HOUSE BILL NO. 727

101ST GENERAL ASSEMBLY

AN ACT

To amend chapter 143, RSMo, by adding thereto one new section relating to income tax deductions for certain educators.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 143, RSMo, is amended by adding thereto one new section, to be known as section 143.1400, to read as follows:

143.1400. 1. As used in this section, the following terms mean:

(1) "Paraprofessional", any person who:

(a) Is not a teacher;

(b) Possesses, at a minimum, sixty hours of college credit or has passed the Paraprofessional or ParaPro Assessment; and

(c) Is employed in this state in a position that works under the direct supervision of an appropriately certified teacher to provide classroom instructional assistance for any kindergarten program or any grade or grades from one to twelve, regardless of whether such person is employed at a public, private, or charter school;

(2) "Teacher", any person who:

(a) Meets all applicable requirements under the laws of this state to hold a certificate of license to teach including, but not limited to, any applicable requirements provided under section 168.021; and

(b) Is employed in this state as a teacher of any kindergarten program or any grade or grades from one to twelve, regardless of whether such person is employed at a public, private, or charter school.

17   **2.   For all tax years beginning on or after January 1, 2022, for purposes of**
18   **calculating the Missouri taxable income as required under section 143.011, a percentage**
19   **of the income received by any taxpayer as salary or compensation for his or her services**
20   **as a teacher or paraprofessional, to the extent that such income is included in the**
21   **taxpayer's federal adjusted gross income, may be deducted from the taxpayer's Missouri**
22   **adjusted gross income to determine such taxpayer's Missouri taxable income. Such income**
23   **shall be deducted as follows:**
24   **(a) For the tax year beginning on or after January 1, 2022, twenty-five percent of**
25   **such income;**
26   **(b) For the tax year beginning on or after January 1, 2023, fifty percent of such**
27   **income;**
28   **(c) For the tax year beginning on or after January 1, 2024, seventy-five percent of**
29   **such income; and**
30   **(d) For all tax years beginning on or after January 1, 2025, one hundred percent**
31   **of such income.**
32   **3. The department of revenue shall promulgate all rules and regulations necessary**
33   **for the administration of the provisions of this section. Any rule or portion of a rule, as**
34   **that term is defined in section 536.010, that is created under the authority delegated in this**
35   **section shall become effective only if it complies with and is subject to all of the provisions**
36   **of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are**
37   **nonseverable, and if any of the powers vested with the general assembly under chapter 536**
38   **to review, to delay the effective date, or to disapprove and annul a rule are subsequently**
39   **held unconstitutional, then the grant of rulemaking authority and any rule proposed or**
40   **adopted after August 28, 2021, shall be invalid and void.**
41   **4. Under section 23.253 of the Missouri sunset act:**
42   **(1) The provisions of this section shall automatically sunset six years after the**
43   **effective date of this section unless reauthorized by an act of the general assembly;**
44   **(2) If the provisions of this section are reauthorized, such provisions shall**
45   **automatically sunset twelve years after the effective date of their reauthorization; and**
46   **(3) This section shall terminate on September first of the calendar year immediately**
47   **following the calendar year in which the provisions of this section are sunset.**

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