

SS SB 366 -- MISSOURI HIGHER EDUCATION SAVINGS PROGRAM

This bill allows a participant in the Missouri Higher Education Savings (MOST) Program to elect to contribute all or part of his or her personal income tax refund to his or her MOST account by direct deposit. The amount must be at least \$25 and must be as a contribution only for the tax year in which the refund is issued. The election must be made on a form prescribed by the Department of Revenue and may not be changed or revoked. The election must be void if the taxpayer's refund is offset to pay amounts owed by the taxpayer.

The bill exempts from state income taxation refunds of qualified higher education expenses received by a beneficiary from an eligible educational institution in connection with withdrawal from enrollment at the institution when the refund is contributed to a qualified tuition savings program of which the individual is a beneficiary within 60 days of withdrawal.

The provisions of the bill will become effective only upon notification by the State Treasurer to the Revisor of Statutes of the passage of H.R. 529 of the 114th United States Congress.