

House \_\_\_\_\_ Amendment NO. \_\_\_\_\_

Offered By

1 AMEND House Committee Substitute for House Bill No. 2540, Page 203, Section 144.761, Line  
2 18, by inserting after all of said section and line the following:

3  
4 "147.010. 1. For the transitional year defined in subsection 4 of this section and each  
5 taxable year beginning on or after January 1, 1980, but before January 1, 2000, every corporation  
6 organized pursuant to or subject to chapter 351 or pursuant to any other law of this state shall, in  
7 addition to all other fees and taxes now required or paid, pay an annual franchise tax to the state of  
8 Missouri equal to one-twentieth of one percent of the par value of its outstanding shares and surplus  
9 if its outstanding shares and surplus exceed two hundred thousand dollars, or if the outstanding  
10 shares of such corporation or any part thereof consist of shares without par value, then, in that event,  
11 for the purpose contained in this section, such shares shall be considered as having a value of five  
12 dollars per share unless the actual value of such shares exceeds five dollars per share, in which case  
13 the tax shall be levied and collected on the actual value and the surplus if the actual value and the  
14 surplus exceed two hundred thousand dollars. If such corporation employs a part of its outstanding  
15 shares in business in another state or country, then such corporation shall pay an annual franchise  
16 tax equal to one-twentieth of one percent of its outstanding shares and surplus employed in this state  
17 if its outstanding shares and surplus employed in this state exceed two hundred thousand dollars,  
18 and for the purposes of sections 147.010 to 147.120, such corporation shall be deemed to have  
19 employed in this state that proportion of its entire outstanding shares and surplus that its property  
20 and assets employed in this state bears to all its property and assets wherever located. A foreign  
21 corporation engaged in business in this state, whether pursuant to a certificate of authority issued  
22 pursuant to chapter 351 or not, shall be subject to this section. Any corporation whose outstanding  
23 shares and surplus as calculated in this subsection does not exceed two hundred thousand dollars  
24 shall state that fact on the annual report form prescribed by the secretary of state. For all taxable  
25 years beginning on or after January 1, 2000, but ending before December 31, 2009, the annual  
26 franchise tax shall be equal to one-thirtieth of one percent of the corporation's outstanding shares  
27 and surplus if the outstanding shares and surplus exceed one million dollars. Any corporation  
28 whose outstanding shares and surplus do not exceed one million dollars shall state that fact on the  
29 annual report form prescribed by the director of revenue. For taxable years beginning on or after  
30 January 1, 2010, but before December 31, 2011, the annual franchise tax shall be equal to one-  
31 thirtieth of one percent of the corporation's outstanding shares and surplus if the outstanding shares  
32 and surplus exceed ten million dollars. For all taxable years beginning on or after January 1, 2010,  
33 but before December 31, 2015, any corporation whose outstanding shares and surplus do not exceed  
34 ten million dollars shall state that fact on the annual report form prescribed by the director of  
35 revenue. For all taxable years beginning on or after January 1, 2011, but before December 31,  
36 2015, a corporation's annual tax liability under this chapter shall not exceed the amount of annual

Action Taken \_\_\_\_\_ Date \_\_\_\_\_

1 franchise tax liability of such corporation for the taxable year ending on or before December 31,  
2 2010. If the corporation had no annual franchise tax liability under this chapter for the taxable year  
3 ending on or before December 31, 2010, because such corporation was not in existence or doing  
4 business in Missouri, the annual franchise tax for the first taxable year in which such corporation  
5 exists shall be determined by applying the applicable rate of tax provided under the provisions of  
6 this subsection to the corporation's outstanding shares and surplus if the outstanding shares and  
7 surplus exceed ten million dollars, but in no case shall such corporation's tax liability for any  
8 subsequent taxable year exceed the amount of annual franchise tax liability of such corporation for  
9 the first full taxable year such corporation was in existence or doing business in Missouri. For  
10 taxable years beginning on or after January 1, 2012, the annual franchise tax shall be equal to the  
11 percentage rate prescribed in this subsection for the corresponding taxable year of the corporation's  
12 outstanding shares and surplus if the outstanding shares and surplus exceed the corresponding  
13 minimum threshold amount prescribed as follows:

