

HB 1029 -- Division of Interstate Income for Missouri Corporate
Income Taxation

Sponsor: Burlison

This bill authorizes an alternative method for calculating the Missouri taxable income of the interstate income of a corporation. Currently, to determine Missouri taxable income of a corporation within interstate income, the in-this-state sales are added to one-half of the sales partially occurring in this state and this amount is then divided by the total amount of sales. This amount is then multiplied by the net income of the corporation to determine the Missouri taxable income. A sale is in this state if the seller's shipping point and the purchaser's destination point are both in Missouri. A sale is partially in this state if the seller's shipping point is in this state and the purchaser's destination point is outside this state or vice versa.

The bill determines Missouri taxable income of a corporation by dividing the in-this-state sales by the total amount of sales and multiplying this fraction by the net income of the corporation. A sale is in this state if the purchaser's destination point is in this state. A sale is not in this state if the purchaser's destination point is outside Missouri.