

HCS SS SB 25 -- TAX DEDUCTION FOR BROADBAND

SPONSOR: Hough (Smith 163)

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Special Committee on Tax Reform by a vote of 9 to 0. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 6 to 0.

The following is a summary of the House Committee Substitute for SS SB 25.

Beginning January 1, 2022, this bill exempts from a taxpayer's Missouri adjusted gross income 100% of any federal grant moneys received by the taxpayer for the purpose of providing or expanding access to broadband Internet to areas of the state deemed to be lacking such access.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the Perfected version of the bill.

PROPONENTS: Supporters say that this type of tax exemption would encourage more investment toward the expansion of broadband services. Currently, the taxes that are imposed on federal grants for broadband expansion result in a decrease of the total funds that might otherwise go to poorer, rural areas that lack broadband Internet.

Testifying in person for the bill were Senator Hough; Gateway Fiber; MCTA (Missouri Cable Telecommunications Association); Missouri Broadband Providers; Missouri Chamber of Commerce; Missouri Realtors; and At&T.

OPPONENTS: There was no opposition voiced to the committee.

This bill is similar to HB 1076 (2023).

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.