

FIRST REGULAR SESSION

# SENATE BILL NO. 500

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHUPP.

2335S.02I

ADRIANE D. CROUSE, Secretary

## AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for the care of certain dependents.

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

Section A. Chapter 135, RSMo, is amended by adding thereto  
2 one new section, to be known as section 135.345, to read as  
3 follows:

135.345. 1. This section shall be known and may be  
2 cited as the "Affordable Child Care for Families Tax Credit  
3 Act".

4 2. For the purposes of this section, the following  
5 terms shall mean:

6 (1) "Department", the department of revenue;

7 (2) "Eligible taxpayer", a resident individual with a  
8 filing status of single, head of household, widowed, or  
9 married filing combined who is subject to the tax imposed  
10 under chapter 143, excluding withholding tax imposed under  
11 sections 143.191 to 143.265, and who has a federal adjusted  
12 gross income of less than fifty thousand dollars if filing  
13 single, head of household, or widowed, or eighty thousand  
14 dollars if married filing combined in the tax year for which  
15 a tax credit is claimed;

16 (3) "Tax credit", a credit against the tax otherwise  
17 due under chapter 143, excluding withholding tax imposed  
18 under sections 143.191 to 143.265.

19           3.   (1)   For all tax years beginning on or after  
20   January 1, 2022, an eligible taxpayer shall be allowed a tax  
21   credit in an amount equal to a percentage of the amount such  
22   taxpayer would receive under a federal tax credit received  
23   under 26 U.S.C. Section 21, as amended. The tax credit  
24   allowed by this section shall be claimed by such taxpayer at  
25   the time such taxpayer files a return and shall be applied  
26   against the income tax liability imposed by chapter 143  
27   after reduction for all other credits allowed thereon. If  
28   the amount of the credit exceeds the tax liability, the  
29   difference shall be refunded to the taxpayer and shall not  
30   be carried forward to any subsequent tax year.

31           (2)   The amount of the tax credit authorized pursuant  
32   to this section shall be equal to the following percentage  
33   of the amount received under 26 U.S.C. Section 21, as  
34   amended:

35           (a)   For the tax year beginning on or after January 1,  
36   2022, and ending on or before December 31, 2022, ten percent  
37   of such federal tax credit;

38           (b)   For the tax year beginning on or after January 1,  
39   2023, and ending on or before December 31, 2023, twenty  
40   percent of such federal tax credit; and

41           (c)   For all tax years beginning on or after January 1,  
42   2024, thirty percent of such federal tax credit.

43           4.   The department shall prepare an annual report  
44   containing statistical information regarding the tax credits  
45   issued under this section for the previous tax year,  
46   including the total amount of revenue expended, the number  
47   of credits claimed, and the average value of the credits  
48   issued to taxpayers whose earned income falls within various  
49   income ranges determined by the department.

50           5. The director of the department may promulgate rules  
51 and regulations to administer the provisions of this  
52 section. Any rule or portion of a rule, as that term is  
53 defined in section 536.010, that is created under the  
54 authority delegated in this section shall become effective  
55 only if it complies with and is subject to all of the  
56 provisions of chapter 536 and, if applicable, section  
57 536.028. This section and chapter 536 are nonseverable and  
58 if any of the powers vested with the general assembly  
59 pursuant to chapter 536 to review, to delay the effective  
60 date, or to disapprove and annul a rule are subsequently  
61 held unconstitutional, then the grant of rulemaking  
62 authority and any rule proposed or adopted after August 28,  
63 2021, shall be invalid and void.

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