

Holskins

2

Bill No. 1870  
5399H01.01F  
4-25-16

Mr. Speaker: I am instructed by the Senate to inform the House of Representatives that the Senate has taken up and passed

**HB 1870** \_\_\_\_\_ entitled:

**AN ACT**

To repeal sections 1.310 and 143.173, RSMo, and to enact in lieu thereof two new sections relating to the big government get off my back act.

With SA 1, SA 3, SA 4, SA 5

In which the concurrence of the House is respectfully requested.

Respectfully,

*Adriane D. Crouse*  
Adriane D. Crouse  
Secretary of the Senate

**RECEIVED**  
APR 25 2016  
BY: \_\_\_\_\_

**SENATE AMENDMENT NO. 1**

Offered by Kraus of 8th

Amend House Bill No. 1870, Page 3, Section 143.173, Line 54

2 by inserting after said line the following:

3 "285.530. 1. No business entity or employer shall  
4 knowingly employ, hire for employment, or continue to employ an  
5 unauthorized alien to perform work within the state of Missouri.

6 2. As a condition for the award of any contract or grant in  
7 excess of five thousand dollars by the state or by any political  
8 subdivision of the state to a business entity, or for any  
9 business entity receiving a state-administered or subsidized tax  
10 credit, tax abatement, or loan from the state, the business  
11 entity shall, by sworn affidavit and provision of documentation,  
12 affirm its enrollment and participation in a federal work  
13 authorization program with respect to the employees working in  
14 connection with the contracted services, unless participation in  
15 such program would result in a substantial difficulty or expense  
16 on such business entity. In considering whether or not a  
17 substantial difficulty or expense has been imposed on a business,  
18 the following shall be considered:

19 (1) The nature and cost of participation in the program to  
20 the business;

21 (2) The overall financial resources of the business;

22 (3) The effect on expenses of the business; and

*Offered 4/25/16*  
*Adopted 11*

1           (4) Any other adverse results that a business may incur by  
2           participating in the program.

3  
4           Every such business entity shall also sign an affidavit affirming  
5           that it does not knowingly employ any person who is an  
6           unauthorized alien in connection with the contracted services.

7           Any entity contracting with the state or any political  
8           subdivision of the state shall only be required to provide the  
9           affidavits required in this subsection to the state and any  
10          political subdivision of the state with which it contracts, on an  
11          annual basis. During or immediately after an emergency, the  
12          requirements of this subsection that a business entity enroll and  
13          participate in a federal work authorization program shall be  
14          suspended for fifteen working days. As used in this subsection,  
15          "emergency" includes the following natural and manmade disasters:  
16          major snow and ice storms, floods, tornadoes, severe weather,  
17          earthquakes, hazardous material incidents, nuclear power plant  
18          accidents, other radiological hazards, and major mechanical  
19          failures of a public utility facility.

20                 3. All public employers shall enroll and actively  
21                 participate in a federal work authorization program.

22                 4. An employer may enroll and participate in a federal work  
23                 authorization program and shall verify the employment eligibility  
24                 of every employee in the employer's hire whose employment  
25                 commences after the employer enrolls in a federal work  
26                 authorization program. The employer shall retain a copy of the  
27                 dated verification report received from the federal government.  
28                 Any business entity that participates in such program shall have  
29                 an affirmative defense that such business entity has not violated

1 subsection 1 of this section.

2 5. A general contractor or subcontractor of any tier shall  
3 not be liable under sections 285.525 to 285.550 when such general  
4 contractor or subcontractor contracts with its direct  
5 subcontractor who violates subsection 1 of this section, if the  
6 contract binding the contractor and subcontractor affirmatively  
7 states that the direct subcontractor is not knowingly in  
8 violation of subsection 1 of this section and shall not  
9 henceforth be in such violation and the contractor or  
10 subcontractor receives a sworn affidavit under the penalty of  
11 perjury attesting to the fact that the direct subcontractor's  
12 employees are lawfully present in the United States."; and

13 Further amend the title and enacting clause accordingly.

SENATE AMENDMENT NO. 3

Offered by SCHMITT of 15<sup>th</sup>

Amend House Bill No. 1870, Page 2, Section 1.310, Line 30,

2 by inserting immediately after said line the following:

