

SECOND REGULAR SESSION

SENATE BILL NO. 573

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR WALLINGFORD.

Pre-filed December 1, 2017, and ordered printed.

ADRIANE D. CROUSE, Secretary.

4421S.011

AN ACT

To amend chapter 143, RSMo, by adding thereto one new section relating to income tax deductions for military personnel.

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

Section A. Chapter 143, RSMo, is amended by adding thereto one new section, to be known as section 143.175, to read as follows:

143.175. 1. For all tax years beginning on or after January 1, 2020, for purposes of calculating the Missouri taxable income as required under section 143.011, a percentage of the income received by any person as salary or compensation:

(1) In performance of inactive duty for training (IDT) of the National Guard or annual training status (AT) of the National Guard;
or

(2) In reserve components of the Armed Forces of the United States;

and to the extent that such income is included in the federal adjusted gross income, may be deducted from the taxpayer's Missouri adjusted gross income to determine such taxpayer's Missouri taxable income. If such person files a combined return with a spouse, a percentage of any military income received while engaging in the performance of National Guard or reserve military duty may be deducted from their Missouri combined adjusted gross income. Such military income shall be deducted as follows:

(a) For the tax year beginning on or after January 1, 2020, twenty percent of such military income;

(b) For the tax year beginning on or after January 1, 2021, forty percent of such military income;

22 **(c) For the tax year beginning on or after January 1, 2022, sixty**
23 **percent of such income;**

24 **(d) For the tax year beginning on or after January 1, 2023, eighty**
25 **percent of such income;**

26 **(e) For all tax years beginning on January 1, 2024, and**
27 **thereafter, one hundred percent of such income.**

28 **2. Notwithstanding the provisions of this section or any other**
29 **provision of law to the contrary, the deduction authorized by this**
30 **section shall not apply to compensation received while engaging in**
31 **civilian federal service, including civil service positions requiring the**
32 **wearing of military uniform and military affiliation.**

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