fifty percent of any amount contributed in money
177 or property by the taxpayer to the infrastructure
178 development fund during the taxpayer's tax year, provided,
179 however, the tax credits awarded under this subsection for
180 an athletic and entertainment facility project shall not
181 exceed ten percent of the amount of private investment in
182 the athletic and entertainment facility project or fifty

million dollars, whichever is less, and the total of such tax credits may be issued over a maximum of three calendar years, at the discretion of the board. Such credit shall not apply to reserve participation fees paid by borrowers under sections 100.250 to 100.297.

(2) The portion of earned tax credits which exceeds the taxpayer's tax liability may be carried forward for up to five years following the issuance year.

(3) The annual limits in section 100.286 shall not apply to tax credits issued under this subsection. Tax credits issued under this subsection shall not count towards the annual limits in section 100.286.

(4) The tax credits issued under this subsection may be transferred or sold as described in subsection 7 of section 100.286.

(5) If an athletic and entertainment facility project receives tax credits under this subsection, such athletic and entertainment facility project shall not be permitted to receive tax credits under section 100.286.

7. In addition to any other authority granted under section 100.250, the board is authorized to issue its bonds payable from the annual expenditure by the state described in this section to assist in the financing of an athletic and entertainment facility project.

8. Notwithstanding any provision of law to the contrary, contributions received by any committee, as such terms are defined in section 130.011, may be used for any reasonable legal fees incurred in defense of a legal proceeding arising out of the official duties conducted pursuant to this section by a holder of elective office.

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

(1) "Homestead", real property occupied by an eligible individual taxpayer as their primary residence as a homeowner or dwelling as a renter for more than half the year and which is used for all tax and legal purposes in Missouri;

(2) "Individual income tax liability", the liability incurred by an individual taxpayer under provisions of chapter 143;

(3) "Individual taxpayer", an individual subject to income tax imposed under chapter 143;

(4) "Insurance deductible", the amount of a homeowner's or renter's insurance claim for repair or replacement of damaged real or personal property on a homestead that a policyholder incurs when an insurance company remits payment on a covered loss;

(5) "Tax credit", a credit against the individual income tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

2. For all tax years beginning on or after January 1, 2025, individual taxpayers shall be allowed a tax credit against their individual income tax liability for the insurance deductible incurred on a homestead during the 2025 calendar year as a direct result of a disaster for which a request for a presidential disaster declaration has been made by the governor in an amount up to five thousand dollars.

3. The individual taxpayer claiming a tax credit under this section shall file a signed affidavit with their individual income tax return verifying:

(1) The address, including county, of the homestead that suffered damage;

(2) The date the disaster occurred; and

35 (3) Evidence the insurance deductible was incurred as
36 a result of a claim paid under a homeowner's or renter's
37 insurance policy issued by an insurance company licensed in
38 the state.

39 4. (1) A tax credit issued under this section is not
40 refundable. The tax credit can be transferred, sold, or
41 assigned.

42 (2) Tax credits authorized by this section may be
43 carried forward to any of the taxpayer's twenty-nine
44 subsequent tax years or until the full amount of the tax
45 credit is redeemed, whichever is earlier. For the fiscal
46 year ending on or before June 30, 2026, the department of
47 revenue shall not redeem tax credits authorized by this
48 section in an amount that exceeds ninety million dollars.
49 For all fiscal years beginning on or after July 1, 2026, and
50 ending on or before June 30, 2055, the department of revenue
51 shall not redeem tax credits authorized by this section in
52 an amount that exceeds forty-five million dollars in any
53 given year. Any taxpayer that is unable to redeem a tax
54 credit in any tax year may carry forward such tax credit to
55 a subsequent tax year.

56 5. No individual taxpayer shall be able to claim more
57 than one credit under this section for a tax year.

58 6. The department of revenue and the director of
59 commerce and insurance may promulgate rules and regulations
60 necessary to implement the provisions of this section. Any
61 rule or portion of a rule, as that term is defined in
62 section 536.010, that is created under the authority
63 delegated in this section shall become effective only if it
64 complies with and is subject to all of the provisions of
65 chapter 536 and, if applicable, section 536.028. This
66 section and chapter 536 are nonseverable and if any of the

67 powers vested with the general assembly pursuant to chapter
68 536 to review, to delay the effective date, or to disapprove
69 and annul a rule are subsequently held unconstitutional,
70 then the grant of rulemaking authority and any rule proposed
71 or adopted after the effective date of this act, shall be
72 invalid and void.

