

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend SS/SCS/Senate Bill No. 835, Page 1, Section TITLE, Line 5,

2 by striking "institutions" and inserting in lieu thereof the
3 following: "transactions"; and

4 Further amend said bill, page 4, section 110.075, line
5 57, by inserting after all of said line the following:

6 "143.121. 1. The Missouri adjusted gross income of a
7 resident individual shall be the taxpayer's federal adjusted
8 gross income subject to the modifications in this section.

9 2. There shall be added to the taxpayer's federal
10 adjusted gross income:

11 (1) The amount of any federal income tax refund
12 received for a prior year which resulted in a Missouri
13 income tax benefit. The amount added pursuant to this
14 subdivision shall not include any amount of a federal income
15 tax refund attributable to a tax credit reducing a
16 taxpayer's federal tax liability pursuant to Public Law 116-
17 136 or 116-260, enacted by the 116th United States Congress,
18 for the tax year beginning on or after January 1, 2020, and
19 ending on or before December 31, 2020, and deducted from
20 Missouri adjusted gross income pursuant to section 143.171.
21 The amount added under this subdivision shall also not
22 include any amount of a federal income tax refund
23 attributable to a tax credit reducing a taxpayer's federal
24 tax liability under any other federal law that provides
25 direct economic impact payments to taxpayers to mitigate
26 financial challenges related to the COVID-19 pandemic, and

27 deducted from Missouri adjusted gross income under section
28 143.171;

29 (2) Interest on certain governmental obligations
30 excluded from federal gross income by 26 U.S.C. Section 103
31 of the Internal Revenue Code, as amended. The previous
32 sentence shall not apply to interest on obligations of the
33 state of Missouri or any of its political subdivisions or
34 authorities and shall not apply to the interest described in
35 subdivision (1) of subsection 3 of this section. The amount
36 added pursuant to this subdivision shall be reduced by the
37 amounts applicable to such interest that would have been
38 deductible in computing the taxable income of the taxpayer
39 except only for the application of 26 U.S.C. Section 265 of
40 the Internal Revenue Code, as amended. The reduction shall
41 only be made if it is at least five hundred dollars;

42 (3) The amount of any deduction that is included in
43 the computation of federal taxable income pursuant to 26
44 U.S.C. Section 168 of the Internal Revenue Code as amended
45 by the Job Creation and Worker Assistance Act of 2002 to the
46 extent the amount deducted relates to property purchased on
47 or after July 1, 2002, but before July 1, 2003, and to the
48 extent the amount deducted exceeds the amount that would
49 have been deductible pursuant to 26 U.S.C. Section 168 of
50 the Internal Revenue Code of 1986 as in effect on January 1,
51 2002;

52 (4) The amount of any deduction that is included in
53 the computation of federal taxable income for net operating
54 loss allowed by 26 U.S.C. Section 172 of the Internal
55 Revenue Code of 1986, as amended, other than the deduction
56 allowed by 26 U.S.C. Section 172(b)(1)(G) and 26 U.S.C.
57 Section 172(i) of the Internal Revenue Code of 1986, as
58 amended, for a net operating loss the taxpayer claims in the
59 tax year in which the net operating loss occurred or carries

60 forward for a period of more than twenty years and carries
61 backward for more than two years. Any amount of net
62 operating loss taken against federal taxable income but
63 disallowed for Missouri income tax purposes pursuant to this
64 subdivision after June 18, 2002, may be carried forward and
65 taken against any income on the Missouri income tax return
66 for a period of not more than twenty years from the year of
67 the initial loss; and

68 (5) For nonresident individuals in all taxable years
69 ending on or after December 31, 2006, the amount of any
70 property taxes paid to another state or a political
71 subdivision of another state for which a deduction was
72 allowed on such nonresident's federal return in the taxable
73 year unless such state, political subdivision of a state, or
74 the District of Columbia allows a subtraction from income
75 for property taxes paid to this state for purposes of
76 calculating income for the income tax for such state,
77 political subdivision of a state, or the District of
78 Columbia;

79 (6) For all tax years beginning on or after January 1,
80 2018, any interest expense paid or accrued in a previous
81 taxable year, but allowed as a deduction under 26 U.S.C.
82 Section 163, as amended, in the current taxable year by
83 reason of the carryforward of disallowed business interest
84 provisions of 26 U.S.C. Section 163(j), as amended. For the
85 purposes of this subdivision, an interest expense is
86 considered paid or accrued only in the first taxable year
87 the deduction would have been allowable under 26 U.S.C.
88 Section 163, as amended, if the limitation under 26 U.S.C.
89 Section 163(j), as amended, did not exist.