14 (1) For tax year 2012, the rate shall be one-thirty-seventh of one percent and the threshold  
15 amount shall be ten million dollars;

16 (2) For tax year 2013, the rate shall be one-fiftieth of one percent and the threshold amount  
17 shall be ten million dollars;

18 (3) For tax year 2014, the rate shall be one-seventy-fifth of one percent and the threshold  
19 amount shall be ten million dollars;

20 (4) For tax year 2015, the rate shall be one-hundred-fiftieth of one percent and the threshold  
21 amount shall be ten million dollars;

22 (5) For tax years beginning on or after January 1, 2016, but before December 31, 2018, no  
23 annual franchise tax shall be imposed under this section[.];

24 (6) For tax years beginning on or after January 1, 2019, every corporation shall pay twenty-  
25 five dollars every other year beginning with the 2019 tax year.

26 2. Sections 147.010 to 147.120 shall not apply to corporations not organized for profit, nor  
27 to corporations organized pursuant to the provisions of chapter 349, nor to express companies,  
28 which now pay an annual tax on their gross receipts in this state, nor to insurance companies, which  
29 are subject to an annual tax on their premium receipts in this state, nor to state, district, county, town  
30 and farmers' mutual companies now organized or that may be hereafter organized pursuant to any of  
31 the laws of this state, organized for the sole purpose of writing fire, lightning, windstorm, tornado,  
32 cyclone, hail and plate glass and mutual automobile insurance and for the purpose of paying any  
33 loss incurred by any member by assessment, nor to any mutual insurance corporation not having  
34 shares, nor to a company or association organized to transact business of life or accident insurance  
35 on the assessment plan for the purpose of mutual protection and benefit to its members and the  
36 payment of stipulated sums of moneys to the family, heirs, executors, administrators or assigns of  
37 the deceased member, nor to foreign life, fire, accident, surety, liability, steam boiler, tornado,  
38 health, or other kind of insurance company of whatever nature coming within the provisions of  
39 section 147.050 and doing business in this state, nor to savings and loan associations and domestic  
40 and foreign regulated investment companies as defined by Section 170 of the Act of Congress  
41 commonly known as the Revenue Act of 1942, nor to electric and telephone corporations organized  
42 pursuant to chapter 351 and chapter 392 prior to January 1, 1980, which have been declared tax-  
43 exempt organizations pursuant to Section 501(c) of the Internal Revenue Code of 1986, nor for  
44 taxable years beginning after December 31, 1986, to banking institutions subject to the annual  
45 franchise tax imposed by sections 148.010 to 148.110; but bank deposits shall be considered as  
46 funds of the individual depositor left for safekeeping and shall not be considered in computing the  
47 amount of tax collectible pursuant to the provisions of sections 147.010 to 147.120.

48 3. A corporation's taxable year for purposes of sections 147.010 to 147.120 shall be its

1 taxable year as provided in section 143.271.

2 4. A corporation's transitional year for the purposes of sections 147.010 to 147.120 shall be  
3 its taxable year which includes parts of each of the years 1979 and 1980.

4 5. The franchise tax payable for a corporation's transitional year shall be computed by  
5 multiplying the amount otherwise due for that year by a fraction, the numerator of which is the  
6 number of months between January 1, 1980, and the end of the taxable year and the denominator of  
7 which is twelve. The franchise tax payable, if a corporation's taxable year is changed as provided in  
8 section 143.271, shall be similarly computed pursuant to regulations prescribed by the director of  
9 revenue.

10 6. All franchise reports and franchise taxes shall be returned to the director of revenue. All  
11 checks and drafts remitted for payment of franchise taxes shall be made payable to the director of  
12 revenue.

13 7. Pursuant to section 32.057, the director of revenue shall maintain the confidentiality of  
14 all franchise tax reports returned to the director.

15 8. The director of the department of revenue shall honor all existing agreements between  
16 taxpayers and the director of the department of revenue."; and

17  
18 Further amend said bill by amending the title, enacting clause, and intersectional references  
19 accordingly.