

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 524

89TH GENERAL ASSEMBLY

Reported from the Committee on Ways and Means, March 25, 1998, with recommendation that the Senate Committee Substitute do pass and be placed on the Consent Calendar.

S2191.02C

TERRY L. SPIELER, Secretary.

AN ACT

To amend chapter 143, RSMo, by adding thereto one new section relating to income tax credits.

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

Section A. Chapter 143, RSMo, is amended by adding thereto one new section, to be known as section 143.807, to read as follows:

143.807. 1. For tax years beginning on or after January 1, 1999, an individual taxpayer whose federal income tax liability was reduced for that taxable year for a claim of right credit pursuant to section 1341 of the Internal Revenue Code shall be allowed a credit against the tax imposed by this chapter, excluding withholding tax imposed by sections 143.191 to 143.265, for an amount equal to the Missouri income tax for the prior taxable year computed without exclusion of such item, or portion thereof, minus the Missouri income tax for the prior taxable year which would result with the exclusion of such item, or portion thereof. To be eligible for the credit, a taxpayer must have filed a Missouri individual income tax return for both the year in which the income was received and for the year in which a federal income tax credit was received due to a claim of right.

2. The credit is considered to be a payment of tax on the last day prescribed by law for the payment of tax for the taxable year in which the credit is claimed. If an overpayment occurs as a result of claiming the credit, a refund or credit shall be made in the same manner as if it were an overpayment for such taxable year.

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