

FIRST REGULAR SESSION

HOUSE BILL NO. 532

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE NICHOLS.

1214H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 136.450, RSMo, and to enact in lieu thereof one new section relating to the Study Commission on State Tax Policy.

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

Section A. Section 136.450, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 136.450, to read as follows:

136.450. 1. There is hereby established the "Study Commission on State Tax Policy" which shall be composed of the following members:

(1) The members of the joint committee on tax policy established in section 21.810;

(2) The state treasurer;

(3) The state budget director;

(4) The director of the department of revenue, but only if such person has been appointed by the governor with the advice and consent of the senate in accordance with Article IV, Section 51 of the Constitution of Missouri;

(5) Three individuals representing the needs and concerns of individual taxpayers in this state, one of whom shall be appointed by the lieutenant governor, one of whom shall be appointed by the minority floor leader of the house of representatives, and one of whom shall be appointed by the minority floor leader of the senate;

(6) A certified public accountant, who shall be appointed by the lieutenant governor in consultation with the Missouri Society of Certified Public Accountants;

(7) An independent tax practitioner, who shall be appointed by the lieutenant governor in consultation with the Missouri Society of Accountants;

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.

17 (8) An individual with experience operating a business with a headquarters in this state
18 and fewer than fifty employees, who shall be appointed by the speaker of the house of
19 representatives;

20 (9) An individual with experience operating a business with a headquarters in this state
21 and at least fifty employees, who shall be appointed by the president pro tempore of the senate;

22 (10) Two individuals with significant experience in state and local taxation, public or
23 private budgeting and finance, or public services delivery, one of whom shall be appointed by
24 the speaker of the house of representatives in consultation with the Missouri Association of
25 Counties and the other appointed by the president pro tempore of the senate in consultation with
26 Missouri Municipal League; and

27 (11) A member of the Missouri Bar with knowledge of the tax laws of this state,
28 including tax administration and compliance, who shall be appointed by the board of governors
29 of the Missouri Bar.

30 2. Any vacancy on the commission shall be filled in the same manner as the original
31 appointment. Any appointed member of the commission shall serve at the pleasure of the
32 appointing authority. Commission members shall serve without compensation but shall be
33 entitled to reimbursement for actual and necessary expenses incurred in the performance of their
34 official duties.

35 3. The commission shall meet in the capitol building within ten days after its creation
36 and organize by selecting a chair and vice chair from its members. After its organization, the
37 commission shall adopt an agenda establishing at least five hearing dates. The hearings shall be
38 held in different geographic regions of the state and open to the public. Additional meetings may
39 be scheduled and held as often as the chair deems advisable. A majority of the members shall
40 constitute a quorum.

41 4. It shall be the duty of the commission:

42 (1) To make a complete, detailed review and study of the tax structure of the state and
43 its political subdivisions, including tax sources, the impact of taxes, collection procedures,
44 administrative regulations, and all other factors pertinent to the fiscal operation of the state;

45 (2) To identify the strengths and weaknesses of state tax laws, and develop a broad range
46 of improvements that could be made to modernize the tax system, maximize economic
47 development and growth, and maintain necessary government services at an appropriate level;

48 (3) To investigate measures and methods to simplify state tax law, improve tax
49 compliance, and reduce administrative costs; and

50 (4) To examine and study any other aspects of state and local government which may
51 be related to the tax structure of the state.

52 5. In order to carry out its duties and responsibilities under this section, the commission
53 shall have the authority to:

54 (1) Consult with public and private universities and academies, public and private
55 organizations, and private citizens in the performance of its duties;

56 (2) Within the limits of appropriations made for such purpose, employ consultants or
57 others to assist the commission in its work, or contract with public and private entities for
58 analysis and study of current or proposed changes to state and local tax policy; and

59 (3) Make reasonable requests for staff assistance from the research and appropriations
60 staffs of the house of representatives and senate and the committee on legislative research, as
61 well as the office of administration and the department of revenue.

62 6. All state agencies and political subdivisions of the state responsible for the
63 administration of tax policies shall cooperate with and assist the commission in the performance
64 of its duties and shall make available all books, records, and information requested, except such
65 books, records, and information as are by law declared confidential in nature, including
66 individually identifiable information regarding a specific taxpayer.

67 7. The commission may issue interim reports as it deems fit, but it shall provide the
68 governor and the general assembly with reports of its findings and recommendations for legal
69 and administrative changes, along with any proposed legislation the commission recommends
70 for adoption by the general assembly. A preliminary report shall be due by December 31, 2016.
71 A final report shall be due December 31, 2017.

72 8. The commission shall cease all activities by January 1, 2018. This section shall expire
73 August 28, 2018.

74 **9. The general assembly shall not implement any changes in the current tax**
75 **structure until the commission issues its final report or December 31, 2017, whichever**
76 **occurs first.**

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