90 3. There shall be subtracted from the taxpayer's
91 federal adjusted gross income the following amounts to the
92 extent included in federal adjusted gross income:

93 (1) Interest received on deposits held at a federal
94 reserve bank or interest or dividends on obligations of the
95 United States and its territories and possessions or of any
96 authority, commission or instrumentality of the United
97 States to the extent exempt from Missouri income taxes
98 pursuant to the laws of the United States. The amount
99 subtracted pursuant to this subdivision shall be reduced by
100 any interest on indebtedness incurred to carry the described
101 obligations or securities and by any expenses incurred in
102 the production of interest or dividend income described in
103 this subdivision. The reduction in the previous sentence
104 shall only apply to the extent that such expenses including
105 amortizable bond premiums are deducted in determining the
106 taxpayer's federal adjusted gross income or included in the
107 taxpayer's Missouri itemized deduction. The reduction shall
108 only be made if the expenses total at least five hundred
109 dollars;

110 (2) The portion of any gain, from the sale or other
111 disposition of property having a higher adjusted basis to
112 the taxpayer for Missouri income tax purposes than for
113 federal income tax purposes on December 31, 1972, that does
114 not exceed such difference in basis. If a gain is
115 considered a long-term capital gain for federal income tax
116 purposes, the modification shall be limited to one-half of
117 such portion of the gain;

118 (3) The amount necessary to prevent the taxation
119 pursuant to this chapter of any annuity or other amount of
120 income or gain which was properly included in income or gain
121 and was taxed pursuant to the laws of Missouri for a taxable
122 year prior to January 1, 1973, to the taxpayer, or to a
123 decedent by reason of whose death the taxpayer acquired the
124 right to receive the income or gain, or to a trust or estate
125 from which the taxpayer received the income or gain;

126 (4) Accumulation distributions received by a taxpayer
127 as a beneficiary of a trust to the extent that the same are
128 included in federal adjusted gross income;

129 (5) The amount of any state income tax refund for a
130 prior year which was included in the federal adjusted gross
131 income;

132 (6) The portion of capital gain specified in section
133 135.357 that would otherwise be included in federal adjusted
134 gross income;

135 (7) The amount that would have been deducted in the
136 computation of federal taxable income pursuant to 26 U.S.C.
137 Section 168 of the Internal Revenue Code as in effect on
138 January 1, 2002, to the extent that amount relates to
139 property purchased on or after July 1, 2002, but before July
140 1, 2003, and to the extent that amount exceeds the amount
141 actually deducted pursuant to 26 U.S.C. Section 168 of the
142 Internal Revenue Code as amended by the Job Creation and
143 Worker Assistance Act of 2002;

144 (8) For all tax years beginning on or after January 1,
145 2005, the amount of any income received for military service
146 while the taxpayer serves in a combat zone which is included
147 in federal adjusted gross income and not otherwise excluded
148 therefrom. As used in this section, "combat zone" means any
149 area which the President of the United States by Executive
150 Order designates as an area in which Armed Forces of the
151 United States are or have engaged in combat. Service is
152 performed in a combat zone only if performed on or after the
153 date designated by the President by Executive Order as the
154 date of the commencing of combat activities in such zone,
155 and on or before the date designated by the President by
156 Executive Order as the date of the termination of combatant
157 activities in such zone;

158 (9) For all tax years ending on or after July 1, 2002,
159 with respect to qualified property that is sold or otherwise
160 disposed of during a taxable year by a taxpayer and for
161 which an additional modification was made under subdivision
162 (3) of subsection 2 of this section, the amount by which
163 additional modification made under subdivision (3) of
164 subsection 2 of this section on qualified property has not
165 been recovered through the additional subtractions provided
166 in subdivision (7) of this subsection;

167 (10) For all tax years beginning on or after January
168 1, 2014, the amount of any income received as payment from
169 any program which provides compensation to agricultural
170 producers who have suffered a loss as the result of a
171 disaster or emergency, including the:

- 172 (a) Livestock Forage Disaster Program;
- 173 (b) Livestock Indemnity Program;
- 174 (c) Emergency Assistance for Livestock, Honeybees, and
175 Farm-Raised Fish;
- 176 (d) Emergency Conservation Program;
- 177 (e) Noninsured Crop Disaster Assistance Program;
- 178 (f) Pasture, Rangeland, Forage Pilot Insurance Program;
- 179 (g) Annual Forage Pilot Program;
- 180 (h) Livestock Risk Protection Insurance Plan;
- 181 (i) Livestock Gross Margin Insurance Plan;

