

SECOND REGULAR SESSION

SENATE BILL NO. 612

96TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR LEMBKE.

Read 1st time January 5, 2012, and ordered printed.

TERRY L. SPIELER, Secretary.

4979S.011

AN ACT

To repeal section 143.171, RSMo, and to enact in lieu thereof one new section relating to state income tax deductions for federal income taxes.

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

Section A. Section 143.171, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 143.171, to read as follows:

143.171. 1. For all tax years beginning on or after January 1, 1994, **but**
2 **before December 31, 2012**, an individual taxpayer shall be allowed a deduction
3 for his federal income tax liability under Chapter 1 of the Internal Revenue Code
4 for the same taxable year for which the Missouri return is being filed, not to
5 exceed five thousand dollars on a single taxpayer's return or ten thousand dollars
6 on a combined return, after reduction for all credits thereon, except the credit for
7 payments of federal estimated tax, the credit for the overpayment of any federal
8 tax, and the credits allowed by the Internal Revenue Code by Section 31 (tax
9 withheld on wages), Section 27 (tax of foreign country and United States
10 possessions), and Section 34 (tax on certain uses of gasoline, special fuels, and
11 lubricating oils). **For all tax years beginning on or after January 1, 2013,**
12 **an individual taxpayer shall be allowed a full deduction for such**
13 **taxpayer's federal income tax liability under Chapter 1 of the Internal**
14 **Revenue Code for the same taxable year for which the Missouri return**
15 **is being filed after reduction for all credits thereon, except the credit**
16 **for payments of federal estimated tax, the credit for the overpayment**
17 **of any federal tax, and the credits allowed by the Internal Revenue**
18 **Code by Section 31 (tax withheld on wages), Section 27 (tax of foreign**
19 **country and United States possessions), and Section 34 (tax on certain**
20 **uses of gasoline, special fuels, and lubricating oils).**

21 2. For all tax years beginning on or after September 1, 1993, **but before**
22 **December 31, 2012**, a corporate taxpayer shall be allowed a deduction for fifty
23 percent of its federal income tax liability under Chapter 1 of the Internal Revenue
24 Code for the same taxable year for which the Missouri return is being filed after
25 reduction for all credits thereon, except the credit for payments of federal
26 estimated tax, the credit for the overpayment of any federal tax, and the credits
27 allowed by the Internal Revenue Code by Section 31 (tax withheld on wages),
28 Section 27 (tax of foreign country and United States possessions), and Section 34
29 (tax on certain uses of gasoline, special fuels and lubricating oils). **For all tax**
30 **years beginning on or after January 1, 2013, a corporate taxpayer shall**
31 **be allowed a full deduction for its federal income tax liability under**
32 **Chapter 1 of the Internal Revenue Code for the same taxable year for**
33 **which the Missouri return is being filed after reduction for all credits**
34 **thereon, except the credit for payments of federal estimated tax, the**
35 **credit for the overpayment of any federal tax, and the credits allowed**
36 **by the Internal Revenue Code by Section 31 (tax withheld on wages),**
37 **Section 27 (tax of foreign country and United States possessions), and**
38 **Section 34 (tax on certain uses of gasoline, special fuels and lubricating**
39 **oils).**

40 3. If a federal income tax liability for a tax year prior to the applicability
41 of sections 143.011 to 143.996 for which he was not previously entitled to a
42 Missouri deduction is later paid or accrued, he may deduct the federal tax in the
43 later year to the extent it would have been deductible if paid or accrued in the
44 prior year.

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