

JOURNAL OF THE HOUSE

First Regular Session, 103rd General Assembly

SIXTIETH DAY, MONDAY, APRIL 28, 2025

The House met pursuant to adjournment.

Speaker Patterson in the Chair.

Prayer by Representative Darin Chappell.

Our God and Father in Heaven,

We thank You for this day, in which You've allowed us the privilege to come together and consider the work set before us. Let us remember that we are here for the People, but that our actions are to be guided by Your will in all things.

Let us approach this task with humility and integrity and do all for Your glory and Your honor.

In Jesus's name, Amen.

The Pledge of Allegiance to the flag was led by Vivian Christ.

The Speaker appointed the following to act as an Honorary Page for the Day, to serve without compensation: Vivian Christ.

The Journal of the fifty-ninth day was approved as printed by the following vote:

AYES: 146

Allen	Amato	Anderson	Aune	Baker
Banderman	Barnes	Billington	Black	Boggs
Boykin	Boyko	Bromley	Brown 149	Brown 16
Burton	Bush	Busick	Butz	Byrnes
Casteel	Caton	Chappell	Christ	Christensen
Clemens	Collins	Cook	Costlow	Crossley
Davidson	Davis	Dean	Deaton	Diehl
Dolan	Doll	Douglas	Durnell	Ealy
Elliott	Falkner	Farnan	Fogle	Fountain Henderson
Fowler	Fuchs	Gallick	Gragg	Griffith
Haden	Hales	Haley	Harbison	Hardwick
Hausman	Hein	Hewkin	Hinman	Hovis
Hruza	Hurlbert	Ingle	Irwin	Jacobs
Jamison	Jobe	Jones 12	Jordan	Justus
Kalberloh	Keathley	Kelley	Kimble	Knight
Lewis	Loy	Lucas	Mackey	Mansur
Martin	Matthiesen	Mayhew	McGill	Meirath
Miller	Murphy	Murray	Myers	Nolte

Oehlerking	Overcast	Owen	Parker	Perkins
Peters	Phelps	Plank	Pollitt	Pouche
Reedy	Reuter	Riggs	Riley	Roberts
Rush	Sassmann	Schmidt	Schulte	Seitz
Self	Sharpe 4	Shields	Smith 46	Smith 68
Smith 74	Sparks	Steinhoff	Steinmetz	Steinmeyer
Stinnett	Strickler	Taylor 48	Taylor 84	Terry
Thomas	Thompson	Titus	Van Schoiack	Veit
Verneti	Violet	Voss	Waller	Walsh Moore
Warwick	Weber	Wellenkamp	Whaley	Williams
Wilson	Wolfen	Woods	Young	Zimmermann
Mr. Speaker				

NOES: 000

PRESENT: 001

McGaugh

ABSENT WITH LEAVE: 015

Appelbaum	Bosley	Coleman	Cupps	Johnson
Jones 88	Laubinger	Mosley	Price	Proudie
Reed	Sharp 37	Simmons	West	Wright

VACANCIES: 001

SECOND READING OF SENATE JOINT RESOLUTIONS

The following Senate Joint Resolution was read the second time:

SS SCS SJR 40, relating to sheriffs.

THIRD READING OF SENATE BILLS

HCS SS SB 67, relating to income tax, was taken up by Representative McGirl.

On motion of Representative McGirl, the title of **HCS SS SB 67** was agreed to.

Representative Perkins offered **House Amendment No. 1**.

House Amendment No. 1

AMEND House Committee Substitute for Senate Substitute for Senate Bill No. 67, Page 4, Section 32.115, Line 121, by inserting after all of said section and line the following:

"135.010. As used in sections 135.010 to 135.030 the following words and terms mean:

(1) "Claimant", a person or persons claiming a credit under sections 135.010 to 135.030. If the persons are eligible to file a joint federal income tax return and reside at the same address at any time during the taxable year, then the credit may only be allowed if claimed on a combined Missouri income tax return or a combined claim return reporting their combined incomes and property taxes. A claimant shall not be allowed a property tax credit unless the claimant or spouse has attained the age of sixty-five on or before the last day of the calendar year and the claimant or spouse was a resident of Missouri for the entire year, or the claimant or spouse is a veteran of any branch of the Armed Forces of the United States or this state who became one hundred percent disabled as a result of such

service, or the claimant or spouse is disabled as defined in subdivision (2) of this section, and such claimant or spouse provides proof of such disability in such form and manner, and at such times, as the director of revenue may require, or if the claimant has reached the age of sixty on or before the last day of the calendar year and such claimant received surviving spouse Social Security benefits during the calendar year and the claimant provides proof, as required by the director of revenue, that the claimant received surviving spouse Social Security benefits during the calendar year for which the credit will be claimed. A claimant shall not be allowed a property tax credit if the claimant filed a valid claim for a credit under section 137.106 in the year following the year for which the property tax credit is claimed. The residency requirement shall be deemed to have been fulfilled for the purpose of determining the eligibility of a surviving spouse for a property tax credit if a person of the age of sixty-five years or older who would have otherwise met the requirements for a property tax credit dies before the last day of the calendar year. The residency requirement shall also be deemed to have been fulfilled for the purpose of determining the eligibility of a claimant who would have otherwise met the requirements for a property tax credit but who dies before the last day of the calendar year;

(2) "Disabled", the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve months. A claimant shall not be required to be gainfully employed prior to such disability to qualify for a property tax credit;

(3) "Gross rent", amount paid by a claimant to a landlord for the rental, at arm's length, of a homestead during the calendar year, exclusive of charges for health and personal care services and food furnished as part of the rental agreement, whether or not expressly set out in the rental agreement. If the director of revenue determines that the landlord and tenant have not dealt at arm's length, and that the gross rent is excessive, then he shall determine the gross rent based upon a reasonable amount of rent. Gross rent shall be deemed to be paid only if actually paid prior to the date a return is filed. The director of revenue may prescribe regulations requiring a return of information by a landlord receiving rent, certifying for a calendar year the amount of gross rent received from a tenant claiming a property tax credit and shall, by regulation, provide a method for certification by the claimant of the amount of gross rent paid for any calendar year for which a claim is made. The regulations authorized by this subdivision may require a landlord or a tenant or both to provide data relating to health and personal care services and to food. Neither a landlord nor a tenant may be required to provide data relating to utilities, furniture, home furnishings or appliances;

