

# HOUSE BILL NO. 442

## 101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BASYE.

1169H.011

DANA RADEMAN MILLER, Chief Clerk

### AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be  
2 known as section 135.1130, to read as follows:

**135.1130. 1. As used in this section, the following terms mean:**

2 **(1) "Dependent child", in relation to a taxpayer, any individual who:**

3 **(a) Is eligible to attend the system of free public schools in this state established**  
4 **under section 160.051;**

5 **(b) Qualifies as a dependent of the taxpayer under 26 U.S.C. Section 152 for federal**  
6 **income tax purposes; and**

7 **(c) Is the natural or adopted child of the taxpayer or is an individual for whom the**  
8 **taxpayer has been court appointed as a legal guardian or custodian;**

9 **(2) "Education expenditure", any expenditure made in connection with the**  
10 **enrollment, attendance, or participation of the taxpayer's dependent child in a virtual or**  
11 **remote-learning private school program or public school program. "Education**  
12 **expenditure" includes, but is not limited to, tuition, fees, tutoring, computer software,**  
13 **textbooks, workbooks, curricula, school supplies other than personal computers, and other**  
14 **written materials used primarily for academic instruction or academic tutoring;**

15 **(3) "Private school", any school in this state giving instruction in prekindergarten,**  
16 **kindergarten, or in any grade not higher than the twelfth grade; provided that, such school**  
17 **does not qualify as a public school under section 160.011;**

18 **(4) "Public school", the same meaning as provided under section 160.011;**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

19           (5) "Qualifying amount", the amount spent by a taxpayer on education  
20 expenditures during the taxpayer's qualifying period, up to the total amount of local  
21 property tax for which the taxpayer was liable over the same qualifying period, less the  
22 total amount of all tax credits previously claimed by the taxpayer under this section in all  
23 previous tax years;

24           (6) "Qualifying period", the period beginning on the date on which the governor  
25 of this state signed executive order 20-02 and ending on December thirty-first of the tax  
26 year for which a taxpayer claims the tax credit authorized under this section;

27           (7) "Taxpayer", any individual with an income tax liability under chapter 143,  
28 excluding withholding tax imposed by sections 143.191 to 143.265, in a given tax year.

29           2. For all tax years beginning on or after January 1, 2022, a taxpayer who has made  
30 education expenditures in the taxpayer's qualifying period shall be allowed to claim a  
31 credit against the taxpayer's state income tax liability in an amount equal to the taxpayer's  
32 qualifying amount.

33           3. The amount of the tax credit allowed under this section shall not exceed the  
34 taxpayer's state income tax liability for the year in which the tax credit is claimed.

35           4. The tax credit authorized under this section is nonrefundable and shall not be  
36 assigned, transferred, sold, or otherwise conveyed.

37           5. (1) The department of revenue may collaborate with local assessors and with  
38 local government officials, as necessary, to administer the provisions of this section and to  
39 verify information relating to a taxpayer's local property tax liabilities.

40           (2) The department of revenue shall promulgate all necessary rules and regulations  
41 for the administration of this section including, but not limited to, rules relating to the  
42 verification of a taxpayer's qualifying amount. Any rule or portion of a rule, as that term  
43 is defined in section 536.010, that is created under the authority delegated in this section  
44 shall become effective only if it complies with and is subject to all of the provisions of  
45 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are  
46 nonseverable, and if any of the powers vested with the general assembly pursuant to  
47 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
48 subsequently held unconstitutional, then the grant of rulemaking authority and any rule  
49 proposed or adopted after August 28, 2021, shall be invalid and void.

50           6. Under section 23.253 of the Missouri sunset act:

51           (1) The provisions of this section shall automatically sunset December thirty-first  
52 six years after the effective date of this section unless reauthorized by an act of the general  
53 assembly;

54           **(2) If such provisions are reauthorized, the provisions of this section shall**  
55 **automatically sunset December thirty-first twelve years after the effective date of the**  
56 **reauthorization; and**

57           **(3) This section shall terminate on September first of the calendar year immediately**  
58 **following the calendar year in which the provisions of this section are sunset.**

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