

HCS HB 2189, 2208, 2178 & 2333 -- FEDERAL ECONOMIC STIMULUS  
PAYMENTS

SPONSOR: Smith (14)

COMMITTEE ACTION: Voted "do pass" by the Special Committee on  
Tax Reform by a vote of 9 to 0.

This substitute exempts any advance refund received from the  
federal Economic Stimulus Act of 2008 from the Missouri  
individual income tax.

FISCAL NOTE: Estimated Cost on General Revenue Fund of \$0 in  
FY 2009, Less than \$160,200,000 in FY 2010, and \$0 in FY 2011.  
No impact on Other State Funds in FY 2009, FY 2010, and FY 2011.

PROPONENTS: Supporters say that these bills will ensure that the  
federal economic stimulus rebate is not state taxable encouraging  
citizens to spend the money and help the economy. This is a  
precautionary measure, and the rebate is non-taxable at the  
federal level.

Testifying for the HB 2189 was Representative Smith (14).  
Testifying for HB 2208 was Representative Stream. Testifying for  
HB 2178 was Representative Holsman. Testifying for HB 2333 was  
Representative Sander.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bills say the rebate will not  
be added into the adjusted gross income and will not flow to  
Missourians; however, the bill will ensure no tax for Missouri  
taxpayers.

Testifying on the bills was Department of Revenue.