73 7. No new tax credits shall be authorized pursuant to
74 this section after October 15, 2026.

137.1120. 1. For the purposes of this section, the
2 following terms shall mean:

3 (1) "County", a five percent county or a zero percent
4 county;

5 (2) "Five percent county":

6 (a) Any county with more than forty thousand but fewer
7 than fifty thousand inhabitants and with a county seat with
8 more than fourteen thousand but fewer than eighteen thousand
9 inhabitants;

10 (b) Any county with more than five thousand but fewer
11 than six thousand inhabitants and with a county seat with
12 fewer than nine hundred inhabitants;

13 (c) Any county with more than twenty-five thousand but
14 fewer than thirty thousand inhabitants and with a county
15 seat with more than eight thousand but fewer than twelve
16 thousand inhabitants;

17 (d) Any county with more than twelve thousand five
18 hundred but fewer than fourteen thousand inhabitants and
19 with a county seat with more than five thousand but fewer
20 than six thousand inhabitants;

21 (e) Any county with more than fifteen thousand seven
22 hundred but fewer than seventeen thousand six hundred
23 inhabitants and with a county seat with more than two
24 thousand but fewer than three thousand inhabitants;

25 (f) Any county with more than eight thousand but fewer
26 than eight thousand nine hundred inhabitants and with a
27 county seat with more than six hundred seventy but fewer
28 than seven hundred thirty inhabitants;

29 (g) Any county with more than fourteen thousand but
30 fewer than fifteen thousand seven hundred inhabitants and
31 with a county seat with more than five thousand five hundred
32 but fewer than eight thousand inhabitants;

33 (h) Any county with more than nine thousand nine
34 hundred but fewer than eleven thousand inhabitants and with
35 a county seat with more than one thousand five hundred but
36 fewer than two thousand five hundred inhabitants;

37 (i) Any county with more than twenty-five thousand but
38 fewer than thirty thousand inhabitants and with a county
39 seat with more than five hundred but fewer than two thousand
40 five hundred inhabitants;

41 (j) Any county with more than nine thousand nine
42 hundred but fewer than eleven thousand inhabitants and with
43 a county seat with more than three hundred but fewer than
44 six hundred inhabitants;

45 (k) Any county with more than seventeen thousand six
46 hundred but fewer than nineteen thousand inhabitants and
47 with a county seat with more than five thousand fifty but
48 fewer than seven thousand inhabitants;

49 (l) Any county with more than five thousand but fewer
50 than six thousand inhabitants and with a county seat with
51 more than nine hundred but fewer than one thousand six
52 hundred inhabitants;

53 (m) Any county with more than eight thousand but fewer
54 than eight thousand nine hundred inhabitants and with a
55 county seat with fewer than three hundred inhabitants;

56 (n) Any county with more than eight thousand but fewer
57 than eight thousand nine hundred inhabitants and with a
58 county seat with more than three thousand three hundred but
59 fewer than five thousand inhabitants;

60 (o) Any county with more than seven thousand but fewer
61 than eight thousand inhabitants and with a county seat with
62 fewer than four hundred eighty inhabitants;

63 (p) Any county with more than nineteen thousand but
64 fewer than twenty-two thousand inhabitants and with a county
65 seat with more than two thousand two hundred twenty but
66 fewer than two thousand five hundred inhabitants;

67 (q) Any county with more than eight thousand but fewer
68 than eight thousand nine hundred inhabitants and with a
69 county seat with more than one thousand three hundred but
70 fewer than two thousand inhabitants;

71 (r) Any county with more than eleven thousand but
72 fewer than twelve thousand five hundred inhabitants and with
73 a county seat with more than one thousand but fewer than two
74 thousand inhabitants;

75 (s) Any county with more than six thousand but fewer
76 than seven thousand inhabitants and with a county seat with
77 more than one thousand but fewer than one thousand eight
78 hundred inhabitants;

79 (t) Any county with more than eight thousand nine
80 hundred but fewer than nine thousand nine hundred
81 inhabitants and with a county seat with more than five
82 thousand but fewer than six thousand inhabitants;

83 (u) Any county with more than eight thousand but fewer
84 than eight thousand nine hundred inhabitants and with a
85 county seat with more than two thousand but fewer than three
86 thousand three hundred inhabitants;

87 (v) Any county with more than four thousand but fewer
88 than four thousand five hundred inhabitants and with a
89 county seat with more than eight hundred inhabitants;

