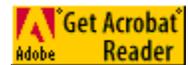




New Generation Cooperative Incentive Tax Credit Program

Tax Credit Tool Kit





Missouri Department of Agriculture

New Generation Cooperative Incentive Tax Credit Program

Purpose
Producer-Member
Purchaser
Professionals

Purpose

Producer-Member Tax Credit Holder

Tax Credit Purchaser

Tax Professionals

<< >>

Page 2 of 73

Missouri Department of Agriculture
[Download a copy of the **Tax Credit Toolkit**]





New Generation Cooperative Incentive Tax Credit Program

Purpose

- Description
- How Program Works
- Who is Eligible
- Tax Credit Amounts
- Restrictions
- Fees
- Other Information
- Application Information

Purpose

Description

How Does the Program Work?

Who is Eligible?

Tax Credit Amounts

Restrictions

Fees

Other Information

Application Information

<< >>

Producer-Member

Purchaser

Professionals





New Generation Cooperative Incentive Tax Credit Program

Purpose

[Description](#)

[How Program Works](#)

[Who is Eligible](#)

[Tax Credit Amounts](#)

[Restrictions](#)

[Fees](#)

[Other Information](#)

[Application Information](#)

[Producer-Member](#)

[Purchaser](#)

[Professionals](#)

Purpose

Description

The Missouri Agricultural and Small Business Development Authority provides New Generation Cooperative Incentive Tax Credits to induce producer-member investment into new generation processing entities, that will process Missouri agricultural commodities and agricultural products into value-added goods, provide substantial benefit to Missouri's agricultural producers, and result in the creation of jobs for Missourians.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

[Description](#)

[How Program Works](#)

[Who is Eligible](#)

[Tax Credit Amounts](#)

[Restrictions](#)

[Fees](#)

[Other Information](#)

[Application Information](#)

Producer-Member

Purchaser

Professionals

Purpose

How Does the Program Work?

Prior to issuing any tax credits, the new generation processing entities must be organized, file an Application for Requesting Certification of New Generation Cooperative Incentive Tax Credits, and be approved by the Authority. After investment, producer-members then file a Member Application for Requesting New Generation Cooperative Incentive Tax Credits.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Description

How Program Works

Who is Eligible

- [page 1 of 5](#)
- [page 2 of 5](#)
- [page 3 of 5](#)
- [page 4 of 5](#)
- [page 5 of 5](#)

Tax Credit Amounts

Restrictions

Fees

Other Information

Application Information

Producer-Member

Purchaser

Professionals

Purpose

Who is Eligible?

New generation processing entities organized as either:

- Partnerships,
- Corporations,
- Cooperatives, or
- Limited Liability Companies (all of which must be)
 1. Organized or incorporated pursuant to the laws of Missouri,
 2. Consisting of not less than 12 members,
 3. Approved by the Authority, and
 4. For the purpose of owning or operating within this state
 - a. A development facility, or
 - b. Renewable fuel production facility in which producer-members:
 - Hold a majority of the governance or voting rights of the entity and any governing committee;
 - Control the hiring and firing of management; and
 - Deliver agricultural commodities to the entity for processing, unless processing is required by multiple entities.
 5. Must be operational within 24 months from the date tax credits are issued.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Description

How Program Works

Who is Eligible

- [page 1 of 5](#)
- [page 2 of 5](#)
- [page 3 of 5](#)
- [page 4 of 5](#)
- [page 5 of 5](#)

Tax Credit Amounts

Restrictions

Fees

Other Information

Application Information

Producer-Member

Purchaser

Professionals

Purpose

Who is Eligible?

“Development Facility” is defined as a “facility producing either a good derived from an agricultural commodity or using a process to produce a good derived from an agricultural product”.

“Renewable Fuel Production Facility” is defined as a “facility producing an energy source that is derived from a renewable, domestically grown, organic compound capable of powering machinery, including an engine or power plant, and any by-products derived from such energy source”.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Description

How Program Works

Who is Eligible

- [page 1 of 5](#)
- [page 2 of 5](#)
- [page 3 of 5](#)
- [page 4 of 5](#)
- [page 5 of 5](#)

Tax Credit Amounts

Restrictions

Fees

Other Information

Application Information

Producer-Member

Purchaser

Professionals

Purpose

Who is Eligible?

CONTINUED: New generation processing entities:

Tax Credit Eligibility:

Eligible Producer-Members = A person, partnership, corporation, trust or limited liability company **whose main purpose is agricultural production** that invests cash funds or marketable securities to an eligible new generation cooperative or eligible new generation processing entity, as defined herein, is eligible for a tax credit.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Description

How Program Works

Who is Eligible

- [page 1 of 5](#)
- [page 2 of 5](#)
- [page 3 of 5](#)
- [page 4 of 5](#)
- [page 5 of 5](#)

Tax Credit Amounts

Restrictions

Fees

Other Information

Application Information

Producer-Member

Purchaser

Professionals

Purpose

A producer member must:

- Bear the risk of production for agricultural products,
- Bear the risk of price change with respect to production, and
- Have a level of involvement in management sufficient to establish material participation.

Material participation is defined as: A producer member shall materially participate only if the producer is involved in the agricultural production operation on a basis which is:

- Regular,
- Continuous, and
- Substantial

*Generally, a person who receives a fixed rental or other fixed compensation (without reference to production) is **not** a producer.*

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

[Description](#)

[How Program Works](#)

[Who is Eligible](#)

- [page 1 of 5](#)
- [page 2 of 5](#)
- [page 3 of 5](#)
- [page 4 of 5](#)
- [page 5 of 5](#)

[Tax Credit Amounts](#)

[Restrictions](#)

[Fees](#)

[Other Information](#)

[Application Information](#)

Producer-Member

Purchaser

Professionals

Purpose

Please Note:

The Internal Revenue Service defines a producer as a person who, as owner or tenant, bears the risk of production and receives income based on farm production rather than fixed compensation. IRS further distinguishes between active and passive at-risk management. A person not actively engaged in the agricultural production management decision-making process would not be considered a producer.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Description

How Program Works

Who is Eligible

Tax Credit Amounts

Restrictions

Fees

Other Information

Application Information

Producer-Member

Purchaser

Professionals

Purpose

Tax Credit Amounts

The amount of a tax credit issued to a member shall be the lesser of 50% of the member's cash investment or \$15,000, except for any pro-ration of the member's tax credits.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Description

How Program Works

Who is Eligible

Tax Credit Amounts

Restrictions

Fees

Other Information

Application Information

Producer-Member

Purchaser

Professionals

Purpose

Restrictions

If members' investment in a new generation "Large Capital Project" processing entity would be eligible for tax credits in excess of the project's allocation (maximum allocation per project is \$1.5 million) or "Employee Qualified Capital Project" (maximum allocation per project is \$3.0 million), tax credits will be pro-rated between producer-members on a percent of investment basis, not to exceed the maximum allowed per producer-member.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Description

How Program Works

Who is Eligible

Tax Credit Amounts

Restrictions

Fees

Other Information

Application Information

Purpose

Fees

New generation processing entity producer-members must submit a \$25.00 processing fee with each application submitted.

Producer-Member

Purchaser

Professionals

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Description

How Program Works

Who is Eligible

Tax Credit Amounts

Restrictions

Fees

Other Information

Application Information

Producer-Member

Purchaser

Professionals

Purpose

Other Information

Tax credits may be used by their owner to offset eligible tax liabilities due against taxes owed pursuant to Chapters 143 (income tax except for sections 143.191 to 143.265), 147 (corporation franchise tax), and 148 (financial institution taxes), RSMo. Credits may be claimed on a quarterly basis and may be carried back to satisfy the three previous taxable years and may be carried forward to any of the subsequent five taxable years after the investment is made.

Missouri law requires a claim for refund of corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, to be filed within two years from the time the tax was paid.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

- [Description](#)
- [How Program Works](#)
- [Who is Eligible](#)
- [Tax Credit Amounts](#)
- [Restrictions](#)
- [Fees](#)
- [Other Information](#)
- [Application Information](#)

Purpose

Application Information

For application information or to obtain an application, contact:

Producer-Member

Purchaser

Professionals

Missouri Agricultural and Small Business Development Authority

P.O. Box 630
 Jefferson City, MO 65102-0630
 Phone: (573) 751-2129
 Fax: (573) 522-2416
 E-mail: masbda@mda.mo.gov

<< >>





New Generation Cooperative Incentive
Tax Credit Program

Purpose

Producer-Member

- Figured and Issued
- Income Tax Returns
- Ownership
- When can be Used
- Who is Eligible
- Fair Market Value
- Selling Tax Credits
- Revenue/Tax Liabilities
- Ownership Transfer
- Rights and Liabilities

Purchaser

Professionals

Producer-Member Tax Credit Holder

How the Tax Credits are Figured and Issued

**How the Tax Credits can be Used on Missouri
Income Tax Returns**

**Ownership of Credits as Compared to Tax Filing
Status**

**When the Tax Credits can be Used, Carry-back
and Carry-forward Provisions**

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

- Figured and Issued
- Income Tax Returns
- Ownership
- When can be Used
- Who is Eligible
- Fair Market Value
- Selling Tax Credits
- Revenue/Tax Liabilities
- Ownership Transfer
- Rights and Liabilities

Purchaser

Professionals

Producer-Member Tax Credit Holder

Who is Eligible to Purchase the Tax Credits?

Determining Fair Market Value

How to Sell Tax Credits

Revenue/Tax Liabilities if Credits are Sold

Transfer of Ownership of Tax Credits

Rights and Liabilities of Tax Credits

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Figured and Issued

- [page 1 of 2](#)
- [page 2 of 2](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

[Who is Eligible](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[Rights and Liabilities](#)

Purchaser

Professionals

Producer-Member Tax Credit Holder

How the New Generation Cooperative Incentive Tax Credits are Figured and Issued

(Chapter 348.432 RSMo 2002): A producer- member, as defined herein, may receive state tax credits equal to the lesser of 50% of the producer member’s cash investment in an eligible new generation processing entity, or \$15,000. However, the producer-members related to a “Large Capital Project” may not receive tax credits totaling more than \$1,500,000 and the producer-members related to an “Employee Qualified Capital Project” may not receive tax credits totaling more than \$3,000,000.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Figured and Issued

• page 1 of 2

• page 2 of 2

Income Tax Returns

Ownership

When can be Used

Who is Eligible

Fair Market Value

Selling Tax Credits

Revenue/Tax Liabilities

Ownership Transfer

Rights and Liabilities

Purchaser

Professionals

Producer-Member Tax Credit Holder

Example:

Assuming 220 farmers invest \$6 million into a New Generation Processing Entity, with investments as follows:

Farmer investment			
100	farmers @	\$30,000	each = \$3,000,000
100	farmers @	\$18,000	each = \$1,800,000
10	farmers @	\$75,000	each = \$ 750,000
10	farmers @	\$45,000	each = \$ 450,000
TOTAL farmer investment			\$6,000,000

The maximum allowable tax credits amounts are:

Maximum tax credit			
\$15,000	x	100	= \$1,500,000
\$ 9,000	x	100	= \$ 900,000
\$15,000	x	10	= \$ 150,000
\$15,000	x	10	= \$ 150,000
			\$2,700,000

The actual tax credit amount issued would be \$1,500,000 (because of the \$1.5 million cap on "Large Capital Projects"):

Actual tax credit

$$\$1,500,000 / \$2,700,000 = 55.555556\%$$

\$15,000	x	55.555556%	=	\$8,333	x	100	=	\$ 833,333
\$ 9,000	x	55.555556%	=	\$5,000	x	100	=	\$ 500,000
\$15,000	x	55.555556%	=	\$8,333	x	10	=	\$ 83,333
\$15,000	x	55.555556%	=	\$8,333	x	10	=	\$ 83,333
TOTAL tax credits								\$1,500,000