3 "94.360. 1. The council of any incorporated town or city  
4 in this state having a special charter and which contains not  
5 more than thirty thousand inhabitants may by ordinance levy and  
6 collect a license tax on wholesale houses, auctioneers,  
7 architects, druggists, grocers, banks, brokers, wholesale  
8 merchants, merchants of all kinds, confectioners, delivery  
9 trucks, ice trucks, transfer trucks, laundry wagons, milk wagons,  
10 merchant delivery companies, cigar and tobacco stands, hay  
11 scales, wood dealers, coal dealers, coal distributors, coal  
12 truckers, lumber dealers, real estate agents, loan companies,  
13 abstracters, abstract agencies, loan agents, collection agencies,  
14 undertakers, public buildings, office buildings, public halls,  
15 public grounds, concerts, photographers in office or upon  
16 streets, canvassers, artists, drummers, patent right dealers,  
17 insurance companies, insurance agents, taverns, hotels, rooming  
18 houses, boarding houses, sanitariums, hospitals, health schools,  
19 telephone companies, street contractors, paperhanger contractors,  
20 painting contractors, plastering contractors, and all  
21 subcontractors, flour mills, express company agencies, opticians,  
22 wagons, buggies, carriages, tinnerns, barbers, barbershops,

*Offered 4/25/16  
Adopted "*

1 hairdressers, hair dressing shops, whether conducted in  
2 connection with other business or separate, beauty parlors,  
3 tailors, florists, nursery stock agents, bookbinders, monument  
4 dealers, and agencies, manufacturing agents, shoe cobbler shops,  
5 storage warehouses, shoe shining parlors, job printing plants,  
6 outdoor advertising, ready-to-wear clothing agencies, tailor-made  
7 clothing agencies, sewing machine agencies, piano and organ  
8 dealers and agents, foreign coffee and tea dealers, and agents or  
9 all other vocations whatsoever, and fix the rate of carriage of  
10 persons and wagonage, drayage and cartage of property; and may  
11 levy and collect a license tax and regulate hawkers, peddlers,  
12 pawnbrokers, restaurants, butchers, wholesale butchers,  
13 bathhouses and masseurs, lunch stands, lunch counters, lunch  
14 wagons, soft drink and ice cream stands and vendors, ice cream  
15 parlors, peanut and popcorn stands, and stands of every kind,  
16 hucksters, opera houses, moving picture shows, private parks,  
17 public lectures, public meetings, baseball parks, horse and  
18 cattle dealers, stockyards, wagon yards, auto yards, oil  
19 stations, wholesale and retail inspectors, gaugers, mercantile  
20 agents, manufacturing and other corporations, or institutions,  
21 machine shops, blacksmith shops, radio repair shops, foundries,  
22 sewer contractors, building contractors, stone contractors,  
23 sidewalk contractors, bridge contractors, plumbing contractors,  
24 brick contractors, cement contractors, and all subcontractors,  
25 street railroad cars, gas companies, light companies, power  
26 companies, and water companies, laundries, laundry agencies, rug  
27 and carpet cleaners, linen supply rental service, conditioning  
28 and renting for use, bed linen, table linen, towels, rugs,  
29 uniform aprons, coats, caps, coveralls, chair covers, automobile

