

Capitol Report  
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### **Budget, Tax Reform and Economic Development Among Issues to be Considered in 2004 Legislative Session**

JEFFERSON CITY -- Lawmakers returned to Jefferson City on Wednesday to convene the 2004 Legislative Session, and the Senate quickly got down to work.

By the opening day, 315 bills and 16 resolutions had been introduced. Compare that to last year, a session in which lawmakers introduced a large number of bills, opening day brought 228 bills, indicating that this year could set a record for legislation introduced in our state.

Committee chairmen have already begun to schedule public hearings, and two of my bills will be heard in the Ways and Means Committee at 5 p.m. on Tuesday, Jan. 13, in the Senate Lounge.

Bills to be presented are:

- **Senate Bill 720** – Would allow a tax deduction to those who contribute to medical savings accounts. Any person who is not eligible for a federal tax deduction for contributions made to medical savings accounts would also be allowed a state tax deduction. Eligible persons, however, could take both a federal and a state tax deduction for such contributions. The maximum deduction allowed would be \$2,000 per individual and \$5,000 per household and there is no limit on the number of participating policies in Missouri.
- **Senate Bill 792** – This legislation would extend a homestead property tax assessment freeze to all taxpayers' property, except when it changes hands.

Since my election to the Missouri Senate in 1996, I have been committed to bringing about tax reform for the people of Missouri.

There is a strong consensus in the General Assembly that Missouri's tax system is broken, and hopefully this will be the year that we begin to make real reform.

Budget problems will once again loom large this session. While Missouri has begun to emerge from its economic recession, the requests for funding for state programs and services will exceed the amount of revenue our state is predicted to receive this year.

To help strengthen our state's economic recovery, a number of economic development and job creation proposals are likely to be considered.

I have again introduced legislation that would create a Small Business Regulatory Fairness Board. Passed by the General Assembly last year, it was among the bills vetoed by Gov. Bob Holden.

Gov. Holden's veto was wrong, and I'm not going to let his mistake get in the way of a bill that will assist Missouri's small businesses.

As always, I welcome any questions and comments you may have. Please feel free to contact my Capitol office at (573)751-2887.

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