

HB 109 -- EARNED INCOME CREDIT

SPONSOR: Kelley (127)

This bill establishes the Missouri Earned Income Tax Credit Act which authorizes, beginning January 1, 2019, an individual income tax credit equal to 20% of any earned income tax credit claimed by the taxpayer on his or her federal income tax return. Any credit that exceeds the taxpayer's liability in any tax year cannot be refunded to the taxpayer. The Department of Revenue must notify taxpayers who may qualify for the credit and must contract with one or more nonprofit groups to contact non-English speaking individuals, elderly residents, tenants, and very low-income individuals who do not file tax returns to notify them annually of the credit. The department must prepare an annual report containing the number of credits issued and claimed, the total amount of revenue expended, and the average value of the credits issued within certain income ranges.

This bill is similar to HB 1605 (2016) and HB 1296 (2015).