

House _____ Amendment NO. _____

Offered By _____

1 AMEND Senate Substitute for Senate Bill No. 59, Page 1, Section A, Line 3, by inserting after said
2 section and line the following:

3
4 "143.071. 1. For all tax years beginning before September 1, 1993, a tax is hereby imposed
5 upon the Missouri taxable income of corporations in an amount equal to five percent of Missouri
6 taxable income.

7 2. For all tax years beginning on or after September 1, 1993, and ending on or before
8 December 31, 2019, a tax is hereby imposed upon the Missouri taxable income of corporations in an
9 amount equal to six and one-fourth percent of Missouri taxable income.

10 3. For all tax years beginning on or after January 1, 2020, a tax is hereby imposed upon the
11 Missouri taxable income of corporations in an amount equal to four percent of Missouri taxable
12 income.

13 4. Beginning January first of the calendar year immediately following the passage and
14 adoption of this act, the tax of a corporation shall be computed on its Missouri taxable income at the
15 rates provided under section 143.076.

16 5. The provisions of this section shall not apply to out-of-state businesses operating under
17 sections 190.270 to 190.285.

18 143.076. 1. This section shall be known and may be cited as the "Missouri Business Tax
19 Adjustment Act".

20 2. For the purposes of this section, the following terms mean:

21 (1) "Business entity", any business taxpayer, including, but not limited to, any self-
22 employed individual, corporation, firm, sole proprietorship, partnership, association, limited liability
23 company, limited liability partnership, or other business organization or business entity, doing
24 business in the state of Missouri and subject to the state income tax imposed by the provisions of
25 this chapter;

26 (2) "Net revenue", a business entity's total annual revenue after allowable deductions for
27 expenses and other modifications allowed by law, as is derived from sources within this state as
28 provided under section 143.451;

29 (3) "Net business income tax revenue", all revenue collected from the tax imposed under
30 this section and deposited into the Missouri business tax fund, less refunds and revenues originally

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1 deposited into such fund but designated by law for a specific distribution or transfer to another state
2 fund;

3 (4) "Small business entity", a business entity with an annual net revenue under five hundred
4 thousand dollars.

5 3. For all tax years beginning on or after January first of the calendar year immediately
6 following the effective date of this act, a tax is hereby imposed upon the Missouri taxable income of
7 every business entity as follows:

8 (1) Business entities with a net revenue of ten million dollars or greater shall pay an income
9 tax in an amount equal to seven percent of Missouri taxable income;

10 (2) Business entities with a net revenue of one million dollars or greater but under ten
11 million dollars shall pay an income tax in an amount equal to five percent of Missouri taxable
12 income;

13 (3) Business entities with a net revenue of five hundred thousand dollars or greater but
14 under one million dollars shall pay an income tax in an amount equal to three and one-half percent
15 of Missouri taxable income; and

16 (4) Small business entities with a net revenue under five hundred thousand dollars shall
17 remain subject to the applicable existing income tax rate under the provisions of this chapter.

18 4. The income tax imposed under this section shall be imposed on business entities in lieu of
19 the income tax otherwise imposed under sections 143.011, 143.021, and 143.071, and any other
20 provisions of this chapter, except as provided under subdivision (4) of subsection 3 of this section.

21 5. (1) There is hereby created in the state treasury the "Missouri Business Tax Fund", which
22 shall consist of moneys collected under this section. The state treasurer shall be custodian of the
23 fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve
24 disbursements. The fund shall be a dedicated fund and, upon appropriation, moneys in this fund
25 shall be used solely as provided under subsection 7 of this section.

26 (2) Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining
27 in the fund at the end of the biennium shall not revert to the credit of the general revenue fund.

28 (3) The state treasurer shall invest moneys in the fund in the same manner as other funds are
29 invested. Any interest and moneys earned on such investments shall be credited to the fund.

30 6. The net business income tax revenue generated and collected under this section shall be
31 deposited in the Missouri business tax fund and allocated as follows:

32 (1) Forty percent to public education, including funding for K-12 schools, community
33 colleges, and state universities;

34 (2) Thirty percent to infrastructure projects, including road and bridge repairs;

35 (3) Twenty percent to health care programs, with an emphasis on expanding Medicaid
36 coverage and access to rural health care services; and

37 (4) Ten percent to the Missouri small business development fund to assist businesses
38 transitioning into higher revenue brackets.

1 7. Nothing in this section shall prevent a taxpayer from claiming a corporate income or
2 personal income tax credit, tax deduction, tax exemption, or other tax incentive allowed to such
3 taxpayer and applied to the taxpayer's Missouri taxable income under this chapter for a given tax
4 year.

5 8. If any provision of this section or its application to any person or circumstance is held
6 invalid, such determination shall not affect the provisions or applications of this section which may
7 be given effect without the invalid provision or application, and to that end the provisions of this
8 section are severable.

9 9. The department of revenue may promulgate all necessary rules and regulations for the
10 administration of this section. Any rule or portion of a rule, as that term is defined in section
11 536.010, that is created under the authority delegated in this section shall become effective only if it
12 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section
13 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the
14 general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and
15 annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any
16 rule proposed or adopted after the effective date of this act shall be invalid and void."; and

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18 Further amend said bill, Page 16, Section 143.1160, Line 73, by inserting after said section and line
19 the following:

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21 "Section B. This act is hereby submitted to the qualified voters of this state for the approval
22 or rejection at an election which is hereby ordered and which shall be held and conducted on
23 Tuesday next following the first Monday in November 2026, under the applicable laws and
24 constitutional provisions of this state for the submission of referendum measures by the general
25 assembly, and this act shall become effective when approved by a majority of the votes cast thereon
26 at such election and not otherwise."; and

27
28 Further amend said bill by amending the title, enacting clause, and intersectional references
29 accordingly.