1 seat covers or any other items, ice plants and ice plant  
2 agencies, ice dealers, omnibuses, automobiles, automobile  
3 trailers, tractors, carts, drays, milk wagons, laundry wagons,  
4 delivery wagons, transfer and job wagons, ice wagons, and all  
5 other vehicles, traveling and auction stores, plumbers, pressing  
6 establishments, installment houses and agencies, produce and  
7 poultry dealers, feather renovators, baker and bakeries, bakery  
8 delivery wagons, and delivery autos, bottling works, dye works,  
9 cleaning establishments, sand plants, steamfitters, corn doctors,  
10 chiropodists, hackmen, taxicabs, buses, draymen, omnibus drivers,  
11 porters, dairies, and regulate the same, and all others pursuing  
12 like occupations; and may levy and collect a license tax,  
13 regulate, restrain, prohibit and suppress ordinaries, money  
14 brokers, money changers, intelligence and employment offices, and  
15 agencies, public masquerades, balls, street exhibitions, dance  
16 halls, fortune tellers, pistol galleries, shooting galleries,  
17 palmists, private venereal hospitals, museums, menageries,  
18 equestrian performances, fluoroscopic views, picture shows,  
19 telescopic views, lung testers, muscle developers, magnifying  
20 glasses, ten pin alleys, ball alleys, bowling alleys, billiard  
21 tables, pool and other tables, miniature golf courses, theatrical  
22 or other exhibitions, boxing and sparring exhibitions, shows and  
23 amusements, amusement parks, and the sale of unclaimed goods by  
24 express companies or common carriers, auto wrecking shops, bill  
25 posters, junk dealers, porters, carnival and street fairs,  
26 circuses and shows for parade and exhibition, or both, skating  
27 rinks and runners, and solicitors for steamboats, cars, stages,  
28 taxicabs, hotels, rooming houses, boarding houses, bathhouses,  
29 masseurs, hospitals, sanitariums, health schools, and all others

1 pursuing like occupations.

2 2. Notwithstanding any other law to the contrary, on or  
3 after May 1, 2016, a city shall not impose a business license tax  
4 on any business under more than one of the following section:  
5 section 94.110, 94.270, or 94.360. The provisions of this  
6 section shall not apply to any tax levied in compliance with  
7 subsection 7 of section 94.270 nor shall it apply to any tax  
8 levied under section 92.045."; and

9 Further amend the title and enacting clause accordingly.

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**SENATE AMENDMENT NO. 4**

Offered by Sen Schatz of 26<sup>th</sup>

Amend House Bill No. 1870, Page 2, Section 1.310, Line 30,

2 by inserting immediately after all of said line the following:

3 "143.121. 1. The Missouri adjusted gross income of a  
4 resident individual shall be the taxpayer's federal adjusted  
5 gross income subject to the modifications in this section.

6 2. There shall be added to the taxpayer's federal adjusted  
7 gross income:

8 (1) The amount of any federal income tax refund received  
9 for a prior year which resulted in a Missouri income tax benefit;

10 (2) Interest on certain governmental obligations excluded  
11 from federal gross income by Section 103 of the Internal Revenue  
12 Code. The previous sentence shall not apply to interest on  
13 obligations of the state of Missouri or any of its political  
14 subdivisions or authorities and shall not apply to the interest  
15 described in subdivision (1) of subsection 3 of this section.

16 The amount added pursuant to this subdivision shall be reduced by  
17 the amounts applicable to such interest that would have been  
18 deductible in computing the taxable income of the taxpayer except  
19 only for the application of Section 265 of the Internal Revenue  
20 Code. The reduction shall only be made if it is at least five  
21 hundred dollars;

*Offered 4/25/16*  
*Adopted "*

1           (3) The amount of any deduction that is included in the  
2 computation of federal taxable income pursuant to Section 168 of  
3 the Internal Revenue Code as amended by the Job Creation and  
4 Worker Assistance Act of 2002 to the extent the amount deducted  
5 relates to property purchased on or after July 1, 2002, but  
6 before July 1, 2003, and to the extent the amount deducted  
7 exceeds the amount that would have been deductible pursuant to  
8 Section 168 of the Internal Revenue Code of 1986 as in effect on  
9 January 1, 2002;

10           (4) The amount of any deduction that is included in the  
11 computation of federal taxable income for net operating loss  
12 allowed by Section 172 of the Internal Revenue Code of 1986, as  
13 amended, other than the deduction allowed by Section 172(b)(1)(G)  
14 and Section 172(i) of the Internal Revenue Code of 1986, as  
15 amended, for a net operating loss the taxpayer claims in the tax  
16 year in which the net operating loss occurred or carries forward  
17 for a period of more than twenty years and carries backward for  
18 more than two years. Any amount of net operating loss taken  
19 against federal taxable income but disallowed for Missouri income  
20 tax purposes pursuant to this subdivision after June 18, 2002,  
21 may be carried forward and taken against any income on the  
22 Missouri income tax return for a period of not more than twenty  
23 years from the year of the initial loss; and