(4) "Homestead", the dwelling in Missouri owned or rented by the claimant and not to exceed five acres of land surrounding it as is reasonably necessary for use of the dwelling as a home. It may consist of part of a multidwelling or multipurpose building and part of the land upon which it is built. "Owned" includes a vendee in possession under a land contract and one or more tenants by the entireties, joint tenants, or tenants in common and includes a claimant actually in possession if he was the immediate former owner of record, if a lineal descendant is presently the owner of record, and if the claimant actually pays all taxes upon the property. It may include a mobile home;

(5) "Income", Missouri adjusted gross income as defined in section 143.121 less two thousand dollars **for all calendar years ending on or before December 31, 2025**, or in the case of a homestead owned and occupied, for the entire year, by the claimant, less four thousand dollars as an exemption for the claimant's spouse residing at the same address[;] **for all calendar years ending on or before December 31, 2025, or for all calendar years beginning on or after January 1, 2026, less two thousand eight hundred dollars, or in the case of a homestead owned and occupied, for the entire year, by the claimant, less five thousand eight hundred dollars, as an exemption for the claimant's spouse residing at the same address;** and increased, where necessary, to reflect the following:

(a) Social Security, railroad retirement, and veterans payments and benefits unless the claimant is a one hundred percent service-connected, disabled veteran or a spouse of a one hundred percent service-connected, disabled veteran. The one hundred percent service-connected disabled veteran shall not be required to list veterans payments and benefits;

(b) The total amount of all other public and private pensions and annuities;

(c) Public relief, public assistance, and unemployment benefits received in cash, other than benefits received under this chapter;

(d) No deduction being allowed for losses not incurred in a trade or business;

(e) Interest on the obligations of the United States, any state, or any of their subdivisions and instrumentalities;

(6) "Property taxes accrued", property taxes paid, exclusive of special assessments, penalties, interest, and charges for service levied on a claimant's homestead in any calendar year. Property taxes shall qualify for the credit only if actually paid prior to the date a return is filed. The director of revenue shall require a tax receipt or other proof of property tax payment. If a homestead is owned only partially by claimant, then "property taxes accrued" is that part of property taxes levied on the homestead which was actually paid by the claimant. For purposes of this subdivision, property taxes are "levied" when the tax roll is delivered to the director of revenue for collection. If a claimant owns a homestead part of the preceding calendar year and rents it or a different homestead for part of the same year, "property taxes accrued" means only taxes levied on the homestead both owned and occupied by the claimant, multiplied by the percentage of twelve months that such property was owned and occupied as the homestead of the claimant during the year. When a claimant owns and occupies two or more different homesteads in the same calendar year, property taxes accrued shall be the sum of taxes allocable to those several properties occupied by the claimant as a homestead for the year. If a homestead is an integral part of a larger unit such as a farm, or multipurpose or multidwelling building, property taxes accrued shall be that percentage of the total property taxes accrued as the value of the homestead is of the total value. For purposes of this subdivision "unit" refers to the parcel of property covered by a single tax statement of which the homestead is a part;

(7) "Rent constituting property taxes accrued", twenty percent of the gross rent paid by a claimant and spouse in the calendar year.

135.025. The property taxes accrued and rent constituting property taxes accrued on each return shall be totaled. This total, up to seven hundred fifty dollars in rent constituting property taxes actually paid or eleven hundred dollars in actual property tax paid, shall be used in determining the property tax credit **for all calendar years ending on or before December 31, 2025. For all calendar years beginning on or after January 1, 2026, this total, up to one thousand fifty-five dollars in rent constituting property taxes actually paid or one thousand five hundred fifty dollars in actual property tax paid, shall be used in determining the property tax credit.** The director of revenue shall prescribe regulations providing for allocations where part of a claimant's homestead is rented to another or used for nondwelling purposes or where a homestead is owned or rented or used as a dwelling for part of a year.

135.030. 1. As used in this section:

(1) The term "maximum upper limit" shall, for each calendar year after December 31, 1997, but before calendar year 2008, be the sum of twenty-five thousand dollars. For all calendar years beginning on or after January 1, 2008, **but ending on or before December 31, 2025**, the maximum upper limit shall be the sum of twenty-seven thousand five hundred dollars. In the case of a homestead owned and occupied for the entire year by the claimant, **for all calendar years ending on or before December 31, 2025**, the maximum upper limit shall be the sum of thirty thousand dollars. **For all calendar years beginning on or after January 1, 2026, the maximum upper limit shall be the sum of:**

- (a) **Thirty-eight thousand two hundred dollars for claimants with a filing status of single;**
- (b) **Forty-two thousand two hundred dollars for claimants with a filing status of single and who owned and occupied a homestead for the entire year;**
- (c) **Forty-one thousand dollars for claimants with a filing status of married filing combined; and**
- (d) **Forty-eight thousand dollars for claimants with a filing status of married filing combined and who owned and occupied a homestead for the entire year.**

(2) The term "minimum base" shall, for each calendar year after December 31, 1997, but before calendar year 2008, be the sum of thirteen thousand dollars. For all calendar years beginning on or after January 1, 2008, the minimum base shall be the sum of fourteen thousand three hundred dollars.

2. (1) If the income on a return is equal to or less than the maximum upper limit for the calendar year for which the return is filed, the property tax credit shall be determined from a table of credits based upon the amount by which the total property tax described in section 135.025 exceeds the percent of income in the following list:

If the income on the return is:	The percent is:
Not over the minimum base	0 percent with credit not to exceed \$1,100 in actual property tax or rent equivalent paid up to \$750
Over the minimum base but not over the maximum upper limit	1/16 percent accumulative per \$300 from 0 percent to 4 percent.

