

HCS HB 859 -- INCOME TAX DEDUCTION FOR PERSONAL PROPERTY TAXES PAID

SPONSOR: Riggs

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Ways and Means by a vote of 6 to 3. Voted "Do Pass" by the Standing Committee on Rules-Legislative by a vote of 6 to 3.

The following is a summary of the House Committee Substitute for HB 859.

Beginning January 1, 2026, a qualified taxpayer will be allowed a deduction from the taxpayer's Missouri adjusted gross income in an amount equal to 100% of all tangible personal property taxes actually paid by the qualified taxpayer in a given tax year on all tangible personal property taxes owed. The tax payer may choose, instead, to take the amount as an itemized deduction on his or her state income tax return.

Only the amounts of personal property taxes actually paid by the taxpayer qualify for the deduction and only if the amounts are paid during the tax year for which this deduction is claimed. A deduction can not be claimed for the amount of tangible personal property tax that has been or is used in obtaining a state tax credit, exemption, subtraction, or a different deduction.

This bill sunsets December 31st, six years after the effective date.

This bill is similar to HB 1812 (2024) and HB 1097 (2023).

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

PROPONENTS: Supporters say that this bill will allow relief to those who have been hammered with significant increases to their property tax.

Testifying in person for the bill were Representative Riggs.

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.