

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

**Offered By**

AMEND House Committee Substitute for Senate Bill No. 5, Page 30, Section 99.848, Line 39, by inserting after all of said line the following:

"143.011. 1. A tax is hereby imposed for every taxable year on the Missouri taxable income of every resident. The tax shall be determined by applying the tax table or the rate provided in section 143.021, which is based upon the following rates:

If the Missouri taxable income is:	The tax is:
Not over \$1,000.00	1 1/2% of the Missouri taxable income
Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000
Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess over \$2,000
Over \$3,000 but not over \$4,000	\$60 plus 3% of excess over \$3,000
Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess over \$4,000
Over \$5,000 but not over \$6,000	\$125 plus 4% of excess over \$5,000
Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of excess over \$6,000
Over \$7,000 but not over \$8,000	\$210 plus 5% of excess over \$7,000
Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of excess over \$8,000
Over \$9,000	\$315 plus 6% of excess over \$9,000

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

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

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

(4) The director of the department of revenue shall, by rule, adjust the tax tables under

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

1 subsection 1 of this section to effectuate the provisions of this subsection. The bracket for income  
2 subject to the top rate of tax shall be eliminated once the top rate of tax has been reduced to five and  
3 one-half percent, and the top remaining rate of tax shall apply to all income in excess of the income  
4 in the second highest remaining income bracket.

5 3. (1) In addition to the rate reductions under subsection 2 of this section, beginning with  
6 the 2019 calendar year, the top rate of tax under subsection 1 of this section shall be reduced by  
7 four-tenths of one percent. Such reduction in the rate of tax shall take effect on January first of the  
8 2019 calendar year.

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

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

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

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

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

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

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

26 (4) "Percent increase in inflation", the percentage, if any, by which the CPI for the preceding  
27 calendar year exceeds the CPI for the year beginning September 1, 2014, and ending August 31,  
28 2015."; and  
29

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