90 (w) Any county with more than eleven thousand but
91 fewer than twelve thousand five hundred inhabitants and with
92 a county seat with more than one hundred but fewer than five
93 hundred inhabitants;

94 (x) Any county with more than fourteen thousand but
95 fewer than fifteen thousand seven hundred inhabitants and
96 with a county seat with more than eight thousand but fewer
97 than ten thousand inhabitants;

98 (y) Any county with more than two thousand but fewer
99 than three thousand six hundred inhabitants;

100 (z) Any county with more than nineteen thousand but
101 fewer than twenty-two thousand inhabitants and with a county
102 seat with more than ten thousand but fewer than thirteen
103 thousand inhabitants;

104 (aa) Any county with more than five thousand but fewer
105 than six thousand inhabitants and with a county seat with
106 more than one thousand six hundred but fewer than two
107 thousand six hundred inhabitants;

108 (bb) Any county with fewer than two thousand
109 inhabitants;

110 (cc) Any county with more than nineteen thousand but
111 fewer than twenty-two thousand inhabitants and with a county
112 seat with more than one thousand but fewer than two thousand
113 two hundred twenty inhabitants;

114 (dd) Any county with more than fourteen thousand but
115 fewer than fifteen thousand seven hundred inhabitants and
116 with a county seat with more than one thousand but fewer
117 than two thousand inhabitants;

118 (ee) Any county with more than fifteen thousand seven
119 hundred but fewer than seventeen thousand six hundred
120 inhabitants and with a county seat with more than three
121 thousand but fewer than three thousand six hundred
122 inhabitants;

123 (ff) Any county with more than nineteen thousand but
124 fewer than twenty-two thousand inhabitants and with a county
125 seat with more than eight thousand five hundred but fewer
126 than ten thousand inhabitants;

127 (gg) Any county with more than eight thousand but
128 fewer than eight thousand nine hundred inhabitants and with
129 a county seat with more than six hundred but fewer than six
130 hundred seventy inhabitants;

131 (hh) Any county with more than forty thousand but
132 fewer than fifty thousand inhabitants and with a county seat
133 with more than twenty-one thousand but fewer than thirty-one
134 thousand inhabitants;

135 (ii) Any county with more than thirty thousand but
136 fewer than thirty-five thousand inhabitants and with a
137 county seat with more than nine thousand but fewer than
138 thirteen thousand inhabitants;

139 (jj) Any county with more than eight thousand nine
140 hundred but fewer than nine thousand nine hundred
141 inhabitants and with a county seat with fewer than one
142 thousand inhabitants;

143 (kk) Any county with more than nineteen thousand but
144 fewer than twenty-two thousand inhabitants and with a county
145 seat with more than six thousand but fewer than eight
146 thousand five hundred inhabitants;

147 (ll) Any county with more than fifteen thousand seven
148 hundred but fewer than seventeen thousand six hundred

inhabitants and with a county seat with more than seven thousand but fewer than nine thousand inhabitants;

(mm) Any county with more than twenty-two thousand but fewer than twenty-five thousand inhabitants and with a county seat with more than twelve thousand five hundred but fewer than sixteen thousand inhabitants;

(nn) Any county with more than thirty thousand but fewer than thirty-five thousand inhabitants and with a county seat with more than three thousand eight hundred but fewer than six thousand inhabitants;

(oo) Any county with more than twenty-two thousand but fewer than twenty-five thousand inhabitants and with a county seat with more than five thousand but fewer than eight thousand inhabitants;

(pp) Any county with more than twenty-two thousand but fewer than twenty-five thousand inhabitants and with a county seat with more than one thousand four hundred but fewer than one thousand nine hundred inhabitants;

(qq) Any county with more than sixty thousand but fewer than seventy thousand inhabitants;

(rr) Any county with more than seventeen thousand six hundred but fewer than nineteen thousand inhabitants and with a county seat with more than four thousand but fewer than five thousand fifty inhabitants;

(ss) Any county with more than twenty-two thousand but fewer than twenty-five thousand inhabitants and with a county seat with more than two thousand three hundred but fewer than four thousand inhabitants;

(tt) Any county with more than one hundred thousand but fewer than one hundred twenty thousand inhabitants and with a county seat with more than four thousand but fewer than six thousand inhabitants;

(uu) Any county with more than eighty thousand but fewer than one hundred thousand inhabitants and with a county seat with more than seventy thousand but fewer than eighty thousand inhabitants;