182 (11) For all tax years beginning on or after January
183 1, 2018, any interest expense paid or accrued in the current
184 taxable year, but not deducted as a result of the limitation
185 imposed under 26 U.S.C. Section 163(j), as amended. For the
186 purposes of this subdivision, an interest expense is
187 considered paid or accrued only in the first taxable year
188 the deduction would have been allowable under 26 U.S.C.
189 Section 163, as amended, if the limitation under 26 U.S.C.
190 Section 163(j), as amended, did not exist;

191 (12) One hundred percent of any retirement benefits
192 received by any taxpayer as a result of the taxpayer's
193 service in the Armed Forces of the United States, including
194 reserve components and the National Guard of this state, as
195 defined in 32 U.S.C. Sections 101(3) and 109, and any other
196 military force organized under the laws of this state; [and]

197 (13) One hundred percent of any federal grant moneys
198 received for the purpose of providing or expanding access to
199 broadband internet to areas of the state deemed to be
200 lacking such access; and

201 (14) For all tax years beginning on or after January
202 1, 2025, the portion of capital gain on the sale or exchange
203 of specie, as that term is defined in section 408.010, that
204 are otherwise included in the taxpayer's federal adjusted
205 gross income.

206 4. There shall be added to or subtracted from the
207 taxpayer's federal adjusted gross income the taxpayer's
208 share of the Missouri fiduciary adjustment provided in
209 section 143.351.

210 5. There shall be added to or subtracted from the
211 taxpayer's federal adjusted gross income the modifications
212 provided in section 143.411.

213 6. In addition to the modifications to a taxpayer's
214 federal adjusted gross income in this section, to calculate
215 Missouri adjusted gross income there shall be subtracted
216 from the taxpayer's federal adjusted gross income any gain
217 recognized pursuant to 26 U.S.C. Section 1033 of the
218 Internal Revenue Code of 1986, as amended, arising from
219 compulsory or involuntary conversion of property as a result
220 of condemnation or the imminence thereof.

221 7. (1) As used in this subsection, "qualified health
222 insurance premium" means the amount paid during the tax year
223 by such taxpayer for any insurance policy primarily

224 providing health care coverage for the taxpayer, the
225 taxpayer's spouse, or the taxpayer's dependents.

226 (2) In addition to the subtractions in subsection 3 of
227 this section, one hundred percent of the amount of qualified
228 health insurance premiums shall be subtracted from the
229 taxpayer's federal adjusted gross income to the extent the
230 amount paid for such premiums is included in federal taxable
231 income. The taxpayer shall provide the department of
232 revenue with proof of the amount of qualified health
233 insurance premiums paid.

234 8. (1) Beginning January 1, 2014, in addition to the
235 subtractions provided in this section, one hundred percent
236 of the cost incurred by a taxpayer for a home energy audit
237 conducted by an entity certified by the department of
238 natural resources under section 640.153 or the
239 implementation of any energy efficiency recommendations made
240 in such an audit shall be subtracted from the taxpayer's
241 federal adjusted gross income to the extent the amount paid
242 for any such activity is included in federal taxable
243 income. The taxpayer shall provide the department of
244 revenue with a summary of any recommendations made in a
245 qualified home energy audit, the name and certification
246 number of the qualified home energy auditor who conducted
247 the audit, and proof of the amount paid for any activities
248 under this subsection for which a deduction is claimed. The
249 taxpayer shall also provide a copy of the summary of any
250 recommendations made in a qualified home energy audit to the
251 department of natural resources.

252 (2) At no time shall a deduction claimed under this
253 subsection by an individual taxpayer or taxpayers filing
254 combined returns exceed one thousand dollars per year for
255 individual taxpayers or cumulatively exceed two thousand
256 dollars per year for taxpayers filing combined returns.

257 (3) Any deduction claimed under this subsection shall
258 be claimed for the tax year in which the qualified home
259 energy audit was conducted or in which the implementation of
260 the energy efficiency recommendations occurred. If
261 implementation of the energy efficiency recommendations
262 occurred during more than one year, the deduction may be
263 claimed in more than one year, subject to the limitations
264 provided under subdivision (2) of this subsection.

265 (4) A deduction shall not be claimed for any otherwise
266 eligible activity under this subsection if such activity
267 qualified for and received any rebate or other incentive
268 through a state-sponsored energy program or through an
269 electric corporation, gas corporation, electric cooperative,
270 or municipally owned utility.

