

# SENATE AMENDMENT NO. \_\_\_\_\_

Offered by \_\_\_\_\_ of \_\_\_\_\_

Amend SS/Senate Bill No. 36, Page 1, Section Title, Line 4,

2 by striking "tax credits" and inserting in lieu thereof the  
3 following: "taxation"; and

4 Further amend said bill, page 16, section 135.1610,  
5 line 73, by inserting after all of said line the following:

6 "143.011. 1. A tax is hereby imposed for every  
7 taxable year on the Missouri taxable income of every  
8 resident. The tax shall be determined by applying the tax  
9 table or the rate provided in section 143.021, which is  
10 based upon the following rates:

If the Missouri taxable income is:	The tax is:
Not over \$1,000.00	1 1/2% of the Missouri taxable income
Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000
Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess over \$2,000
Over \$3,000 but not over \$4,000	\$60 plus 3% of excess over \$3,000
Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess over \$4,000
Over \$5,000 but not over \$6,000	\$125 plus 4% of excess over \$5,000

25	Over \$6,000 but not over	\$165 plus 4 1/2% of excess over
26	\$7,000	\$6,000
27	Over \$7,000 but not over	\$210 plus 5% of excess over
28	\$8,000	\$7,000
29	Over \$8,000 but not over	\$260 plus 5 1/2% of excess over
30	\$9,000	\$8,000
31	Over \$9,000	\$315 plus 6% of excess over
32		\$9,000

33           2. (1) Beginning with the 2017 calendar year, the top  
34 rate of tax under subsection 1 of this section may be  
35 reduced over a period of years. Each reduction in the top  
36 rate of tax shall be by one-tenth of a percent and no more  
37 than one reduction shall occur in a calendar year. No more  
38 than five reductions shall be made under this subsection.  
39 Reductions in the rate of tax shall take effect on January  
40 first of a calendar year and such reduced rates shall  
41 continue in effect until the next reduction occurs.

42           (2) A reduction in the rate of tax shall only occur if  
43 the amount of net general revenue collected in the previous  
44 fiscal year exceeds the highest amount of net general  
45 revenue collected in any of the three fiscal years prior to  
46 such fiscal year by at least one hundred fifty million  
47 dollars.

48           (3) Any modification of tax rates under this  
49 subsection shall only apply to tax years that begin on or  
50 after a modification takes effect.

51           (4) The director of the department of revenue shall,  
52 by rule, adjust the tax tables under subsection 1 of this  
53 section to effectuate the provisions of this subsection.  
54 The bracket for income subject to the top rate of tax shall  
55 be eliminated once the top rate of tax has been reduced to  
56 five and one-half percent, and the top remaining rate of tax

57 shall apply to all income in excess of the income in the  
58 second highest remaining income bracket.

59 3. (1) In addition to the rate reductions under  
60 subsection 2 of this section, beginning with the 2019  
61 calendar year, the top rate of tax under subsection 1 of  
62 this section shall be reduced by four-tenths of one  
63 percent. Such reduction in the rate of tax shall take  
64 effect on January first of the 2019 calendar year.

65 (2) The modification of tax rates under this  
66 subsection shall only apply to tax years that begin on or  
67 after the date the modification takes effect.

68 (3) The director of the department of revenue shall,  
69 by rule, adjust the tax tables under subsection 1 of this  
70 section to effectuate the provisions of this subsection.

71 4. (1) In addition to the rate reductions under  
72 subsections 2 and 3 of this section, beginning with the 2021  
73 calendar year, the top rate of tax under subsection 1 of  
74 this section may be reduced pursuant to subdivision (2) of  
75 this subsection. Each reduction in the top rate of tax  
76 shall be by one-tenth of one percent. Reductions in the  
77 rate of tax shall take effect on January first of a calendar  
78 year and such reduced rates shall continue in effect until  
79 the next reduction occurs.

80 (2) (a) A reduction in the rate of tax pursuant to  
81 this subsection shall only occur if net general revenue  
82 collected in a fiscal year exceeds baseline net general  
83 revenue collections. An additional reduction shall be made  
84 for every one hundred million dollars of net general revenue  
85 collected during a fiscal year that is in excess of baseline  
86 net general revenue collections, and more than one reduction  
87 may occur in a calendar year.

88 (b) Reductions in the rate of tax made pursuant to  
89 this subsection shall be permanent and the rate of tax shall

90 not be increased if net general revenue collected in a  
 91 fiscal year is less than baseline net general revenue  
 92 collections.

93 (3) The modification of tax rates under this  
 94 subsection shall only apply to tax years that begin on or  
 95 after the date the modification takes effect.

96 (4) The director of the department of revenue shall,  
 97 by rule, adjust the tax tables under subsection 1 of this  
 98 section to effectuate the provisions of this subsection.

99 5. Beginning with the 2017 calendar year, the brackets  
 100 of Missouri taxable income identified in subsection 1 of  
 101 this section shall be adjusted annually by the percent  
 102 increase in inflation. The director shall publish such  
 103 brackets annually beginning on or after October 1, 2016.  
 104 Modifications to the brackets shall take effect on January  
 105 first of each calendar year and shall apply to tax years  
 106 beginning on or after the effective date of the new brackets.

107 [5.] 6. As used in this section, the following terms  
 108 mean:

109 (1) "Baseline net general revenue collections", ten  
 110 billion, three hundred million dollars, increased by one  
 111 hundred million dollars for every reduction in the rate of  
 112 tax made pursuant to subsection 4 of this section.

113 (2) "CPI", the Consumer Price Index for All Urban  
 114 Consumers for the United States as reported by the Bureau of  
 115 Labor Statistics, or its successor index;

116 [(2)] (3) "CPI for the preceding calendar year", the  
 117 average of the CPI as of the close of the twelve month  
 118 period ending on August thirty-first of such calendar year;

119 [(3)] (4) "Net general revenue collected", all revenue  
 120 deposited into the general revenue fund, less refunds and  
 121 revenues originally deposited into the general revenue fund

122 but designated by law for a specific distribution or  
123 transfer to another state fund;

124        ~~[(4)]~~ (5) "Percent increase in inflation", the  
125 percentage, if any, by which the CPI for the preceding  
126 calendar year exceeds the CPI for the year beginning  
127 September 1, 2014, and ending August 31, 2015."; and

128        Further amend the title and enacting clause accordingly.