(vv) Any county with more than twenty-five thousand but fewer than thirty thousand inhabitants and with a county seat with more than fourteen thousand but fewer than twenty thousand inhabitants;

(ww) Any county with more than twenty-two thousand but fewer than twenty-five thousand inhabitants and with a county seat with more than nine thousand but fewer than twelve thousand five hundred inhabitants;

(xx) Any county with more than six thousand but fewer than seven thousand inhabitants and with a county seat with more than one thousand eight hundred but fewer than two thousand five hundred inhabitants;

(yy) Any county with more than three thousand six hundred but fewer than four thousand inhabitants;

(zz) Any county with more than nine thousand nine hundred but fewer than eleven thousand inhabitants and with a county seat with fewer than two hundred inhabitants;

(aaa) Any county with more than fourteen thousand but fewer than fifteen thousand seven hundred inhabitants and with a county seat with more than four thousand nine hundred but fewer than five thousand five hundred inhabitants;

(bbb) Any county with more than twenty-five thousand but fewer than thirty thousand inhabitants and with a county seat with more than two thousand five hundred but fewer than six thousand inhabitants;

(ccc) Any county with more than eight thousand but fewer than eight thousand nine hundred inhabitants and with

212 a county seat with more than eight hundred but fewer than
213 one thousand three hundred inhabitants;

214 (ddd) Any county with more than four thousand five
215 hundred but fewer than five thousand inhabitants and with a
216 county seat with more than one thousand seven hundred thirty-
217 three inhabitants;

218 (eee) Any county with more than nine thousand nine
219 hundred but fewer than eleven thousand inhabitants and with
220 a county seat with more than six hundred but fewer than one
221 thousand inhabitants;

222 (fff) Any county with more than twenty-two thousand
223 but fewer than twenty-five thousand inhabitants and with a
224 county seat with more than nine hundred but fewer than one
225 thousand four hundred inhabitants;

226 (ggg) Any county with more than four thousand but
227 fewer than four thousand five hundred inhabitants and with a
228 county seat with fewer than eight hundred inhabitants;

229 (hhh) Any county with more than four thousand five
230 hundred but fewer than five thousand inhabitants and with a
231 county seat with fewer than one thousand seven hundred
232 thirty-three inhabitants;

233 (iii) Any county with more than six thousand but fewer
234 than seven thousand inhabitants and with a county seat with
235 more than four hundred but fewer than one thousand
236 inhabitants;

237 (jjj) Any county with more than one hundred twenty
238 thousand but fewer than one hundred fifty thousand
239 inhabitants;

240 (kkk) Any county with more than fifty thousand but
241 fewer than sixty thousand inhabitants and with a county seat
242 with more than ten thousand but fewer than twelve thousand
243 six hundred inhabitants;

(lll) Any county with more than nine thousand nine hundred but fewer than eleven thousand inhabitants and with a county seat with more than one thousand but fewer than one thousand five hundred inhabitants;

(mmm) Any county with more than eighty thousand but fewer than one hundred thousand inhabitants and with a county seat with more than thirteen thousand but fewer than seventeen thousand inhabitants;

(nnn) Any county with more than eight thousand nine hundred but fewer than nine thousand nine hundred inhabitants and with a county seat with more than one thousand but fewer than two thousand inhabitants;

(ooo) Any county with more than twelve thousand five hundred but fewer than fourteen thousand inhabitants and with a county seat with more than four thousand but fewer than five thousand inhabitants;

(ppp) Any county with more than seventeen thousand six hundred but fewer than nineteen thousand inhabitants and with a county seat with more than eight thousand but fewer than ten thousand inhabitants;

(qqq) Any county with more than six thousand but fewer than seven thousand inhabitants and with a county seat with fewer than three hundred inhabitants;

(rrr) Any county with more than thirty-five thousand but fewer than forty thousand inhabitants and with a county seat with more than five hundred but fewer than two thousand inhabitants;

(sss) Any county with more than fifteen thousand seven hundred but fewer than seventeen thousand six hundred inhabitants and with a county seat with more than four thousand two hundred ten but fewer than six thousand inhabitants;

(ttt) Any county with more than forty thousand but fewer than fifty thousand inhabitants and with a county seat with more than ten thousand but fewer than fourteen thousand inhabitants;

(uuu) Any county with more than fifty thousand but fewer than sixty thousand inhabitants and with a county seat with more than twelve thousand six hundred but fewer than fifteen thousand inhabitants;