<< >>



New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

- [Figured and Issued](#)
- [Income Tax Returns](#)
- [Ownership](#)
- [When can be Used](#)
- [Who is Eligible](#)
- [Fair Market Value](#)
- [Selling Tax Credits](#)
- [Revenue/Tax Liabilities](#)
- [Ownership Transfer](#)
- [Rights and Liabilities](#)

Purchaser

Professionals

Producer-Member Tax Credit Holder

How the New Generation Cooperative Incentive Tax Credits can be Used on Missouri Income Tax Returns

Example

Form MO-TC

Miscellaneous Income Tax Credits

Individual Income Tax (Print Only Forms)

Individual Income Tax (Fill-In Forms That Calculate)

<< >>



Example

MISSOURI DEPARTMENT OF REVENUE **2002 FORM MO-1040**
INDIVIDUAL INCOME TAX RETURN—LONG FORM

FOR CALENDAR YEAR JAN. 1-DEC. 31, 2002, OR FISCAL YEAR BEGINNING 2002 ENDING 20

AMENDED RETURN — CHECK HERE SOFTWARE VENDOR CODE **01**

NAME AND ADDRESS SOCIAL SECURITY NUMBER TAXPAYER'S SOCIAL SECURITY NUMBER

	TAX	Youself		Spouse	
		00	100	00	100
24. Taxable income amount from Lines 20Y and 20Z		20Y	00	100	00
25. TAX on Line 24 (See tax table on the back of Form MO-A.)		25Y	00	250	00
26. Refund credit (Attach Form MO-CR and other income tax returns) OR		26Y	00	100	00
27. MO income percentage (Attach Form MO-NR1 & copy of federal return) (Check correct box if you or your spouse is a professional shareholder or a member of professional athletic team. (Enter 100% unless you are attaching Form MO-NR1.) <input type="checkbox"/> HOUSEHOLD <input type="checkbox"/> SPOUSE		27Y	00	100	00
28. Excess (If checked — subject Line 26 from Line 25 OR) Miscellaneous percentage — multiply line 26 by percentage on line 27		28Y	682	00	00
29. Other taxes (Check box and attach federal return enclosed) <input type="checkbox"/> Lump-sum distribution (Form 4972) <input type="checkbox"/> Recapture of tax income housing credit (Form 5511)		29Y	00	100	00
30. SUBTOTAL (Add Lines 28 and 29)		30Y	682	00	00
31. OTHER TAXES (Add lines 30Y and 30Z)		31Y		682	00

35. Missouri tax withheld for nonresident entertainers. Attach Form MO-ZENT.	00	00
36. Amount paid with Missouri extension of time to file (Form MO-60)	36	00
37. Miscellaneous tax credits (from Form MO-TC, Line 12) Attach Form MO-TC.	37	6000 00
38. Property tax credit. Attach Form MO-PTS.	38	00

EXEMPTIONS AND DEDUCTIONS

1. Make your tax A. Single B. Married C. Married D. Married E. Married F. Married G. Married H. Married

2. Federal tax on **\$10,000** for A. Single B. Married C. Married D. Married E. Married F. Married G. Married H. Married

