

HCS HB 1094 -- INCOME TAX

SPONSOR: Dohrman

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Special Committee on Government Oversight by a vote of 7 to 0. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 9 to 0.

This bill prevents penalties for delayed payments on outstanding income tax liabilities for the 2018 tax year, as long as a taxpayer timely files their return. There may be interest assessed on outstanding income tax liabilities, provided that no interest will be assessed before May 15, 2019 and any interest already paid will be refunded.

Also, this bill will only apply to taxpayers who establish a payment plan with the Department of Revenue and participate in the plan in good faith. The provisions of this bill will sunset on December 31, 2019.

The bill includes an emergency clause.

This bill is similar to HB 963 (2019).

PROPOSERS: Supporters say that with the new federal tax laws and Missouri withholding issues, taxpayers' Missouri withholding may have been reduced causing unexpected tax liability due when they file their tax returns. This bill gives a taxpayer more time to pay his or her tax bill, without hurting the fiscal year for the state.

Testifying for the bill was Representative Dohrman.

OPPOSERS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say that without this legislation, the department would have worked with taxpayers on a case-by-case basis. The bill will apply to everyone and not just taxpayers concerned with their withholding amounts. There could be taxpayers who intentionally under-withhold and the department would not have abated those penalties.

Testifying on the bill was Mark Siettmann, Missouri Department Of Revenue.