

SECOND REGULAR SESSION

HOUSE BILL NO. 1426

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES PEARCE (Sponsor), DEMPSEY, DUSENBERG, RICHARD,
REINHART, BLACK AND MUNZLINGER (Co-sponsors).

Read 1st time February 5, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

4100L.011

AN ACT

To amend chapter 143, RSMo, by adding thereto one new section relating to income tax exemptions for certain Missouri graduates.

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
2 known as section 143.173, to read as follows:

143.173. 1. This section shall be known and may be cited as the "Keeping
2 Missouri's Brightest Act".

3 2. As used in this section, the term "graduate" means any person who completes
4 a program of study for which the person receives a masters or doctoral degree from any
5 public or private university located in this state. The term "graduate" shall not include
6 any person who receives any degree from any school of law or school of medicine.

7 3. For all tax years beginning on or after January 1, 2005, the total amount of all
8 income earned by any graduate who permanently resides in this state and who is employed
9 by a company located in this state shall be exempt from the state income tax imposed in
10 this chapter. The exemption provided in this section shall apply to the three consecutive
11 tax years beginning on or after January first of the year immediately following the date the
12 graduate receives the degree.

13 4. The director of the department of revenue may promulgate rules and regulations
14 necessary for the administration and enforcement of this section. No rule or portion of a
15 rule promulgated pursuant to the authority of this section shall become effective unless it
16 has been promulgated pursuant to chapter 536, RSMo.

17 5. Pursuant to section 23.253, RSMo, of the Missouri Sunset Act:

18 (1) The provisions of the new program authorized under this section shall

19 **automatically sunset six years after the effective date of this section unless reauthorized by**
20 **an act of the general assembly; and**

21 **(2) If such program is reauthorized, the program authorized under this section**
22 **shall automatically sunset twelve years after the effective date of the reauthorization of this**
23 **section; and**

24 **(3) This section shall terminate on September first of the calendar year immediately**
25 **following the calendar year in which the program authorized under this section is sunset.**