

SECOND REGULAR SESSION

SENATE BILL NO. 733

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHAEFER.

Read 1st time January 16, 2014, and ordered printed.

TERRY L. SPIELER, Secretary.

5166S.03I

AN ACT

To repeal sections 143.011, 143.071, and 143.171, RSMo, and to enact in lieu thereof three new sections relating to income taxes.

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

Section A. Sections 143.011, 143.071, and 143.171, RSMo, are repealed
2 and three new sections enacted in lieu thereof, to be known as sections 143.011,
3 143.071, and 143.171, to read as follows:

143.011. A tax is hereby imposed for every taxable year on the Missouri
2 taxable income of every resident.

3 **(1) For all tax years beginning on or before December 31, 2014,**
4 the tax shall be determined by applying the tax table or the rate provided in
5 section 143.021, which is based upon the following rates:

6 If the Missouri taxable income is:	The tax is:
7 Not over \$1,000.00	1 ½% of the Missouri
8	taxable income
9 Over \$1,000 but not over \$2,000	\$15 plus 2% of excess
10	over \$1,000
11 Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess
12	over \$2,000
13 Over \$3,000 but not over \$4,000	\$60 plus 3% of excess
14	over \$3,000
15 Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess
16	over \$4,000
17 Over \$5,000 but not over \$6,000	\$125 plus 4% of excess
18	over \$5,000

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

19	Over \$6,000 but not over \$7,000	\$165 plus 4 ½% of excess
20		over \$6,000
21	Over \$7,000 but not over \$8,000	\$210 plus 5% of excess
22		over \$7,000
23	Over \$8,000 but not over \$9,000	\$260 plus 5 ½% of excess
24		over \$8,000
25	Over \$9,000	\$315 plus 6% of excess
26		over \$9,000

27 **(2) For all tax years beginning on or after January 1, 2015, but**
 28 **before January 1, 2016, the tax shall be determined by applying the tax**
 29 **table or the rate provided in section 143.021, which is based upon the**
 30 **following rates:**

31	If the Missouri taxable income is:	The tax is:
32	Not over \$1,000.00	1 3/10% of the Missouri
33		taxable income
34	Over \$1,000 but not over \$2,000	\$13 plus 1 4/5% of excess
35		over \$1,000
36	Over \$2,000 but not over \$3,000	\$31 plus 2 3/10% of excess
37		over \$2,000
38	Over \$3,000 but not over \$4,000	\$54 plus 2 4/5% of excess
39		over \$3,000
40	Over \$4,000 but not over \$5,000	\$82 plus 3 3/10% of excess
41		over \$4,000
42	Over \$5,000 but not over \$6,000	\$115 plus 3 4/5% of excess
43		over \$5,000
44	Over \$6,000 but not over \$7,000	\$153 plus 4 3/10% of excess
45		over \$6,000
46	Over \$7,000 but not over \$8,000	\$196 plus 4 4/5% of excess
47		over \$7,000
48	Over \$8,000 but not over \$9,000	\$244 plus 5 3/10% of excess
49		over \$8,000
50	Over \$9,000	\$297 plus 5 4/5% of excess
51		over \$9,000

52 **(3) For all tax years beginning on or after January 1, 2016, but**
 53 **before January 1, 2017, the tax shall be determined by applying the tax**
 54 **table or the rate provided in section 143.021, which is based upon the**
 55 **following rates:**

56	If the Missouri taxable income is:	The tax is:
57	Not over \$1,000.00	1 1/10% of the Missouri
58		taxable income
59	Over \$1,000 but not over \$2,000	\$11 plus 1 3/5% of excess
60		over \$1,000
61	Over \$2,000 but not over \$3,000	\$27 plus 2 1/10% of excess
62		over \$2,000
63	Over \$3,000 but not over \$4,000	\$48 plus 2 3/5% of excess
64		over \$3,000
65	Over \$4,000 but not over \$5,000	\$74 plus 3 1/10% of excess
66		over \$4,000
67	Over \$5,000 but not over \$6,000	\$105 plus 3 3/5% of excess
68		over \$5,000
69	Over \$6,000 but not over \$7,000	\$141 plus 4 1/10% of excess
70		over \$6,000
71	Over \$7,000 but not over \$8,000	\$182 plus 4 3/5% of excess
72		over \$7,000
73	Over \$8,000 but not over \$9,000	\$228 plus 5 1/10% of excess
74		over \$8,000
75	Over \$9,000.	\$279 plus 5 3/5% of excess
76		over \$9,000

