

HB 754 -- INCOME TAX ON CASH TIPS

SPONSOR: Hicks

Currently, Missouri follows the federal Internal Revenue Code on how to determine the amount of cash tips that is taxable. This bill limits the calculation of state income tax withholding on tips received by an employee in the course of his or her employment to the amount of total tips reported to the employer in a written statement. The bill specifies that an employer cannot be obligated to pay the Department of Revenue any amount of under-reported cash tip income of an employee.