

FIRST REGULAR SESSION

SENATE BILL NO. 7

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR LOUDON.

Pre-filed December 1, 2006, and ordered printed.

TERRY L. SPIELER, Secretary.

0369S.02I

AN ACT

To repeal section 143.111, RSMo, and to enact in lieu thereof two new sections relating to an income tax deduction for certain health care expenses.

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

Section A. Section 143.111, RSMo, is repealed and two new sections
2 enacted in lieu thereof, to be known as sections 143.111 and 143.115, to read as
3 follows:

143.111. The Missouri taxable income of a resident shall be such
2 resident's Missouri adjusted gross income less:

3 (1) Either the Missouri standard deduction or the Missouri itemized
4 deduction;

5 (2) The Missouri deduction for personal exemptions;

6 (3) The Missouri deduction for dependency exemptions;

7 (4) The deduction for federal income taxes provided in section 143.171;

8 [and]

9 (5) The deduction for a self-employed individual's health insurance costs
10 provided in section 143.113; and

11 **(6) The deduction for health insurance premiums and out-of-**
12 **pocket medical expenses provided under section 143.115.**

143.115. For tax years beginning on or after January 1, 2008, in
2 addition to the amounts to be subtracted from a resident's Missouri
3 adjusted gross income to determine Missouri taxable income under
4 section 143.111, there shall be subtracted one hundred percent of the
5 amount paid by the taxpayer during the taxable year for medical
6 insurance premiums and out-of-pocket medical costs to the extent such

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

7 amount is included in federal adjusted gross income and is not
8 otherwise excluded from Missouri adjusted gross income. For purposes
9 of this section, "out-of-pocket medical costs" means those medical
10 expenses allowable pursuant to Section 213 of the Internal Revenue
11 Code and federal rulings interpreting Section 213 of the Internal
12 Revenue Code.

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