

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend _____ House _____ Bill No. 150, Page 1, Section A, Line 3,

2 by inserting after all of said line the following:

3 "288.036. 1. "Wages" means all remuneration, payable or
 4 paid, for personal services including commissions and bonuses
 5 and, except as provided in subdivision (7) of this section, the
 6 cash value of all remuneration paid in any medium other than
 7 cash. Gratuities, including tips received from persons other
 8 than the employing unit, shall be considered wages only if
 9 required to be reported as wages pursuant to the Federal
 10 Unemployment Tax Act, 26 U.S.C. Sec. 3306, and shall be, for the
 11 purposes of this chapter, treated as having been paid by the
 12 employing unit. Severance pay shall be considered as wages to
 13 the extent required pursuant to the Federal Unemployment Tax Act,
 14 26 U.S.C. Section 3306(b). Vacation pay, termination pay,
 15 severance pay and holiday pay shall be considered as wages for
 16 the week with respect to which it is payable. The total amount
 17 of wages derived from severance pay, if paid to an insured in a
 18 lump sum, shall be pro-rated on a weekly basis at the rate of pay
 19 received by the insured at the time of termination for the
 20 purposes of determining unemployment benefits eligibility. The
 21 term "wages" shall not include:

1 (1) The amount of any payment made (including any amount
2 paid by an employing unit for insurance or annuities, or into a
3 fund, to provide for any such payment) to, or on behalf of, an
4 individual under a plan or system established by an employing
5 unit which makes provision generally for individuals performing
6 services for it or for a class or classes of such individuals, on
7 account of:

8 (a) Sickness or accident disability, but in case of
9 payments made to an employee or any of the employee's dependents
10 this paragraph shall exclude from the term wages only payments
11 which are received pursuant to a workers' compensation law; or

12 (b) Medical and hospitalization expenses in connection with
13 sickness or accident disability; or

14 (c) Death;

15 (2) The amount of any payment on account of sickness or
16 accident disability, or medical or hospitalization expenses in
17 connection with sickness or accident disability, made by an
18 employing unit to, or on behalf of, an individual performing
19 services for it after the expiration of six calendar months
20 following the last calendar month in which the individual
21 performed services for such employing unit;

22 (3) The amount of any payment made by an employing unit to,
23 or on behalf of, an individual performing services for it or his
24 or her beneficiary:

25 (a) From or to a trust described in 26 U.S.C. 401(a) which
26 is exempt from tax pursuant to 26 U.S.C. 501(a) at the time of
27 such payment unless such payment is made to an employee of the
28 trust as remuneration for services rendered as such an employee
29 and not as a beneficiary of the trust; or

1 (b) Under or to an annuity plan which, at the time of such
2 payments, meets the requirements of Section 404(a)(2) of the
3 Federal Internal Revenue Code (26 U.S.C.A. Sec. 404);

4 (4) The amount of any payment made by an employing unit
5 (without deduction from the remuneration of the individual in
6 employment) of the tax imposed pursuant to Section 3101 of the
7 Federal Internal Revenue Code (26 U.S.C.A. Sec. 3101) upon an
8 individual with respect to remuneration paid to an employee for
9 domestic service in a private home or for agricultural labor;

10 (5) Remuneration paid in any medium other than cash to an
11 individual for services not in the course of the employing unit's
12 trade or business;

13 (6) Remuneration paid in the form of meals provided to an
14 individual in the service of an employing unit where such
15 remuneration is furnished on the employer's premises and at the
16 employer's convenience, except that remuneration in the form of
17 meals that is considered wages and required to be reported as
18 wages pursuant to the Federal Unemployment Tax Act, 26 U.S.C.
19 Sec. 3306 shall be reported as wages as required thereunder;

20 (7) For the purpose of determining wages paid for
21 agricultural labor as defined in paragraph (b) of subdivision (1)
22 of subsection 12 of section 288.034 and for domestic service as
23 defined in subsection 13 of section 288.034, only cash wages paid
24 shall be considered;

25 (8) Beginning on October 1, 1996, any payment to, or on
26 behalf of, an employee or the employee's beneficiary under a
27 cafeteria plan, if such payment would not be treated as wages
28 pursuant to the Federal Unemployment Tax Act.

29 2. The increases or decreases to the state taxable wage

1 base for the remainder of calendar year 2004 shall be eight
2 thousand dollars, and the state taxable wage base in calendar
3 year 2005, and each calendar year thereafter, shall be determined
4 by the provisions within this subsection. On January 1, 2005,
5 the state taxable wage base for calendar year 2005, 2006, and
6 2007 shall be eleven thousand dollars. The taxable wage base for
7 calendar year 2008 shall be twelve thousand dollars. The state
8 taxable wage base for each calendar year thereafter shall be
9 determined by the average balance of the unemployment
10 compensation trust fund of the four preceding calendar quarters
11 (September thirtieth, June thirtieth, March thirty-first, and
12 December thirty-first of the preceding calendar year), less any
13 outstanding federal Title XII advances received pursuant to
14 section 288.330, less the principal, interest, and administrative
15 expenses related to any credit instrument issued under section
16 288.030, and less the principal, interest, and administrative
17 expenses related to any financial agreements under subdivision
18 (17) of subsection 2 of section 288.330. When the average
19 balance of the unemployment compensation trust fund of the four
20 preceding quarters (September thirtieth, June thirtieth, March
21 thirty-first, and December thirty-first of the preceding calendar
22 year), as so determined is:

23 (1) Less than, or equal to, three hundred fifty million
24 dollars, then the wage base shall increase by one thousand
25 dollars; or

26 (2) Six hundred fifty million or more, then the state
27 taxable wage base for the subsequent calendar year shall be
28 decreased by five hundred dollars. In no event, however, shall
29 the state taxable wage base increase beyond twelve thousand five

1 hundred dollars, or decrease to less than seven thousand dollars.
2 For calendar year 2009, the tax wage base shall be twelve
3 thousand five hundred dollars. For calendar year 2010 and each
4 calendar year thereafter, in no event shall the state taxable
5 wage base increase beyond thirteen thousand dollars, or decrease
6 to less than seven thousand dollars. For any calendar year, the
7 state taxable wage base shall not be reduced to less than that
8 part of the remuneration which is subject to a tax under a
9 federal law imposing a tax against which credit may be taken for
10 contributions required to be paid into a state unemployment
11 compensation trust fund. Nothing in this section shall be
12 construed to prevent the wage base from increasing or decreasing
13 by increments of five hundred dollars."; and

14 Further amend said bill and page, section 288.060, line 14,
15 by inserting an opening bracket "[" immediately before the word
16 "Termination"; and further amend said line by inserting a closing
17 bracket "]" immediately after the word "or"; and

18 Further amend the title and enacting clause accordingly.