(2) The director of revenue shall prescribe a table based upon ~~the preceding sentences~~ **subdivision (1) of this subsection.** The property tax shall be in increments of twenty-five dollars and the income in increments of three hundred dollars. The credit shall be the amount rounded to the nearest whole dollar computed on the basis of the property tax and income at the midpoints of each increment. As used in this subsection, the term "accumulative"

means an increase by continuous or repeated application of the percent to the income increment at each three hundred dollar level.

3. (1) For all calendar years beginning on or after January 1, 2026, if the income on a return is equal to or less than the maximum upper limit for the calendar year for which the return is filed, the property tax credit shall be determined from a table of credits based upon the amount by which the total property tax described in section 135.025 exceeds the percent of income in the following list:

If the income on the return is:	The percent is:
Not over the minimum base	0 percent with credit not to exceed \$1,550 in actual property tax or rent equivalent paid up to \$1,055.
Over the minimum base but not over the maximum upper limit	1/16 percent accumulative per \$495, from 0 percent to 2 percent.

(2) The director of revenue shall prescribe a table based upon subdivision (1) of this subsection. The property tax shall be in increments of twenty-five dollars and the income in increments of four hundred ninety-five dollars. The credit shall be the amount rounded to the nearest whole dollar computed on the basis of the property tax and income at the midpoints of each increment. As used in this subsection, the term "accumulative" means an increase by continuous or repeated application of the percent to the income increment at each four hundred ninety-five dollar level.

4. Notwithstanding subsection 4 of section 32.057, the department of revenue or any duly authorized employee or agent shall determine whether any taxpayer filing a report or return with the department of revenue who has not applied for the credit allowed pursuant to section 135.020 may qualify for the credit, and shall notify any qualified claimant of the claimant's potential eligibility, where the department determines such potential eligibility exists."; and

Further amend said bill, Pages 4-11, Section 143.121, Lines 1-248, by deleting all of said section and lines and inserting in lieu thereof following:

"143.121. 1. The Missouri adjusted gross income of a resident individual shall be the taxpayer's federal adjusted gross income subject to the modifications in this section.

2. There shall be added to the taxpayer's federal adjusted gross income:

(1) The amount of any federal income tax refund received for a prior year which resulted in a Missouri income tax benefit. The amount added pursuant to this subdivision shall not include any amount of a federal income tax refund attributable to a tax credit reducing a taxpayer's federal tax liability pursuant to Public Law 116-136 or 116-260, enacted by the 116th United States Congress, for the tax year beginning on or after January 1, 2020, and ending on or before December 31, 2020, and deducted from Missouri adjusted gross income pursuant to section 143.171. The amount added under this subdivision shall also not include any amount of a federal income tax refund attributable to a tax credit reducing a taxpayer's federal tax liability under any other federal law that provides direct economic impact payments to taxpayers to mitigate financial challenges related to the COVID-19 pandemic, and deducted from Missouri adjusted gross income under section 143.171;

(2) Interest on certain governmental obligations excluded from federal gross income by 26 U.S.C. Section 103 of the Internal Revenue Code, as amended. The previous sentence shall not apply to interest on obligations of the state of Missouri or any of its political subdivisions or authorities and shall not apply to the interest described in subdivision (1) of subsection 3 of this section. The amount added pursuant to this subdivision shall be reduced by the amounts applicable to such interest that would have been deductible in computing the taxable income of the taxpayer except only for the application of 26 U.S.C. Section 265 of the Internal Revenue Code, as amended. The reduction shall only be made if it is at least five hundred dollars;

(3) The amount of any deduction that is included in the computation of federal taxable income pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code as amended by the Job Creation and Worker Assistance Act of 2002 to the extent the amount deducted relates to property purchased on or after July 1, 2002, but before July 1, 2003, and to the extent the amount deducted exceeds the amount that would have been deductible pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code of 1986 as in effect on January 1, 2002;

(4) The amount of any deduction that is included in the computation of federal taxable income for net operating loss allowed by 26 U.S.C. Section 172 of the Internal Revenue Code of 1986, as amended, other than the deduction allowed by 26 U.S.C. Section 172(b)(1)(G) and 26 U.S.C. Section 172(i) of the Internal Revenue Code of

1986, as amended, for a net operating loss the taxpayer claims in the tax year in which the net operating loss occurred or carries forward for a period of more than twenty years and carries backward for more than two years. Any amount of net operating loss taken against federal taxable income but disallowed for Missouri income tax purposes pursuant to this subdivision after June 18, 2002, may be carried forward and taken against any income on the Missouri income tax return for a period of not more than twenty years from the year of the initial loss; and

(5) For nonresident individuals in all taxable years ending on or after December 31, 2006, the amount of any property taxes paid to another state or a political subdivision of another state for which a deduction was allowed on such nonresident's federal return in the taxable year unless such state, political subdivision of a state, or the District of Columbia allows a subtraction from income for property taxes paid to this state for purposes of calculating income for the income tax for such state, political subdivision of a state, or the District of Columbia;

(6) For all tax years beginning on or after January 1, 2018, any interest expense paid or accrued in a previous taxable year, but allowed as a deduction under 26 U.S.C. Section 163, as amended, in the current taxable year by reason of the carryforward of disallowed business interest provisions of 26 U.S.C. Section 163(j), as amended. For the purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under 26 U.S.C. Section 163, as amended, if the limitation under 26 U.S.C. Section 163(j), as amended, did not exist.

