

FIRST REGULAR SESSION

SENATE BILL NO. 416

90TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR MAXWELL.

Read 1st time February 8, 1999, and 1,000 copies ordered printed.

S1850.011

TERRY L. SPIELER, Secretary.

AN ACT

To repeal section 143.111, RSMo 1994, relating to income tax deductions, and to enact in lieu thereof two new sections relating to the same subject, with an effective date.

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

Section A. Section 143.111, RSMo 1994, is repealed and two new sections enacted in lieu thereof, to be known as sections 143.111 and 143.113, to read as follows:

143.111. The Missouri taxable income of a resident shall be his Missouri adjusted gross income less: (1) either[.] the Missouri standard deduction or the Missouri itemized deduction[.]; (2) the Missouri deduction for personal exemptions[.]; (3) the Missouri deduction for dependency exemptions[.]; (4) the deduction for federal income taxes provided in section 143.171[.]; **and (5) the deduction for a self-employed individual's health insurance costs provided in section 143.113.**

143.113. 1. An individual taxpayer who is an employee within the meaning of section 401(c)(1) of the Internal Revenue Code of 1986, as amended, shall be allowed to subtract from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income an amount equal to the amount which the taxpayer has paid during the taxable year for insurance which constitutes medical care for the taxpayer, the taxpayer's spouse, and dependents to the extent that such amounts qualify as deductible pursuant to section 162(l) of the Internal Revenue Code of 1986, as amended, for the same taxable year.

2. The director of the department of revenue shall promulgate rules and regulations to administer the provisions of this section. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

has been promulgated pursuant to the provisions of chapter 536, RSMo.

Section B. The repeal and reenactment of section 143.111, and the enactment of section 143.113, shall become effective on January 1, 1999, and shall apply to all taxable years beginning after December 31, 1998.

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