

# SENATE AMENDMENT NO. \_\_\_\_\_

Offered by \_\_\_\_\_ Of \_\_\_\_\_

Amend SS/SCS/Senate Bill No. 16, Page 1, Section A, Line 5,

by inserting after all of said line the following:

"143.011. 1. A tax is hereby imposed for every taxable year on the Missouri taxable income of every resident. The tax shall be determined by applying the tax table or the rate provided in section 143.021, which is based upon the following rates:

If the Missouri taxable income is:	The tax is:
Not over \$1,000.00	1 ½% of the Missouri taxable income
Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000
Over \$2,000 but not over \$3,000	\$35 plus 2 ½% of excess over \$2,000
Over \$3,000 but not over \$4,000	\$60 plus 3% of excess over \$3,000
Over \$4,000 but not over \$5,000	\$90 plus 3 ½% of excess over \$4,000
Over \$5,000 but not over \$6,000	\$125 plus 4% of excess over \$5,000
Over \$6,000 but not over \$7,000	\$165 plus 4 ½% of excess

1		over \$6,000
2	Over \$7,000 but not over \$8,000	\$210 plus 5% of excess
3		over \$7,000
4	Over \$8,000 but not over \$9,000	\$260 plus 5 ½% of excess
5		over \$8,000
6	Over \$9,000	\$315 plus 6% of excess
7		over \$9,000

8           2. (1) Beginning with the 2017 calendar year, the top rate  
9 of tax under subsection 1 of this section may be reduced over a  
10 period of years. Each reduction in the top rate of tax shall be  
11 by one-tenth of a percent and no more than one reduction shall  
12 occur in a calendar year. No more than five reductions shall be  
13 made under this subsection. Reductions in the rate of tax shall  
14 take effect on January first of a calendar year and such reduced  
15 rates shall continue in effect until the next reduction occurs.

16           (2) A reduction in the rate of tax shall only occur if the  
17 amount of net general revenue collected in the previous fiscal  
18 year exceeds the highest amount of net general revenue collected  
19 in any of the three fiscal years prior to such fiscal year by at  
20 least one hundred fifty million dollars.

21           (3) Any modification of tax rates under this subsection  
22 shall only apply to tax years that begin on or after a  
23 modification takes effect.

24           (4) The director of the department of revenue shall, by  
25 rule, adjust the tax tables under subsection 1 of this section to  
26 effectuate the provisions of this subsection. The bracket for  
27 income subject to the top rate of tax shall be eliminated once  
28 the top rate of tax has been reduced to five and one-half  
29 percent, and the top remaining rate of tax shall apply to all

1 income in excess of the income in the second highest remaining  
2 income bracket.

3 3. (1) In addition to the rate reductions under subsection  
4 2 of this section, beginning with the 2019 calendar year, the top  
5 rate of tax under subsection 1 of this section shall be reduced  
6 by four-tenths of one percent. Such reduction in the rate of tax  
7 shall take effect on January first of the 2019 calendar year.

8 (2) The modification of tax rates under this subsection  
9 shall only apply to tax years that begin on or after the date the  
10 modification takes effect.

11 (3) The director of the department of revenue shall, by  
12 rule, adjust the tax tables under subsection 1 of this section to  
13 effectuate the provisions of this subsection.

14 4. (1) In addition to the rate reductions under  
15 subsections 2 and 3 of this section, beginning with the 2020  
16 calendar year, the top rate of tax under subsection 1 of this  
17 section shall be reduced by one and one-tenth percent. Such  
18 reduction in the rate of tax shall take effect on January first  
19 of a calendar year.

20 (2) The modification of tax rates under this subsection  
21 shall only apply to tax years that begin on or after the date the  
22 modification takes effect.

23 (3) The director of the department of revenue shall, by  
24 rule, adjust the tax tables under subsection 1 of this section to  
25 effectuate the provisions of this subsection.

26 5. Beginning with the 2017 calendar year, the brackets of  
27 Missouri taxable income identified in subsection 1 of this  
28 section shall be adjusted annually by the percent increase in  
29 inflation. The director shall publish such brackets annually

1 beginning on or after October 1, 2016. Modifications to the  
2 brackets shall take effect on January first of each calendar year  
3 and shall apply to tax years beginning on or after the effective  
4 date of the new brackets.

5 [5.] 6. As used in this section, the following terms mean:

6 (1) "CPI", the Consumer Price Index for All Urban Consumers  
7 for the United States as reported by the Bureau of Labor  
8 Statistics, or its successor index;

9 (2) "CPI for the preceding calendar year", the average of  
10 the CPI as of the close of the twelve month period ending on  
11 August thirty-first of such calendar year;

12 (3) "Net general revenue collected", all revenue deposited  
13 into the general revenue fund, less refunds and revenues  
14 originally deposited into the general revenue fund but designated  
15 by law for a specific distribution or transfer to another state  
16 fund;

17 (4) "Percent increase in inflation", the percentage, if  
18 any, by which the CPI for the preceding calendar year exceeds the  
19 CPI for the year beginning September 1, 2014, and ending August  
20 31, 2015."; and

21 Further amend the title and enacting clause accordingly.