3. There shall be subtracted from the taxpayer's federal adjusted gross income the following amounts to the extent included in federal adjusted gross income:

(1) Interest received on deposits held at a federal reserve bank or interest or dividends on obligations of the United States and its territories and possessions or of any authority, commission or instrumentality of the United States to the extent exempt from Missouri income taxes pursuant to the laws of the United States. The amount subtracted pursuant to this subdivision shall be reduced by any interest on indebtedness incurred to carry the described obligations or securities and by any expenses incurred in the production of interest or dividend income described in this subdivision. The reduction in the previous sentence shall only apply to the extent that such expenses including amortizable bond premiums are deducted in determining the taxpayer's federal adjusted gross income or included in the taxpayer's Missouri itemized deduction. The reduction shall only be made if the expenses total at least five hundred dollars;

(2) The portion of any gain, from the sale or other disposition of property having a higher adjusted basis to the taxpayer for Missouri income tax purposes than for federal income tax purposes on December 31, 1972, that does not exceed such difference in basis. If a gain is considered a long-term capital gain for federal income tax purposes, the modification shall be limited to one-half of such portion of the gain;

(3) The amount necessary to prevent the taxation pursuant to this chapter of any annuity or other amount of income or gain which was properly included in income or gain and was taxed pursuant to the laws of Missouri for a taxable year prior to January 1, 1973, to the taxpayer, or to a decedent by reason of whose death the taxpayer acquired the right to receive the income or gain, or to a trust or estate from which the taxpayer received the income or gain;

(4) Accumulation distributions received by a taxpayer as a beneficiary of a trust to the extent that the same are included in federal adjusted gross income;

(5) The amount of any state income tax refund for a prior year which was included in the federal adjusted gross income;

(6) The portion of capital gain specified in section 135.357 that would otherwise be included in federal adjusted gross income;

(7) The amount that would have been deducted in the computation of federal taxable income pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code as in effect on January 1, 2002, to the extent that amount relates to property purchased on or after July 1, 2002, but before July 1, 2003, and to the extent that amount exceeds the amount actually deducted pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code as amended by the Job Creation and Worker Assistance Act of 2002;

(8) For all tax years beginning on or after January 1, 2005, the amount of any income received for military service while the taxpayer serves in a combat zone which is included in federal adjusted gross income and not otherwise excluded therefrom. As used in this section, "combat zone" means any area which the President of the United States by Executive Order designates as an area in which Armed Forces of the United States are or have engaged in combat. Service is performed in a combat zone only if performed on or after the date designated by the President by Executive Order as the date of the commencing of combat activities in such zone, and on or before the date designated by the President by Executive Order as the date of the termination of combat activities in such zone;

(9) For all tax years ending on or after July 1, 2002, with respect to qualified property that is sold or

otherwise disposed of during a taxable year by a taxpayer and for which an additional modification was made under subdivision (3) of subsection 2 of this section, the amount by which additional modification made under subdivision (3) of subsection 2 of this section on qualified property has not been recovered through the additional subtractions provided in subdivision (7) of this subsection;

(10) For all tax years beginning on or after January 1, 2014, the amount of any income received as payment from any program which provides compensation to agricultural producers who have suffered a loss as the result of a disaster or emergency, including the:

- (a) Livestock Forage Disaster Program;
- (b) Livestock Indemnity Program;
- (c) Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish;
- (d) Emergency Conservation Program;
- (e) Noninsured Crop Disaster Assistance Program;
- (f) Pasture, Rangeland, Forage Pilot Insurance Program;
- (g) Annual Forage Pilot Program;
- (h) Livestock Risk Protection Insurance Plan;
- (i) Livestock Gross Margin Insurance Plan;

(11) For all tax years beginning on or after January 1, 2018, any interest expense paid or accrued in the current taxable year, but not deducted as a result of the limitation imposed under 26 U.S.C. Section 163(j), as amended. For the purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under 26 U.S.C. Section 163, as amended, if the limitation under 26 U.S.C. Section 163(j), as amended, did not exist;

(12) One hundred percent of any retirement benefits received by any taxpayer as a result of the taxpayer's service in the Armed Forces of the United States, including reserve components and the National Guard of this state, as defined in 32 U.S.C. Sections 101(3) and 109, and any other military force organized under the laws of this state; ~~and~~

(13) For all tax years beginning on or after January 1, 2022, one hundred percent of any federal, state, or local grant moneys received by the taxpayer if the grant money was disbursed for the express purpose of providing or expanding access to broadband internet to areas of the state deemed to be lacking such access; **and**

(14) (a) For all tax years beginning on or after January 1, 2025, one hundred percent of all income reported as a capital gain for federal income tax purposes by an individual subject to tax pursuant to section 143.011; and

(b) For all tax years beginning on or after January first of the tax year following the tax year in which the top rate of tax imposed pursuant to section 143.011 is equal to or less than four and one-half percent, one hundred percent of all income reported as a capital gain for federal income tax purposes by an entity subject to tax pursuant to section 143.071.

4. There shall be added to or subtracted from the taxpayer's federal adjusted gross income the taxpayer's share of the Missouri fiduciary adjustment provided in section 143.351.

5. There shall be added to or subtracted from the taxpayer's federal adjusted gross income the modifications provided in section 143.411.

6. In addition to the modifications to a taxpayer's federal adjusted gross income in this section, to calculate Missouri adjusted gross income there shall be subtracted from the taxpayer's federal adjusted gross income any gain recognized pursuant to 26 U.S.C. Section 1033 of the Internal Revenue Code of 1986, as amended, arising from compulsory or involuntary conversion of property as a result of condemnation or the imminence thereof.

7. (1) As used in this subsection, "qualified health insurance premium" means the amount paid during the tax year by such taxpayer for any insurance policy primarily providing health care coverage for the taxpayer, the taxpayer's spouse, or the taxpayer's dependents.

(2) In addition to the subtractions in subsection 3 of this section, one hundred percent of the amount of qualified health insurance premiums shall be subtracted from the taxpayer's federal adjusted gross income to the extent the amount paid for such premiums is included in federal taxable income. The taxpayer shall provide the department of revenue with proof of the amount of qualified health insurance premiums paid.

8. (1) Beginning January 1, 2014, in addition to the subtractions provided in this section, one hundred percent of the cost incurred by a taxpayer for a home energy audit conducted by an entity certified by the department of natural resources under section 640.153 or the implementation of any energy efficiency recommendations made in such an audit shall be subtracted from the taxpayer's federal adjusted gross income to the extent the amount paid

for any such activity is included in federal taxable income. The taxpayer shall provide the department of revenue with a summary of any recommendations made in a qualified home energy audit, the name and certification number of the qualified home energy auditor who conducted the audit, and proof of the amount paid for any activities under this subsection for which a deduction is claimed. The taxpayer shall also provide a copy of the summary of any recommendations made in a qualified home energy audit to the department of natural resources.

