

FIRST REGULAR SESSION

SENATE BILL NO. 571

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR ROWDEN.

2212S.01H

KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for educators.

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 135.1750, to read as
3 follows:

135.1750. 1. For purposes of this section, the
2 following terms shall mean:

3 (1) "Department", the Missouri department of
4 elementary and secondary education;

5 (2) "Eligible educator", an eligible educator as
6 defined under 26 U.S.C. Section 62, as amended, or a teacher
7 in an early childhood education program;

8 (3) "State tax liability", any liability incurred by
9 the taxpayer pursuant to the provisions of chapter 143,
10 exclusive of the provisions relating to the withholding of
11 tax as provided for in sections 143.191 to 143.265 and
12 related provisions;

13 (4) "Tax credit", a credit against the taxpayer's
14 state tax liability;

15 (5) "Taxpayer", any individual subject to the state
16 income tax pursuant to chapter 143.

17 2. For all tax years beginning on or after January 1,
18 2024, a taxpayer that is an eligible educator shall be

19 authorized to claim a tax credit in an amount equal to one
20 thousand five hundred dollars.

21 3. To claim a tax credit authorized pursuant to this
22 section, an eligible educator shall submit to the
23 department, for preliminary approval, an application for the
24 tax credit on a form provided by the department and at such
25 times as the department may require. Upon final approval of
26 an application, the department shall issue the eligible
27 educator a certificate of tax credit.

28 4. Any amount of tax credit that exceeds the
29 taxpayer's state tax liability shall be refunded to the
30 taxpayer. Tax credits authorized pursuant to this section
31 shall not be transferred, sold, assigned, or otherwise
32 conveyed.

33 5. The tax credit authorized by this section shall be
34 considered a domestic and social tax credit under
35 subdivision (5) of subsection 2 of section 135.800.

36 6. The department may promulgate rules and adopt
37 statements of policy, procedures, forms and guidelines to
38 implement and administer the provisions of this section.
39 Any rule or portion of a rule, as that term is defined in
40 section 536.010, that is created pursuant to the authority
41 delegated in this section shall become effective only if it
42 complies with and is subject to all of the provisions of
43 chapter 536 and, if applicable, section 536.028. This
44 section and chapter 536 are nonseverable and if any of the
45 powers vested with the general assembly pursuant to chapter
46 536 to review, to delay the effective date, or to disapprove
47 and annul a rule are subsequently held unconstitutional,
48 then the grant of rulemaking authority and any rule proposed
49 or adopted after August 28, 2023, shall be invalid and void.

50 7. Pursuant to section 23.253 of the Missouri sunset
51 act:

52 (1) The program authorized under this section shall
53 expire on December 31, 2029, unless reauthorized by the
54 general assembly; and

55 (2) The act shall terminate on September first of the
56 calendar year immediately following the calendar year in
57 which the program authorized under this section is sunset;
58 and

59 (3) If such program is reauthorized, the program
60 authorized under this section shall automatically sunset six
61 years after the effective date of the reauthorization of
62 this section; and

63 (4) The provisions of this subsection shall not be
64 construed to limit or in any way impair the department of
65 revenue's ability to redeem tax credits authorized on or
66 before the date the program authorized pursuant to this
67 section expires, or a taxpayer's ability to redeem such tax
68 credits.

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