

FIRST REGULAR SESSION

HOUSE BILL NO. 296

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE JUSTUS.

0861H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to tax credits.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be
2 known as section 135.005, to read as follows:

135.005. 1. Notwithstanding any other section, if the highest income tax rate under
2 **section 143.011 is reduced under subsection 2 of section 143.011, then the amount**
3 **authorized for any and all tax credits shall be reduced by a percentage equal to the**
4 **percentage that such tax rate is reduced under subsection 2 of section 143.011.**

5 **2. Notwithstanding any other section, if the highest income tax rate under section**
6 **143.011 is reduced by any means other than subsection 2 of section 143.011, then the**
7 **amount authorized for any and all tax credits shall be reduced by a percentage equal to the**
8 **percentage that such tax rate is reduced.**

9 **3. Notwithstanding section 143.022 or any other section to the contrary, if the**
10 **deduction for business income under section 143.022 increases under subsections 4 and 5**
11 **of section 143.022, then the amount authorized for any and all tax credits shall be reduced**
12 **by a percentage equal to the percentage that such deduction for business income is**
13 **increased under subsections 4 and 5 of section 143.022.**

14 **4. Any tax credit authorized on or after August 28, 2017, shall be reduced under**
15 **this section by a percentage equal only to an income tax reduction or a deduction for**
16 **business income increase that occurs after such tax credit is authorized. No tax credit**
17 **reduction under this section shall be calculated using an income tax reduction or a**

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.

18 deduction for business income increase that occurred before such tax credit was authorized.

19 5. A tax credit reduction under this section shall take effect the tax year
20 immediately following the tax year an income tax reduction or a deduction for business
21 income increase occurs.

22 6. Under section 23.253 of the Missouri sunset act:

23 (1) The provisions of the new program authorized under this section shall
24 automatically sunset on December thirty-first six years after the effective date of this
25 section unless reauthorized by an act of the general assembly;

26 (2) If such program is reauthorized, the program authorized under this section
27 shall automatically sunset on December thirty-first twelve years after the effective date of
28 the reauthorization of this section; and

29 (3) This section shall terminate on September first of the calendar year immediately
30 following the calendar year in which the program authorized under this section is sunset.

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