

FIRST REGULAR SESSION

HOUSE JOINT RESOLUTION NO. 36

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE EMERY.

2316L.02I

D. ADAM CRUMBLISS, Chief Clerk

JOINT RESOLUTION

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

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

That at the next general election to be held in the state of Missouri, on Tuesday next following the first Monday in November, 2010, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for adoption or rejection, the following amendment to article X of the Constitution of the state of Missouri:

Section A. Section 4(d), article X, Constitution of Missouri, is repealed and one new section adopted in lieu thereof, to be known as section 4(d), to read as follows:

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

2. For all taxable years beginning on or after January 1, 2012, no tax shall be imposed upon any income derived from any source within this state, and all revenues lost as a result of the prohibition on the taxation of income under this section shall be replaced by the levy and imposition of a tax upon all sales, use, or consumption of all new tangible

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

12 personal property or taxable services in this state, except for such property purchased to
13 be a component part or ingredient of the new tangible personal property to be sold at
14 retail. The rate of such tax shall be five and eleven one-hundredths percent. The general
15 assembly may enact one adjustment after the imposition of such tax if the revenue lost as
16 a result of the prohibition on the taxation of income is greater than or less than the revenue
17 received from the tax imposed in this section. Such adjustment shall be calculated to
18 ensure that the amount of revenue received is substantially equal to the amount of revenue
19 lost under this section. The general assembly may provide by law for determining the
20 scope of taxable services and for otherwise implementing the provisions of this section.

21 **3. Notwithstanding the provisions of sections 43(a) and 47(a) of article IV of this**
22 **constitution, the rates of tax levied and imposed under those sections shall be recalculated**
23 **to produce an amount of revenue which is substantially equal to the amount received in the**
24 **immediately preceding fiscal year.**

25 **4. The taxes that are reflected under this section are as follows:**

26 **(1) Withholding taxes and individual and corporate income taxes;**

27 **(2) Corporation franchise and bank franchise taxes;**

28 **(3) All existing state and local sales and use taxes;**

29 **(4) The estate tax;**

30 **(5) All other state taxes on any source of income.**

31 **5. The department of revenue shall determine a method for providing a monthly**
32 **sales tax rebate for each resident of this state. The sales tax rebate shall be distributed to**
33 **each resident on or before the first business day of the month for which the sales tax rebate**
34 **is being provided. The amount of the sales tax rebate shall be determined annually and be**
35 **equal to the product of the rate of sales tax established under this section and one-twelfth**
36 **of the annual poverty guidelines updated periodically in the Federal Register by the United**
37 **States Department of Health and Human Services under the authority of 42 U.S.C. 9902(2),**
38 **as amended.**

39 **6. The department of revenue shall promulgate rules as otherwise provided by law**
40 **to implement the provisions of this section.**

41 **7. The revisor of statutes shall prepare and submit to the committee on legislative**
42 **research a proposed bill repealing those provisions of law which are deemed unenforceable**
43 **or unnecessary under the provisions of this section.**

Section B. Pursuant to chapter 116, RSMo, and other applicable constitutional provisions
2 and laws of this state allowing the general assembly to adopt ballot language for the submission
3 of a joint resolution to the voters of this state, the official ballot title of the amendment proposed
4 in section A of this act shall read as follows:

5 "A 'yes' vote will amend the Constitution of the State of Missouri to eliminate individual
6 and corporate income tax, estate tax, and state and local sales and use tax and to enact a single,
7 revenue-neutral sales tax of five and eleven one-hundredths percent on new purchases of goods
8 and services, and to exempt property purchased for business or investment from the sales tax,
9 and to provide each qualified family with a monthly sales tax rebate.
10 A 'no' vote would not amend the Constitution of the State of Missouri."

✓