

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

Offered By

1 AMEND House Committee Substitute for Senate Bill No. 226, Page 1, Section A, Line 2, by inserting after  
2 all of said section and line the following:  
3

4 "143.081. 1. A resident individual, resident estate, and resident trust shall be allowed a credit against  
5 the tax otherwise due pursuant to sections 143.005 to 143.998 for the amount of any income tax imposed for  
6 the taxable year by another state of the United States (or a political subdivision thereof) or the District of  
7 Columbia on income derived from sources therein and which is also subject to tax pursuant to sections  
8 143.005 to 143.998. For purposes of this subsection, the phrase "income tax imposed" shall be that amount  
9 of tax before any income tax credit allowed by such other state or the District of Columbia if the other state or  
10 the District of Columbia authorizes a reciprocal benefit for residents of this state.

11 2. The credit provided pursuant to this section shall not exceed an amount which bears the same ratio  
12 to the tax otherwise due pursuant to sections 143.005 to 143.998 as the amount of the taxpayer's Missouri  
13 adjusted gross income derived from sources in the other taxing jurisdiction bears to the taxpayer's Missouri  
14 adjusted gross income derived from all sources. In applying the limitation of the previous sentence to an  
15 estate or trust, Missouri taxable income shall be substituted for Missouri adjusted gross income. If the tax of  
16 more than one other taxing jurisdiction is imposed on the same item of income, the credit shall not exceed the  
17 limitation that would result if the taxes of all the other jurisdictions applicable to the item were deemed to be  
18 of a single jurisdiction.

19 3. (1) For the purposes of this section, in the case of an S corporation, each resident S shareholder  
20 shall be considered to have paid a tax imposed on the shareholder in an amount equal to the shareholder's pro  
21 rata share of any net income tax paid by the S corporation to a state which does not measure the income of  
22 shareholders on an S corporation by reference to the income of the S corporation or where a composite return  
23 and composite payments are made in such state on behalf of the S shareholders by the S corporation.

24 (2) A resident S shareholder shall be eligible for a credit issued pursuant to this section in an amount  
25 equal to the shareholder's pro rata share of any income tax imposed pursuant to chapter 143 on income  
26 derived from sources in another state of the United States, or a political subdivision thereof, or the District of  
27 Columbia, and which is subject to tax pursuant to chapter 143 but is not subject to tax in such other  
28 jurisdiction.

29 4. For purposes of subsection 3 of this section, in the case of an S corporation that is a bank  
30 chartered by a state, the Office of Thrift Supervision, or the comptroller of currency, each Missouri resident S  
31 shareholder of such out-of-state bank shall qualify for the shareholder's pro rata share of any net tax paid,  
32 including a bank franchise tax based on the income of the bank, by such S corporation where bank payment  
33 of taxes are made in such state on behalf of the S shareholders by the S bank to the extent of the tax paid.";  
34 and

35  
36 Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Action Taken \_\_\_\_\_ Date \_\_\_\_\_