

SS SB 59 -- TAX DEDUCTIONS

SPONSOR: Carter

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Veterans and Armed Forces by a vote of 19 to 1, with 1 voting present. Voted "Do Pass" by the Standing Committee on Rules-Legislative by a vote of 8 to 0.

VETERANS SURVIVOR BENEFITS DEDUCTION (Section 143.121.3(12))

Current law authorizes an income tax deduction for retirement benefits received by a taxpayer as a result of service in the Armed Forces of the United States. This bill also allows for the deduction of all survivor benefits derived from such service.

FIRST RESPONDER SURVIVOR BENEFITS DEDUCTION (Section 143.121.3(14))

For all tax years beginning on or after January 1, 2026, this bill authorizes an income tax deduction for 100% of retirement benefits received by a taxpayer, including all survivor benefits derived therefrom, as a result of the taxpayer's service as a first responder, as defined in the bill.

EDUCATOR EXPENSES TAX DEDUCTION (Section 143.121.3(15))

For all tax years beginning on or after January 1, 2025, this bill authorizes a tax deduction in the amount of 100% of unreimbursed educator expenses incurred by an eligible educator, not to exceed \$500.

An eligible educator is defined as an individual who is a kindergarten through grade twelve teacher, instructor, counselor, principal, or aide in a school for at least 900 hours during a school year, or is a teacher in an early childhood education program.

Educator expenses are defined as expenses incurred as a result of the participation by the educator in professional development courses related to the curriculum in which the educator provides instruction, and expenses in connection with books, supplies, computer equipment and other equipment, and supplementary materials used by the eligible educator in the classroom.

FIRST RESPONDER TAX DEDUCTION (Section 143.121.3(16))

For all tax years beginning on or after January 1, 2025, this bill authorizes a tax deduction for income received as salary or compensation for service as a first responder, not to exceed \$500.

First responder is defined as state and local law enforcement personnel, telecommunicator first responders, fire department personnel, and emergency medical personnel who will be deployed to bioterrorism attacks, terrorist attacks, catastrophic or natural disasters, and emergencies.

This provision is the same as provision in SB 12 (2025).

LONG-TERM DIGNITY SAVINGS ACCOUNT TAX DEDUCTION (Section 143.1160)

Current law authorizes an income tax deduction for 100% of a participating taxpayer's contributions to a long-term dignity savings account, with the deduction scheduled to sunset on December 31, 2024. This bill extends the sunset on the deduction until December 31, 2030.

PROPONENTS: Supporters say that this helps our veterans, teachers and first responders. The long-term savings account is 100% tax deductible and it is for money you put in an account for future long-term care.

Testifying in person for the bill was Senator Carter.

OPPONENTS: There was no opposition voiced to the committee.