77 (4) For all tax years beginning on or after January 1, 2017, but
 78 before January 1, 2018, the tax shall be determined by applying the tax
 79 table or the rate provided in section 143.021, which is based upon the
 80 following rates:

81	If the Missouri taxable income is:	The tax is:
82	Not over \$1,000.00	9/10 % o f the Missouri
83		taxable income
84	Over \$1,000 but not over \$2,000	\$9 plus 1 2/5% of excess
85		over \$1,000
86	Over \$2,000 but not over \$3,000	\$23 plus 1 9/10% of excess
87		over \$2,000
88	Over \$3,000 but not over \$4,000	\$42 plus 2 2/5% of excess
89		over \$3,000
90	Over \$4,000 but not over \$5,000	\$66 plus 2 9/10% of excess
91		over \$4,000
92	Over \$5,000 but not over \$6,000	\$95 plus 3 2/5% of excess

93		over \$5,000
94	Over \$6,000 but not over \$7,000	\$129 plus 3 9/10% of excess
95		over \$6,000
96	Over \$7,000 but not over \$8,000	\$168 plus 4 2/5% of excess
97		over \$7,000
98	Over \$8,000 but not over \$9,000	\$212 plus 4 9/10% of excess
99		over \$8,000
100	Over \$9,000	\$261 plus 5 2/5% of excess
101		over \$9,000

102 (5) For all tax years beginning on or after January 1, 2018, but
 103 before January 1, 2019, the tax shall be determined by applying the tax
 104 table or the rate provided in section 143.021, which is based upon the
 105 following rates:

106	If the Missouri taxable income is:	The tax is:
107	Not over \$1,000.00	7/10% of the Missouri
108		taxable income
109	Over \$1,000 but not over \$2,000	\$7 plus 1 1/5% of excess
110		over \$1,000
111	Over \$2,000 but not over \$3,000	\$19 plus 1 7/10% of excess
112		over \$2,000
113	Over \$3,000 but not over \$4,000	\$36 plus 2 1/5% of excess
114		over \$3,000
115	Over \$4,000 but not over \$5,000	\$58 plus 2 7/10% of excess
116		over \$4,000
117	Over \$5,000 but not over \$6,000	\$85 plus 3 1/5% of excess
118		over \$5,000
119	Over \$6,000 but not over \$7,000	\$117 plus 3 7/10% of excess
120		over \$6,000
121	Over \$7,000 but not over \$8,000	\$154 plus 4 1/5% of excess
122		over \$7,000
123	Over \$8,000 but not over \$9,000	\$196 plus 4 7/10% of excess
124		over \$8,000
125	Over \$9,000	\$243 plus 5 1/5% of excess
126		over \$9,000

127 (6) For all tax years beginning on or after January 1, 2019, the
 128 tax shall be determined by applying the tax table or the rate provided
 129 in section 143.021, which is based upon the following rates:

<p>130 If the Missouri taxable income is:</p> <p>131 Not over \$1,000.00</p> <p>132</p> <p>133 Over \$1,000 but not over \$2,000</p> <p>134</p> <p>135 Over \$2,000 but not over \$3,000</p> <p>136</p> <p>137 Over \$3,000 but not over \$4,000</p> <p>138</p> <p>139 Over \$4,000 but not over \$5,000</p> <p>140</p> <p>141 Over \$5,000 but not over \$6,000</p> <p>142</p> <p>143 Over \$6,000 but not over \$7,000</p> <p>144</p> <p>145 Over \$7,000 but not over \$8,000</p> <p>146</p> <p>147 Over \$8,000 but not over \$9,000</p> <p>148</p> <p>149 Over \$9,000..</p> <p>150</p>	<p>The tax is:</p> <p>1/2% of the Missouri taxable income</p> <p>\$5 plus 1% of excess over \$1,000</p> <p>\$15 plus 1 1/2% of excess over \$2,000</p> <p>\$30 plus 2% of excess over \$3,000</p> <p>\$50 plus 2 1/2% of excess over \$4,000</p> <p>\$75 plus 3% of excess over \$5,000</p> <p>\$105 plus 3 1/2% of excess over \$6,000</p> <p>\$140 plus 4% of excess over \$7,000</p> <p>\$180 plus 4 1/2% of excess over \$8,000</p> <p>\$225 plus 5 1/5% of excess over \$9,000</p>
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143.071. 1. For all tax years beginning before September 1, 1993, a tax is hereby imposed upon the Missouri taxable income of corporations in an amount equal to five percent of Missouri taxable income.

