

SECOND REGULAR SESSION

# HOUSE BILL NO. 2364

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SCHULTE.

5701H.01I

JOSEPH ENGLER, Chief Clerk

## AN ACT

To amend chapter 143, RSMo, by adding thereto one new section relating to an income tax deduction.

*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 143, RSMo, is amended by adding thereto one new section, to be known as section 143.1250, to read as follows:

**143.1250. 1. As used in this section, the following terms mean:**

(1) "Deduction", an amount subtracted to determine the taxpayer's Missouri taxable income for a given tax year;

(2) "Employer", the same meaning as such term is defined under section 143.191;

(3) "Jury duty compensation", any daily compensation, mileage allowance, additional daily compensation or mileage allowance, fees, or other amounts authorized under section 494.455, local law or ordinance, for the compensation of jurors;

(4) "Regular employment", any full-time, part-time, temporary, or casual employment if the employment hours may be determined by a schedule, custom, or practice established during the three-month period preceding the employee's summons for jury duty;

(5) "Regular wages" or "wages", the same meaning as such term is defined under section 143.191, that are received in the course of regular employment for the purposes of this section;

EXPLANATION — Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16           (6) "Self-employed individual", an individual who is eighteen years of age or  
17 older, is self-employed, and has self-employment income or other compensation from  
18 self-employment that is allocable to the state of Missouri;

19           (7) "Taxpayer", any individual, firm, partner in a firm, corporation,  
20 partnership, shareholder in an S corporation, or member of a limited liability  
21 company subject to the income tax imposed under this chapter, who is an employer.

22           2. For all tax years beginning on or after January 1, 2027, in addition to all other  
23 deductions and modifications allowed by law, a taxpayer shall be allowed a deduction up  
24 to one hundred percent of the regular wages received from regular employment paid to  
25 an employee while such employee was serving jury duty, minus any amount of the  
26 employee's jury duty compensation remitted to the employer.

27           3. The term "employee" shall include, but not be limited to, a self-employed  
28 individual for the purposes of this section.

29           4. Any taxpayer allowed a deduction under this section who is found to have  
30 violated section 494.460 or 28 U.S.C. Section 1875 in relation to the rights of the  
31 employee whose wages are claimed for such deduction shall be ineligible to receive a  
32 deduction under this section for the tax year in which such violation occurred, or if such  
33 violation is discovered within one year of receiving such deduction, shall repay the  
34 amount of tax savings realized from the deduction to the state. The department of  
35 revenue may request any such information or documentation to verify compliance with  
36 the provisions of this subsection.

37           5. Notwithstanding any provision of section 105.1500 to the contrary, any  
38 requirement to provide information, documents, or records under this section, and any  
39 requirement established by the department of revenue to provide information,  
40 documents, or records for the purpose of administering and enforcing this section,  
41 including upon the department's request, shall be exempt from section 105.1500.

42           6. The department of revenue shall promulgate all necessary rules and  
43 regulations for the administration of this section. Any rule or portion of a rule, as that  
44 term is defined in section 536.010, that is created under the authority delegated in this  
45 section shall become effective only if it complies with and is subject to all of the  
46 provisions of chapter 536 and, if applicable, section 536.028. This section and chapter  
47 536 are nonseverable and if any of the powers vested with the general assembly  
48 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul  
49 a rule are subsequently held unconstitutional, then the grant of rulemaking authority  
50 and any rule proposed or adopted after August 28, 2026, shall be invalid and void.

51           7. Under section 23.253 of the Missouri sunset act:

52           **(1) The provisions of the new program authorized under this section shall sunset**  
53 **six years after the effective date of this section unless reauthorized by an act of the**  
54 **general assembly; and**

55           **(2) This section shall terminate on September first of the calendar year**  
56 **immediately following the calendar year in which the program authorized under this**  
57 **section is sunset.**

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