3. Number of dependents **0** (DO NOT PUT)

4. Number of dependent children **0**

5. Self-employment **0**

6. Long-term **0**

7. Total deduction **0**

8. Subtotal **0**

9. Multiply line **0**

10. Exemption **0**

11. Subtract line **0**

12. Total tax **0**

13. Other factors **0**

14. Missouri STA **0**

15. Number of dependents **0** (DO NOT PUT)

16. Number of dependent children **0**

17. Self-employment **0**

18. Long-term **0**

19. Total deduction **0**

20. Subtotal **0**

21. Multiply line **0**

22. Exemption **0**

23. Subtract line **0**

24. Total tax **0**

25. Other factors **0**

26. Missouri STA **0**

27. Number of dependents **0** (DO NOT PUT)

28. Number of dependent children **0**

29. Self-employment **0**

30. Long-term **0**

31. Total deduction **0**

32. Subtotal **0**

33. Multiply line **0**

34. Exemption **0**

35. Subtract line **0**

36. Total tax **0**

37. Other factors **0**

38. Missouri STA **0**

39. Number of dependents **0** (DO NOT PUT)

40. Number of dependent children **0**

41. Self-employment **0**

42. Long-term **0**

43. Total deduction **0**

44. Subtotal **0**

45. Multiply line **0**

46. Exemption **0**

47. Subtract line **0**

48. Total tax **0**

49. Other factors **0**

50. Missouri STA **0**

51. Number of dependents **0** (DO NOT PUT)

52. Number of dependent children **0**

53. Self-employment **0**

54. Long-term **0**

55. Total deduction **0**

56. Subtotal **0**

57. Multiply line **0**

58. Exemption **0**

59. Subtract line **0**

60. Total tax **0**

61. Other factors **0**

62. Missouri STA **0**

63. Number of dependents **0** (DO NOT PUT)

64. Number of dependent children **0**

65. Self-employment **0**

66. Long-term **0**

67. Total deduction **0**

68. Subtotal **0**

69. Multiply line **0**

70. Exemption **0**

71. Subtract line **0**

72. Total tax **0**

73. Other factors **0**

74. Missouri STA **0**

75. Number of dependents **0** (DO NOT PUT)

76. Number of dependent children **0**

77. Self-employment **0**

78. Long-term **0**

79. Total deduction **0**

80. Subtotal **0**

81. Multiply line **0**

82. Exemption **0**

83. Subtract line **0**

84. Total tax **0**

85. Other factors **0**

86. Missouri STA **0**

87. Number of dependents **0** (DO NOT PUT)

88. Number of dependent children **0**

89. Self-employment **0**

90. Long-term **0**

91. Total deduction **0**

92. Subtotal **0**

93. Multiply line **0**

94. Exemption **0**

95. Subtract line **0**

96. Total tax **0**

97. Other factors **0**

98. Missouri STA **0**

99. Number of dependents **0** (DO NOT PUT)

100. Number of dependent children **0**

101. Self-employment **0**

102. Long-term **0**

103. Total deduction **0**

104. Subtotal **0**

105. Multiply line **0**

106. Exemption **0**

107. Subtract line **0**

108. Total tax **0**

109. Other factors **0**

110. Missouri STA **0**

111. Number of dependents **0** (DO NOT PUT)

112. Number of dependent children **0**

113. Self-employment **0**

114. Long-term **0**

115. Total deduction **0**

116. Subtotal **0**

117. Multiply line **0**

118. Exemption **0**

119. Subtract line **0**

120. Total tax **0**

121. Other factors **0**

122. Missouri STA **0**

123. Number of dependents **0** (DO NOT PUT)

124. Number of dependent children **0**

125. Self-employment **0**

126. Long-term **0**

127. Total deduction **0**

128. Subtotal **0**

129. Multiply line **0**

130. Exemption **0**

131. Subtract line **0**

132. Total tax **0**

133. Other factors **0**

134. Missouri STA **0**

135. Number of dependents **0** (DO NOT PUT)

136. Number of dependent children **0**

137. Self-employment **0**

138. Long-term **0**

139. Total deduction **0**

140. Subtotal **0**

141. Multiply line **0**

142. Exemption **0**

143. Subtract line **0**

144. Total tax **0**

145. Other factors **0**

146. Missouri STA **0**

147. Number of dependents **0** (DO NOT PUT)

148. Number of dependent children **0**

149. Self-employment **0**

150. Long-term **0**

151. Total deduction **0**

152. Subtotal **0**

153. Multiply line **0**

154. Exemption **0**

155. Subtract line **0**

156. Total tax **0**

157. Other factors **0**

158. Missouri STA **0**

159. Number of dependents **0** (DO NOT PUT)

160. Number of dependent children **0**

161. Self-employment **0**

162. Long-term **0**

163. Total deduction **0**

164. Subtotal **0**

165. Multiply line **0**

166. Exemption **0**

167. Subtract line **0**

168. Total tax **0**

169. Other factors **0**

170. Missouri STA **0**

171. Number of dependents **0** (DO NOT PUT)

172. Number of dependent children **0**

173. Self-employment **0**

174. Long-term **0**

175. Total deduction **0**

176. Subtotal **0**

177. Multiply line **0**

178. Exemption **0**

179. Subtract line **0**

180. Total tax **0**

181. Other factors **0**

182. Missouri STA **0**

183. Number of dependents **0** (DO NOT PUT)

184. Number of dependent children **0**

185. Self-employment **0**

186. Long-term **0**

187. Total deduction **0**

188. Subtotal **0**

189. Multiply line **0**

190. Exemption **0**

191. Subtract line **0**

192. Total tax **0**

193. Other factors **0**

194. Missouri STA **0**

195. Number of dependents **0** (DO NOT PUT)

196. Number of dependent children **0**

197. Self-employment **0**

198. Long-term **0**

199. Total deduction **0**

200. Subtotal **0**

201. Multiply line **0**

202. Exemption **0**

203. Subtract line **0**

204. Total tax **0**

205. Other factors **0**

206. Missouri STA **0**

207. Number of dependents **0** (DO NOT PUT)

208. Number of dependent children **0**

209. Self-employment **0**

210. Long-term **0**

211. Total deduction **0**

212. Subtotal **0**

213. Multiply line **0**

214. Exemption **0**

215. Subtract line **0**

216. Total tax **0**

217. Other factors **0**

218. Missouri STA **0**

219. Number of dependents **0** (DO NOT PUT)

220. Number of dependent children **0**

221. Self-employment **0**

222. Long-term **0**

223. Total deduction **0**

224. Subtotal **0**

225. Multiply line **0**

226. Exemption **0**

227. Subtract line **0**

228. Total tax **0**

229. Other factors **0**

230. Missouri STA **0**

231. Number of dependents **0** (DO NOT PUT)

232. Number of dependent children **0**

233. Self-employment **0**

234. Long-term **0**

235. Total deduction **0**

236. Subtotal **0**

237. Multiply line **0**

238. Exemption **0**

239. Subtract line **0**

240. Total tax **0**

241. Other factors **0**

242. Missouri STA **0**

243. Number of dependents **0** (DO NOT PUT)

244. Number of dependent children **0**

245. Self-employment **0**

246. Long-term **0**

247. Total deduction **0**

248. Subtotal **0**

249. Multiply line **0**

250. Exemption **0**

251. Subtract line **0**

252. Total tax **0**

253. Other factors **0**

254. Missouri STA **0**

255. Number of dependents **0** (DO NOT PUT)

256. Number of dependent children **0**

257. Self-employment **0**

258. Long-term **0**

259. Total deduction **0**

260. Subtotal **0**

261. Multiply line **0**

262. Exemption **0**

263. Subtract line **0**

264. Total tax **0**

265. Other factors **0**

266. Missouri STA **0**

267. Number of dependents **0** (DO NOT PUT)

268. Number of dependent children **0**

269. Self-employment **0**

270. Long-term **0**

271. Total deduction **0**

272. Subtotal **0**

273. Multiply line **0**

274. Exemption **0**

275. Subtract line **0**

276. Total tax **0**

277. Other factors **0**

278. Missouri STA **0**

279. Number of dependents **0** (DO NOT PUT)

280. Number of dependent children **0**

281. Self-employment **0**

282. Long-term **0**

283. Total deduction **0**

284. Subtotal **0**

285. Multiply line **0**

286. Exemption **0**

287. Subtract line **0**

288. Total tax **0**

289. Other factors **0**

290. Missouri STA **0**

291. Number of dependents **0** (DO NOT PUT)

292. Number of dependent children **0**

293. Self-employment **0**

294. Long-term **0**

295. Total deduction **0**

296. Subtotal **0**

297. Multiply line **0**

298. Exemption **0**

299. Subtract line **0**

300. Total tax **0**

301. Other factors **0**

302. Missouri STA **0**

303. Number of dependents **0** (DO NOT PUT)

304. Number of dependent children **0**

305. Self-employment **0**

306. Long-term **0**

307. Total deduction **0**

308. Subtotal **0**

309. Multiply line **0**

310. Exemption **0**

311. Subtract line **0**

312. Total tax **0**

313. Other factors **0**

314. Missouri STA **0**

315. Number of dependents **0** (DO NOT PUT)

316. Number of dependent children **0**

317. Self-employment **0**

318. Long-term **0**

319. Total deduction **0**

320. Subtotal **0**

321. Multiply line **0**

322. Exemption **0**

323. Subtract line **0**

324. Total tax **0**

325. Other factors **0**

326. Missouri STA **0**

327. Number of dependents **0** (DO NOT PUT)

328. Number of dependent children **0**

329. Self-employment **0**

330. Long-term **0**

331. Total deduction **0**

332. Subtotal **0**

333. Multiply line **0**

334. Exemption **0**

335. Subtract line **0**

336. Total tax **0**

337. Other factors **0**

338. Missouri STA **0**

339. Number of dependents **0** (DO NOT PUT)

340. Number of dependent children **0**

341. Self-employment **0**

342. Long-term **0**

343. Total deduction **0**

344. Subtotal **0**

345. Multiply line **0**

346. Exemption **0**

347. Subtract line **0**

348. Total tax **0**

349. Other factors **0**

350. Missouri STA **0**

351. Number of dependents **0** (DO NOT PUT)

352. Number of dependent children **0**

353. Self-employment **0**

354. Long-term **0**

355. Total deduction **0**

356. Subtotal **0**

357. Multiply line **0**

358. Exemption **0**

359. Subtract line **0**

360. Total tax **0**

361. Other factors **0**

362. Missouri STA **0**

363. Number of dependents **0** (DO NOT PUT)

364. Number of dependent children **0**

365. Self-employment **0**

366. Long-term **0**

367. Total deduction **0**

368. Subtotal **0**

369. Multiply line **0**

370. Exemption **0**

371. Subtract line **0**

372. Total tax **0**

373. Other factors **0**

374. Missouri STA **0**

375. Number of dependents **0** (DO NOT PUT)

376. Number of dependent children **0**

377. Self-employment **0**

378. Long-term **0**

379. Total deduction **0**

380. Subtotal **0**

381. Multiply line **0**

382. Exemption **0**

383. Subtract line **0**

384. Total tax **0**

385. Other factors **0**

386. Missouri STA **0**

387. Number of dependents **0** (DO NOT PUT)

388. Number of dependent children **0**

389. Self-employment **0**

390. Long-term **0**

391. Total deduction **0**

392. Subtotal **0**

393. Multiply line **0**

394. Exemption **0**

395. Subtract line **0**

396. Total tax **0**

397. Other factors **0**

398. Missouri STA **0**

399. Number of dependents **0** (DO NOT PUT)

400. Number of dependent children **0**

401. Self-employment **0**

402. Long-term **0**

403. Total deduction **0**

404. Subtotal **0**

405. Multiply line **0**

406. Exemption **0**

407. Subtract line **0**

408. Total tax **0**

409. Other factors **0**

410. Missouri STA **0**

411. Number of dependents **0** (DO NOT PUT)

412. Number of dependent children **0**

413. Self-employment **0**

414. Long-term **0**

415. Total deduction **0**

416. Subtotal **0**

417. Multiply line **0**

418. Exemption **0**

419. Subtract line **0**

420. Total tax **0**

421. Other factors **0**

422. Missouri STA **0**

423. Number of dependents **0** (DO NOT PUT)

424. Number of dependent children **0**

425. Self-employment **0**

426. Long-term **0**

427. Total deduction **0**

428. Subtotal **0**

429. Multiply line **0**

430. Exemption **0**

431. Subtract line **0**

432. Total tax **0**

433. Other factors **0**

434. Missouri STA **0**

435. Number of dependents **0** (DO NOT PUT)

436. Number of dependent children **0**

437. Self-employment **0**

438. Long-term **0**

439. Total deduction **0**

440. Subtotal **0**

441. Multiply line **0**

442. Exemption **0**

443. Subtract line **0**

444. Total tax **0**

445. Other factors **0**

446. Missouri STA **0**

447. Number of dependents **0** (DO NOT PUT)

448. Number of dependent children **0**

449. Self-employment **0**

450. Long-term **0**

451. Total deduction **0**

452. Subtotal **0**

453. Multiply line **0**

454. Exemption **0**

455. Subtract line **0**

456. Total tax **0**

457. Other factors **0**

458. Missouri STA **0**

459. Number of dependents **0** (DO NOT PUT)

460. Number of dependent children **0**

461. Self-employment **0**

462. Long-term **0**

463. Total deduction **0**

464. Subtotal **0**

465. Multiply line **0**

466. Exemption **0**

467. Subtract line **0**

468. Total tax **0**

469. Other factors **0**

470. Missouri STA **0**

471. Number of dependents **0** (DO NOT PUT)

472. Number of dependent children **0**

473. Self-employment **0**

474. Long-term **0**

475. Total deduction **0**

476. Subtotal **0**

477. Multiply line **0**

478. Exemption **0**

479. Subtract line **0**

480. Total tax **0**

481. Other factors **0**

482. Missouri STA **0**

483. Number of dependents **0** (DO NOT PUT)

484. Number of dependent children **0**

485. Self-employment **0**

486. Long-term **0**

487. Total deduction **0**

488. Subtotal **0**

489. Multiply line **0**

490. Exemption **0**

491. Subtract line **0**

492. Total tax **0**

493. Other factors **0**

494. Missouri STA **0**

495. Number of dependents **0** (DO NOT PUT)

496. Number of dependent children **0**

497. Self-employment **0**

498. Long-term **0**

499. Total deduction **0**

500. Subtotal **0**

501. Multiply line **0**

502. Exemption **0**

503. Subtract line **0**

504. Total tax **0**

505. Other factors **0**

506. Missouri STA **0**

507. Number of dependents **0** (DO NOT PUT)

508. Number of dependent children **0**

509. Self-employment **0**

510. Long-term **0**

511. Total deduction **0**

512. Subtotal **0**

513. Multiply line **0**

514. Exemption **0**

515. Subtract line **0**

516. Total tax **0**

517. Other factors **0**

518. Missouri STA **0**

519. Number of dependents **0** (DO NOT PUT)

520. Number of dependent children **0**

521. Self-employment **0**

522. Long-term **0**

523. Total deduction **0**

524. Subtotal **0**

525. Multiply line **0**

526. Exemption **0**

527. Subtract line **0**

528. Total tax **0**

529. Other factors **0**

530. Missouri STA **0**

531. Number of dependents **0** (DO NOT PUT)

532. Number of dependent children **0**

533. Self-employment **0**

534. Long-term **0**

535. Total deduction **0**

536. Subtotal **0**

537. Multiply line **0**

538. Exemption **0**

539. Subtract line **0**

540. Total tax **0**

541. Other factors **0**

542. Missouri STA **0**

543. Number of dependents **0** (DO NOT PUT)

544. Number of dependent children **0**

545. Self-employment **0**

546. Long-term **0**

547. Total deduction **0**

548. Subtotal **0**

549. Multiply line **0**

550. Exemption **0**

551. Subtract line **0**

552. Total tax **0**

553. Other factors **0**

554. Missouri STA **0**

555. Number of dependents **0** (DO NOT PUT)

556. Number of dependent children **0**

557. Self-employment **0**

558. Long-term **0**

559. Total deduction **0**

560. Subtotal **0**

561. Multiply line **0**

562. Exemption **0**

563. Subtract line **0**

564. Total tax **0**

565. Other factors **0**

566. Missouri STA **0**

567. Number of dependents **0** (DO NOT PUT)

568. Number of dependent children **0**

569. Self-employment **0**

570. Long-term **0**

571. Total deduction **0**

572. Subtotal **0**

573. Multiply line **0**

574. Exemption **0**

575. Subtract line **0**

576. Total tax **0**

577. Other factors **0**

578. Missouri STA **0**

579. Number of dependents **0** (DO NOT PUT)

580. Number of dependent children **0**

581. Self-employment **0**

582. Long-term **0**

583. Total deduction **0**

584. Subtotal



New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Figured and Issued
Income Tax Returns

Ownership

- [page 1 of 3](#)
- [page 2 of 3](#)
- [page 3 of 3](#)

[When can be Used](#)

[Who is Eligible](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[Rights and Liabilities](#)

Purchaser

Professionals

Producer-Member Tax Credit Holder

Ownership of Credits (joint, individual, partnership, trust, corporation, etc) as Compared to Tax Filing Status

Tax credits are issued in the name of the membership as provided by the new generation processing entity.

Tax Credits will only be issued to memberships with distinct tax identification numbers. Tax credits will not be issued to multiple memberships with the same tax identification number.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Figured and Issued
Income Tax Returns

Ownership

- [page 1 of 3](#)
- [page 2 of 3](#)
- [page 3 of 3](#)

When can be Used

Who is Eligible

Fair Market Value

Selling Tax Credits

Revenue/Tax Liabilities

Ownership Transfer

Rights and Liabilities

Purchaser

Professionals

Producer-Member Tax Credit Holder

If a Credit is issued to a member and the member and his or her spouse file a joint federal income tax return and a combined Missouri income tax return, may the spouse use the Credit as well?

Missouri law has no provision for a joint income tax return. A husband and wife who file a joint federal return must file a Missouri combined return. A combined return differs from a joint return in that although only one return is used, each spouse is responsible for his or her own tax liability. A Credit owned by one spouse may not be applied against the tax liability of the other spouse.

For example, suppose Husband's Missouri tax liability, before credits, is \$4,000 and Wife's Missouri tax liability, before credits, is \$1,000. Suppose, also, that Husband has a credit of \$6,000. Husband may apply the Credit against his \$4,000 Missouri tax and will have excess credit of \$2,000. (Husband may transfer his excess Credit to Wife, if the rules for transferring Credit are followed.)

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

[Figured and Issued Income Tax Returns](#)

Ownership

- [page 1 of 3](#)
- [page 2 of 3](#)
- [page 3 of 3](#)

[When can be Used](#)

[Who is Eligible](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[Rights and Liabilities](#)

Purchaser

Professionals

Producer-Member Tax Credit Holder

If a credit is issued to both husband and wife (because the husband and wife together made the investment in the new generation processing entity) and they file a Missouri combined return, how is the credit applied?

If a Credit is issued to both Husband and Wife, either spouse may use the Credit.

For example, suppose Husband and Wife together have a Credit of \$2,000. On their Missouri combined income tax return, Husband reports a tax liability, before credits, of \$1,000 and Wife also reports a tax liability, before credits, of \$1,000. Each spouse may apply Credit of \$1,000 to that spouse's tax liability. There is no excess Credit. Neither spouse may apply any of the Credit to any other taxable year.

Suppose that Husband and Wife together have a Credit of \$2,000 and on their Missouri combined income tax return Husband reports a tax liability, before credits, of \$1,000 and Wife reports a tax liability, before credits, of \$500. Husband may apply Credit of \$1,000 to his tax liability and Wife may apply Credit of \$500 to her tax liability. There is excess Credit of \$500, which either spouse may carry back or carry forward to other taxable years. In this example \$500 is the maximum amount of Credit that may be carried back or carried forward to another taxable year.

Suppose Husband and Wife together have a Credit of \$2,000 and on their Missouri combined income tax return Husband reports a tax liability, before credits, of \$2,000 and Wife reports a tax liability, before credits, of \$1,000. Husband and Wife may apply Credit of \$2,000 to their tax liabilities, in any proportion they decide. For example, they may apply the entire \$2,000 Credit to Husband's tax liability or they may apply \$1,000 Credit to Husband's liability and \$1,000 Credit to Wife's liability. There is no excess Credit. Neither spouse may apply any of the Credit to any other taxable year.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

- Figured and Issued
- Bookkeeping System
- Income Tax Returns
- Ownership
- When can be Used
 - [page 1 of 3](#)
 - [page 2 of 3](#)
 - [page 3 of 3](#)
- Who is Eligible
- Fair Market Value
- Selling Tax Credits
- Revenue/Tax Liabilities
- Ownership Transfer
- Rights and Liabilities

Purchaser

Professionals

Producer-Member Tax Credit Holder

When the New Generation Cooperative Incentive Tax Credits can be Used, Carry-back and Carry-forward Provisions

Carry-back and Carry-forward: The tax credits may be used by their owner to offset eligible tax liabilities due. Credits may be claimed on a quarterly basis and may be carried back to satisfy the state tax liability of the owner of the certificate that was due during each of the three previous taxable years and may be carried forward to any of the subsequent five taxable years after the investment is made.

