

HOUSE AMENDMENT NO. \_\_\_\_  
TO  
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Offered By

AMEND House Amendment No. \_\_\_\_ to House Committee Substitute for Senate Substitute for Senate Committee Substitute for Senate Bill No. 92, Page 1, Line 5, by deleting said line and inserting in lieu thereof the following:

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

(1) "Commercial domicile", the principal place from which the trade or business of the taxpayer is directed or managed;

(2) "Deduction", an amount subtracted from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income for the tax year in which such deduction is claimed;

(3) "Employer securities", the same meaning as defined under Section 409(l) of the Internal Revenue Code of 1986, as amended;

(4) "Missouri corporation", a corporation whose commercial domicile is in this state;

(5) "Qualified Missouri employee stock ownership plan", an employee stock ownership plan, as defined under Section 4975(e)(7) of the Internal Revenue Code of 1986, as amended, and trust that is established by a Missouri corporation for the benefit of the employees of the corporation;

(6) "Taxpayer", an individual, firm, partner in a firm, corporation, partnership, shareholder in an S corporation, or member of a limited liability company subject to the income tax imposed under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

2. For all tax years beginning on or after January 1, ~~2017~~ 2023, in addition to all other modifications allowed by law, a taxpayer shall be allowed a deduction from the taxpayer's federal adjusted gross income when determining Missouri adjusted gross income in an amount equal to fifty percent of the net capital gain from the sale or exchange of employer securities of a Missouri corporation to a qualified Missouri employee stock ownership plan if, upon completion of the transaction, the qualified Missouri employee stock ownership plan owns at least thirty percent of all outstanding employer securities issued by the Missouri corporation.

3. Whenever an employee leaves a Missouri corporation with a qualified Missouri employee stock ownership plan, the Missouri corporation shall inform the former employee of the deadline for

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

1 when the former employee shall decide whether they will receive their shares of employer securities  
 2 or compensation for their shares of employer securities.

3 4. The department of revenue may promulgate rules and regulations for the administration  
 4 of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is  
 5 created under the authority delegated in this section shall become effective only if it complies with  
 6 and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section  
 7 and chapter 536 are nonseverable and if any of the powers vested with the general assembly  
 8 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
 9 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or  
 10 adopted after August 28, 2016, shall be invalid and void.

11 ~~[5. Under section 23.253 of the Missouri sunset act:~~

12 ~~(1) The provisions of the new program authorized under this section shall automatically~~  
 13 ~~sunset on December thirty-first, six years after October 14, 2016, unless reauthorized by an act of~~  
 14 ~~the general assembly;~~

15 ~~(2) If such program is reauthorized, the program authorized under this section shall~~  
 16 ~~automatically sunset on December thirty-first, twelve years after the effective date of the~~  
 17 ~~reauthorization of this section; and~~

18 ~~(3) This section shall terminate on September first of the calendar year immediately~~  
 19 ~~following the calendar year in which the program authorized under this section is sunset.]~~

20 143.121. The Missouri adjusted gross income of a resident individual shall be the"; and

21  
 22 Further amend said bill by amending the title, enacting clause, and intersectional references  
 23 accordingly.

24  
 25 THIS AMENDMENT AMENDS AMENDMENT 1210H06.17H.