

SECOND REGULAR SESSION

SENATE BILL NO. 806

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR LeVOTA.

Read 1st time January 30, 2014, and ordered printed.

TERRY L. SPIELER, Secretary.

5628S.011

AN ACT

To repeal sections 143.106, 143.111, 143.151, and 143.171, RSMo, and to enact in lieu thereof three new sections relating to income taxes.

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

Section A. Sections 143.106, 143.111, 143.151, and 143.171, RSMo, are
2 repealed and three new sections enacted in lieu thereof, to be known as sections
3 143.111, 143.151, and 143.171, to read as follows:

143.111. The Missouri taxable income of a resident shall be such
2 resident's Missouri adjusted gross income less:

- 3 (1) Either the Missouri standard deduction or the Missouri itemized
4 deduction;
- 5 (2) The Missouri deduction for personal exemptions;
- 6 (3) The Missouri deduction for dependency exemptions;
- 7 (4) **For tax years beginning on or before December 31, 2014**, the
8 deduction for federal income taxes provided in section 143.171; and
- 9 (5) The deduction for a self-employed individual's health insurance costs
10 provided in section 143.113.

143.151. For all taxable years beginning before January 1, 1999, a
2 resident shall be allowed a deduction of one thousand two hundred dollars for
3 himself or herself and one thousand two hundred dollars for his or her spouse if
4 he or she is entitled to a deduction for such personal exemptions for federal
5 income tax purposes. For all taxable years beginning on or after January 1, 1999,
6 **but before January 1, 2015**, a resident shall be allowed a deduction of two
7 thousand one hundred dollars for himself or herself and two thousand one
8 hundred dollars for his or her spouse if he or she is entitled to a deduction for

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

9 such personal exemptions for federal income tax purposes. **For all taxable**
10 **years beginning on or after January 1, 2015, a resident shall be allowed**
11 **a deduction of twenty-one thousand one hundred dollars for himself or**
12 **herself and twenty-one thousand one hundred dollars for his or her**
13 **spouse if he or she is entitled to a deduction for such personal**
14 **exemptions for federal income tax purposes.**

143.171. 1. For all tax years beginning on or after January 1, 1994, **but**
2 **before January 1, 2015**, 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).

2. For all tax years beginning on or after September 1, 1993, **but before**
13 **January 1, 2015**, a corporate taxpayer shall be allowed a deduction for fifty
14 percent of its federal income tax liability under Chapter 1 of the Internal Revenue
15 Code for the same taxable year for which the Missouri return is being filed after
16 reduction for all credits thereon, except the credit for payments of federal
17 estimated tax, the credit for the overpayment of any federal tax, and the credits
18 allowed by the Internal Revenue Code by Section 31 (tax withheld on wages),
19 Section 27 (tax of foreign country and United States possessions), and Section 34
20 (tax on certain uses of gasoline, special fuels and lubricating oils).

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

[143.106. 1. Notwithstanding the provisions of section
2 143.171, to the contrary, a taxpayer shall be allowed a deduction
3 for his federal income tax liability under chapter 1 of the Internal
4 Revenue Code for the same taxable year for which the Missouri
5 return is being filed after reduction for all credits thereon, except

6 the credit for payments of federal estimated tax, the credit for the
7 overpayment of any federal tax, and the credits allowed by the
8 Internal Revenue Code by section 31 (tax withheld on wages),
9 section 27 (tax of foreign country and United States possessions),
10 and section 34 (tax on certain uses of gasoline, special fuels, and
11 lubricating oils).

12 2. If a federal income tax liability for a tax year prior to the
13 applicability of sections 143.011 to 143.996 for which he was not
14 previously entitled to a Missouri deduction is later paid or accrued,
15 he may deduct the federal tax in the later year to the extent it
16 would have been deductible if paid or accrued in the prior year.]

✓

Bill

Copy