(vvv) Any county with more than eleven thousand but fewer than twelve thousand five hundred inhabitants and with a county seat with more than two thousand but fewer than two thousand eight hundred fifty inhabitants;

(www) Any county with more than fifteen thousand seven hundred but fewer than seventeen thousand six hundred inhabitants and with a county seat with more than three thousand six hundred but fewer than four thousand two hundred ten inhabitants;

(3) "Eligible credit amount", the difference between an eligible taxpayer's real property tax liability on such taxpayer's homestead for a given tax year, minus the real property tax liability on such homestead in the eligible taxpayer's initial credit year, provided that, for five percent counties, the real property tax liability on an eligible taxpayer's homestead as determined in the taxpayer's initial credit year may be increased by no more than five percent per year or the percent increase in the Consumer Price Index for All Urban Consumers, as published by the Bureau of Labor Statistics, whichever is greater, and for zero percent counties, the real property tax liability on an eligible taxpayer's homestead shall not be increased above the liability incurred during the initial credit year. For all counties, an eligible taxpayer's real

property tax liability shall be increased to reflect any increase in tax liability derived from any new property tax levy or an increase in an existing property tax levy approved by the voters subsequent to an eligible taxpayer's initial credit year, provided that, for five percent counties, such increase shall not be considered for the purposes of calculating the allowable increase in an eligible taxpayer's real property tax liability as provided in this subdivision;

(4) "Eligible taxpayer", a Missouri resident who:

(a) Is an owner of record of a homestead or has a legal or equitable interest in such property as evidenced by a written instrument; and

(b) Is liable for the payment of real property taxes on such homestead;

(5) "Homestead", real property actually occupied by an eligible taxpayer as the primary residence. An eligible taxpayer shall not claim more than one primary residence;

(6) "Initial credit year", the 2024 tax year.

If in any tax year subsequent to the eligible taxpayer's initial credit year the eligible taxpayer's real property tax liability is lower than such liability in the initial credit year, such tax year shall be considered the eligible taxpayer's initial credit year for all subsequent tax years;

(7) "Zero percent county":

(a) Any county with more than one hundred thousand but fewer than one hundred twenty thousand inhabitants and with a county seat with more than nine thousand but fewer than eleven thousand inhabitants;

(b) Any county with more than fifty thousand but fewer than sixty thousand inhabitants and with a county seat with

339 more than seventeen thousand but fewer than twenty-one
340 thousand inhabitants;

341 (c) Any county with more than one hundred thousand but
342 fewer than one hundred twenty thousand inhabitants and with
343 a county seat with more than twelve thousand but fewer than
344 fourteen thousand inhabitants;

345 (d) Any county with more than fourteen thousand but
346 fewer than fifteen thousand seven hundred inhabitants and
347 with a county seat with more than two thousand but fewer
348 than three thousand inhabitants;

349 (e) Any county with more than twelve thousand five
350 hundred but fewer than fourteen thousand inhabitants and
351 with a county seat with more than one thousand but fewer
352 than two thousand inhabitants;

353 (f) Any county with more than thirty-five thousand but
354 fewer than forty thousand inhabitants and with a county seat
355 with more than eight thousand but fewer than ten thousand
356 inhabitants;

357 (g) Any county with more than two hundred thousand but
358 fewer than two hundred thirty thousand inhabitants;

359 (h) Any county with more than eleven thousand but
360 fewer than twelve thousand five hundred inhabitants and with
361 a county seat with more than two thousand eight hundred
362 fifty but fewer than four thousand inhabitants;

363 (i) Any county with more than thirty-five thousand but
364 fewer than forty thousand inhabitants and with a county seat
365 with more than ten thousand but fewer than fourteen thousand
366 inhabitants;

367 (j) Any county with more than eight thousand but fewer
368 than eight thousand nine hundred inhabitants and with a
369 county seat with more than seven hundred thirty but fewer
370 than eight hundred inhabitants;

371 (k) Any county with more than seven thousand but fewer
372 than eight thousand inhabitants and with a county seat with
373 more than four hundred eighty but fewer than one thousand
374 inhabitants;

375 (l) Any county with more than thirty thousand but
376 fewer than thirty-five thousand inhabitants and with a
377 county seat with more than two hundred but fewer than nine
378 hundred inhabitants;

