

HB 1809 -- INCOME TAX DEDUCTION FOR TUITION

SPONSOR: Curtis

Beginning January 1, 2015, this bill authorizes an income tax deduction equal to the tuition paid for up to the last 30 credit hours required to complete an associate or bachelor degree from a Missouri public two-year or four-year higher education institution or the average tuition for the same number of last credit hours if enrolled at the University of Missouri, whichever is less. To claim the deduction, a taxpayer must have been a resident for at least one year preceding the claim, have not been enrolled as a student for at least three consecutive calendar years before the year that he or she resumes the degree program, enrolls as a student at any public higher education institution in this state, and provides proof to the Department of Revenue of achieving passing grades in each class completed after resuming the degree program. If a taxpayer drops out of the degree program or fails to complete the last credit hours within three years after enrolling, any deduction claimed will be added to the taxpayer's income tax liability the following tax year.

The provisions of the bill will expire December 31 six years after the effective date.