2. For all tax years beginning on or after September 1, 1993, **but before January 1, 2015**, a tax is hereby imposed upon the Missouri taxable income of corporations in an amount equal to six and one-fourth percent of Missouri taxable income.

3. For all tax years beginning on or after **January 1, 2015**, but before **January 1, 2016**, a tax is hereby imposed upon the Missouri taxable income of corporations in an amount equal to six and one-twentieth percent of Missouri taxable income.

4. For all tax years beginning on or after **January 1, 2016**, but before **January 1, 2017**, a tax is hereby imposed upon the Missouri taxable income of corporations in an amount equal to five and seventeen-twentieths percent of Missouri taxable income.

5. For all tax years beginning on or after **January 1, 2017**, but

17 **before January 1, 2018, a tax is hereby imposed upon the Missouri**
18 **taxable income of corporations in an amount equal to five and**
19 **thirteen-twentieths percent of Missouri taxable income.**

20 **6. For all tax years beginning on or after January 1, 2018, but**
21 **before January 1, 2019, a tax is hereby imposed upon the Missouri**
22 **taxable income of corporations in an amount equal to five and**
23 **nine-twentieths percent of Missouri taxable income.**

24 **7. For all tax years beginning on or after January 1, 2019, a tax**
25 **is hereby imposed upon the Missouri taxable income of corporations in**
26 **an amount equal to five and one-fourth percent of Missouri taxable**
27 **income.**

143.171. 1. [For all tax years beginning on or after January 1, 1994,] an
2 individual taxpayer shall be allowed a deduction for his federal income tax
3 liability under Chapter 1 of the Internal Revenue Code for the same taxable year
4 for which the Missouri return is being filed, [not to exceed five thousand dollars
5 on a single taxpayer's return or ten thousand dollars on a combined return,] after
6 reduction for all credits thereon, except the credit for payments of federal
7 estimated tax, the credit for the overpayment of any federal tax, and the credits
8 allowed by the Internal Revenue Code by Section 31 (tax withheld on wages),
9 Section 27 (tax of foreign country and United States possessions), and Section 34
10 (tax on certain uses of gasoline, special fuels, and lubricating oils). **The**
11 **deduction authorized under this subsection shall not exceed:**

12 **(1) Five thousand dollars on a single taxpayer's return or ten**
13 **thousand dollars on a combined return for all tax years beginning on**
14 **or before December 31, 2014; and**

15 **(2) Seven thousand five hundred dollars on a single taxpayer's**
16 **return or fifteen thousand dollars on a combined return for all tax**
17 **years beginning on or after January 1, 2015.**

18 2. For all tax years beginning on or after September 1, 1993, a corporate
19 taxpayer shall be allowed a deduction for fifty percent of its federal income tax
20 liability under Chapter 1 of the Internal Revenue Code for the same taxable year
21 for which the Missouri return is being filed after reduction for all credits thereon,
22 except the credit for payments of federal estimated tax, the credit for the
23 overpayment of any federal tax, and the credits allowed by the Internal Revenue
24 Code by Section 31 (tax withheld on wages), Section 27 (tax of foreign country and
25 United States possessions), and Section 34 (tax on certain uses of gasoline, special
26 fuels and lubricating oils).

27 3. If a federal income tax liability for a tax year prior to the applicability
28 of sections 143.011 to 143.996 for which he was not previously entitled to a
29 Missouri deduction is later paid or accrued, he may deduct the federal tax in the
30 later year to the extent it would have been deductible if paid or accrued in the
31 prior year.

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