379 (m) Any county with more than fifty thousand but fewer
380 than sixty thousand inhabitants and with a county seat with
381 more than one thousand but fewer than four thousand
382 inhabitants;

383 (n) Any county with more than twenty-two thousand but
384 fewer than twenty-five thousand inhabitants and with a
385 county seat with more than one thousand nine hundred but
386 fewer than two thousand three hundred inhabitants;

387 (o) Any county with more than thirty thousand but
388 fewer than thirty-five thousand inhabitants and with a
389 county seat with more than two thousand but fewer than three
390 thousand eight hundred inhabitants;

391 (p) Any county with more than eighty thousand but
392 fewer than one hundred thousand inhabitants and with a
393 county seat with more than twenty thousand but fewer than
394 twenty-five thousand inhabitants;

395 (q) Any county with more than thirty-five thousand but
396 fewer than forty thousand inhabitants and with a county seat
397 with more than two thousand but fewer than five thousand
398 inhabitants;

399 (r) Any county with more than twenty-two thousand but
400 fewer than twenty-five thousand inhabitants and with a
401 county seat with more than five hundred but fewer than nine
402 hundred inhabitants;

403 (s) Any county with more than four hundred thousand
404 but fewer than five hundred thousand inhabitants;

405 (t) Any county with more than eleven thousand but
406 fewer than twelve thousand five hundred inhabitants and with
407 a county seat with more than four thousand but fewer than
408 five thousand inhabitants;

409 (u) Any county with more than seven thousand but fewer
410 than eight thousand inhabitants and with a county seat with
411 more than one thousand but fewer than two thousand
412 inhabitants;

413 (v) Any county with more than thirty-five thousand but
414 fewer than forty thousand inhabitants and with a county seat
415 with more than five thousand but fewer than eight thousand
416 inhabitants.

417 2. By no later than the municipal election in April
418 2026, a county shall place on the ballot a question of
419 whether to grant a property tax credit pursuant to this
420 section to eligible taxpayers residing in such county in an
421 amount equal to the taxpayer's eligible credit amount. If a
422 majority of the votes cast on the proposal by the qualified
423 voters voting thereon are in favor of the proposal, then the
424 credit shall be in effect and the county shall grant such
425 property tax credit to eligible taxpayers residing in such
426 county in an amount equal to the taxpayer's eligible credit
427 amount.

428 3. (1) A county granting a credit pursuant to this
429 section shall apply such credit when calculating the
430 eligible taxpayer's property tax liability for the tax
431 year. The amount of the credit shall be noted on the
432 statement of tax due sent to the eligible taxpayer by the
433 county collector. The county governing body may adopt
434 reasonable procedures in order to carry out the purposes and

435 intent of this section, provided that the county shall not
436 adopt any procedure that limits the definition or scope of
437 eligible credit amount or eligible taxpayer as defined in
438 this section.

439 (2) If an eligible taxpayer makes new construction and
440 improvements to such eligible taxpayer's homestead, the real
441 property tax liability for the taxpayer's initial credit
442 year shall be increased to reflect the real property tax
443 liability attributable to such new construction and
444 improvements.

445 (3) If an eligible taxpayer's homestead is annexed
446 into a taxing jurisdiction to which such eligible taxpayer
447 did not owe real property tax in the eligible taxpayer's
448 initial credit year, then the real property tax liability
449 for the taxpayer's initial credit year shall be increased to
450 reflect the real property tax liability owed to the annexing
451 taxing jurisdiction.

452 4. For the purposes of calculating property tax levies
453 pursuant to section 137.073, the total amount of credits
454 authorized by a county pursuant to this section shall be
455 considered tax revenue, as such term is defined in section
456 137.073, actually received.

457 5. A county granting a tax credit pursuant to this
458 section shall notify each political subdivision within such
459 county of the total credit amount applicable to such
460 political subdivision by no later than November thirtieth of
461 each year.

462 6. No taxpayer shall be authorized to claim a property
463 tax credit pursuant to this section and section 137.1050 for
464 the same homestead.

Section B. If any provision of section A of this act
2 or the application thereof to anyone or to any circumstance

3 is held invalid, the remainder of those sections and the
4 application of such provisions to others or other
5 circumstances shall not be affected thereby. It is the
6 intent of the general assembly that the provisions of
7 section A of this act are severable, and that if any
8 provision of section A of this act or the application
9 thereof to any person or to any circumstance is held
10 invalid, that provision shall be severed from the act and
11 all remaining provisions shall be valid.

✓