

SECOND REGULAR SESSION

HOUSE BILL NO. 1617

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES OXFORD (Sponsor), HUBBARD, PACE, WALTON GRAY, McCREERY, KIRKTON, JONES (63), SPRENG, ATKINS, NASHEED, SMITH (71), BROWN (50), McGEORGHEGAN, PIERSON, HUMMEL, AULL, McDONALD, MAY, ELLINGER, TAYLOR, CARLSON, SCHUPP, CARTER, McCANN BEATTY, WEBB, HUGHES, TALBOY, LAMPE, FALLERT, ELLINGTON AND MORGAN (Co-sponsors).

5205L.01H

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

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

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Section A. Section 143.171, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 143.171, to read as follows: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 ending on or before December 31, 2012**, an individual taxpayer shall be allowed a deduction for his federal income tax liability under Chapter 1 of the Internal Revenue Code for the same taxable year for which the Missouri return is being filed, not to exceed five thousand dollars on a single taxpayer's return or ten thousand dollars on a combined return, after reduction for all credits thereon, except the credit for payments of federal estimated tax, the credit for the overpayment of any federal tax, and the credits allowed by the Internal Revenue Code by Section 31 (tax withheld on wages), Section 27 (tax of foreign country and United States possessions), and Section 34 (tax on certain uses of gasoline, special fuels, and lubricating oils).
2. For all tax years beginning on or after September 1, 1993, **but ending on or before December 31, 2012**, a corporate taxpayer shall be allowed a deduction for fifty percent of its federal income tax liability under Chapter 1 of the Internal Revenue Code for the same taxable year for which the Missouri return is being filed after reduction for all credits thereon, except the credit for payments of federal estimated tax, the credit for the overpayment of any federal tax,

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

15 and the credits allowed by the Internal Revenue Code by Section 31 (tax withheld on wages),
16 Section 27 (tax of foreign country and United States possessions), and Section 34 (tax on certain
17 uses of gasoline, special fuels and lubricating oils).

18 3. If a federal income tax liability for a tax year prior to the applicability of sections
19 143.011 to 143.996 for which he was not previously entitled to a Missouri deduction is later paid
20 or accrued, he may deduct the federal tax in the later year to the extent it would have been
21 deductible if paid or accrued in the prior year.

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