

FIRST REGULAR SESSION

HOUSE BILL NO. 592

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SAULS.

0931H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 143, RSMo, by adding thereto one new section relating to criminal justice reform tax credits.

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 143.1200, to read as follows:

143.1200. 1. As used in this section, the following terms shall mean:

(1) "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;

(2) "Felony", any offense defined as a felony under section 556.061;

(3) "Full-time", engaged in employment for at least thirty-five hours per week;

(4) "Taxpayer", any individual or employer subject to the income tax imposed under this chapter, excluding withholding tax imposed under sections 143.191 to 143.265.

2. For all tax years beginning on or after January 1, 2024, a taxpayer shall be allowed a deduction equal to five thousand dollars for each employee who:

(1) Has been convicted of, or plead guilty to, a felony;

(2) Has been hired to a full-time position on the taxpayer's payroll on or after January 1, 2024; and

(3) Remains in a full-time position on the taxpayer's payroll for at least twelve consecutive months, if at least some portion of that employment occurs during the tax year for which the deduction is claimed.

EXPLANATION — Matter enclosed in bold-faced brackets ~~thus~~ in the above bill is not enacted and is intended to be omitted from the law. Matter in bold-face type in the above bill is proposed language.

18 **3. The total amount of a tax deduction claimed by a taxpayer under this section**
19 **shall not exceed one hundred thousand dollars in any given tax year.**

20 **4. The total amount of tax deductions authorized under this program shall not**
21 **exceed one million dollars per tax year. If the amount of tax deductions claimed in a tax**
22 **year exceeds one million dollars, deductions shall be allowed on a first-come, first-**
23 **served basis.**

24 **5. The department of revenue may promulgate all necessary rules and**
25 **regulations for the administration of this section. Any rule or portion of a rule, as that**
26 **term is defined in section 536.010, that is created under the authority delegated in this**
27 **section shall become effective only if it complies with and is subject to all of the**
28 **provisions of chapter 536 and, if applicable, section 536.028. This section and chapter**
29 **536 are nonseverable and if any of the powers vested with the general assembly**
30 **pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul**
31 **a rule are subsequently held unconstitutional, then the grant of rulemaking authority**
32 **and any rule proposed or adopted after August 28, 2023, shall be invalid and void.**

33 **6. Under section 23.253 of the Missouri sunset act:**

34 **(1) The provisions authorized under this section shall automatically sunset six**
35 **years after the effective date of this section unless reauthorized by an act of the general**
36 **assembly;**

37 **(2) If such program is reauthorized, this section shall automatically sunset**
38 **twelve years after the effective date of the reauthorization of this section; and**

39 **(3) This section shall terminate on September first of the calendar year**
40 **immediately following the calendar year in which the program authorized under this**
41 **section is sunset.**

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