Missouri law requires a claim for refund of corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, to be filed within two years from the time the tax was paid.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Figured and Issued
Income Tax Returns

Ownership

When can be Used

- [page 1 of 3](#)
- [page 2 of 3](#)
- [page 3 of 3](#)

Who is Eligible

Fair Market Value

Selling Tax Credits

Revenue/Tax Liabilities

Ownership Transfer

Rights and Liabilities

Purchaser

Professionals

Producer-Member Tax Credit Holder

How are the three prior taxable years determined and when must amended returns claiming refunds be filed?

For example, if 2003 is the initial taxable year, credit may be carried back to the 2000, 2001 or 2002 taxable years.

For income tax, the 2003 return is due April 15, 2004. Credits may be carried back to the 2000, 2001 or 2002 taxable years. Returns for these periods were due April 16, 2001, April 15, 2002, and April 15, 2003, respectively. Missouri law requires a claim for refund of income tax to be filed within three years from the time the return was filed or two years from the time the tax was paid (whichever date is later).

For most taxpayers, an amended return claiming a refund of 2000 income tax must be filed by April 16, 2004 (three years after the 2000 return was filed on April 16, 2001).

For corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, the 2003 return is due April 15, 2003. Credits may be carried back to the 2000, 2001 or 2002 taxable years. Returns for these periods were due April 17, 2000, April 16, 2001, and April 15, 2002, respectively. Missouri law requires a claim for refund of corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, to be filed within two years from the time the tax was paid. For most taxpayers, an amended return claiming refund of 2000 franchise tax or 2000 tax on financial institutions must be filed by April 15, 2002 (two years after the 2000 return was filed on April 17, 2000).

Note that most taxpayers will not be able to use a credit received in 2003 to claim a refund for the 2000 taxable year for corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo. An example of when such a claim would be allowed is when the taxpayer paid 2000 corporation franchise tax on May 1, 2001, (more than a year after the due date) and claimed a refund on or before May 1, 2003. In that case, the taxpayer would be able to claim a refund for an amount that did not exceed the tax paid on May 1, 2001.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Figured and Issued
Income Tax Returns

Ownership

When can be Used

- page 1 of 3
- page 2 of 3
- page 3 of 3

Who is Eligible

Fair Market Value

Selling Tax Credits

Revenue/Tax Liabilities

Ownership Transfer

Rights and Liabilities

Purchaser

Professionals

Producer-Member Tax Credit Holder

How are the five subsequent taxable years determined?

For example, if 2003 is the initial taxable year, credits may be carried forward to the 2004, 2005, 2006, 2007 or 2008 taxable years.

Income tax, credits may be carried forward to the 2004, 2005, 2006, 2007 or 2008 taxable years. Returns for these periods are due April 15, 2004, April 15, 2005, April 15, 2006, April 15, 2007, and April 15, 2008, respectively.

The 2003 return for corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo is due April 15, 2003. Credit may be carried forward to the 2004, 2005, 2006, 2007 or 2008 taxable years. Returns for these periods were due April 15, 2004, April 15, 2005, April 15, 2006, April 15, 2007, and April 15, 2008, respectively.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

- Figured and Issued
Income Tax Returns
Ownership
When can be Used
Who is Eligible
Fair Market Value
Selling Tax Credits
Revenue/Tax Liabilities
Ownership Transfer
Rights and Liabilities

Producer-Member Tax Credit Holder

Who is Eligible to Purchase the New Generation Cooperative Incentive Tax Credits?

Any taxpayer that would have a Missouri tax liability due pursuant to Chapters 143 (income tax except for sections 143.191 to 143.265), 147 (corporation franchise tax), and 148 (financial institution taxes and insurance premium tax), RSMo.

Purchaser

Professionals

<< >>





Missouri Department of Agriculture

New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

[Figured and Issued Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

[Who is Eligible](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[Rights and Liabilities](#)

Purchaser

Professionals

Producer-Member Tax Credit Holder

Determining Fair Market Value Tax Credit Calculator

Tax credit value from the producer/investor's perspective.

Enter the tax credit amount.	\$ <input type="text"/>
In how many months do you expect to use or sell the tax credits	<input type="text"/>
Enter either the interest rate of loan used to purchase membership or the interest rate of the loan which would be paid with the proceeds of the sale of the tax credit. If not loan was obtained enter the interest rate of investment opportunity.	(Example: for 11% enter 0.11) % <input type="text"/>
<input type="button" value="Calculate Tax Credit"/> <input type="button" value="Clear Entries"/>	
Based on the above information the current value of the tax credit is...	\$ <input type="text"/>

Please Note: A potential credit purchaser could use the same formula to determine the value they could pay for the credit so as not to incur additional expenses other than actual value of the tax credit.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

- [Figured and Issued](#)
- [Income Tax Returns](#)
- [Ownership](#)
- [When can be Used](#)
- [Who is Eligible](#)
- [Fair Market Value](#)
- [Selling Tax Credits](#)
- [Revenue/Tax Liabilities](#)
- [Ownership Transfer](#)
- [Rights and Liabilities](#)

Purchaser

Professionals

Producer-Member Tax Credit Holder

How to Sell New Generation Cooperative Incentive Tax Credits

- Anyone with a Missouri tax liability is a possible candidate
- Such as: friends, family members, local banks, other lenders, businesses, insurance companies, etc.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

- Figured and Issued
Income Tax Returns
Ownership
When can be Used
Who is Eligible
Fair Market Value
Selling Tax Credits
Revenue/Tax Liabilities
Ownership Transfer
Rights and Liabilities

Producer-Member Tax Credit Holder

Revenue/Tax Liabilities if Credits are Sold

The Internal Revenue Service has indicated that any revenue/tax liabilities that might result from the sale of a tax credit has not been determined at the national level. Guidance should be sought from IRS or tax professional on a case-by-case basis.

Purchaser

Professionals

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

- Figured and Issued
- Income Tax Returns
- Ownership
- When can be Used
- Who is Eligible
- Fair Market Value
- Selling Tax Credits
- Revenue/Tax Liabilities
 - [page 1 of 2](#)
 - [page 2 of 2](#)
- Ownership Transfer
- Rights and Liabilities

Purchaser

Professionals

Producer-Member Tax Credit Holder

If an amended return is filed to claim Credit and the taxpayer receives a refund, are there income tax implications at the federal or state level?

In some cases, the refund may have to be reported, for federal income tax purposes, as income in the year it was received. The most common example of this is when the tax was included in itemized deductions on the original federal income tax return, resulting in a lower tax on that return. For specific questions, the taxpayer should contact the Internal Revenue Service or his or her tax advisor.

The computation of Missouri income tax begins with federal adjusted gross income, so any refund included in federal adjusted gross income will also be included in income for Missouri purposes. Missouri law, however, allows a subtraction from income of any state income tax that was included in federal adjusted gross income and the Missouri individual income tax return and corporation income tax return both provide a line for that subtraction.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

- [Figured and Issued](#)
- [Income Tax Returns](#)
- [Ownership](#)
- [When can be Used](#)
- [Who is Eligible](#)
- [Fair Market Value](#)
- [Selling Tax Credits](#)
- [Revenue/Tax Liabilities](#)
- [Ownership Transfer](#)
- [Rights and Liabilities](#)

Purchaser

Professionals

Producer-Member Tax Credit Holder

Transfer of Ownership of New Generation Cooperative Incentive Tax Credits

- Fill out Missouri Form R
 - Section I = Original Owner
 - Section II = New Owner
- Mail Form R to the address shown on the form
- No fee for transfers

Missouri Form R

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

- Figured and Issued
- Income Tax Returns
- Ownership
- When can be Used
- Who is Eligible
- Fair Market Value
- Selling Tax Credits
- Revenue/Tax Liabilities
- Ownership Transfer
- Rights and Liabilities
 - [page 1 of 3](#)
 - [page 2 of 3](#)
 - [page 3 of 3](#)

Purchaser

Professionals

Producer-Member Tax Credit Holder

Rights and Liabilities of New Generation Incentive Tax Credits

- **Transferability:** The tax credits may be assigned, transferred, sold, or otherwise conveyed and the new owner of the tax credit shall have the same rights in the credit as the member except that the carried-forward provision may not exceed the original five-year taxable period.
- **Revocation or Repayment of Tax Credits:** The Authority may recapture, in full or part, the value of any credits issued to the new generation processing entity producer members if; (1) any representation made by the new generation processing entity to the Authority in connection with an application from the new generation processing entity proves to have been false when made, (2) the new generation processing entity violates any conditions established by the Authority, or (3) the full-time employees or equivalency requirements are not met or maintained.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Figured and Issued
Income Tax Returns

Ownership

When can be Used

Who is Eligible

Fair Market Value

Selling Tax Credits

Revenue/Tax Liabilities

Ownership Transfer

Rights and Liabilities

• [page 1 of 3](#)

• [page 2 of 3](#)

• [page 3 of 3](#)

Purchaser

Professionals

Producer-Member Tax Credit Holder

CONTINUED: Rights and Liabilities of New Generation Incentive Tax Credits

- Liability for repayment or recoupment of tax credits for any misrepresentation remains with the original owner and/or new generation processing entity unless the new generation processing entity signs a tax credit agreement in which case, the new generation processing entity would assume the liability.
- In the event tax credits must be recaptured as a result of underemployment for an “Employee Qualified Capital Project”, the payback amount will be due and payable on the 15th day of the third month subsequent to the occurrence of a condition of revocation.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

- Figured and Issued
- Income Tax Returns
- Ownership
- When can be Used
- Who is Eligible
- Fair Market Value
- Selling Tax Credits
- Revenue/Tax Liabilities
- Ownership Transfer
- Rights and Liabilities
 - [page 1 of 3](#)
 - [page 2 of 3](#)
 - [page 3 of 3](#)

Purchaser

Professionals

Producer-Member Tax Credit Holder

CONTINUED: Rights and Liabilities of New Generation Incentive Tax Credits

- The Authority may recapture from the new generation processing entity producer-member, in full or part, the value of any credits issued if; any representation made by the new generation processing entity producer-member to the Authority in connection with an application from the producer-member proves to have been false when made.

<< >>





Missouri Department of Agriculture

New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Purchaser

Purchaser

- Who is Eligible
- Amount Purchased
- Used by Owners
- Rights and Liabilities
- When can be Used

Professionals

Who is Eligible to Purchase the Tax Credits?

Amount of Tax Credits that can be Purchased

How the Tax Credits can be Used by New Owners

Rights and Liabilities of Tax Credits

When the Tax Credits can be Used, Carried-back and Carried-forward once Purchased after the Initial Issued Timeframe

<< >>





Missouri Department of Agriculture

New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Purchaser

Purchaser

[Who is Eligible](#)

[Amount Purchased](#)

[Used by Owners](#)

[Rights and Liabilities](#)

[When can be Used](#)

Professionals

Who is Eligible to Purchase the New Generation Cooperative Incentive Tax Credits?

Any taxpayer that would have a Missouri tax liability due pursuant to Chapters 143 (income tax except for sections 143.191 to 143.265), 147 (corporation franchise tax), and 148 (financial institution taxes and insurance premium tax), RSMo.

