

SENATE BILL NO. 1067

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOSKINS.

4945S.01I

ADRIANE D. CROUSE, Secretary

AN ACT

To repeal section 144.1021, RSMo, and section 143.011 as enacted by senate bills nos. 153 & 97, one hundred first general assembly, first regular session, and to enact in lieu thereof two new sections relating to income taxes.

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

Section A. Section 144.1021, RSMo, and section 143.011 as enacted by senate bills nos. 153 & 97, one hundred first general assembly, first regular session, are repealed and two new sections enacted in lieu thereof, to be known as sections 143.011 and 144.1021, to read as follows:

143.011. 1. A tax is hereby imposed for every taxable year on the Missouri taxable income of every resident. The tax shall be determined by applying the tax table or the rate provided in section 143.021, which is based upon the following rates:

If the Missouri taxable income is:	The tax is:
Not over \$1,000.00	1 1/2% of the Missouri taxable income
Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000
Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess over \$2,000

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

14	Over \$3,000 but not	\$60 plus 3% of excess over
15	over \$4,000	\$3,000
16	Over \$4,000 but not	\$90 plus 3 1/2% of excess
17	over \$5,000	over \$4,000
18	Over \$5,000 but not	\$125 plus 4% of excess over
19	over \$6,000	\$5,000
20	Over \$6,000 but not	\$165 plus 4 1/2% of excess
21	over \$7,000	over \$6,000
22	Over \$7,000 but not	\$210 plus 5% of excess over
23	over \$8,000	\$7,000
24	Over \$8,000 but not	\$260 plus 5 1/2% of excess
25	over \$9,000	over \$8,000
26	Over \$9,000	\$315 plus 6% of excess over
27		\$9,000

28 2. (1) Beginning with the 2017 calendar year, the top
 29 rate of tax under subsection 1 of this section may be
 30 reduced over a period of years. Each reduction in the top
 31 rate of tax shall be by one-tenth of a percent and no more
 32 than one reduction shall occur in a calendar year. No more
 33 than seven reductions shall be made under this subsection.
 34 Reductions in the rate of tax shall take effect on January
 35 first of a calendar year and such reduced rates shall
 36 continue in effect until the next reduction occurs.

37 (2) A reduction in the rate of tax shall only occur if
 38 the amount of net general revenue collected in the previous
 39 fiscal year exceeds the highest amount of net general
 40 revenue collected in any of the three fiscal years prior to
 41 such fiscal year by at least one hundred [fifty] million
 42 dollars.

43 (3) Any modification of tax rates under this
44 subsection shall only apply to tax years that begin on or
45 after a modification takes effect.

46 (4) The director of the department of revenue shall,
47 by rule, adjust the tax tables under subsection 1 of this
48 section to effectuate the provisions of this subsection.
49 The bracket for income subject to the top rate of tax shall
50 be eliminated once the top rate of tax has been reduced to
51 five and one-half percent, and the top remaining rate of tax
52 shall apply to all income in excess of the income in the
53 second highest remaining income bracket.

54 (5) Notwithstanding the provisions of subdivision (1)
55 of this subsection to the contrary, there shall be no
56 reduction under this subsection in the 2024 calendar year.
57 However, such reductions shall continue after the 2024
58 calendar year for subsequent calendar years.

59 3. (1) In addition to the rate reductions under
60 subsection 2 of this section, beginning with the 2019
61 calendar year, the top rate of tax under subsection 1 of
62 this section shall be reduced by four-tenths of one
63 percent. Such reduction in the rate of tax shall take
64 effect on January first of the 2019 calendar year.

65 (2) The modification of tax rates under this
66 subsection shall only apply to tax years that begin on or
67 after the date the modification takes effect.

68 (3) The director of the department of revenue shall,
69 by rule, adjust the tax tables under subsection 1 of this
70 section to effectuate the provisions of this subsection.

71 4. (1) In addition to the rate reductions under
72 subsections 2 and 3 of this section, beginning with the 2024
73 calendar year, the top rate of tax under subsection 1 of
74 this section shall be reduced by one-tenth of one percent.

75 (2) The modification of tax rates under this
76 subsection shall apply only to tax years that begin on or
77 after the date the modification takes effect.

78 (3) The director of the department of revenue shall,
79 by rule, adjust the tax tables under subsection 1 of this
80 section to effectuate the provisions of this subsection.

81 5. Beginning with the 2017 calendar year, the brackets
82 of Missouri taxable income identified in subsection 1 of
83 this section shall be adjusted annually by the percent
84 increase in inflation. The director shall publish such
85 brackets annually beginning on or after October 1, 2016.
86 Modifications to the brackets shall take effect on January
87 first of each calendar year and shall apply to tax years
88 beginning on or after the effective date of the new brackets.

89 6. As used in this section, the following terms mean:

90 (1) "CPI", the Consumer Price Index for All Urban
91 Consumers for the United States as reported by the Bureau of
92 Labor Statistics, or its successor index;

93 (2) "CPI for the preceding calendar year", the average
94 of the CPI as of the close of the twelve month period ending
95 on August thirty-first of such calendar year;

96 (3) "Net general revenue collected", all revenue
97 deposited into the general revenue fund, less refunds and
98 revenues originally deposited into the general revenue fund
99 but designated by law for a specific distribution or
100 transfer to another state fund;

101 (4) "Percent increase in inflation", the percentage,
102 if any, by which the CPI for the preceding calendar year
103 exceeds the CPI for the year beginning September 1, 2014,
104 and ending August 31, 2015.

144.1021. The enactment of sections 143.177, 144.608,
2 144.637, 144.638, and 144.752 of this act; the repeal and

3 reenactment of sections [143.011,] 144.011, 144.014,
4 144.020, 144.049, 144.054, 144.140, 144.526, and 144.605 of
5 this act; and the repeal of sections 144.710, 144.1000,
6 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015 of this
7 act shall become effective January 1, 2023.

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