

SECOND REGULAR SESSION

# SENATE JOINT RESOLUTION NO. 115

## 103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR TRENT.

6750S.02I

KRISTINA MARTIN, Secretary

## JOINT RESOLUTION

Submitting to the qualified voters of Missouri, an amendment repealing sections 4(d) and 26 of article X of the Constitution of Missouri, and adopting two new sections in lieu thereof relating to taxation.

*Be it resolved by the Senate, the House of Representatives concurring therein:*

That at the next general election to be held in the  
2 state of Missouri, on Tuesday next following the first Monday  
3 in November, 2026, or at a special election to be called by  
4 the governor for that purpose, there is hereby submitted to  
5 the qualified voters of this state, for adoption or  
6 rejection, the following amendment to article X of the  
7 Constitution of the state of Missouri:

Section A. Sections 4(d) and 26, article X, Constitution  
2 of Missouri, are repealed and two new sections adopted in lieu  
3 thereof, to be known as sections 4(d) and 26, to read as  
4 follows:

Section 4(d). 1. In enacting any law imposing a tax  
2 on or measured by income, the general assembly may define  
3 income by reference to provisions of the laws of the United  
4 States as they may be or become effective at any time or  
5 from time to time, whether retrospective or prospective in  
6 their operation. The general assembly shall in any such law  
7 set the rate or rates of such tax. The general assembly may  
8 in so defining income make exceptions, additions, or  
9 modifications to any provisions of the laws of the United

10 States so referred to and for retrospective exceptions or  
11 modifications to those provisions which are retrospective.

12       **2. Notwithstanding any provision of this constitution**  
13 **to the contrary, if all revenue triggers established by the**  
14 **general assembly for the reduction and elimination of the**  
15 **current state individual income tax are fully met such that**  
16 **the individual top income tax rate is reduced, by statute,**  
17 **below one and four-tenths percent, then, for any tax year**  
18 **beginning on or after January 1, 2031, or on or after**  
19 **January first of the year in which such revenue triggers**  
20 **cause such top rate to fall below one and four-tenths**  
21 **percent, whichever is later, no individual income tax may be**  
22 **enacted or imposed by the state of Missouri. The provisions**  
23 **of this subsection shall not extinguish or affect the**  
24 **collectability of any individual income tax liabilities or**  
25 **debts for any tax year beginning before the elimination of**  
26 **the individual income tax. The provisions of this**  
27 **subsection shall not apply to an earnings tax or similar tax**  
28 **imposed by a political subdivision of the state or to an**  
29 **income tax on the income of trusts, estates, fiduciaries**  
30 **thereof, corporations, partnerships, limited liability**  
31 **companies, or any entities, however organized, other than**  
32 **individual persons.**

      Section 26. 1. In order to prohibit an increase in  
2 the tax burden on the citizens of Missouri, state and local  
3 sales and use taxes (or any similar transaction-based tax)  
4 shall not be expanded to impose taxes on any service or  
5 transaction that was not subject to sales, use or similar  
6 transaction-based tax on January 1, 2015.

7       **2. Notwithstanding any provision of this constitution**  
8 **to the contrary, including the provisions of subsection 1 of**  
9 **this section, for the purpose of reducing and eliminating**

the state individual income tax, state and local sales and use taxes (or any similar transaction-based tax) may be expanded by general law to impose taxes on transactions involving any goods and services. Upon the enactment of any adjustment to the sales and use tax base, all sales and use taxes imposed by counties or other political subdivisions and all other sales and use taxes imposed by this constitution shall be imposed on the tax base authorized pursuant to this section. For the purpose of this section, the term "for the purpose of reducing and eliminating the state individual income tax", with respect to general law enacted by the general assembly, means that the general law expressly states the general assembly's finding that it is anticipated, directly or indirectly, to lead to the reduction and elimination of the state individual income tax.

3. Notwithstanding any provision of this constitution to the contrary, beginning January 1, 2029, any county, city, town, or village that imposes a sales and use tax at a rate greater than one percent, and any other political subdivision that imposes a sales and use tax at a rate of greater than one-half percent shall, in the manner provided by law, annually adjust one or more of the following in order to reduce the amount of revenue generated thereby in an amount substantially equal to the additional revenue produced by any sales and use tax base expansion authorized by this section:

- (1) The rate of such sales and use tax;
- (2) The levy imposed on any tangible personal property;
- (3) The levy imposed on any residential real property;

or

- (4) The rate of any tax imposed on earnings.

41 Under no circumstances shall any county or other political  
42 subdivision make an adjustment under this subsection that  
43 results in any reduction in funding to the public schools  
44 within, or serving, such county or other political  
45 subdivision.

46 4. Beginning January 1, 2029, each sales and use tax  
47 rate imposed directly by this constitution, with the  
48 exception of the rate imposed under article XIV of this  
49 constitution, shall, in the manner provided by law, be  
50 adjusted in order to produce substantially the same amount  
51 of revenue as the median annual revenue such tax produced  
52 for the three state fiscal years ending prior to the  
53 immediately preceding calendar year after the revenues for  
54 such state fiscal years are adjusted for inflation. By July  
55 1, 2028, the state auditor shall be responsible for  
56 determining such reasonable estimate and calculating the  
57 reduced rates that shall go into effect on January 1, 2029.

58 5. Notwithstanding any provision of this constitution  
59 to the contrary, any tax or revenue increase resulting from  
60 any general law enacted for the purpose of reducing and  
61 eliminating the state individual income tax, provided that  
62 such general law is enacted within three years of the  
63 effective date of this section, shall be exempt from the  
64 requirements of, and shall not be considered new annual  
65 revenue for purposes of, sections 18 and 18(e) of this  
66 article, and shall be exempt from the requirements of  
67 sections 30(a), 30(b), 30(c), and 30(d) of article IV of  
68 this constitution.

69 6. Notwithstanding any provision of this constitution  
70 to the contrary, the director of revenue is hereby  
71 authorized to promulgate regulations for the purpose of  
72 clarifying and prohibiting the circumvention of the sales

73 and use tax expansion authorized by this section, as well as  
74 to define any terms otherwise undefined in statute  
75 pertaining to the sales and use tax expansion authorized by  
76 this section.

Section B. Pursuant to chapter 116, and other  
2 applicable constitutional provisions and laws of this state  
3 allowing the general assembly to adopt ballot language for  
4 the submission of this joint resolution to the voters of  
5 this state, the official summary statement of this  
6 resolution shall be as follows:

7 "Should the Missouri Constitution be amended to  
8 prevent the imposition of state individual  
9 income tax beginning in 2031, provided that  
10 revenue growth triggers are satisfied, to reduce  
11 constitutionally-imposed sales and use tax  
12 rates, to reduce local sales and use tax rates,  
13 real property tax levies, or earnings tax rates,  
14 and to authorize the expansion of the sales and  
15 use tax base for the purpose of reducing and  
16 eliminating the state individual income tax?".

✓