

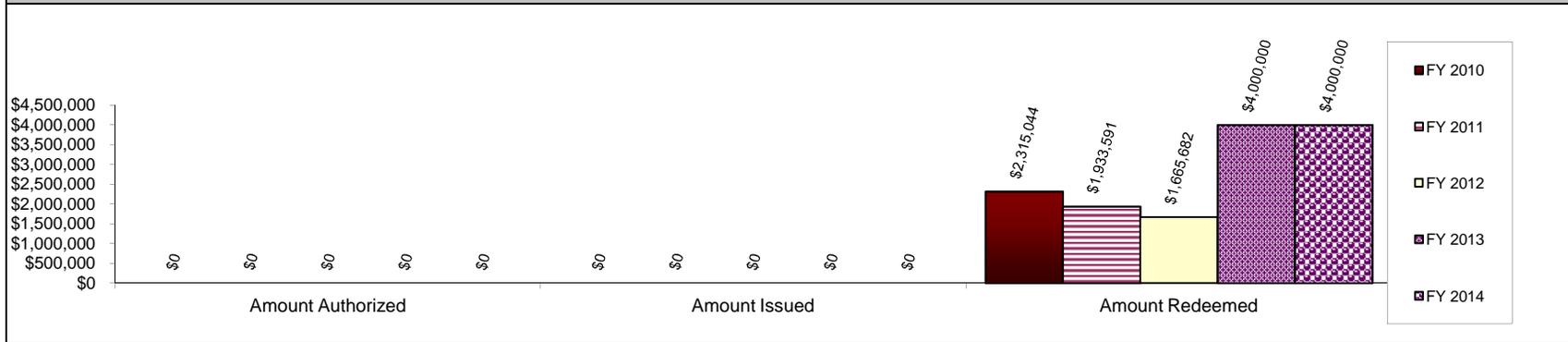
## TAX CREDIT ANALYSIS

<b>Program Name: Special Needs Adoption and Children in Crisis Tax Credits</b>					
Department: Revenue		Contact Name & No.: Joel Allison, 751-0191			Date: October 2012
Program Category: Domestic and Social			Type: Tax Credit_X____	Other (specify)____	
Statutory Authority: Sections 135.325 - 135.327, RSMo			Applicable Taxes: Chapter 143, excluding Sections 143.191-143.265, RSMo		
<b>Program Description and Eligibility Requirements:</b>					
Provides a tax credit up to \$10,000 for non-recurring adoption expenses for any person residing in Missouri who legal adopts a special needs child. To be eligible for the credit, the taxpayer must be a Missouri resident adopting a "special needs child" or a business providing funds to an employee to enable the employee to adopt a "special needs child".					
<b>Explanation of How Award is Computed:</b> Entitlement _____ Discretionary _____					
Non-recurring adoption expenses up to \$10,000 may be used as a tax credit under Chapter 143, RSMo. Contributor receives a tax credit for 50% of the contribution to an approved agency in the amount of \$100 or more under Chapter 143, RSMo.					
<b>Program Cap:</b> Cumulative \$_____ (remainder of cumulative cap) \$_____ Annual \$_____ None _____					
<b>Explanation of cap:</b>					
The Special Needs Tax credit is authorized by Section 135.327, RSMo: "The cumulative of tax credits that may be claimed by taxpayers claiming the credit for nonrecurring adoption expenses shall not be more than four million dollars but may be increased by appropriation. The director shall calculate the level of appropriation necessary to issue all tax credits for nonresident special needs adoptions applied for under this section and provided such calculations to the speaker of the house of representatives, the president pro-tempore of the senate, and the director of the division of budget and planning in the office of administration by January thirty-first of each year."					
The non-resident special needs adoption credit claim must be filed between July 1 and December 31 of each fiscal year. If the claims exceed the \$2 million cap, the department may request an additional appropriation to pay all claims, or each claim will be prorated based on the dollar amount of claims. If the allotted \$2 million is not net, the excess will be transferred to the resident pool.					
The resident special needs adoption credit must be filed between July 1 and April 15 of each fiscal year. Historically, the resident adoption tax credits are allowed 100% and the anticipated excess will be available for the Children in Crisis Tax Credit.					
<b>Explanation of Expiration of Authority:</b>					
<b>Specific Provisions:</b> (if applicable)					
Carry forward ___5___ years Carry Back _____ years Refundable _____ Sellable/Assignable _____ Additional Federal Deductions Available _____					
<b>Comments on Specific Provisions:</b>					
	<b>FY 2010 ACTUAL</b>	<b>FY 2011 ACTUAL</b>	<b>FY 2012 ACTUAL</b>	<b>FY 2013(current year)</b>	<b>FY 2014 (budget year)</b>
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	\$2,315,044	\$1,933,591	\$1,665,682	\$4,000,000	\$4,000,000
EST. Amount Outstanding	N/A	N/A	\$1,890,740	N/A	N/A
EST. Amount Authorized but Unissued	N/A	N/A	\$0	N/A	N/A

## TAX CREDIT ANALYSIS

**Program Name: Special Needs Adoption and Children in Crisis Tax Credits**

### HISTORICAL AND PROJECTED INFORMATION



**Comments on Historical and Projected Information:**

### BENEFIT: COST ANALYSIS (includes only state revenue impacts)

	FY 2012 ACTIVITY	Other Fiscal Period (indicated time period)	<b>Derivation of Benefits:</b> The Department of Revenue, with the assistance of the Missouri 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.
<b>BENEFITS</b>			
Direct Fiscal Benefits	\$0		
Indirect Fiscal Benefits	\$33,184		
<b>Total</b>	\$33,184		
<b>COSTS</b>			
Direct Fiscal Costs	\$1,665,682		
Indirect Fiscal Costs			
<b>Total</b>	\$1,665,682		
<b>BENEFIT: COST</b>	<b>0.02</b>		

**Other Benefits:**

### PERFORMANCE MEASURE(S)

**Comments on Performance Measure:**