

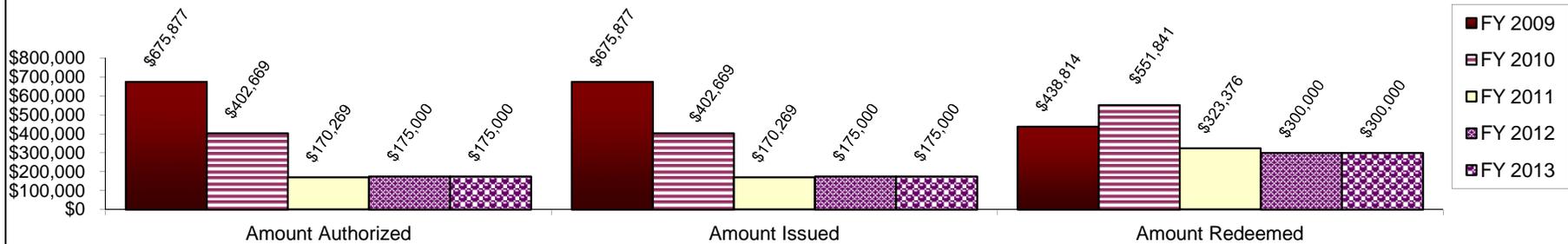
TAX CREDIT ANALYSIS

Program Name: Residential Treatment Agency					
Department: Social Services		Contact Name & No.: Patrick Luebbering (573) 751-7592			Date: October, 2011
Program Category: Domestic and Social			Type: Tax Credit <input checked="" type="checkbox"/> Other (specify) _____		
Statutory Authority: 135.1150 RSMo.			Applicable Taxes:		
Program Description and Eligibility Requirements:					
<p>A qualified residential treatment agency may apply for tax credits on behalf of taxpayers who make eligible donations to the agency. The amount of total credits available to any qualified residential treatment agency can not exceed forty percent of the total funds received from the Department of Social Services in the preceding twelve months. Those who donate to qualifying providers are eligible to receive a tax credit up to fifty percent of their donation. Qualified residential treatment agencies that accept these donations are required to remit payment equivalent to the amount of the tax credit to the state of Missouri.</p>					
Explanation of How Award is Computed:					
Entitlement <input checked="" type="checkbox"/> Discretionary _____					
<p>Residential Treatment is a contributory program. Taxpayers are eligible for a tax credit equivalent to up to fifty percent of an eligible donation to a qualified residential treatment agency. The residential treatment agency accepting the qualified donation must remit payment to the DSS equivalent to fifty percent of the donation received (the amount of the tax credit to be issued). Since January 1, 2007, any taxpayer is allowed to claim a credit against their state tax liability equivalent to fifty percent (50%) of the eligible donation the taxpayer made to a qualified residential treatment agency. The amount of the tax credit claimed may not exceed the amount of the taxpayer's state tax liability in the tax year that the credit is being claimed. Any tax credit that cannot be claimed in the taxable year during which the contribution is made will not be refunded but allowed to be carried forward and used against the taxpayer's state tax liability for four (4) subsequent years. The tax credit issued to taxpayer(s) may be applied to state liability taxes in the amount not to exceed fifty percent of an eligible donation made to a qualifying residential treatment agency. Qualifying residential treatment agencies must have a current contract with the Children's Division. Total credits issued can not exceed 40% of the total payments made by DSS to the Residential Treatment Agency during the twelve months preceding the month the application was received by DSS.</p>					
Program Cap: Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$ _____ None <input checked="" type="checkbox"/>					
Explanation of cap: Qualifying residential treatment agencies must submit payment equivalent to the amount of tax credit issued. As a result, no cap is applied to this tax credit.					
Explanation of Expiration of Authority: Pursuant to section 23.253, RSMo, of the Missouri Sunset Act, the program will automatically sunset six years after August 28, 2006, unless reauthorized by the general assembly and if reauthorized, the program will automatically sunset twelve years after the effective date of the reauthorization of the program. The program will terminate on September 1 of the calendar year immediately following the calendar year in which the program authorized is sunset.					
Specific Provisions: (if applicable)					
Carry forward <u>4</u> years Carry Back _____ years Refundable _____ Sellable/Assignable <input checked="" type="checkbox"/> 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 (#)	174	141	93	80	80
Projects (#)	N/A	N/A	N/A	N/A	N/A
Amount Authorized	\$675,877	\$402,669	\$170,269	\$175,000	\$175,000
Amount Issued	\$675,877	\$402,669	\$170,269	\$175,000	\$175,000
Amount Redeemed	\$438,814	\$551,841	\$323,376	\$300,000	\$300,000
EST. Amount Outstanding	N/A	N/A	\$282,292		
EST. Amount Authorized but Unissued	N/A	\$0	\$0		

TAX CREDIT ANALYSIS

Program Name: Residential Treatment Agency

HISTORICAL AND PROJECTED INFORMATION



Comments on Historical and Projected Information: This program became effective January 1, 2007.

BENEFIT: COST ANALYSIS (includes only state revenue impacts)

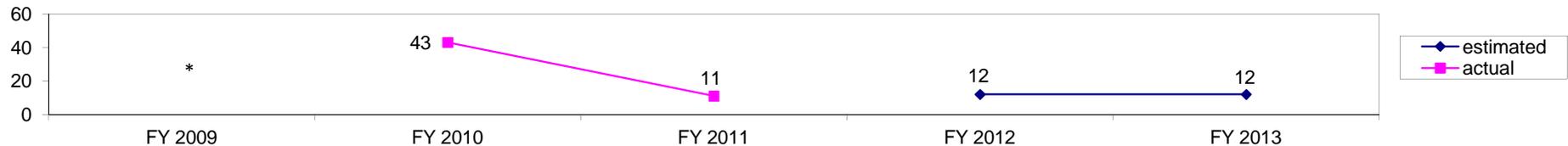
	FY 2011 ACTIVITY	Other Fiscal Period (indicated time period)	Derivation of Benefits: Direct benefits are contributions to the Residential Treatment Agencies under this program that are used solely to provide direct care services to children who are residents of this state. Direct care services include but are not limited to increasing the quality of care and services for children through improved employee compensation and training. These amounts could offset costs that may normally be the burden of the state. (Credits issued reflect 50% of total donations received) There are no direct fiscal costs as this credit requires payment from the Residential Treatment Agency equivalent to the amount of credit to be issued, which would offset lost tax revenue resulting from the issuance of tax credits to be applied toward taxpayer's state liability taxes.
BENEFITS			
Direct Fiscal Benefits	170,269		
Indirect Fiscal Benefits	N/A		
Total	170,269		
COSTS			
Direct Fiscal Costs	N/A		
Indirect Fiscal Costs	N/A		
Total			
BENEFIT: COST	*		

Other Benefits: Allows agencies to generate donations to be used toward the care of children without causing a burden on the state.

*There is no cost to the state because the residential treatment agency reimburses the cost of the tax credit to the state. Therefore, a cost/benefit ratio does not apply.

PERFORMANCE MEASURE(S)

Number of Staff Created/Retained with Tax Credit Funding



Comments on Performance Measure:

*Reporting changed from calendar year to fiscal year. The missing data is a result of the difference between calendar and fiscal years.