

SECOND REGULAR SESSION

HOUSE BILL NO. 1328

97TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES CARPENTER (Sponsor), HUMMEL, RIZZO, MONTECILLO,  
ELLINGER, PETERS, SWEARINGEN, RUNIONS, MORGAN, ANDERS, MCMANUS,  
OTTO AND DUNN (Co-sponsors).

4400L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 143.011, 143.021, and 143.171, RSMo, and to enact in lieu thereof four new sections relating to income taxation.

*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Sections 143.011, 143.021, and 143.171, RSMo, are repealed and four new sections enacted in lieu thereof, to be known as sections 143.011, 143.021, 143.149, and 143.171, to read as follows:

143.011. **1.** A tax is hereby imposed for every taxable year on the Missouri taxable income of every resident.

**2. For all taxable years ending on or before December 31, 2015,** the tax shall be determined by applying the tax table or the rate provided in section 143.021, which is based upon the following rates:

If the Missouri taxable income is:		The tax is:	
Not over \$1,000.00	.....	1 1/2%	of the Missouri taxable income
Over \$1,000 but not over \$2,000		\$15 plus 2%	of excess over \$1,000
Over \$2,000 but not over \$3,000		\$35 plus 2 1/2%	of excess over \$2,000

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	Over \$3,000 but not over \$4,000	\$60 plus 3% of excess
16		over \$3,000
17	Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of
18		excess over \$4,000
19	Over \$5,000 but not over \$6,000	\$125 plus 4% of excess
20		over \$5,000
21	Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of
22		excess over \$6,000
23	Over \$7,000 but not over \$8,000	\$210 plus 5% of excess
24		over \$7,000
25	Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of
26		excess over \$8,000
27	Over \$9,000 . . . . .	\$315 plus 6% of excess
28		over \$9,000

29       **3. For all taxable years beginning on or after January 1, 2016, the tax imposed**  
 30 **under this section shall be imposed at the following rates:**

31       **(1) On Missouri taxable income not exceeding thirty thousand dollars, four percent;**

32       **(2) On Missouri taxable income exceeding thirty thousand dollars but not exceeding**  
 33 **three hundred thousand dollars, one thousand two hundred dollars plus six percent of the**  
 34 **excess over thirty thousand dollars;**

35       **(3) On Missouri taxable income exceeding three hundred thousand dollars,**  
 36 **seventeen thousand four hundred dollars plus eight percent of the excess over three**  
 37 **hundred thousand dollars.**

143.021. 1. For all taxable years beginning on or before December 31, 2015, every  
 2 resident having a taxable income of less than nine thousand dollars shall determine [his] the  
 3 resident's tax from a tax table prescribed by the director of revenue and based upon the rates  
 4 provided in section 143.011. The tax table shall be on the basis of one hundred dollar increments  
 5 of taxable income below nine thousand dollars. The tax provided in the table shall be the  
 6 amount rounded to the nearest whole dollar by applying the rates in section 143.011 to the  
 7 taxable income at the midpoint of each increment, except there shall be no tax on a taxable  
 8 income of less than one hundred dollars. Every resident having a taxable income of nine  
 9 thousand dollars or more shall determine [his] the resident's tax from the rate provided in  
 10 section 143.011.

11       **2. For all tax years beginning on or after January 1, 2016, every resident having a**  
 12 **taxable income of three hundred thousand dollars or less shall determine the resident's tax**  
 13 **from a tax table prescribed by the director of revenue and based upon the rates provided**

14 in section 143.011. The tax table shall be on the basis of one hundred dollar increments of  
15 taxable income not exceeding three hundred thousand dollars. The tax provided in the  
16 table shall be the amount rounded to the nearest whole dollar by applying the rates in  
17 section 143.011 to the taxable income at the midpoint of each increment, except there shall  
18 be no tax on a taxable income of less than one hundred dollars. Every resident having a  
19 taxable income in excess of three hundred thousand dollars shall determine the resident's  
20 tax from the rate provided in section 143.011.

143.149. For all taxable years beginning on or after January 1, 2016, in addition to  
2 all other subtractions and deductions allowed under this chapter, any resident taxpayer  
3 whose Missouri adjusted gross income does not exceed fifteen thousand dollars shall be  
4 allowed to subtract the following amounts from the taxpayer's Missouri adjusted gross  
5 income to determine Missouri taxable income:

6 (1) If the Missouri adjusted gross income does not exceed eleven thousand dollars,  
7 two thousand five hundred dollars;

8 (2) If the Missouri adjusted gross income exceeds eleven thousand dollars but does  
9 not exceed twelve thousand dollars, two thousand dollars;

10 (3) If the Missouri adjusted gross income exceeds twelve thousand dollars but does  
11 not exceed thirteen thousand dollars, one thousand five hundred dollars;

12 (4) If the Missouri adjusted gross income exceeds thirteen thousand dollars but  
13 does not exceed fourteen thousand dollars, one thousand dollars;

14 (5) If the Missouri adjusted gross income exceeds fourteen thousand dollars but  
15 does not exceed fifteen thousand dollars, five hundred dollars.

143.171. 1. For all tax years beginning on or after January 1, 1994, **but ending on or**  
2 **before December 31, 2015**, an individual taxpayer shall be allowed a deduction for [his] the  
3 taxpayer's federal income tax liability under Chapter 1 of the Internal Revenue Code for the  
4 same taxable year for which the Missouri return is being filed, not to exceed five thousand  
5 dollars on a single taxpayer's return or ten thousand dollars on a combined return, after reduction  
6 for all credits thereon, except the credit for payments of federal estimated tax, the credit for the  
7 overpayment of any federal tax, and the credits allowed by the Internal Revenue Code by Section  
8 31 (tax withheld on wages), Section 27 (tax of foreign country and United States possessions),  
9 and Section 34 (tax on certain uses of gasoline, special fuels, and lubricating oils). **For all**  
10 **taxable years beginning on or after January 1, 2016, the amounts of the deduction allowed**  
11 **under this subsection shall not exceed two thousand dollars on a single taxpayer's return**  
12 **or four thousand dollars on a combined return.**

13 2. For all tax years beginning on or after September 1, 1993, a corporate taxpayer shall  
14 be allowed a deduction for fifty percent of its federal income tax liability under Chapter 1 of the

15 Internal Revenue Code for the same taxable year for which the Missouri return is being filed  
16 after reduction for all credits thereon, except the credit for payments of federal estimated tax, the  
17 credit for the overpayment of any federal tax, and the credits allowed by the Internal Revenue  
18 Code by Section 31 (tax withheld on wages), Section 27 (tax of foreign country and United  
19 States possessions), and Section 34 (tax on certain uses of gasoline, special fuels and lubricating  
20 oils).

21 3. If a federal income tax liability for a tax year prior to the applicability of sections  
22 143.011 to 143.996 for which [he] **the taxpayer** was not previously entitled to a Missouri  
23 deduction is later paid or accrued, [he] **the taxpayer** may deduct the federal tax in the later year  
24 to the extent it would have been deductible if paid or accrued in the prior year.

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