(2) At no time shall a deduction claimed under this subsection by an individual taxpayer or taxpayers filing combined returns exceed one thousand dollars per year for individual taxpayers or cumulatively exceed two thousand dollars per year for taxpayers filing combined returns.

(3) Any deduction claimed under this subsection shall be claimed for the tax year in which the qualified home energy audit was conducted or in which the implementation of the energy efficiency recommendations occurred. If implementation of the energy efficiency recommendations occurred during more than one year, the deduction may be claimed in more than one year, subject to the limitations provided under subdivision (2) of this subsection.

(4) A deduction shall not be claimed for any otherwise eligible activity under this subsection if such activity qualified for and received any rebate or other incentive through a state-sponsored energy program or through an electric corporation, gas corporation, electric cooperative, or municipally owned utility.

9. The provisions of subsection 8 of this section shall expire on December 31, 2020.

10. (1) As used in this subsection, the following terms mean:

(a) "Beginning farmer", a taxpayer who:

a. Has filed at least one but not more than ten Internal Revenue Service Schedule F (Form 1040) Profit or Loss From Farming forms since turning eighteen years of age;

b. Is approved for a beginning farmer loan through the USDA Farm Service Agency Beginning Farmer direct or guaranteed loan program;

c. Has a farming operation that is determined by the department of agriculture to be new production agriculture but is the principal operator of a farm and has substantial farming knowledge; or

d. Has been determined by the department of agriculture to be a qualified family member;

(b) "Farm owner", ~~[an individual]~~ **a taxpayer** who owns farmland and disposes of or relinquishes use of all or some portion of such farmland as follows:

a. A sale to a beginning farmer;

b. A lease or rental agreement not exceeding ten years with a beginning farmer; or

c. A crop-share arrangement not exceeding ten years with a beginning farmer;

(c) "Qualified family member", an individual who is related to a farm owner within the fourth degree by blood, marriage, or adoption and who is purchasing or leasing or is in a crop-share arrangement for land from all or a portion of such farm owner's farming operation.

(d) "Taxpayer", any individual, firm, partner in a firm, corporation, partnership, shareholder in an S corporation, or member of a limited liability company subject to the income tax imposed under this chapter, excluding withholding tax imposed under sections 143.191 to 143.265.

(2) (a) In addition to all other subtractions authorized in this section, a taxpayer who is a farm owner who sells all or a portion of such farmland to a beginning farmer may subtract from such taxpayer's Missouri adjusted gross income an amount to the extent included in federal adjusted gross income as provided in this subdivision.

(b) Subject to the limitations in paragraph (c) of this subdivision, the amount that may be subtracted shall be equal to the portion of capital gains received from the sale of such farmland that such taxpayer receives in the tax year for which such taxpayer subtracts such capital gain.

(c) A taxpayer may subtract the following amounts and percentages per tax year in total capital gains received from the sale of such farmland under this subdivision:

a. For the first two million dollars received, one hundred percent;

b. For the next one million dollars received, eighty percent;

c. For the next one million dollars received, sixty percent;

d. For the next one million dollars received, forty percent; and

e. For the next one million dollars received, twenty percent.

(d) The department of revenue shall prepare an annual report reviewing the costs and benefits and containing statistical information regarding the subtraction of capital gains authorized under this subdivision for the previous tax year including, but not limited to, the total amount of all capital gains subtracted and the number of taxpayers subtracting such capital gains. Such report shall be submitted before February first of each year to the committee on agriculture policy of the Missouri house of representatives and the committee on agriculture, food production and outdoor resources of the Missouri senate, or the successor committees.

(3) (a) In addition to all other subtractions authorized in this section, a taxpayer who is a farm owner who enters a lease or rental agreement for all or a portion of such farmland with a beginning farmer may subtract from such taxpayer's Missouri adjusted gross income an amount to the extent included in federal adjusted gross income as provided in this subdivision.

(b) Subject to the limitation in paragraph (c) of this subdivision, the amount that may be subtracted shall be equal to the portion of cash rent income received from the lease or rental of such farmland that such taxpayer receives in the tax year for which such taxpayer subtracts such income.

(c) No taxpayer shall subtract more than twenty-five thousand dollars per tax year in total cash rent income received from the lease or rental of such farmland under this subdivision.

(4) (a) In addition to all other subtractions authorized in this section, a taxpayer who is a farm owner who enters a crop-share arrangement on all or a portion of such farmland with a beginning farmer may subtract from such taxpayer's Missouri adjusted gross income an amount to the extent included in federal adjusted gross income as provided in this subdivision.

(b) Subject to the limitation in paragraph (c) of this subdivision, the amount that may be subtracted shall be equal to the portion of income received from the crop-share arrangement on such farmland that such taxpayer receives in the tax year for which such taxpayer subtracts such income.

(c) No taxpayer shall subtract more than twenty-five thousand dollars per tax year in total income received from the lease or rental of such farmland under this subdivision.

(5) The department of agriculture shall, by rule, establish a process to verify that a taxpayer is a beginning farmer for purposes of this section and shall provide verification to the beginning farmer and farm seller of such farmer's and seller's certification and qualification for the exemption provided in this subsection."; and

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

On motion of Representative Perkins, **House Amendment No. 1** was adopted.

Representative Hardwick offered **House Amendment No. 2**.

House Amendment No. 2

AMEND House Committee Substitute for Senate Substitute for Senate Bill No. 67, Page 4, Section 32.115, Line 121, by inserting after all of said section and line the following:

"143.081. 1. A resident individual, resident estate, and resident trust shall be allowed a credit against the tax otherwise due pursuant to sections 143.005 to 143.998 for the amount of any income tax imposed for the taxable year by another state of the United States (or a political subdivision thereof) or the District of Columbia on income derived from sources therein and which is also subject to tax pursuant to sections 143.005 to 143.998. For purposes of this subsection, the phrase "income tax imposed" shall be that amount of tax before any income tax credit allowed by such other state or the District of Columbia if the other state or the District of Columbia authorizes a reciprocal benefit for residents of this state.

2. The credit provided pursuant to this section shall not exceed an amount which bears the same ratio to the tax otherwise due pursuant to sections 143.005 to 143.998 as the amount of the taxpayer's Missouri adjusted gross income derived from sources in the other jurisdiction bears to the taxpayer's Missouri adjusted gross income derived from all sources. In applying the limitation of the previous sentence to an estate or trust, Missouri taxable income shall be substituted for Missouri adjusted gross income. If the tax of more than one other jurisdiction is imposed on the same item of income, the credit shall not exceed the limitation that would result if the taxes of all the other jurisdictions applicable to the item were deemed to be of a single jurisdiction. The provisions of this subsection shall apply to any credit allowed under this section, **provided that such credit shall be allowed under this section with respect to any estate or trust to the extent its Missouri adjusted gross income is excluded from Missouri taxable income pursuant to the subtraction set forth in subsection 3 of section 143.341.**

3. (1) For the purposes of this section, in the case of an S corporation, each resident S shareholder shall be considered to have paid a tax imposed on the shareholder in an amount equal to the shareholder's pro rata share of any net income tax paid by the S corporation to a state which does not measure the income of shareholders on an S

corporation by reference to the income of the S corporation or where a composite return and composite payments are made in such state on behalf of the S shareholders by the S corporation.

(2) A resident S shareholder shall be eligible for a credit issued pursuant to this section in an amount equal to the individual income tax imposed pursuant to this chapter on such shareholder's share of the S corporation's income derived from sources in another state of the United States or the District of Columbia, and which is subject to income tax pursuant to this chapter but is not subject to income tax in such other jurisdiction or a political subdivision thereof.

4. For purposes of subsection 3 of this section, in the case of an S corporation that is a bank chartered by a state, the Office of Thrift Supervision, or the comptroller of currency, each Missouri resident S shareholder of such out-of-state bank shall qualify for the shareholder's pro rata share of any net tax paid, including a bank franchise tax based on the income of the bank, by such S corporation where bank payment of taxes are made in such state on behalf of the S shareholders by the S bank to the extent of the tax paid."; and

Further amend said bill, Page 11, Section 143.121, Line 248, by inserting after all of said section and line the following:

"143.341. 1. The Missouri taxable income of a resident estate or trust means its federal taxable income subject to the modifications in this section.

2. There shall be subtracted the amount if any that the federal personal exemption deduction allowable to the estate or trust exceeds its federal taxable income without its personal exemption deduction.

3. For all tax years beginning on or after January 1, 2026, there shall be subtracted that amount included in Missouri taxable income of the estate or trust that would not be included as Missouri taxable income if said estate or trust were considered a nonresident estate or trust as defined in section 143.371. This subtraction shall only apply to the extent it is not a determinant of the federal distributable net income of the estate or trust.

~~[3-]~~ 4. There shall be added or subtracted, as the case may be, the modifications described in sections 143.121 and 143.141, and there shall be subtracted the federal income tax deduction provided in section 143.171. These additions and subtractions shall only apply to the extent that they are not determinants of the federal distributable net income of the estate or trust.

~~[4-]~~ 5. There shall be added or subtracted, as the case may be, the share of the estate or trust in the fiduciary adjustment determined under section 143.351."; and

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

On motion of Representative Hardwick, **House Amendment No. 2** was adopted.

Representative Farnan offered **House Amendment No. 3**.

House Amendment No. 3

AMEND House Committee Substitute for Senate Substitute for Senate Bill No. 67, Page 10, Section 143.121, Line 195, by inserting after the word "**individual**," the word "**trust**,"; and

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

On motion of Representative Farnan, **House Amendment No. 3** was adopted.

On motion of Representative McGirl, **HCS SS SB 67, as amended**, was adopted.

On motion of Representative McGirl, **HCS SS SB 67, as amended**, was read the third time and passed by the following vote:

AYES: 092

Allen	Amato	Baker	Billington	Black
Boggs	Bromley	Brown 149	Brown 16	Busick
Byrnes	Casteel	Caton	Chappell	Christ
Cook	Costlow	Davidson	Davis	Deaton
Diehl	Dolan	Falkner	Farnan	Fowler
Gallick	Gragg	Griffith	Haden	Haley
Harbison	Hardwick	Hausman	Hewkin	Hinman
Hovis	Hruza	Hurlbert	Irwin	Jones 12
Justus	Kalberloh	Keathley	Kelley	Knight
Laubinger	Lewis	Loy	Martin	Matthiesen
Mayhew	McGaugh	McGill	Meirath	Miller
Murphy	Myers	Nolte	Overcast	Owen
Parker	Perkins	Peters	Phelps	Pollitt
Pouche	Reedy	Reuter	Riggs	Riley
Roberts	Sassmann	Schmidt	Schulte	Seitz
Sharpe 4	Shields	Steinmeyer	Taylor 48	Thompson
Van Schoiack	Veit	Verneti	Violet	Voss
Waller	Warwick	Wellenkamp	Williams	Wilson
Wright	Mr. Speaker			

NOES: 058

Anderson	Aune	Barnes	Bosley	Boykin
Boyko	Burton	Bush	Butz	Christensen
Clemens	Collins	Crossley	Cupps	Dean
Doll	Douglas	Durnell	Elliott	Fogle
Fountain Henderson	Fuchs	Hales	Hein	Ingle
Jacobs	Jamison	Jobe	Jordan	Kimble
Mackey	Mansur	Murray	Plank	Proudie
Reed	Rush	Self	Sharp 37	Simmons
Smith 46	Smith 68	Smith 74	Sparks	Steinhoff
Steinmetz	Strickler	Taylor 84	Terry	Thomas
Titus	Walsh Moore	Weber	Whaley	Wolfen
Woods	Young	Zimmermann		

PRESENT: 001

Banderman

ABSENT WITH LEAVE: 011

Appelbaum	Coleman	Ealy	Johnson	Jones 88
Lucas	Mosley	Oehlerking	Price	Stinnett
West				

VACANCIES: 001

Speaker Patterson declared the bill passed.

MESSAGES FROM THE SENATE

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate refuses to recede from its position on SS HCS HBs 595 & 343, as amended, and grants the House a conference thereon.