<< >>





New Generation Cooperative Incentive Tax Credit Program

[Purpose](#)

[Producer-Member](#)

Purchaser

Purchaser

[Who is Eligible](#)

[Amount Purchased](#)

[Used by Owners](#)

[Rights and Liabilities](#)

[When can be Used](#)

Professionals

Amount of New Generation Cooperative Incentive Tax Credits that can be Purchased

- There is no limit on the amount of tax credits that be purchased by the new owner.
- Tax credit owners may use, hold, sell, or transfer in any combination so long as the aggregate does not exceed the balance of credits available.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Purchaser

Purchaser

Who is Eligible

Amount Purchased

Used by Owners

• [page 1 of 2](#)

• [page 2 of 2](#)

Rights and Liabilities

When can be Used

Professionals

How the New Generation Cooperative Incentive Tax Credits can be Used by New Owners

Tax credits can be used by their owner to offset eligible tax liabilities due pursuant to Chapters 143 (income tax except for sections 143.191 to 143.265), 147 (corporation franchise tax), and 148 (financial institution taxes and insurance premium tax), RSMo.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Purchaser

Purchaser

[Who is Eligible](#)

[Amount Purchased](#)

[Used by Owners](#)

• [page 1 of 2](#)

• [page 2 of 2](#)

[Rights and Liabilities](#)

[When can be Used](#)

If another taxpayer purchases excess Credit after the first eligible taxable year has passed, when may the new owner claim the Credit and for what tax periods may the Credit be claimed?

The new owner has the same rights in the Credit as the original member receiving the Credit.

Professionals

State income tax, the 2003 return is due April 15, 2004. Credits may be carried back to the 2000, 2001 or 2002 taxable years. Returns for these periods were due April 16, 2001, April 15, 2002, and April 15, 2003, respectively. Missouri law requires a claim for refund of income tax to be filed within three years from the time the return was filed or two years from the time the tax was paid (whichever date is later).

For most taxpayers, an amended return claiming a refund of 2000 income tax must be filed by April 16, 2004, (three years after the 2000 return was filed on April 16, 2001).

For corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, the 2003 return is due April 15, 2003. Credits may be carried back to the 2000, 2001 or 2002 taxable years. Returns for these periods were due April 17, 2000, April 16, 2001, and April 15, 2002, respectively. Missouri law requires a claim for refund of corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, to be filed within two years from the time the tax was paid. For most taxpayers, an amended return claiming refund of 2000 franchise tax or 2000 tax on financial institutions must be filed by April 15, 2002 (two years after the 2000 return was filed on April 17, 2000).

Note that most taxpayers will not be able to use a credit received in 2003 to claim a refund for the 2000 taxable year for corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo. An example of when such a claim would be allowed is when the taxpayer paid 2000 corporation franchise tax on May 1, 2001, (more than a year after the due date) and claimed a refund on or before May 1, 2003. In that case, the taxpayer would be able to claim a refund for an amount that did not exceed the tax paid on May 1, 2001.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Purchaser

Purchaser

[Who is Eligible](#)

[Amount Purchased](#)

[Used by Owners](#)

[Rights and Liabilities](#)

• [page 1 of 3](#)

• [page 2 of 3](#)

• [page 3 of 3](#)

[When can be Used](#)

Professionals

Rights and Liabilities of New Generation Incentive Tax Credits

- **Transferability:** The tax credits may be assigned, transferred, sold, or otherwise conveyed and the new owner of the tax credit shall have the same rights in the credit as the member except that the carried-forward provision may not exceed the original five-year taxable period.
- **Revocation or Repayment of Tax Credits:** The Authority may recapture, in full or part, the value of any credits issued to the new generation processing entity producer members if; (1) any representation made by the new generation processing entity to the Authority in connection with an application from the new generation processing entity proves to have been false when made, (2) the new generation processing entity violates any conditions established by the Authority, or (3) the full-time employees or equivalency requirements are not met or maintained.

<< >>





New Generation Cooperative Incentive Tax Credit Program

[Purpose](#)

[Producer-Member](#)

Purchaser

Purchaser>

[Who is Eligible](#)

[Amount Purchased](#)

[Used by Owners](#)

[Rights and Liabilities](#)

• [page 1 of 3](#)

• [page 2 of 3](#)

• [page 3 of 3](#)

[When can be Used](#)

[Professionals](#)

CONTINUED: Rights and Liabilities of New Generation Incentive Tax Credits

- Liability for repayment or recoupment of tax credits for any misrepresentation remains with the original owner and/or new generation processing entity unless the new generation processing entity signs a tax credit agreement in which case, the new generation processing entity would assume the liability.
- In the event tax credits must be recaptured as a result of underemployment for an “Employee Qualified Capital Project”, the payback amount will be due and payable on the 15th day of the third month subsequent to the occurrence of a condition of revocation.

<< >>





New Generation Cooperative Incentive Tax Credit Program

[Purpose](#)

[Producer-Member](#)

Purchaser

Purchaser

[Who is Eligible](#)

[Amount Purchased](#)

[Used by Owners](#)

[Rights and Liabilities](#)

• [page 1 of 3](#)

• [page 2 of 3](#)

• [page 3 of 3](#)

[When can be Used](#)

[Professionals](#)

CONTINUED: Rights and Liabilities of New Generation Incentive Tax Credits

- The Authority may recapture from the new generation processing entity producer-member, in full or part, the value of any credits issued if; any representation made by the new generation processing entity producer-member to the Authority in connection with an application from the producer-member proves to have been false when made.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Purchaser

Purchaser

[Who is Eligible](#)

[Amount Purchased](#)

[Used by Owners](#)

[Rights and Liabilities](#)

[When can be Used](#)

• [page 1 of 4](#)

• [page 2 of 4](#)

• [page 3 of 4](#)

• [page 4 of 4](#)

Professionals

When the New Generation Cooperative Incentive Tax Credits can be Used, Carried-back and Carried-forward once Purchased after the Initial Issued Timeframe.

Carry-back and Carry-forward: The tax credits may be used by their owner to offset eligible tax liabilities due. Credits may be claimed on a quarterly basis and may be carried back to satisfy the state tax liability of the owner of the certificate that was due during each of the three previous taxable years and may be carried forward to any of the subsequent five taxable years after the investment is made.

Missouri law requires a claim for refund of corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, to be filed within two years from the time the tax was paid.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Purchaser

Purchaser

Who is Eligible

Amount Purchased
Used by Owners

Rights and Liabilities

When can be Used

- [page 1 of 4](#)
- [page 2 of 4](#)
- [page 3 of 4](#)
- [page 4 of 4](#)

Professionals

How are the three prior taxable years determined and when must amended returns claiming refunds be filed?

For example, if 2003 is the initial taxable year, credits may be carried back to the 2000, 2001 or 2002 taxable years.

For income tax, the 2003 return is due April 15, 2004. Credits may be carried back to the 2000, 2001 or 2002 taxable years. Returns for these periods were due April 16, 2001, April 15, 2002, and April 15, 2003, respectively. Missouri law requires a claim for refund of income tax to be filed within three years from the time the return was filed or two years from the time the tax was paid (whichever date is later).

For most taxpayers, an amended return claiming a refund of 2000 income tax must be filed by April 16, 2004 (three years after the 2000 return was filed on April 16, 2001).

For corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, the 2003 return is due April 15, 2003. Credits may be carried back to the 2000, 2001 or 2002 taxable years. Returns for these periods were due April 17, 2000, April 16, 2001, and April 15, 2002, respectively. Missouri law requires a claim for refund of corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, to be filed within two years from the time the tax was paid. For most taxpayers, an amended return claiming refund of 2000 franchise tax or 2000 tax on financial institutions must be filed by April 15, 2002 (two years after the 2000 return was filed on April 17, 2000).

Note that most taxpayers will not be able to use a credit received in 2003 to claim a refund for the 2000 taxable year for corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo. An example of when such a claim would be allowed is when the taxpayer paid 2000 corporation franchise tax on May 1, 2001, (more than a year after the due date) and claimed a refund on or before May 1, 2003. In that case, the taxpayer would be able to claim a refund for an amount that did not exceed the tax paid on May 1, 2001.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Purchaser

Purchaser

Who is Eligible

Amount Purchased

Used by Owners

Rights and Liabilities

When can be Used

- [page 1 of 4](#)
- [page 2 of 4](#)
- [page 3 of 4](#)
- [page 4 of 4](#)

Professionals

If an amended return is filed to claim Credit and the taxpayer receives a refund, are there income tax implications at the federal or state level?

In some cases, the refund may have to be reported, for federal income tax purposes, as income in the year it was received. The most common example of this is when the tax was included in itemized deductions on the original federal income tax return, resulting in a lower tax on that return. For specific questions, the taxpayer should contact the Internal Revenue Service or his or her tax advisor.

The computation of Missouri income tax begins with federal adjusted gross income, so any refund included in federal adjusted gross income will also be included in income for Missouri purposes. Missouri law, however, allows a subtraction from income of any state income tax that was included in federal adjusted gross income and the Missouri individual income tax return and corporation income tax return both provide a line for that subtraction.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Purchaser

Purchaser

[Who is Eligible](#)

[Amount Purchased](#)

[Used by Owners](#)

[Rights and Liabilities](#)

[When can be Used](#)

• [page 1 of 4](#)

• [page 2 of 4](#)

• [page 3 of 4](#)

• [page 4 of 4](#)

Professionals

How are the five subsequent taxable years determined?

For example, if 2003 is the initial taxable year credits may be carried forward to the 2004, 2005, 2006, 2007 or 2008 taxable years.

For income tax credits may be carried forward to the 2004, 2005, 2006, 2007 or 2008 taxable years. Returns for these periods are due April 15, 2004, April 15, 2005, April 15, 2006, April 15, 2007, and April 15, 2008, respectively.

For corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, the 2003 return is due April 15, 2003. Excess credits may be carried forward to the 2004, 2005, 2006, 2007 or 2008 taxable years. Returns for these periods were due April 15, 2004, April 15, 2005, April 15, 2006, April 15, 2007, and April 15, 2008, respectively.

<< >>





Missouri Department of Agriculture

New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

- Figured and Issued
- Income Tax Returns
- Ownership
- When can be Used
- Who is Eligible
- Amount Purchased
- Fair Market Value
- Selling Tax Credits
- Revenue/Tax Liabilities
- Ownership Transfer
- How can be Used
- Rights and Liabilities
- Used after Purchased

How the Tax Credits are Figured and Issued

How the Tax Credits can be Used on Missouri Income Tax Returns

Ownership of Credits as Compared to Tax Filing Status

When the Tax Credits can be Used, Carry-back and Carry-forward Provisions

<< >>





Missouri Department of Agriculture

New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

- Figured and Issued
- Income Tax Returns
- Ownership
- When can be Used
- Who is Eligible
- Amount Purchased
- Fair Market Value
- Selling Tax Credits
- Revenue/Tax Liabilities
- Ownership Transfer
- How can be Used
- Rights and Liabilities
- Used after Purchased

Who is Eligible to Purchase the Tax Credits?

