

HCS HB 458 -- FRANCHISE TAX RATES AND FINANCIAL INSTITUTION TAX CREDITS (Sutherland)

COMMITTEE OF ORIGIN: Ways and Means

This substitute changes the annual franchise tax rates and income threshold amounts for corporations beginning with tax year 2008. By tax year 2010, the tax rate will be zero. The corporation must pay at least 50% of its year-round, full-time employees' healthcare insurance premiums.

The tax credit for financial institution taxes paid is also changed beginning with tax year 2008. By tax year 2012, the annual tax credit will equal 1/20 of 1% of the financial institution's outstanding share and surplus employed in Missouri if the outstanding shares exceed \$1 million.

FISCAL NOTE: Estimated Cost on General Revenue Fund of \$0 in FY 2008, \$0 to \$2,256,200 in FY 2009, and \$0 to Unknown in FY 2010. Unknown expected to exceed \$100,000. No impact on Other State Funds in FY 2008, FY 2009, and FY 2010.