271 9. The provisions of subsection 8 of this section
272 shall expire on December 31, 2020.

273 10. (1) As used in this subsection, the following
274 terms mean:

275 (a) "Beginning farmer", a taxpayer who:

276 a. Has filed at least one but not more than ten
277 Internal Revenue Service Schedule F (Form 1040) Profit or
278 Loss From Farming forms since turning eighteen years of age;

279 b. Is approved for a beginning farmer loan through the
280 USDA Farm Service Agency Beginning Farmer direct or
281 guaranteed loan program;

282 c. Has a farming operation that is determined by the
283 department of agriculture to be new production agriculture
284 but is the principal operator of a farm and has substantial
285 farming knowledge; or

286 d. Has been determined by the department of
287 agriculture to be a qualified family member;

288 (b) "Farm owner", an individual who owns farmland and
289 disposes of or relinquishes use of all or some portion of
290 such farmland as follows:

291 a. A sale to a beginning farmer;

292 b. A lease or rental agreement not exceeding ten years
293 with a beginning farmer; or

294 c. A crop-share arrangement not exceeding ten years
295 with a beginning farmer;

296 (c) "Qualified family member", an individual who is
297 related to a farm owner within the fourth degree by blood,
298 marriage, or adoption and who is purchasing or leasing or is
299 in a crop-share arrangement for land from all or a portion
300 of such farm owner's farming operation.

301 (2) (a) In addition to all other subtractions
302 authorized in this section, a taxpayer who is a farm owner
303 who sells all or a portion of such farmland to a beginning
304 farmer may subtract from such taxpayer's Missouri adjusted
305 gross income an amount to the extent included in federal
306 adjusted gross income as provided in this subdivision.

307 (b) Subject to the limitations in paragraph (c) of
308 this subdivision, the amount that may be subtracted shall be
309 equal to the portion of capital gains received from the sale
310 of such farmland that such taxpayer receives in the tax year
311 for which such taxpayer subtracts such capital gain.

312 (c) A taxpayer may subtract the following amounts and
313 percentages per tax year in total capital gains received
314 from the sale of such farmland under this subdivision:

315 a. For the first two million dollars received, one
316 hundred percent;

317 b. For the next one million dollars received, eighty
318 percent;

319 c. For the next one million dollars received, sixty
320 percent;

321 d. For the next one million dollars received, forty
322 percent; and

323 e. For the next one million dollars received, twenty
324 percent.

325 (d) The department of revenue shall prepare an annual
326 report reviewing the costs and benefits and containing
327 statistical information regarding the subtraction of capital
328 gains authorized under this subdivision for the previous tax
329 year including, but not limited to, the total amount of all
330 capital gains subtracted and the number of taxpayers
331 subtracting such capital gains. Such report shall be
332 submitted before February first of each year to the
333 committee on agriculture policy of the Missouri house of
334 representatives and the committee on agriculture, food
335 production and outdoor resources of the Missouri senate, or
336 the successor committees.

337 (3) (a) In addition to all other subtractions
338 authorized in this section, a taxpayer who is a farm owner
339 who enters a lease or rental agreement for all or a portion
340 of such farmland with a beginning farmer may subtract from
341 such taxpayer's Missouri adjusted gross income an amount to
342 the extent included in federal adjusted gross income as
343 provided in this subdivision.

344 (b) Subject to the limitation in paragraph (c) of this
345 subdivision, the amount that may be subtracted shall be
346 equal to the portion of cash rent income received from the
347 lease or rental of such farmland that such taxpayer receives
348 in the tax year for which such taxpayer subtracts such
349 income.

350 (c) No taxpayer shall subtract more than twenty-five
351 thousand dollars per tax year in total cash rent income
352 received from the lease or rental of such farmland under
353 this subdivision.

354 (4) (a) In addition to all other subtractions
 355 authorized in this section, a taxpayer who is a farm owner
 356 who enters a crop-share arrangement on all or a portion of
 357 such farmland with a beginning farmer may subtract from such
 358 taxpayer's Missouri adjusted gross income an amount to the
 359 extent included in federal adjusted gross income as provided
 360 in this subdivision.

361 (b) Subject to the limitation in paragraph (c) of this
 362 subdivision, the amount that may be subtracted shall be
 363 equal to the portion of income received from the crop-share
 364 arrangement on such farmland that such taxpayer receives in
 365 the tax year for which such taxpayer subtracts such income.

366 (c) No taxpayer shall subtract more than twenty-five
 367 thousand dollars per tax year in total income received from
 368 the lease or rental of such farmland under this subdivision.

