

FIRST REGULAR SESSION

HOUSE BILL NO. 523

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE ELLINGTON.

0372H.02I

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to the small business equality act.

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 135.1624, to read as follows:

3 **135.1624. 1. This section shall be known and may be cited as the "Small Business**
4 **Equality Act".**

5 **2. As used in this section, the term "small business" means any business in this state**
6 **with an annual Missouri adjusted gross income of no more than five hundred thousand**
7 **dollars.**

8 **3. For all tax years beginning on or after January 1, 2018, any small business shall**
9 **be allowed to claim any tax credit, tax deduction, and any other exemption from tax that**
10 **any corporation, as defined under chapter 143, in this state is allowed to claim under state**
11 **law. Such small businesses shall be eligible for such credits, deductions, and exemptions**
12 **in direct proportion to the average annual Missouri adjusted gross income of corporations**
13 **reported in each tax year divided by three.**

14 **4. The department of revenue may promulgate rules to implement the provisions**
15 **of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that**
16 **is created under the authority delegated in this section shall become effective only if it**
17 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**
18 **section 536.028. This section and chapter 536 are nonseverable, and if any of the powers**
19 **vested with the general assembly pursuant to chapter 536 to review, to delay the effective**

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.

18 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
19 grant of rulemaking authority and any rule proposed or adopted after August 28, 2017,
20 shall be invalid and void.

21 **5. Under section 23.253 of the Missouri sunset act:**

22 **(1) The provisions of the new program authorized under this section shall**
23 **automatically sunset on December thirty-first six years after the effective date of this**
24 **section unless reauthorized by an act of the general assembly;**

25 **(2) If such program is reauthorized, the program authorized under this section**
26 **shall automatically sunset on December thirty-first twelve years after the effective date of**
27 **the reauthorization of this section; and**

28 **(3) This section shall terminate on September first of the calendar year immediately**
29 **following the calendar year in which the program authorized under this section is sunset.**
30 **The termination of the program as described in this subsection shall not be construed to**
31 **preclude any taxpayer who claims any benefit under any program that is sunset under this**
32 **subsection from claiming such benefit for all allowable activities related to such claim that**
33 **were completed before the program was sunset, or to eliminate any responsibility of the**
34 **administering agency to verify the continued eligibility of projects receiving tax credits and**
35 **to enforce other requirements of law that applied before the program was sunset.**

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