

HB 1328 -- INDIVIDUAL INCOME TAXATION

SPONSOR: Carpenter

This bill changes the laws regarding individual income taxation. In its main provisions, the bill:

(1) Modifies the individual income tax rate table. Beginning with the 2016 tax year, the tax rate is 4% for taxable income of \$30,000 or less, 6% plus \$1,200 for taxable income over \$30,000 but not over \$300,000, and 8% plus \$17,400 for taxable income over \$300,000;

(2) Creates an individual income tax deduction, beginning January 1, 2016. A taxpayer will be allowed to deduct \$2,500 if his or her Missouri adjusted gross income is \$11,000 or less, \$2,000 for income over \$11,000 but not over \$12,000, \$1,500 for income over \$12,000 but not over \$13,000, \$1,000 for income over \$13,000 but not over \$14,000, and \$500 for income over \$14,000 but not over \$15,000; and

(3) Decreases the individual income tax deduction, beginning January 1, 2016, for a taxpayer's federal income tax liability from \$5,000 to \$2,000 for a single taxpayer and from \$10,000 to \$4,000 for married filing combined.