

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Bill No. 18, Page 5, Section 37.850, Line 35, by
2 inserting after all of said line the following:

3 "143.145. 1. As used in this section, the following terms mean:

4 (1) "Deduction", an amount deducted from the taxpayer's Missouri adjusted gross income
5 pursuant to section 143.121 to determine Missouri taxable income for the tax year in which such
6 deduction is claimed;

7 (2) "Purchase", any conveyance to a taxpayer of fee simple ownership interest in a qualified
8 principal residence made by deed executed by any person having authority to convey the same, or by
9 his agent or attorney, and acknowledged and recorded pursuant to chapter 442 after the effective date
10 of this section but before January 1, 2016;

11 (3) "Contract sales price", the total price paid by a taxpayer for the purchase of a qualified
12 principal residence;

13 (4) "Qualified principal residence", any single-family residence located in the state of
14 Missouri, whether detached or attached, that is owner occupied or will be owner occupied after
15 purchase by the taxpayer claiming the deduction allowed by this section as his or her primary
16 residence, for which construction began and has been completed between August 28, 2013, and
17 December 31, 2015, and that has not been previously occupied. For the purposes of this section, a
18 manufactured home, modular unit, recreational park trailer, or recreational vehicle as defined in
19 section 700.010, shall not be considered a single-family residence. For the purposes of this section,
20 the value of land or any pre-existing structures on such land shall not be included in the value of such
21 residence. The taxpayer shall submit an appraisal to the department that separately states the value
22 of the land and any existing structures in order to claim the deduction;

23 (5) "Recapture period", the two taxable years beginning with the first taxable year following
24 the taxable year in which the taxpayer occupied the qualified principal residence for which a
25 deduction is allowed under this section, except that such recapture period shall be deemed to have
26 expired immediately upon the date of the death of any person deemed a taxpayer under this section;

27 (6) "Taxpayer", an individual who purchases a fee simple ownership interest in a qualified
28 principal residence during a taxable year and has not previously received a deduction issued pursuant
29 to this section in any taxable year.

30 2. In addition to all deductions listed in this chapter, for taxable years beginning on or after
31 January 1, 2013, and ending on or before December 31, 2015, a taxpayer shall be allowed a
32 deduction for the purchase of a qualified principal residence in this state. The deduction amount
33 shall be equal to the lesser of:

34 (1) One-third of the contract sales price of the qualified principal residence in this state; or

35 (2) One hundred sixty-six thousand six hundred sixty-seven dollars.

36 3. No taxpayer shall claim a tax deduction for the purchase of more than one qualified
37 principal residence under this section. Such tax deduction shall be limited to a maximum tax benefit

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1 of ten thousand dollars.

2 4. If the amount of the deduction allowed under this section exceeds the total Missouri
 3 adjusted gross income for the taxpayer in the same tax year in which the deduction is allowed
 4 without taking into account the deduction allowed by this section, the amount that exceeds the total
 5 Missouri adjusted gross income for the taxpayer without taking into account the deduction allowed
 6 by this section may be carried forward to any subsequent tax year until the full deduction is claimed.

7 5. If a taxpayer disposes of his or her qualified principal residence for which a deduction was
 8 allowed under this section or such qualified principal residence ceases to be the principal residence
 9 of the taxpayer (and if married the taxpayer's spouse) before the end of the recapture period, then
 10 any remaining unused deduction shall be cancelled, and the taxpayer shall be subject to an addition
 11 to his or her Missouri adjusted gross income of any amount deducted under this section in any
 12 preceding tax year. The provisions of this subsection shall not apply in the case of a transfer of a
 13 qualified principal residence from an individual taxpayer to a spouse (or to a former spouse if the
 14 transfer is incident to a divorce) or from an individual taxpayer to a grantor-trust or a single-member
 15 limited liability company owned by the taxpayer.

16 6. If a Missouri taxpayer self-constructs a qualified principal residence, such taxpayer shall
 17 be eligible for a tax deduction allowed by this section by satisfying the department of revenue's proof
 18 of documentation requirements to verify the contract sale price of a qualified principle residence.

19 7. The department of revenue shall establish the procedure by which the deduction provided
 20 in this section may be claimed and may promulgate rules to implement the provisions of this section.
 21 Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the
 22 authority delegated in this section shall become effective only if it complies with and is subject to all
 23 of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
 24 nonseverable, and if any of the powers vested with the general assembly pursuant to chapter 536 to
 25 review, to delay the effective date, or to disapprove and annul a rule are subsequently held
 26 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
 27 August 28, 2013, shall be invalid and void.

28 8. Pursuant to section 23.253, RSMo, of the Missouri Sunset Act:

29 (1) The provisions of the new program authorized under this section shall automatically
 30 sunset December 31, 2015, unless reauthorized by an act of the general assembly; and

31 (2) If such program is reauthorized, the program authorized under this section shall
 32 automatically sunset December thirty-first one year after the effective date of the reauthorization of
 33 this section; and

34 (3) This section shall terminate on September first of the calendar year immediately
 35 following the calendar year in which the program authorized under this section is sunset."; and

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 37
 38 Further amend said bill by amending the title, enacting clause, and intersectional references
 39 accordingly.