Amount of Tax Credits that can be Purchased

Determining Fair Market Value

How to Sell Tax Credits

Revenue/Tax Liabilities if Credits are Sold

Transfer of Ownership of Tax Credits

How the Tax Credits can be Used by New Owners

<< >>





Missouri Department of Agriculture

New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

- Figured and Issued
- Income Tax Returns
- Ownership
- When can be Used
- Who is Eligible
- Amount Purchased
- Fair Market Value
- Selling Tax Credits
- Revenue/Tax Liabilities
- Ownership Transfer
- How can be Used
- Rights and Liabilities
- Used after Purchased

Rights and Liabilities of Tax Credits

When the Tax Credits can be Used, Carried-back and Carried-forward once Purchased after the Initial Issued Timeframe

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

Figured and Issued

- [page 1 of 2](#)
- [page 2 of 2](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

[Used after Purchased](#)

How the New Generation Cooperative Incentive Tax Credits are Figured and Issued

(Chapter 348.432 RSMo 2002): A producer- member, as defined herein, may receive state tax credits equal to the lesser of 50% of the producer member’s cash investment in an eligible new generation processing entity, or \$15,000. However, the producer-members related to a “Large Capital Project” may not receive tax credits totaling more than \$1,500,000 and the producer-members related to an “Employee Qualified Capital Project” may not receive tax credits totaling more than \$3,000,000.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

Example:

Figured and Issued

• [page 1 of 2](#)

• [page 2 of 2](#)

Income Tax Returns

Ownership

When can be Used

Who is Eligible

Amount Purchased

Fair Market Value

Selling Tax Credits

Revenue/Tax Liabilities

Ownership Transfer

How can be Used

Rights and Liabilities

Used after Purchased

Assuming 220 farmers invest \$6 million into a New Generation Processing Entity, with investments as follows:

Farmer investment			
100	farmers @	\$30,000	each = \$3,000,000
100	farmers @	\$18,000	each = \$1,800,000
10	farmers @	\$75,000	each = \$ 750,000
10	farmers @	\$45,000	each = \$ 450,000
TOTAL farmer investment			\$6,000,000

The maximum allowable tax credits amounts are:

Maximum tax credit			
\$15,000	x	100	= \$1,500,000
\$ 9,000	x	100	= \$ 900,000
\$15,000	x	10	= \$ 150,000
\$15,000	x	10	= \$ 150,000
			\$2,700,000

The actual tax credit amount issued would be \$1,500,000 (because of the \$1.5 million cap on "Large Capital Projects"):

Actual tax credit

$$\$1,500,000 / \$2,700,000 = 55.555556\%$$

\$15,000	x	55.555556%	=	\$8,333	x	100	=	\$ 833,333
\$ 9,000	x	55.555556%	=	\$5,000	x	100	=	\$ 500,000
\$15,000	x	55.555556%	=	\$8,333	x	10	=	\$ 83,333
\$15,000	x	55.555556%	=	\$8,333	x	10	=	\$ 83,333
TOTAL tax credits								\$1,500,000

<< >>



Missouri Department of Agriculture

New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

[Figured and Issued](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

[Used after Purchased](#)

How the New Generation Cooperative Incentive Tax Credits can be Use on Missouri Income Tax Returns

[Example](#)

Form MO-TC

Miscellaneous Income Tax Credits

Individual Income Tax (Print Only Forms)

Individual Income Tax (Fill-In Forms That Calculate)

<< >>



Example

MISSOURI DEPARTMENT OF REVENUE **2002 FORM MO-1040**
INDIVIDUAL INCOME TAX RETURN—LONG FORM

FOR CALENDAR YEAR JAN. 1-DEC. 31, 2002, OR FISCAL YEAR BEGINNING 2002 ENDING 20

AMENDED RETURN — CHECK HERE SOFTWARE VENDOR CODE **01**

NAME AND ADDRESS SOCIAL SECURITY NUMBER TAXPAYER'S SOCIAL SECURITY NUMBER

	Yoursel	Spouse
24. Taxable income amount from Lines 20Y and 20Z	20Y 00 00	00 00
25. TAX on Line 24 (See tax table on the back of Form MO-A.)	25Y 00 00	00 00
26. Refund credit (Attach Form MO-CR and other income tax returns) OR	26Y 00 00	00 00
27. MO income percentage (Attach Form MO-NR1 & copy of federal return) (Check correct box if you or your spouse is a professional shareholder or a member of professional athletic team. (Enter 100% unless you are attaching Form MO-NR1.) <input type="checkbox"/> YOURSELF <input type="checkbox"/> SPOUSE	27Y % 27Z %	
28. Excess (If checked — subtract Line 26 from Line 25. OR) Waiver (Enter percentage — multiply line 25 by percentage on line 27)	28Y 682 00 00	00 00
29. Other taxes (Check box and attach federal return enclosed) <input type="checkbox"/> Lump-sum distribution (Form 4972) <input type="checkbox"/> Recapture of tax income housing credit (Form 5513)	29Y 00 00	00 00
30. SUBTOTAL (Add Lines 28 and 29)	30Y 682 00 00	00 00
31. OTHER TAXES (Add lines 30Y and 30Z)		31Z 682 00 00

35. Missouri tax withheld for nonresident entertainers. Attach Form MO-ZENT.	35	00	00
36. Amount paid with Missouri extension of time to file (Form MO-60)	36	36	00
37. Miscellaneous tax credits (from Form MO-TC, Line 12) Attach Form MO-TC.	37	6000	00
38. Property tax credit. Attach Form MO-PTS.	38	38	00

EXEMPTIONS AND DEDUCTIONS

1. Make your tax A. Single B. Married C. Married D. Married

10. Exemption Federal Federal Federal Federal

11. Other factors

12. Total tax from

13. Federal tax of \$10,000 for

14. Missouri STA

15. Number of **DO NOT PRINT**

16. Number of dependent Minors

17. Self-employment

18. Long-term

19. Total deduction

20. Subtotal

21. Multiply line

22. Exemption

23. Subtract line

AMENDED RETURN

Skip Lines 49-52 if you are not filing an amended return.

40. Amount paid or credits received

41. Overpayment as shown for adjusted or original return

INDICATE REASON(S) FOR AMENDING

A. Technical Error date of filing report

B. Not reporting base salary/stock Error year of tax

C. Recalculation of credit Error year of credit

D. Correction of other lines A, B, or C. Error calculation of federal amended return or credit

42. Amended return — total payments and credits. Add Lines 40 to 41 or subtract Line 41 from Line 40

43. Line 36, or a corrected value of Line 42, is larger than Line 35, enter amount (amount of OVERPAYMENT) here

44. Amount of Line 43 to be applied to your 2003 estimated tax

45. You may finance part of your required amount of contribute additional payments today or all of the total amount due to the right. Enter the amount of your payment in the appropriate boxes

46. Overpayment to be refunded to you. Subtract Lines 44 and 45 from Line 43 and enter here. Mail return to DEPARTMENT OF REVENUE, P.O. BOX 580, JEFFERSON CITY, MO 65106-0580. (**2-D BARCODE ONLY—DO NOT MAIL TO P.O. BOX 3222, JEFFERSON CITY, MO 65105-3222)

47. Line 44 is larger than Line 35 or Line 42, enter the difference (amount of UNDERPAYMENT) here

48. Underpayment of estimated tax penalty. **Attach Form MO-Z170.** Enter penalty amount here

49. Total amount due. Add Lines 47 and 48 and enter here. Mail return and payment to: DEPARTMENT OF REVENUE, P.O. BOX 526, JEFFERSON CITY, MO 65107-0526 (**2-D BARCODE ONLY—DO NOT MAIL TO P.O. BOX 3222, JEFFERSON CITY, MO 65105-3222). Please enter your social security number(s) and define phone number on your check or money order (\$15 limit only). Make payable to Missouri Director of Revenue.

AMOUNT YOU OWE

If a 2-D barcode (black and white shaded box) appears in the upper right corner of page 1, send form to the 2-D barcode address.

