

HCS HB 2030 -- STOCK OWNERSHIP TAX DEDUCTION (Hoskins)

COMMITTEE OF ORIGIN: Economic Development and Business Attraction and Retention

Beginning January 1, 2017, this bill authorizes an income tax deduction for 50% of the net capital gain from the sale or exchange of employer securities of a Missouri corporation to a qualified Missouri employee stock ownership plan if, upon completion of the transaction, the qualified Missouri employee stock ownership plan owns at least 30% of all outstanding employer securities issued by the Missouri corporation.

For individuals, a deduction is an amount subtracted from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income, and for corporations a deduction is a subtraction from the taxpayer's federal taxable income to determine Missouri taxable income.

The provisions of the bill will expire on December 31, six years after the effective date.