369 (5) The department of agriculture shall, by rule,
 370 establish a process to verify that a taxpayer is a beginning
 371 farmer for purposes of this section and shall provide
 372 verification to the beginning farmer and farm seller of such
 373 farmer's and seller's certification and qualification for
 374 the exemption provided in this subsection.

375 408.010. [The silver coins of the United States are
 376 hereby declared a] 1. This section shall be known and may
 377 be cited as the "Constitutional Money Act".

378 2. Specie legal tender and electronic currency shall
 379 be accepted as legal tender [, at their par value, fixed by
 380 the laws of the United States, and shall be receivable in]
 381 for payment of all public debts [, public or private,]
 382 hereafter contracted in the state of Missouri [; provided,
 383 however, that no person shall have the right to pay, upon
 384 any one debt, dimes and half dimes to an amount exceeding
 385 ten dollars, or of twenty and twenty-five cent pieces
 386 exceeding twenty dollars] and may be accepted as payment for

387 all private debts hereafter contracted in the state of
388 Missouri, in the discretion of the receiving entity.

389 3. The state of Missouri shall accept specie legal
390 tender and electronic currency as payment for any debt, tax,
391 fee, or obligation owed. Costs incurred in the course of
392 verification of the weight and purity of any specie legal
393 tender or electronic currency during any such transaction
394 shall be borne by the receiving entity.

395 4. Except as expressly provided by contract, no person
396 or entity shall be required to use specie legal tender or
397 electronic currency in the payment of any debt and nothing
398 in this section shall prohibit the use of federal reserve
399 notes in the payment of any debt.

400 5. Under no circumstance shall the state of Missouri
401 or any department, agency, court, political subdivision, or
402 instrumentality thereof:

403 (1) Seize from any person any specie legal tender or
404 electronic currency that is owned by such person, except as
405 otherwise provided in section 513.607. Any person whose
406 specie legal tender or electronic currency is seized in
407 violation of this subdivision shall have a cause of action
408 in a court of competent jurisdiction, with any successful
409 such action resulting in the award of attorney's fees;

410 (2) Enforce or attempt to enforce any federal acts,
411 laws, executive orders, administrative orders, rules,
412 regulations, statutes, or ordinances infringing on the right
413 of a person to keep and use specie legal tender and
414 electronic currency as provided in this section;

415 (3) Restrict in any way the ability of a person or
416 financial institution to acquire specie legal tender or
417 electronic currency or use specie legal tender or electronic
418 currency in transactions; or

419 (4) Enact any law discriminating or favoring one means
420 of legal tender in the course of a transaction over another
421 means of legal tender.

422 6. For purposes of this section, the following terms
423 mean:

424 (1) "Bullion", refined precious metal, limited to gold
425 and silver only, in any shape or form, with uniform content
426 and purity, including, but not limited to, coins, rounds,
427 bars, ingots, and any other products, that are:

428 (a) Stamped or imprinted with the weight and purity of
429 the precious metal that it contains; and

430 (b) Valued primarily based on its metal content and
431 not on its form and function;

432 (2) "Electronic currency", a representation of actual
433 gold and silver, specie, and bullion held in a depository
434 account, which may be transferred by electronic
435 instruction. Such representation shall reflect the exact
436 unit of physical specie or gold and silver bullion in the
437 depository account in its fractional troy ounce measurement
438 as provided in this section;

439 (3) "Legal tender", a recognized medium of exchange
440 for the payment of debts, public charges, taxes or dues that
441 is:

442 (a) Authorized by the United States Congress pursuant
443 to Article I section 8 of the United States Constitution; or

444 (b) Authorized by Missouri law pursuant to Article I,
445 section 10 of the United States Constitution;

446 (4) "Precious metal", gold or silver;

447 (5) "Specie", bullion fabricated into products of
448 uniform shape, size, design, content, weight, and purity
449 that are suitable for or customarily used as currency, as a
450 medium of exchange, or as the medium for purchase, sale,

451 storage, transfer, or delivery of precious metals in retail
452 or wholesale transactions;

453 (6) "Specie legal tender", includes any of the
454 following:

455 (a) Specie coin issued by the Federal Government at
456 any time; and

457 (b) Any other specie."; and

458 Further amend said bill, page 22, section 99.355, line
459 19, by inserting after all of said line, the following:

460 "Section B. If any provision of Section A or the
461 application thereof to anyone or to any circumstance is held
462 invalid, the remainder of those sections and the application
463 of such provisions to others or other circumstances shall
464 not be affected thereby."; and

465 Further amend the title and enacting clause accordingly.