

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By \_\_\_\_\_

1 AMEND House Committee Substitute for Senate Substitute for Senate Committee Substitute for  
2 Senate Bill No. 108, Page 9, Section 99.848, Line 15, by inserting after all of said section and line  
3 the following:  
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5 "143.011. 1. A tax is hereby imposed for every taxable year on the Missouri taxable income  
6 of every resident. The tax shall be determined by applying the tax table or the rate provided in  
7 section 143.021, which is based upon the following rates:

8 If the Missouri taxable income is: The tax is:

9 Not over \$1,000.00 1 1/2% of the Missouri taxable income

10 Over \$1,000 but not over \$2,000 \$15 plus 2% of excess over \$1,000

11 Over \$2,000 but not over \$3,000 \$35 plus 2 1/2% of excess over \$2,000

12 Over \$3,000 but not over \$4,000 \$60 plus 3% of excess over \$3,000

13 Over \$4,000 but not over \$5,000 \$90 plus 3 1/2% of excess over \$4,000

14 Over \$5,000 but not over \$6,000 \$125 plus 4% of excess over \$5,000

15 Over \$6,000 but not over \$7,000 \$165 plus 4 1/2% of excess over \$6,000

16 Over \$7,000 but not over \$8,000 \$210 plus 5% of excess over \$7,000

17 Over \$8,000 but not over \$9,000 \$260 plus 5 1/2% of excess over \$8,000

18 Over \$9,000 \$315 plus 6% of excess over \$9,000

19 2. (1) Beginning with the 2017 calendar year, the top rate of tax under subsection 1 of this  
20 section may be reduced over a period of years. Each reduction in the top rate of tax shall be by one-  
21 tenth of a percent and no more than one reduction shall occur in a calendar year. No more than five  
22 reductions shall be made under this subsection. Reductions in the rate of tax shall take effect on  
23 January first of a calendar year and such reduced rates shall continue in effect until the next  
24 reduction occurs.

25 (2) A reduction in the rate of tax shall only occur if the amount of net general revenue  
26 collected in the previous fiscal year exceeds the highest amount of net general revenue collected in  
27 any of the three fiscal years prior to such fiscal year by at least one hundred fifty million dollars.

28 (3) Any modification of tax rates under this subsection shall only apply to tax years that  
29 begin on or after a modification takes effect.

30 (4) The director of the department of revenue shall, by rule, adjust the tax tables under  
31 subsection 1 of this section to effectuate the provisions of this subsection. The bracket for income  
32 subject to the top rate of tax shall be eliminated once the top rate of tax has been reduced to five and  
33 one-half percent, and the top remaining rate of tax shall apply to all income in excess of the income  
34 in the second highest remaining income bracket.

35 3. (1) In addition to the rate reductions under subsection 2 of this section, beginning with  
36 the 2019 calendar year, the top rate of tax under subsection 1 of this section shall be reduced by

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four-tenths of one percent. Such reduction in the rate of tax shall take effect on January first of the 2019 calendar year.

(2) The modification of tax rates under this subsection shall only apply to tax years that begin on or after the date the modification takes effect.

(3) The director of the department of revenue shall, by rule, adjust the tax tables under subsection 1 of this section to effectuate the provisions of this subsection.

(4) Beginning the 2020 calendar year, the provisions of this subsection shall only apply if:

(a) The department of transportation has determined that no bridges are in need of repair;

(b) The state does not have outstanding bonds associated with transportation needs;

(c) The department of elementary and secondary education has determined that the state has funded school transportation needs at an adequate level;

(d) The department of higher education has determined that the state has funded the needs of the state's land grant universities at an adequate level;

(e) The department of labor and industrial relations has determined that the average wages of state employees is more than half of the other states' average wages of state employees in the United States of America;

(f) The Missouri State Public Defenders office has determined that there is adequate funding to have an appropriate caseload for public defenders;

(g) The office of administration has determined that the state has no outstanding costs for existing capitol improvements projects;

(h) The department of elementary and secondary education has determined that the foundation formula under chapter 163 has been funded each year for five years consecutive years, beginning in fiscal year 2020;

(i) All revenues collected under section 160.534 are appropriated consistent with such section for five years, beginning in fiscal year 2020;

(j) The department of corrections has paid all employees the balance of any outstanding wages due as a result of working overtime hours; and

(k) The state has no outstanding liabilities resulting from adjudicated litigation that involves unlawful employment practices under sections 213.055 and 213.070.

4. Beginning with the 2017 calendar year, the brackets of Missouri taxable income identified in subsection 1 of this section shall be adjusted annually by the percent increase in inflation. The director shall publish such brackets annually beginning on or after October 1, 2016. Modifications to the brackets shall take effect on January first of each calendar year and shall apply to tax years beginning on or after the effective date of the new brackets.

5. As used in this section, the following terms mean:

(1) "CPI", the Consumer Price Index for All Urban Consumers for the United States as reported by the Bureau of Labor Statistics, or its successor index;

(2) "CPI for the preceding calendar year", the average of the CPI as of the close of the twelve month period ending on August thirty-first of such calendar year;

(3) "Net general revenue collected", all revenue deposited into the general revenue fund, less refunds and revenues originally deposited into the general revenue fund but designated by law for a specific distribution or transfer to another state fund;

(4) "Percent increase in inflation", the percentage, if any, by which the CPI for the preceding calendar year exceeds the CPI for the year beginning September 1, 2014, and ending August 31, 2015."; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.