

HB 1713 -- TAX DEDUCTION FOR ARMED FORCES MEMBERS

SPONSOR: Schnelting

COMMITTEE ACTION: Voted "Do Pass" 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 9 to 0.

Current law authorizes an income tax deduction for active and reserve members of the Armed Forces for a percentage of such taxpayer's income received as salary or compensation as a member of the Armed Forces. This bill provides that the term "salary or compensation" shall include any signing bonus.

This bill is similar to SB 540 (2023)

PROPOSERS: Supporters say that military signing bonuses are often used by an armed service member to buy a first house or a reliable automobile, which in turn helps to secure the soldier's family structure. Supporters further say that such bonuses are meant to incentivize young men and women to enlist, or in the alternative, to retain those soldiers who are already enlisted. This is important, because both retention and recruiting are down by 30% in Missouri.

Testifying in person for the bill were Representative Schnelting and the Missouri National Guard Association.

OPPONENTS: There was no opposition voiced to the committee.

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.