

FIRST REGULAR SESSION

SENATE BILL NO. 25

98TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SATER.

Pre-filed December 1, 2014, and ordered printed.

ADRIANE D. CROUSE, Secretary.

0450S.011

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to an income tax credit for dependent children.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be known as section 135.320, to read as follows:

135.320. 1. For all tax years beginning on or after January 1, 2016, an eligible taxpayer that is a Missouri resident shall be allowed a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265, for each qualifying child which the taxpayer is entitled to a dependency exemption for federal tax purposes.

2. The amount of the tax credit authorized by this section shall be as follows:

(1) Three hundred dollars per qualifying child if the taxpayer has a Missouri adjusted gross income of twenty thousand dollars or less and the taxpayer's filing status is single or married filing separately;

(2) Two hundred dollars per qualifying child if the taxpayer has a Missouri adjusted gross income of more than twenty thousand dollars but not more than thirty-five thousand dollars and the taxpayer's filing status is single or married filing separately;

(3) Three hundred dollars per qualifying child if the taxpayer has a Missouri adjusted gross income of thirty-five thousand dollars or less and the taxpayer's filing status is head of household or qualifying widow(er) with dependent child;

(4) Two hundred dollars per qualifying child if the taxpayer has a Missouri adjusted gross income of more than thirty-five thousand

22 dollars but not more than seventy thousand dollars and the taxpayer's
23 filing status is head of household or qualifying widow(er) with
24 dependent child;

25 (5) Three hundred dollars per qualifying child if the taxpayer's
26 filing status is married filing combined and the taxpayer's combined
27 Missouri adjusted gross income is forty thousand dollars or less; and

28 (6) Two hundred dollars per qualifying child if the taxpayer's
29 filing status is married filing combined and the taxpayer's combined
30 Missouri adjusted gross income is more than forty thousand dollars but
31 not more than seventy thousand dollars.

32 3. Taxpayers with a filing status of single and a Missouri
33 adjusted gross income of more than thirty-five thousand dollars shall
34 be ineligible for the tax credit authorized by this section. Taxpayers
35 with a filing status other than single and a Missouri adjusted gross
36 income of more than seventy thousand dollars shall be ineligible for the
37 tax credit authorized by this section.

38 4. The credit authorized by this section shall be nontransferable
39 and nonrefundable. Any unused amount of the credit shall not be
40 carried forward to any subsequent tax year or carried back to any
41 previous tax year.

42 5. The department of revenue shall promulgate rules to
43 implement the provisions of this section. Any rule or portion of a rule,
44 as that term is defined in section 536.010, that is created under the
45 authority delegated in this section shall become effective only if it
46 complies with and is subject to all of the provisions of chapter 536 and,
47 if applicable, section 536.028. This section and chapter 536 are
48 nonseverable and if any of the powers vested with the general assembly
49 pursuant to chapter 536 to review, to delay the effective date, or to
50 disapprove and annul a rule are subsequently held unconstitutional,
51 then the grant of rulemaking authority and any rule proposed or
52 adopted after August 28, 2015, shall be invalid and void.

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