24           (5) For nonresident individuals in all taxable years ending  
25 on or after December 31, 2006, the amount of any property taxes  
26 paid to another state or a political subdivision of another state  
27 for which a deduction was allowed on such nonresident's federal  
28 return in the taxable year unless such state, political  
29 subdivision of a state, or the District of Columbia allows a

1 subtraction from income for property taxes paid to this state for  
2 purposes of calculating income for the income tax for such state,  
3 political subdivision of a state, or the District of Columbia.

4 3. There shall be subtracted from the taxpayer's federal  
5 adjusted gross income the following amounts to the extent  
6 included in federal adjusted gross income:

7 (1) Interest or dividends on obligations of the United  
8 States and its territories and possessions or of any authority,  
9 commission or instrumentality of the United States to the extent  
10 exempt from Missouri income taxes pursuant to the laws of the  
11 United States. The amount subtracted pursuant to this  
12 subdivision shall be reduced by any interest on indebtedness  
13 incurred to carry the described obligations or securities and by  
14 any expenses incurred in the production of interest or dividend  
15 income described in this subdivision. The reduction in the  
16 previous sentence shall only apply to the extent that such  
17 expenses including amortizable bond premiums are deducted in  
18 determining the taxpayer's federal adjusted gross income or  
19 included in the taxpayer's Missouri itemized deduction. The  
20 reduction shall only be made if the expenses total at least five  
21 hundred dollars;

22 (2) The portion of any gain, from the sale or other  
23 disposition of property having a higher adjusted basis to the  
24 taxpayer for Missouri income tax purposes than for federal income  
25 tax purposes on December 31, 1972, that does not exceed such  
26 difference in basis. If a gain is considered a long-term capital  
27 gain for federal income tax purposes, the modification shall be  
28 limited to one-half of such portion of the gain;

29 (3) The amount necessary to prevent the taxation pursuant

1 to this chapter of any annuity or other amount of income or gain  
2 which was properly included in income or gain and was taxed  
3 pursuant to the laws of Missouri for a taxable year prior to  
4 January 1, 1973, to the taxpayer, or to a decedent by reason of  
5 whose death the taxpayer acquired the right to receive the income  
6 or gain, or to a trust or estate from which the taxpayer received  
7 the income or gain;

8 (4) Accumulation distributions received by a taxpayer as a  
9 beneficiary of a trust to the extent that the same are included  
10 in federal adjusted gross income;

11 (5) The amount of any state income tax refund for a prior  
12 year which was included in the federal adjusted gross income;

13 (6) The portion of capital gain specified in section  
14 135.357 that would otherwise be included in federal adjusted  
15 gross income;

16 (7) The amount that would have been deducted in the  
17 computation of federal taxable income pursuant to Section 168 of  
18 the Internal Revenue Code as in effect on January 1, 2002, to the  
19 extent that amount relates to property purchased on or after July  
20 1, 2002, but before July 1, 2003, and to the extent that amount  
21 exceeds the amount actually deducted pursuant to Section 168 of  
22 the Internal Revenue Code as amended by the Job Creation and  
23 Worker Assistance Act of 2002;

24 (8) For all tax years beginning on or after January 1,  
25 2005, the amount of any income received for military service  
26 while the taxpayer serves in a combat zone which is included in  
27 federal adjusted gross income and not otherwise excluded  
28 therefrom. As used in this section, "combat zone" means any area  
29 which the President of the United States by Executive Order

1 designates as an area in which Armed Forces of the United States  
2 are or have engaged in combat. Service is performed in a combat  
3 zone only if performed on or after the date designated by the  
4 President by Executive Order as the date of the commencing of  
5 combat activities in such zone, and on or before the date  
6 designated by the President by Executive Order as the date of the  
7 termination of combatant activities in such zone; [and]

8 (9) For all tax years ending on or after July 1, 2002, with  
9 respect to qualified property that is sold or otherwise disposed  
10 of during a taxable year by a taxpayer and for which an  
11 additional modification was made under subdivision (3) of  
12 subsection 2 of this section, the amount by which additional  
13 modification made under subdivision (3) of subsection 2 of this  
14 section on qualified property has not been recovered through the  
15 additional subtractions provided in subdivision (7) of this  
16 subsection.

