

TAX CREDIT ANALYSIS

Program Name: Food Pantry Tax Credit		
Department: Revenue	Contact Name & No.: Joel Allison, 751-0191	Date: October 2011
Program Category: Domestic and Social	Type: Tax Credit <input checked="" type="checkbox"/> Other (specify) _____	
Statutory Authority: Section 135.647, RSMo	Applicable Taxes: Chapter 143, RSMo	

Program Description and Eligibility Requirements:
 For all tax years beginning on or after January 1, 2007, any taxpayer who donates cash or food to any local food pantry shall be allowed a credit against the tax otherwise due under Chapter 143, RSMo, excluding withholding tax, in an amount equal to fifty percent of the value of the donations made to the extent such amounts that have been subtracted from federal adjusted gross income or federal taxable income are added back in the determination of Missouri adjusted gross income or Missouri taxable income before the credit can be claimed.

Explanation of How Award is Computed: Entitlement Discretionary _____
 Any taxpayer who donates cash or food to any local food pantry shall be allowed a credit against the tax due under Chapter 143, RSMo, excluding withholding tax, in an amount equal to fifty percent of the value of the donations made. Donations accepted by a local food pantry shall be valued at fair market value or wholesale value if the taxpayer making the donation is a retail grocery store, food broker, wholesaler, or restaurant. The amount of credit claimed shall not exceed the amount of the taxpayer's state tax liability for the year the credit is claimed and shall not exceed \$2,500 per taxpayer. The director of revenue shall establish procedures where the credit is apportioned among all taxpayers claiming the credit if the \$2 million cap is reached.

Program Cap: Cumulative \$2 million (remainder of cumulative cap) \$ _____ Annual \$ _____ None _____
Explanation of cap: The cumulative amount of tax credits allocated to all taxpayers in any one fiscal year shall not exceed \$2 million. The director of revenue shall establish procedures where the credit is apportioned among all taxpayers claiming the credit if the \$2 million cap is reached.

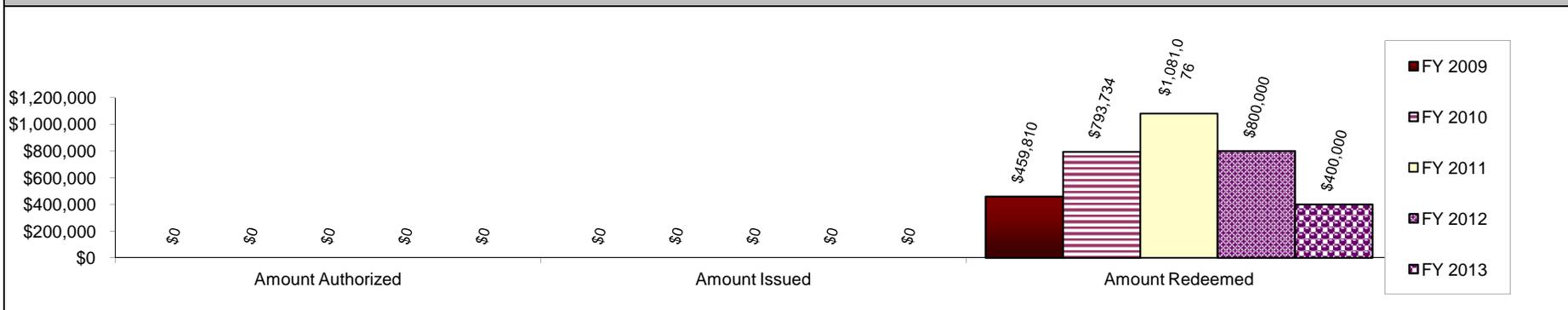
Explanation of Expiration of Authority: Under Section 23.253, RSMo, of the Missouri Sunset Act, the food pantry credit shall automatically sunset four years after the effective date or August 28, 2011.

Specific Provisions: (if applicable)
 Carry forward 3 years Carry Back _____ years Refundable _____ Sellable/Assignable _____ Additional Federal Deductions Available _____

Comments on Specific Provisions:

	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL	FY 2012(current year)	FY 2013 (budget year)
Certificates Issued (#)	0	0	0	0	0
Projects (#)	0	0	0	0	0
Amount Authorized	\$0	\$0	\$0	\$0	\$0
Amount Issued	\$0	\$0	\$0	\$0	\$0
Amount Redeemed	\$459,810	\$793,734	\$1,081,076	\$800,000	\$400,000
EST. Amount Outstanding	N/A	N/A	\$419,463	N/A	N/A
EST. Amount Authorized but Unissued	N/A	N/A	\$0	N/A	N/A

HISTORICAL AND PROJECTED INFORMATION



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Comments on Historical and Projected Information:

BENEFIT: COST ANALYSIS (includes only state revenue impacts)

	FY 2011 ACTIVITY	Other Fiscal Period (indicated time period)	Derivation of Benefits: The Department of Revenue, with the assistance of the Missouri Department of Economic Development, used the Regional Economic Model, Inc. (REMI) model for generating cost-benefit analysis for tax credit programs as required under Section 33.282, RSMo. REMI 8.0.5 Model Assumptions: \$1,081,076 reduction in personal income taxes for Fiscal Year 2011 .
BENEFITS			
Direct Fiscal Benefits	\$0	\$0	
Indirect Fiscal Benefits	\$15,451	\$15,451	
Total	\$15,451	\$15,451	
COSTS			
Direct Fiscal Costs	\$1,081,076	\$1,081,076	
Indirect Fiscal Costs	\$0	\$0	
Total	\$1,081,076	\$1,081,076	
BENEFIT: COST	0.01	0.01	

Other Benefits:

In Fiscal Year 2011, every dollar of authorized program tax credits returns:

\$0.28 in new personal income totaling	\$0.31 million
\$0.50 in new value-added/GSP totalin	\$0.54 million
\$0.81 in new economic output totaling	\$0.88 million

Over ten years, every dollar of authorized program tax credits returns:

\$0.28 in new personal income totaling	\$0.31 million
\$0.50 in new value-added/GSP totalin	\$0.54 million
\$0.81 in new economic output totaling	\$0.88 million

PERFORMANCE MEASURE(S)

Comments on Performance Measure: