

HCS HB 1259 -- TAXATION OF ESTATES AND TRUSTS

SPONSOR: Hardwick

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Children and Families by a vote of 12 to 0. Voted "Do Pass" by the Standing Committee on Rules-Administrative by a vote of 8 to 0.

The following is a summary of the House Committee Substitute for HB 1259.

For all tax years beginning on or after January 1, 2026, this bill provides an income tax deduction for the amount included in Missouri taxable income of a resident estate or trust that would not be included as Missouri taxable income if the estate or trust were considered a nonresident estate or trust. The deduction only applies to the extent it is not a determinant of the Federal distributable net income of the estate or trust.

This bill is the same as SB 658 (2025).

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

PROPOSERS: Supporters say that the bill's purpose is one of fundamental fairness for children who may be the future recipients of the estate or trust. There is a current disparity where people are being advised to set up their trusts outside of the state so as not to pay income tax from income that has been earned outside of the state. This bill would stop people from being disincentivized from establishing trusts in the state.

Testifying in person for the bill were Representative Hardwick; Arnie C. Dienoff; and Paul L Vogel, Vogel Law Office.

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.