

HB 2142 -- TAX DEDUCTION FOR BROADBAND GRANT FUNDS

SPONSOR: Baker

COMMITTEE ACTION: Voted "Do Pass" by the Special Committee on Tax Reform by a vote of 8 to 0. Voted "Do Pass" by the Standing Committee on Rules- Legislative Oversight by a vote of 9 to 0.

Currently, a taxpayer may deduct from state income tax 100% of any federal grant money received for the purpose of providing or expanding access to broadband internet to areas of the state that lack access. This bill expands the deduction to included state or local grant money and limits the deduction only to money dispersed for this express purpose.

PROPOSERS: Supporters say that without the tax exemption housed within this bill, far less people will be able to receive broadband communication services. Supporters further say that the Federal grants were never intended to be taxed, and that by allowing taxpayers to deduct such funding, broadband services will be more expansive across the State.

Testifying in person for the bill were Representative Baker; Missouri Farm Bureau; Brightspeed; Gateway Fiber; At&T; Missouri Chamber of Commerce; Association of Missouri Electric Co-Ops; and Missouri Broadband Providers.

OPPOSERS: 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.