REFUND

50. 0 00

51. 0 00

52. 0 00

53. 0 00

54. 0 00

55. 0 00

56. 0 00

57. 0 00

58. 0 00

59. 0 00

60. 0 00

61. 0 00

62. 0 00

63. 0 00

64. 0 00

65. 0 00

66. 0 00

67. 0 00

68. 0 00

69. 0 00

70. 0 00

71. 0 00

72. 0 00

73. 0 00

74. 0 00

75. 0 00

76. 0 00

77. 0 00

78. 0 00

79. 0 00

80. 0 00

81. 0 00

82. 0 00

83. 0 00

84. 0 00

85. 0 00

86. 0 00

87. 0 00

88. 0 00

89. 0 00

90. 0 00

91. 0 00

92. 0 00

93. 0 00

94. 0 00

95. 0 00

96. 0 00

97. 0 00

98. 0 00

99. 0 00

100. 0 00

101. 0 00

102. 0 00

103. 0 00

104. 0 00

105. 0 00

106. 0 00

107. 0 00

108. 0 00

109. 0 00

110. 0 00

111. 0 00

112. 0 00

113. 0 00

114. 0 00

115. 0 00

116. 0 00

117. 0 00

118. 0 00

119. 0 00

120. 0 00

121. 0 00

122. 0 00

123. 0 00

124. 0 00

125. 0 00

126. 0 00

127. 0 00

128. 0 00

129. 0 00

130. 0 00

131. 0 00

132. 0 00

133. 0 00

134. 0 00

135. 0 00

136. 0 00

137. 0 00

138. 0 00

139. 0 00

140. 0 00

141. 0 00

142. 0 00

143. 0 00

144. 0 00

145. 0 00

146. 0 00

147. 0 00

148. 0 00

149. 0 00

150. 0 00

151. 0 00

152. 0 00

153. 0 00

154. 0 00

155. 0 00

156. 0 00

157. 0 00

158. 0 00

159. 0 00

160. 0 00

161. 0 00

162. 0 00

163. 0 00

164. 0 00

165. 0 00

166. 0 00

167. 0 00

168. 0 00

169. 0 00

170. 0 00

171. 0 00

172. 0 00

173. 0 00

174. 0 00

175. 0 00

176. 0 00

177. 0 00

178. 0 00

179. 0 00

180. 0 00

181. 0 00

182. 0 00

183. 0 00

184. 0 00

185. 0 00

186. 0 00

187. 0 00

188. 0 00

189. 0 00

190. 0 00

191. 0 00

192. 0 00

193. 0 00

194. 0 00

195. 0 00

196. 0 00

197. 0 00

198. 0 00

199. 0 00

200. 0 00

201. 0 00

202. 0 00

203. 0 00

204. 0 00

205. 0 00

206. 0 00

207. 0 00

208. 0 00

209. 0 00

210. 0 00

211. 0 00

212. 0 00

213. 0 00

214. 0 00

215. 0 00

216. 0 00

217. 0 00

218. 0 00

219. 0 00

220. 0 00

221. 0 00

222. 0 00

223. 0 00

224. 0 00

225. 0 00

226. 0 00

227. 0 00

228. 0 00

229. 0 00

230. 0 00

231. 0 00

232. 0 00

233. 0 00

234. 0 00

235. 0 00

236. 0 00

237. 0 00

238. 0 00

239. 0 00

240. 0 00

241. 0 00

242. 0 00

243. 0 00

244. 0 00

245. 0 00

246. 0 00

247. 0 00

248. 0 00

249. 0 00

250. 0 00

251. 0 00

252. 0 00

253. 0 00

254. 0 00

255. 0 00

256. 0 00

257. 0 00

258. 0 00

259. 0 00

260. 0 00

261. 0 00

262. 0 00

263. 0 00

264. 0 00

265. 0 00

266. 0 00

267. 0 00

268. 0 00

269. 0 00

270. 0 00

271. 0 00

272. 0 00

273. 0 00

274. 0 00

275. 0 00

276. 0 00

277. 0 00

278. 0 00

279. 0 00

280. 0 00

281. 0 00

282. 0 00

283. 0 00

284. 0 00

285. 0 00

286. 0 00

287. 0 00

288. 0 00

289. 0 00

290. 0 00

291. 0 00

292. 0 00

293. 0 00

294. 0 00

295. 0 00

296. 0 00

297. 0 00

298. 0 00

299. 0 00

300. 0 00

301. 0 00

302. 0 00

303. 0 00

304. 0 00

305. 0 00

306. 0 00

307. 0 00

308. 0 00

309. 0 00

310. 0 00

311. 0 00

312. 0 00

313. 0 00

314. 0 00

315. 0 00

316. 0 00

317. 0 00

318. 0 00

319. 0 00

320. 0 00

321. 0 00

322. 0 00

323. 0 00

324. 0 00

325. 0 00

326. 0 00

327. 0 00

328. 0 00

329. 0 00

330. 0 00

331. 0 00

332. 0 00

333. 0 00

334. 0 00

335. 0 00

336. 0 00

337. 0 00

338. 0 00

339. 0 00

340. 0 00

341. 0 00

342. 0 00

343. 0 00

344. 0 00

345. 0 00

346. 0 00

347. 0 00

348. 0 00

349. 0 00

350. 0 00

351. 0 00

352. 0 00

353. 0 00

354. 0 00

355. 0 00

356. 0 00

357. 0 00

358. 0 00

359. 0 00

360. 0 00

361. 0 00

362. 0 00

363. 0 00

364. 0 00

365. 0 00

366. 0 00

367. 0 00

368. 0 00

369. 0 00

370. 0 00

371. 0 00

372. 0 00

373. 0 00

374. 0 00

375. 0 00

376. 0 00

377. 0 00

378. 0 00

379. 0 00

380. 0 00

381. 0 00

382. 0 00

383. 0 00

384. 0 00

385. 0 00

386. 0 00

387. 0 00

388. 0 00

389. 0 00

390. 0 00

391. 0 00

392. 0 00

393. 0 00

394. 0 00

395. 0 00

396. 0 00

397. 0 00

398. 0 00

399. 0 00

400. 0 00

401. 0 00

402. 0 00

403. 0 00

404. 0 00

405. 0 00

406. 0 00

407. 0 00

408. 0 00

409. 0 00

410. 0 00

411. 0 00

412. 0 00

413. 0 00

414. 0 00

415. 0 00

416. 0 00

417. 0 00

418. 0 00

419. 0 00

420. 0 00

421. 0 00

422. 0 00

423. 0 00

424. 0 00

425. 0 00

426. 0 00

427. 0 00

428. 0 00

429. 0 00

430. 0 00

431. 0 00

432. 0 00

433. 0 00

434. 0 00

435. 0 00

436. 0 00

437. 0 00

438. 0 00

439. 0 00

440. 0 00

441. 0 00

442. 0 00

443. 0 00

444. 0 00

445. 0 00

446. 0 00

447. 0 00

448. 0 00

449. 0 00

450. 0 00

451. 0 00

452. 0 00

453. 0 00

454. 0 00

455. 0 00

456. 0 00

457. 0 00

458. 0 00

459. 0 00

460. 0 00

461. 0 00

462. 0 00

463. 0 00

464. 0 00

465. 0 00

466. 0 00

467. 0 00

468. 0 00

469. 0 00

470. 0 00

471. 0 00

472. 0 00

473. 0 00

474. 0 00

475. 0 00

476. 0 00

477. 0 00

478. 0 00

479. 0 00

480. 0 00

481. 0 00

482. 0 00

483. 0 00

484. 0 00

485. 0 00

486. 0 00

487. 0 00

488. 0 00

489. 0 00

490. 0 00

491. 0 00

492. 0 00

493. 0 00

494. 0 00

495. 0 00

496. 0 00

497. 0 00

498. 0 00

499. 0 00

500. 0 00

501. 0 00

502. 0 00

503. 0 00

504. 0 00

505. 0 00

506. 0 00

507. 0 00

508. 0 00

509. 0 00

510. 0 00

511. 0 00

512. 0 00

513. 0 00

514. 0 00

515. 0 00

516. 0 00

517. 0 00

518. 0 00

519. 0 00

520. 0 00

521. 0 00

522. 0 00

523. 0 00

524. 0 00

525. 0 00

526. 0 00

527. 0 00

528. 0 00

529. 0 00

530. 0 00

531. 0 00

532. 0 00

533. 0 00

534. 0 00

535. 0 00

536. 0 00

537. 0 00

538. 0 00

539. 0 00

540. 0 00

541. 0 00

542. 0 00

543. 0 00

544. 0 00

545. 0 00

546. 0 00

547. 0 00

548. 0 00

549. 0 00

550. 0 00

551. 0 00

552. 0 00

553. 0 00

554. 0 00

555. 0 00

556. 0 00

557. 0 00

558. 0 00

559. 0 00

560. 0 00

561. 0 00

562. 0 00

563. 0 00

564. 0 00

565. 0 00

566. 0 00

567. 0 00

568. 0 00

569. 0 00

570. 0 00

571. 0 00

572. 0 00

573. 0 00

574. 0 00

575. 0 00

576. 0 00

577. 0 00

578. 0 00

579. 0 00

580. 0 00

581. 0 00

582. 0 00

583. 0 00

584. 0 00

585. 0 00

586. 0 00

587. 0 00

588. 0 00

589. 0 00

590. 0 00

591. 0 00

592. 0 00

593. 0 00

594. 0 00

595. 0 00

596. 0 00

597. 0 00

598. 0 00

599. 0 00

600. 0 00

601. 0 00

602. 0 00

603. 0 00

604. 0 00

605. 0 00

606. 0 00

607. 0 00

608. 0 00

609. 0 00

610. 0 00

611. 0 00

612. 0 00

613. 0 00

614. 0 00

615. 0 00

616. 0 00

617. 0 00

618. 0 00

619. 0 00

620. 0 00

621. 0 00

622. 0 00

623. 0 00

624. 0 00

625. 0 00

626. 0 00

627. 0 00

628. 0 00

629. 0 00

630. 0 00

631. 0 00

632. 0 00

633. 0 00

634. 0 00

635. 0 00

636. 0 00

637. 0 00

638. 0 00

639. 0 00

640. 0 00

641. 0 00

642. 0 00

643. 0 00

644. 0 00

645. 0 00

646. 0 00

647. 0 00

648. 0 00

649. 0 00

650. 0 00

651. 0 00

652. 0 00

653. 0 00

654. 0 00

655. 0 00

656. 0 00

657. 0 00

658. 0 00

659. 0 00

660. 0 00

661. 0 00

662. 0 00

663. 0 00

664. 0 00

665. 0 00

666. 0 00

667. 0 00

668. 0 00

669. 0 00

670. 0 00

671. 0 00

672. 0 00

673. 0 00

674. 0 00

675. 0 00

676. 0 00

677. 0 00

678. 0 00

679. 0 00

680. 0 00

681. 0 00

682. 0 00

683. 0 00

684. 0 00

685. 0 00

686. 0 00

687. 0 00

688. 0 00

689. 0 00

690. 0 00

691. 0 00

692. 0 00

693. 0 00

694. 0 00

695. 0 00

696. 0 00

697. 0 00

698. 0 00

699. 0 00

700. 0 00

701. 0 00

702. 0 00

703. 0 00

704. 0 00

705. 0 00

706. 0 00

707. 0 00

708. 0 00

709. 0 00

710. 0 00

711. 0 00

712. 0 00

713. 0 00

714. 0 00

715. 0 00

716. 0 00

717. 0 00

718. 0 00

719. 0 00

720. 0 00

721. 0 00

722. 0 00

723. 0 00

724. 0 00

725. 0 00

726. 0 00

727. 0 00

728. 0 00

7



New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

Figured and Issued Income Tax Returns Ownership

- page 1 of 3
page 2 of 3
page 3 of 3

When can be Used

Who is Eligible

Amount Purchased

Fair Market Value

Selling Tax Credits

Revenue/Tax Liabilities

Ownership Transfer

How can be Used

Rights and Liabilities

Used after Purchased

Ownership of Credits (joint, individual, partnership, trust, corporation, etc) as Compared to Tax Filing Status

Tax credits are issued in the name of the membership as provided by the new generation processing entity.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

Figured and Issued
Income Tax Returns
Ownership

- [page 1 of 3](#)
- [page 2 of 3](#)
- [page 3 of 3](#)

When can be Used

Who is Eligible

Amount Purchased

Fair Market Value

Selling Tax Credits

Revenue/Tax Liabilities

Ownership Transfer

How can be Used

Rights and Liabilities

Used after Purchased

If a Credit is issued to a member and the member and his or her spouse file a joint federal income tax return and a combined Missouri income tax return, may the spouse use the Credit as well?

Missouri law has no provision for a joint income tax return. A husband and wife who file a joint federal return must file a Missouri combined return. A combined return differs from a joint return in that although only one return is used, each spouse is responsible for his or her own tax liability. A Credit owned by one spouse may not be applied against the tax liability of the other spouse.

For example, suppose Husband's Missouri tax liability, before credits, is \$4,000 and Wife's Missouri tax liability, before credits, is \$1,000. Suppose, also, that Husband has a credit of \$6,000. Husband may apply the Credit against his \$4,000 Missouri tax and will have excess credit of \$2,000. (Husband may transfer his excess Credit to Wife, if the rules for transferring Credit are followed.)

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

[Figured and Issued](#)

[Income Tax Returns](#)

[Ownership](#)

• [page 1 of 3](#)

• [page 2 of 3](#)

• [page 3 of 3](#)

[When can be Used](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

[Used after Purchased](#)

If a credit is issued to both husband and wife (because the husband and wife together made the investment in the new generation processing entity) and they file a Missouri combined return, how is the credit applied?

If a Credit is issued to both Husband and Wife, either spouse may use the Credit.

For example, suppose Husband and Wife together have a Credit of \$2,000. On their Missouri combined income tax return, Husband reports a tax liability, before credits, of \$1,000 and Wife also reports a tax liability, before credits, of \$1,000. Each spouse may apply Credit of \$1,000 to that spouse's tax liability. There is no excess Credit. Neither spouse may apply any of the Credit to any other taxable year.

Suppose that Husband and Wife together have a Credit of \$2,000 and on their Missouri combined income tax return Husband reports a tax liability, before credits, of \$1,000 and Wife reports a tax liability, before credits, of \$500. Husband may apply Credit of \$1,000 to his tax liability and Wife may apply Credit of \$500 to her tax liability. There is excess Credit of \$500, which either spouse may carry back or carry forward to other taxable years. In this example \$500 is the maximum amount of Credit that may be carried back or carried forward to another taxable year.

Suppose Husband and Wife together have a Credit of \$2,000 and on their Missouri combined income tax return Husband reports a tax liability, before credits, of \$2,000 and Wife reports a tax liability, before credits, of \$1,000. Husband and Wife may apply Credit of \$2,000 to their tax liabilities, in any proportion they decide. For example, they may apply the entire \$2,000 Credit to Husband's tax liability or they may apply \$1,000 Credit to Husband's liability and \$1,000 Credit to Wife's liability. There is no excess Credit. Neither spouse may apply any of the Credit to any other taxable year.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

[Figured and Issued](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

- [page 1 of 4](#)
- [page 2 of 4](#)
- [page 3 of 4](#)
- [page 4 of 4](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

[Used after Purchased](#)

What periods may the Credit be claimed?

The Credit may be claimed by their owner to offset eligible tax liabilities due against taxes pursuant to Chapters 143 (income tax except for sections 143.919 to 143.265), 147 (corporation franchise tax), and 148 (financial institution taxes), RSMo. Credits may be claimed on a quarterly basis and may be carried back to satisfy the three previous taxable years and may be carried forward to any of the subsequent five taxable years after the investment is made.

Missouri law requires a claim for refund of corporation franchise tax or the tax on financial institutions imposed by chapter 148 RSMo, to be filed within two years from the time the tax was paid.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

[Figured and Issued](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

- [page 1 of 4](#)
- [page 2 of 4](#)
- [page 3 of 4](#)
- [page 4 of 4](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

[Used after Purchased](#)

When the New Generation Cooperative Incentive Tax Credits can be Used, Carry-back and Carry-forward Provisions

Carry-back and Carry-forward: The tax credits may be used by their owner to offset eligible tax liabilities. Credits may be claimed on a quarterly basis and may be carried back to satisfy the state tax liability of the owner of the certificate that was due during each of the three previous taxable years and may be carried forward to any of the subsequent five taxable years after the investment is made.

Missouri law requires a claim for refund of corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, to be filed within two years from the time the tax was paid.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

[Figured and Issued](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

• [page 1 of 4](#)

• [page 2 of 4](#)

• [page 3 of 4](#)

• [page 4 of 4](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

[Used after Purchased](#)

How are the three prior taxable years determined and when must amended returns claiming refunds be filed?

For example, if 2003 is the initial taxable year, credits may be carried back to the 2000, 2001 or 2002 taxable years.

For income tax, the 2003 return is due April 15, 2004. Credits may be carried back to the 2000, 2001 or 2002 taxable years. Returns for these periods were due April 16, 2001, April 15, 2002, and April 15, 2003, respectively. Missouri law requires a claim for refund of income tax to be filed within three years from the time the return was filed or two years from the time the tax was paid (whichever date is later).

For most taxpayers, an amended return claiming a refund of 2000 income tax must be filed by April 16, 2004 (three years after the 2000 return was filed on April 16, 2001).

For corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, the 2003 return is due April 15, 2003. Credits may be carried back to the 2000, 2001 or 2002 taxable years. Returns for these periods were due April 17, 2000, April 16, 2001, and April 15, 2002, respectively. Missouri law requires a claim for refund of corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, to be filed within two years from the time the tax was paid. For most taxpayers, an amended return claiming refund of 2000 franchise tax or 2000 tax on financial institutions must be filed by April 15, 2002 (two years after the 2000 return was filed on April 17, 2000).

Note that most taxpayers will not be able to use a credit received in 2003 to claim a refund for the 2000 taxable year for corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo. An example of when such a claim would be allowed is when the taxpayer paid 2000 corporation franchise tax on May 1, 2001, (more than a year after the due date) and claimed a refund on or before May 1, 2003. In that case, the taxpayer would be able to claim a refund for an amount that did not exceed the tax paid on May 1, 2001.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

[Figured and Issued](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

• [page 1 of 4](#)

• [page 2 of 4](#)

• [page 3 of 4](#)

• [page 4 of 4](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

[Used after Purchased](#)

How are the five subsequent taxable years determined?

For example, if 2003 is the initial taxable year credits may be carried forward to the 2004, 2005, 2006, 2007 or 2008 taxable years.

For income tax, credits may be carried forward to the 2004, 2005, 2006, 2007 or 2008 taxable years. Returns for these periods are due April 15, 2004, April 15, 2005, April 15, 2006, April 15, 2007, and April 15, 2008, respectively.

For corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, the 2003 return is due April 15, 2003. Credits may be carried forward to the 2004, 2005, 2006, 2007 or 2008 taxable years. Returns for these periods were due April 15, 2004, April 15, 2005, April 15, 2006, April 15, 2007, and April 15, 2008, respectively.

<< >>





Missouri Department of Agriculture

New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

[Figured and Issued](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

[Used after Purchased](#)

Who is Eligible to Purchase the New Generation Cooperative Incentive Tax Credits?

Any taxpayer that would have a Missouri tax liability due pursuant to Chapters 143 (income tax except for sections 143.191 to 143.265), 147 (corporation franchise tax), and 148 (financial institution taxes and insurance premium tax), RSMo.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

- Figured and Issued
Income Tax Returns
Ownership
When can be Used
Who is Eligible
Amount Purchased
Fair Market Value
Selling Tax Credits
Revenue/Tax Liabilities
Ownership Transfer
How can be Used
Rights and Liabilities
Used after Purchased

Amount of New Generation Cooperative Incentive Tax Credits that can be Purchased

- There is no limit on the amount of tax credits that be purchased by the new owner.
Tax credit owners may use, hold, sell, or transfer in any combination so long as the aggregate does not exceed the balance of credits available.

<< >>





Missouri Department of Agriculture

New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

[Figured and Issued](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

[Used after Purchased](#)

Determining Fair Market Value Tax Credit Calculator

Tax credit value from the producer/investor's perspective.

Enter the tax credit amount.	\$ <input type="text"/>
In how many months do you expect to use or sell the tax credits	<input type="text"/>
Enter either the interest rate of loan used to purchase membership or the interest rate of the loan which would be paid with the proceeds of the sale of the tax credit. If no loan was obtained enter the interest rate of investment opportunity.	(Example: for 11% enter 0.11) % <input type="text"/>
<input type="button" value="Calculate Tax Credit"/> <input type="button" value="Clear Entries"/>	
Based on the above information the current value of the tax credit is...	\$ <input type="text"/>
<div style="border: 1px solid black; width: 100%; height: 100%;"></div>	

Please Note: A potential credit purchaser could use the same formula to determine the value they could pay for the credit so as not to incur additional expenses other than actual value of the tax credit.

<< >>





Missouri Department of Agriculture

New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professional

Purchaser

Professionals

[Figured and Issued](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

[Used after Purchased](#)

How to Sell New Generation Cooperative Incentive Tax Credits

- Anyone with a Missouri tax liability is a possible candidate
- Such as: friends, family members, local banks, other lenders, businesses, insurance companies, etc.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

Revenue/Tax Liabilities if Credits are Sold

Figured and Issued

Income Tax Returns

Ownership

When can be Used

Who is Eligible

Amount Purchased

Fair Market Value

Selling Tax Credits

Revenue/Tax Liabilities

• [page 1 of 2](#)

• [page 2 of 2](#)

Ownership Transfer

How can be Used

Rights and Liabilities

Used after Purchased

The Internal Revenue Service has indicated that any revenue/tax liabilities that might result from the sale of a tax credit has not been determined at the national level. Guidance should be sought from IRS or tax professional on a case-by-case basis.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

[Figured and Issued](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

• [page 1 of 2](#)

• [page 2 of 2](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

[Used after Purchased](#)

If an amended return is filed to claim Credit and the taxpayer receives a refund, are there income tax implications at the federal or state level?

In some cases, the refund may have to be reported, for federal income tax purposes, as income in the year it was received. The most common example of this is when the tax was included in itemized deductions on the original federal income tax return, resulting in a lower tax on that return. For specific questions, the taxpayer should contact the Internal Revenue Service or his or her tax advisor.

The computation of Missouri income tax begins with federal adjusted gross income, so any refund included in federal adjusted gross income will also be included in income for Missouri purposes. Missouri law, however, allows a subtraction from income of any state income tax that was included in federal adjusted gross income and the Missouri individual income tax return and corporation income tax return both provide a line for that subtraction.

<< >>





Missouri Department of Agriculture

New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

Transfer of Ownership of New Generation Cooperative Incentive Tax Credits

- Figured and Issued
- Income Tax Returns
- Ownership
- When can be Used
- Who is Eligible
- Amount Purchased
- Fair Market Value
- Selling Tax Credits
- Revenue/Tax Liabilities
- Ownership Transfer
- How can be Used
- Rights and Liabilities
- Used after Purchased

- Fill out Missouri Form R
 - Section I = Original Owner
 - Section II = New Owner
- Mail Form R to the address shown on the form
- No fee for transfers

Missouri Form R

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

Figured and Issued

Income Tax Returns

Ownership

When can be Used

Who is Eligible

Amount Purchased

Fair Market Value

Selling Tax Credits

Revenue/Tax Liabilities

Ownership Transfer

How can be Used

• [page 1 of 2](#)

• [page 2 of 2](#)

Rights and Liabilities

Used after Purchased

How the New Generation Cooperative Incentive Tax Credits can be Used by New Owners

Tax credits can be used by their owner to offset eligible tax liabilities due pursuant to Chapters 143 (income tax except for sections 143.191 to 143.265), 147 (corporation franchise tax), and 148 (financial institution taxes and insurance premium tax), RSMo.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

Figured and Issued

Income Tax Returns

Ownership

When can be Used

Who is Eligible

Amount Purchased

Fair Market Value

Selling Tax Credits

Revenue/Tax Liabilities

Ownership Transfer

How can be Used

• page 1 of 2

• page 2 of 2

Rights and Liabilities

Used after Purchased

If another taxpayer purchases excess Credit after the first eligible taxable year has passed, when may the new owner claim the Credit and for what tax periods may the Credit be claimed?

The new owner has the same rights in the credits as the original member receiving the Credit.

For example, if the member acquired the credits in 2003 and sold it to another taxpayer in 2004, the new owner may then apply credits by carrying it back to 2000, 2001 or 2002 and carrying it forward to 2004, 2005, 2006, 2007 or 2008. Any claim for refund that the new owner would make based on applying the credit would be subject to the limitations on refund claims.

For income tax, the 2003 return is due April 15, 2004. Credit may be carried back to the 2000, 2001 or 2002 taxable years. Returns for these periods were due April 16, 2001, April 15, 2002, and April 15, 2003, respectively. Missouri law requires a claim for refund of income tax to be filed within three years from the time the return was filed or two years from the time the tax was paid (whichever date is later).

For most taxpayers, an amended return claiming a refund of 2000 income tax must be filed by April 16, 2004 (three years after the 2000 return was filed on April 16, 2001).

For corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, the 2003 return is due April 15, 2003. Credits may be carried back to the 2000, 2001 or 2002 taxable years. Returns for these periods were due April 17, 2000, April 16, 2001, and April 15, 2002, respectively. Missouri law requires a claim for refund of corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, to be filed within two years from the time the tax was paid. For most taxpayers, an amended return claiming refund of 2000 franchise tax or 2000 tax on financial institutions must be filed by April 15, 2002 (two years after the 2000 return was filed on April 17, 2000).

Note that most taxpayers will not be able to use a credit received in 2003 to claim a refund for the 2000 taxable year for corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo. An example of when such a claim would be allowed is when the taxpayer paid 2000 corporation franchise tax on May 1, 2001, (more than a year after the due date) and claimed a refund on or before May 1, 2003. In that case, the taxpayer would be able to claim a refund for an amount that did not exceed the tax paid on May 1, 2001.





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

[Figured and Issued](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

• [page 1 of 3](#)

• [page 2 of 3](#)

• [page 3 of 3](#)

[Used after Purchased](#)

Rights and Liabilities of New Generation Incentive Tax Credits

- **Transferability:** The tax credits may be assigned, transferred, sold, or otherwise conveyed and the new owner of the tax credit shall have the same rights in the credit as the member except that the carried-forward provision may not exceed the original five-year taxable period.
- **Revocation or Repayment of Tax Credits:** The Authority may recapture, in full or part, the value of any credits issued to the new generation processing entity producer members if; (1) any representation made by the new generation processing entity to the Authority in connection with an application from the new generation processing entity proves to have been false when made, (2) the new generation processing entity violates any conditions established by the Authority, or (3) the full-time employees or equivalency requirements are not met or maintained.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

[Figured and Issued](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

• [page 1 of 3](#)

• [page 2 of 3](#)

• [page 3 of 3](#)

[Used after Purchased](#)

CONTINUED: Rights and Liabilities of New Generation Incentive Tax Credits

- Liability for repayment or recoupment of tax credits for any misrepresentation remains with the original owner and/or new generation processing entity unless the new generation processing entity signs a tax credit agreement in which case, the new generation processing entity would assume the liability.
- In the event tax credits must be recaptured as a result of underemployment for an "Employee Qualified Capital Project", the payback amount will be due and payable on the 15th day of the third month subsequent to the occurrence of a condition of revocation.

<< >>





New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

[Figured and Issued](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

• [page 1 of 3](#)

• [page 2 of 3](#)

• [page 3 of 3](#)

[Used after Purchased](#)

CONTINUED: Rights and Liabilities of New Generation Incentive Tax Credits

- The Authority may recapture from the new generation processing entity producer-member, in full or part, the value of any credits issued if; any representation made by the new generation processing entity producer-member to the Authority in connection with an application from the producer-member proves to have been false when made.

<< >>





Missouri Department of Agriculture

New Generation Cooperative Incentive Tax Credit Program

Purpose

Producer-Member

Professionals

Purchaser

Professionals

[Figured and Issued](#)

[Income Tax Returns](#)

[Ownership](#)

[When can be Used](#)

[Who is Eligible](#)

[Amount Purchased](#)

[Fair Market Value](#)

[Selling Tax Credits](#)

[Revenue/Tax Liabilities](#)

[Ownership Transfer](#)

[How can be Used](#)

[Rights and Liabilities](#)

[Used after Purchased](#)

When the New Generation Cooperative Incentive Tax Credits can be Used, Carried-back and Carried-forward once Purchased after the Initial Issued Timeframe.

Carried-back and Carry-forward: The tax credits may be used by their owner to offset eligible tax liabilities and may be claimed on a quarterly basis and may be carried back to satisfy the state tax liability of the owner of the certificate that was due during each of the three previous taxable years and may be carried forward to any of the subsequent five taxable years after the investment is made.

Missouri law requires a claim for refund of corporation franchise tax or the tax on financial institutions imposed by chapter 148, RSMo, to be filed within two years from the time the tax was paid.

<< >>

