

SECOND REGULAR SESSION

SENATE BILL NO. 805

90TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR YECKEL.

Read 1st time January 11, 2000, and 1,000 copies ordered printed.

3441S.011

TERRY L. SPIELER, Secretary.

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to medical savings accounts.

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 135.935, to read as follows:

135.935. 1. An income tax deduction shall be allowed for persons or entities in this state making contributions to medical savings accounts as provided in this section.

2. Any person or entity that is eligible for a deduction for contributions to medical savings accounts pursuant to 26 U.S.C., Section 220, shall be allowed a deduction from income tax liability in Missouri, subject to the following:

(1) No person or entity shall be allowed a state deduction if a federal deduction has been taken;

(2) No cap shall be placed on the number of policies which can participate in Missouri; and

(3) The annual deduction for a contribution to a medical savings account shall only be limited to two thousand dollars for individuals and five thousand dollars for a family.

3. Except as otherwise provided in this section, the department of revenue shall administer the deduction allowed under this section as provided in 26 U.S.C., Section 220, including the same penalties for non-medical withdrawals.

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