

FIRST REGULAR SESSION

# SENATE BILL NO. 364

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR WILLIAMS.

Read 1st time February 7, 2019, and ordered printed.

ADRIANE D. CROUSE, Secretary.

1889S.011

## AN ACT

To amend chapter 143, RSMo, by adding thereto one new section relating to a tax deduction for the hiring of certain employees.

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

Section A. Chapter 143, RSMo, is amended by adding thereto one new section, to be known as section 143.1200, to read as follows:

**143.1200. 1. As used in this section, the following terms shall mean:**

(1) "Deduction", an amount subtracted from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income for the tax year in which such deduction is claimed;

(2) "Felony", any offense defined as a felony under section 556.061;

(3) "Full-time", engaged in employment for at least thirty-five hours per week;

(4) "Taxpayer", any individual or employer subject to the income tax imposed under this chapter, excluding withholding tax imposed under sections 143.191 to 143.265.

2. For all tax years beginning on or after January 1, 2020, a taxpayer shall be allowed a deduction equal to five thousand dollars for each employee who:

(1) Has been convicted of, or pleaded guilty to, a felony;

(2) Has been hired to a full-time position on the taxpayer's payroll on or after January 1, 2020; and

(3) Remains in a full-time position on the taxpayer's payroll for at least six consecutive months, where at least some portion of that employment occurs during the tax year for which the deduction is

22 claimed.

23           3. The aggregate amount of a tax deduction claimed by a  
24 taxpayer under this section shall not exceed one hundred thousand  
25 dollars in any given tax year.

26           4. The total amount of tax deductions authorized under this  
27 section shall not exceed one million dollars per tax year. If the amount  
28 of tax deductions claimed in a tax year exceeds one million dollars,  
29 deductions shall be allowed on a first-come, first-served basis.

30           5. The department of revenue may promulgate rules to  
31 implement the provisions of this section. Any rule or portion of a rule,  
32 as that term is defined in section 536.010, that is created under the  
33 authority delegated in this section shall become effective only if it  
34 complies with and is subject to all of the provisions of chapter 536  
35 including, if applicable, section 536.028. This section and chapter 536  
36 are nonseverable, and if any of the powers vested with the general  
37 assembly pursuant to chapter 536 to review, to delay the effective date,  
38 or to disapprove and annul a rule are subsequently held  
39 unconstitutional, then the grant of rulemaking authority and any rule  
40 proposed or adopted after August 28, 2019, shall be invalid and void.

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