APPOINTMENT OF CONFERENCE COMMITTEE

The Speaker appointed the following Conference Committee to act with a like committee from the Senate on the following bill:

SS HCS HBs 595 & 343, as amended: Representatives Brown (16), Keathley, Baker, Proudie and Terry

PERFECTION OF HOUSE BILLS - INFORMAL

HCS HBs 610 & 900, HB 766, HB 830, HCS HB 534, HCS HB 31, HB 182, HB 168, HB 957, HCS HB 411, HB 284, HCS HB 531, HB 116, HCS HBs 222 & 580, HB 457 and HCS HB 593 were placed back on the House Bills for Perfection Calendar.

REFERRAL OF SENATE BILLS

The following Senate Bills were referred to the Committee indicated:

SS SB 59 - Fiscal Review

HCS SS SCS SB 71 - Fiscal Review

SS SB 61 - Professional Registration and Licensing

COMMITTEE REPORTS

Special Committee on Intergovernmental Affairs, Chairman Byrnes reporting:

Mr. Speaker: Your Special Committee on Intergovernmental Affairs, to which was referred **HCR 10** and **HCR 20**, begs leave to report it has examined the same and recommends that it **Do Pass with House Committee Substitute** by the following vote:

Ayes (17): Amato, Black, Byrnes, Falkner, Fowler, Gallick, Hales, Meirath, Mosley, Oehlerking, Reuter, Rush, Smith (68), Sparks, Walsh Moore, Wellenkamp and Wolfen

Noes (0)

Absent (1): Brown (16)

Mr. Speaker: Your Special Committee on Intergovernmental Affairs, to which was referred **SB 2**, begs leave to report it has examined the same and recommends that it **Do Pass with House Committee Substitute** by the following vote:

Ayes (11): Brown (16), Byrnes, Falkner, Fowler, Gallick, Meirath, Mosley, Oehlerking, Rush, Walsh Moore and Wellenkamp

Noes (2): Sparks and Wolfen

Absent (5): Amato, Black, Hales, Reuter and Smith (68)

Mr. Speaker: Your Special Committee on Intergovernmental Affairs, to which was referred **SB 189**, begs leave to report it has examined the same and recommends that it **Do Pass**

with House Committee Substitute by the following vote:

Ayes (11): Brown (16), Byrnes, Falkner, Fowler, Gallick, Meirath, Mosley, Oehlerking, Rush, Walsh Moore and Wellenkamp

Noes (2): Sparks and Wolfen

Absent (5): Amato, Black, Hales, Reuter and Smith (68)

Committee on Fiscal Review, Chairman Murphy reporting:

Mr. Speaker: Your Committee on Fiscal Review, to which was referred **HCS HBs 433 & 630**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (4): Casteel, Gragg, Mayhew and Murphy

Noes (2): Fogle and Hein

Absent (2): Cupps and Pouche

Mr. Speaker: Your Committee on Fiscal Review, to which was referred **HB 627**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (6): Casteel, Fogle, Gragg, Hein, Mayhew and Murphy

Noes (0)

Absent (2): Cupps and Pouche

Mr. Speaker: Your Committee on Fiscal Review, to which was referred **HCS SS SB 7**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (6): Casteel, Fogle, Gragg, Hein, Mayhew and Murphy

Noes (0)

Absent (2): Cupps and Pouche

Committee on Rules - Administrative, Chairman Shields reporting:

Mr. Speaker: Your Committee on Rules - Administrative, to which was referred **HCS SS SB 63**, begs leave to report it has examined the same and recommends that it **Do Pass** by the following vote:

Ayes (8): Christ, Griffith, Oehlerking, Perkins, Shields, Smith (46), Stinnett and Taylor (48)

Noes (1): Mackey

Absent (1): Proudie

REFERRAL OF SENATE BILLS - RULES

The following Senate Bills were referred to the Committee indicated:

HCS SB 2 - Rules - Legislative
SS SCS SB 97 - Rules - Administrative
HCS SCS SB 163 - Rules - Administrative
HCS SB 189 - Rules - Legislative
HCS SS SB 218 - Rules - Administrative
HCS SCS SB 348 - Rules - Administrative

The following members' presence was noted: Johnson and Mosley.

ADJOURNMENT

On motion of Representative Riley, the House adjourned until 10:00 a.m., Tuesday, April 29, 2025.

COMMITTEE HEARINGS

AGRICULTURE

Tuesday, April 29, 2025, 9:30 AM, House Hearing Room 7.
Executive session will be held: HB 422, HB 1537

CHILDREN AND FAMILIES

Tuesday, April 29, 2025, 8:00 AM, House Hearing Room 6.
Public hearing will be held: HCR 4
Executive session will be held: HB 1072, HB 1417

FISCAL REVIEW

Tuesday, April 29, 2025, 9:00 AM, House Hearing Room 4.
Executive session may be held on any matter referred to the committee.
Pending referrals.

FISCAL REVIEW

Wednesday, April 30, 2025, 9:00 AM, House Hearing Room 4.
Executive session may be held on any matter referred to the committee.
Pending referrals.

FISCAL REVIEW

Thursday, May 1, 2025, 9:00 AM, House Hearing Room 4.
Executive session may be held on any matter referred to the committee.
Pending referrals.

GOVERNMENT EFFICIENCY

Tuesday, April 29, 2025, 12:00 PM or upon morning recess (whichever is later), House Hearing Room 7.

Public hearing will be held: HB 664

Executive session will be held: SS#2 SCS SB 10

JOINT COMMITTEE ON EDUCATION

Tuesday, April 29, 2025, 9:00 AM, Joint Hearing Room (117).

Review draft roles and responsibilities of Joint Committee on Education and job description of committee's Executive Director. Executive session may follow.

LOCAL GOVERNMENT

Wednesday, April 30, 2025, 8:00 AM, House Hearing Room 5.

Public hearing will be held: HB 1385, SS SCS SB 271

Executive session will be held: SS SCS SB 271

RULES - ADMINISTRATIVE

Tuesday, April 29, 2025, 9:45 AM, House Hearing Room 3.

Executive session will be held: HCS SS SCS SB 82

Executive session may be held on any matter referred to the committee.

