

FIRST REGULAR SESSION

HOUSE JOINT RESOLUTION NO. 59

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE DAVIS.

2163H.011

DANA RADEMAN MILLER, Chief Clerk

JOINT RESOLUTION

Submitting to the qualified voters of Missouri an amendment to Article X of the Constitution of Missouri, by adopting one new section relating to taxation.

Be it resolved by the House of Representatives, the Senate concurring therein:

That at the next general election to be held in the state of Missouri, on Tuesday next following the first Monday in November, 2022, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for adoption or rejection, the following amendment to Article X of the Constitution of the state of Missouri:

Section A. Article X, Constitution of Missouri, is amended by adopting one new section, to be known as Section 18(f), to read as follows:

Section 18(f). 1. The state of Missouri shall not decrease taxes, decrease fees, bestow monetary grants, or provide other special favorable financial treatment for corporations in this state without voter approval if such an action would produce a loss in annual revenue to the state of Missouri in any amount greater than either twenty-five million dollars adjusted annually by the percentage change in the personal income of Missouri for the second previous fiscal year or one percent of the total state revenues for the second fiscal year prior to such action, whichever is less. In the event that an individual or series of tax or fee decreases, monetary grant bestowals, or provisions of special favorable financial treatments for corporations exceeds the limit established in this subsection, the taxes, fees, bestowals, and provisions shall be submitted by the state of Missouri to a public vote starting with the largest decrease or benefit provided in a given

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.

12 year, including all decreases or benefits provided in descending order, until the aggregate
13 of the remaining decreases and increases is less than the limit provided in this subsection.

14 **2. The term "a loss in annual revenue" means the net decrease in annual revenue**
15 **produced by the total of all tax or fee decreases, monetary grant bestowals, or provisions**
16 **of special favorable financial treatments for corporations enacted by the state of Missouri**
17 **in a fiscal year. Each individual tax or fee decrease, monetary grant bestowal, or provision**
18 **of favorable financial treatment shall be measured by the estimated loss in annual revenues**
19 **collected during the first fiscal year that such action is fully effective. The term "decrease**
20 **taxes or fees" means any laws passed by the state of Missouri after the effective date of this**
21 **section that decrease the rate of an existing tax or fee, repeal an existing tax or fee, or**
22 **narrow the scope of a tax or fee to remove a class of property, activity, or income, but the**
23 **term shall not include a decision not to extend an existing tax or fee that was set to expire.**

24 **3. In the event of an emergency, the state of Missouri may decrease taxes or fees for**
25 **one year beyond the limit described in this section if:**

26 **(1) The governor requests the general assembly to declare an official emergency;**

27 **(2) The request is specific as to the nature of the emergency and the method by**
28 **which expenses related to the emergency will be funded; and**

29 **(3) The general assembly thereafter declares an emergency in accordance with the**
30 **specifics of the governor's request by a two-thirds vote of the members elected to and**
31 **servng in each chamber.**

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33 **An emergency shall be declared in accordance with this section prior to decreasing any tax**
34 **or fee beyond the limit provided under this section as part of the emergency request. The**
35 **limit described in this section may only be exceeded during the fiscal year for which the**
36 **emergency is declared.**

37 **4. Compliance with the limit provided for in this section shall be measured by**
38 **calculating the aggregate actual loss in annual revenues produced in the first fiscal year**
39 **that each tax or fee decrease, monetary grant bestowal, or provision of special favorable**
40 **financial treatment for corporations is fully effective.**

41 **5. Any taxpayer or statewide elected official may bring an action under the**
42 **provisions of section 23 of this article to enforce compliance with the provisions of this**
43 **section. The Missouri supreme court shall have original jurisdiction to hear any challenge**
44 **brought by any statewide elected official to enforce this section. In such enforcement**
45 **actions, the court shall invalidate the decrease in taxes and fees that should have received**
46 **a public vote as defined in subsection 1 of this section. The court shall also order such**
47 **other remedies as it deems appropriate.**

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