



*Nothing is politically right
that is morally wrong.*

MISSOURI SENATE
JEFFERSON CITY

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is the firmest friend of truth.*

FOR IMMEDIATE RELEASE

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Senator Coleman Introduces Bill to Prevent State Tax on Rebate Checks *AG Nixon, Governor Blunt Agree Rebates Should Not Be Taxed*

JEFFERSON CITY – Sen. Maida Coleman, D-St. Louis, today introduced legislation which will prevent the tax refund checks related to the federal economic stimulus plan moving through Congress from being taxed by the state.

Currently, Missouri taxpayers can deduct their federal taxes on their state income tax returns, so a refund of federal taxes would be considered income and would be subject to state tax.

“Missouri’s hardworking families are facing enough difficulties with a looming recession, the sub-prime housing mess and the rising cost of healthcare,” Sen. Coleman said. “They should not be penalized if the federal government wants to give families some of their tax money back in an effort to stimulate the economy. My legislation simply states that these refund checks will not be subject to state taxes.”

Attorney General Jay Nixon and Governor Matt Blunt both issued news releases on Monday calling on lawmakers to make the refund checks exempt from state taxes.

“I imagine that since both the governor and General Nixon support this effort, there shouldn’t be much, if any, opposition to this legislation,” Sen. Coleman said. “My intention is to get this passed and signed by the governor before those refund checks start arriving in Missouri mailboxes.”

The U.S House of Representatives, working with the White House, approved a \$146 billion economic stimulus package on Tuesday. The measure is now working its way through the U.S. Senate.

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