RULES - LEGISLATIVE

Tuesday, April 29, 2025, 9:30 AM, House Hearing Room 3.

Executive session will be held: HCS HB 662, HCS HB 745, HCS HB 910, HB 1005, HCS HB 1516, HCS SS SCS SB 60, HCS SS SB 152, HCS SS SB 160

Executive session may be held on any matter referred to the committee.

UTILITIES

Wednesday, April 30, 2025, 9:00 AM, House Hearing Room 1.

Public hearing will be held: SS SCS SB 133

Executive session will be held: SS SCS SB 133

VETERANS AND ARMED FORCES

Thursday, May 1, 2025, 8:00 AM, House Hearing Room 7.

Presentations by Crystal Wiggins, Veterans Program Manager with Columbia Center for Urban Agriculture, and Mike Kenny, Executive Director with Warriors' Ascent.

HOUSE CALENDAR

SIXTY-FIRST DAY, TUESDAY, APRIL 29, 2025

HOUSE JOINT RESOLUTIONS FOR PERFECTION - INFORMAL

HCS HJR 67, as amended, with HA 2, pending - McGaugh
HCS#2 HJR 54 - Stinnett

HOUSE BILLS FOR PERFECTION

HB 107 - Verneti
HCS HB 941 - Lewis
HCS HB 83 - Veit
HCS HB 368 - Banderman
HCS HB 50 - Haley
HB 858 - Pouche
HCS#2 HBs 440 & 1160 - Haden
HCS HBs 1263 & 1124 - Nolte
HB 714 - Griffith
HB 501 - Christ
HB 743 - Baker
HCS HB 40 - Billington
HB 1200 - Reuter
HB 1193 - West
HB 74 - Taylor (48)
HCS HB 716 - Falkner
HB 366 - Pollitt
HCS HB 839 - Schulte
HCS HB 315 - Cook
HCS HBs 93 & 1139 - Voss
HCS HB 996 - Black
HCS HBs 610 & 900 - Wilson
HB 766 - Stinnett
HB 830 - Cook
HCS HB 534 - Diehl
HCS HB 31 - Davidson
HB 182 - Parker
HB 168 - Brown (149)
HB 957 - Anderson
HCS HB 411 - Williams
HB 284 - Proudie
HCS HB 531 - Hausman
HB 116 - Murphy
HCS HBs 222 & 580 - Schulte
HB 457 - Taylor (48)
HCS HB 593 - Perkins

HOUSE BILLS FOR PERFECTION - INFORMAL

HB 431 - Caton
HCS HB 806 - Taylor (48)
HB 783 - Keathley
HB 671 - Harbison
HB 398 - Peters
HB 833 - Farnan
HCS HB 712 - Pollitt
HCS HB 708 - Oehlerking
HCS HB 436 - Hardwick
HB 475 - Pollitt
HCS HB 477 - Oehlerking
HB 657 - Owen
HB 723 - Peters
HB 784 - Peters
HCS HB 1063 - Sassmann
HB 271 - Kalberloh
HCS HB 829 - West
HCS HB 976 - Hovis
HCS HB 1216 - Dolan
HB 845 - Stinnett
HCS HB 1316 - Billington
HB 245 - Sharpe (4)
HCS HB 916, as amended - Perkins

HOUSE CONCURRENT RESOLUTIONS FOR THIRD READING

HCS HCRs 15 & 9 - Christensen

HOUSE BILLS FOR THIRD READING

HCS HBs 862, 314 & 389, (Fiscal Review 4/24/25) - Hovis
HCS HBs 433 & 630 - Hardwick
HB 362 - Williams
HB 627 - Mayhew

HOUSE BILLS FOR THIRD READING - INFORMAL

HCS HB 119, (Fiscal Review 4/10/25) - Murphy
HB 349 - Reuter
HCS HB 236, E.C. - Gallick

HOUSE BILLS FOR THIRD READING - CONSENT

HCS HBs 1017 & 291 - Brown (16)
HB 241 - Sharpe (4)
HB 928 - Taylor (48)

SENATE BILLS FOR THIRD READING - CONSENT

SB 396 - Banderman

SENATE BILLS FOR THIRD READING

SS SCS SB 98, (Fiscal Review 4/24/25) - Oehlerking

SS SCS SBs 49 & 118 - Banderman

SS SB 59, (Fiscal Review 4/28/25) - Kelley

HCS SS SCS SB 71, (Fiscal Review 4/28/25), E.C. - Oehlerking

HCS SS SB 63 - Baker

SENATE BILLS FOR THIRD READING - INFORMAL

HCS SS SB 7 - Christ

HCS SS SB 150, (Fiscal Review 4/17/25) - Kelley

SENATE CONCURRENT RESOLUTIONS FOR THIRD READING

SS SCR 3 - Loy

HOUSE BILLS WITH SENATE AMENDMENTS

SS#2 HCS HBs 594 & 508, (Fiscal Review 4/7/25) - Perkins

BILLS IN CONFERENCE

SS SB 28, with HA 1, HA 2, HA 1 HA 3, HA 3, as amended, and HA 4 - Brown (149)

HCS SS SCS SBs 81 & 174, as amended, E.C. - Taylor (48)

SS HCS HBs 595 & 343, as amended - Brown (16)

ACTIONS PURSUANT TO ARTICLE IV, SECTION 27

SS SCS HCS HB 2002 - Deaton

SS SCS HCS HB 2003 - Deaton

SS SCS HCS HB 2004 - Deaton

SS SCS HCS HB 2005 - Deaton

SS SCS HCS HB 2006 - Deaton

SS SCS HCS HB 2007 - Deaton

SS SCS HCS HB 2008 - Deaton

SS SCS HCS HB 2009 - Deaton

SS SCS HCS HB 2010 - Deaton

SS SCS HCS HB 2011 - Deaton

SS SCS HCS HB 2012 - Deaton

SS SCS HCS HB 2013 - Deaton

SS SCS HCS HB 2017 - Deaton

SS SCS HCS HB 2018 - Deaton

SS SCS HCS HB 2019 - Deaton

SS SCS HCS HB 2020 - Deaton