17 4. There shall be added to or subtracted from the  
18 taxpayer's federal adjusted gross income the taxpayer's share of  
19 the Missouri fiduciary adjustment provided in section 143.351.

20 5. There shall be added to or subtracted from the  
21 taxpayer's federal adjusted gross income the modifications  
22 provided in section 143.411.

23 6. In addition to the modifications to a taxpayer's federal  
24 adjusted gross income in this section, to calculate Missouri  
25 adjusted gross income there shall be subtracted from the  
26 taxpayer's federal adjusted gross income any gain recognized  
27 pursuant to Section 1033 of the Internal Revenue Code of 1986, as  
28 amended, arising from compulsory or involuntary conversion of  
29 property as a result of condemnation or the imminence thereof.

1           7. (1) As used in this subsection, "qualified health  
2 insurance premium" means the amount paid during the tax year by  
3 such taxpayer for any insurance policy primarily providing health  
4 care coverage for the taxpayer, the taxpayer's spouse, or the  
5 taxpayer's dependents.

6           (2) In addition to the subtractions in subsection 3 of this  
7 section, one hundred percent of the amount of qualified health  
8 insurance premiums shall be subtracted from the taxpayer's  
9 federal adjusted gross income to the extent the amount paid for  
10 such premiums is included in federal taxable income. The  
11 [taxpayer shall provide the] department of revenue [with] may  
12 request proof of the amount of qualified health insurance  
13 premiums paid.

14           8. (1) Beginning January 1, 2014, in addition to the  
15 subtractions provided in this section, one hundred percent of the  
16 cost incurred by a taxpayer for a home energy audit conducted by  
17 an entity certified by the department of natural resources under  
18 section 640.153 or the implementation of any energy efficiency  
19 recommendations made in such an audit shall be subtracted from  
20 the taxpayer's federal adjusted gross income to the extent the  
21 amount paid for any such activity is included in federal taxable  
22 income. The taxpayer shall provide the department of revenue  
23 with a summary of any recommendations made in a qualified home  
24 energy audit, the name and certification number of the qualified  
25 home energy auditor who conducted the audit, and proof of the  
26 amount paid for any activities under this subsection for which a  
27 deduction is claimed. The taxpayer shall also provide a copy of  
28 the summary of any recommendations made in a qualified home  
29 energy audit to the department of natural resources.

1           (2) At no time shall a deduction claimed under this  
2 subsection by an individual taxpayer or taxpayers filing combined  
3 returns exceed one thousand dollars per year for individual  
4 taxpayers or cumulatively exceed two thousand dollars per year  
5 for taxpayers filing combined returns.

6           (3) Any deduction claimed under this subsection shall be  
7 claimed for the tax year in which the qualified home energy audit  
8 was conducted or in which the implementation of the energy  
9 efficiency recommendations occurred. If implementation of the  
10 energy efficiency recommendations occurred during more than one  
11 year, the deduction may be claimed in more than one year, subject  
12 to the limitations provided under subdivision (2) of this  
13 subsection.

14           (4) A deduction shall not be claimed for any otherwise  
15 eligible activity under this subsection if such activity  
16 qualified for and received any rebate or other incentive through  
17 a state-sponsored energy program or through an electric  
18 corporation, gas corporation, electric cooperative, or  
19 municipally owned utility.

20           9. The provisions of subsection 8 of this section shall  
21 expire on December 31, 2020."; and

22           Further amend the title and enacting clause accordingly.

SENATE AMENDMENT NO. 5

Offered by Pearce of 21st.

Amend House Bill No. 1870, Page 1, Section Title, Line 3,

2 by striking the words "the big government get off my back act",  
3 and insert in lieu thereof the following: "the collection of  
4 money by public entities".

Offered 4/25/16  
Adopted "