

**HOUSE AMENDMENT NO. \_\_\_\_\_**  
**TO**  
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**Offered By**

1 AMEND House Amendment No. \_\_\_\_\_ to House Committee Substitute for Senate Substitute for  
2 Senate Committee Substitute for Senate Bill Nos. 153 & 97, Page 43, Lines 18-21, by deleting all of  
3 said lines and inserting in lieu thereof the following:

4  
5 "Further amend said bill, Page 9-11, Sections 143.011 and 143.031, by deleting all of said sections  
6 and inserting in lieu thereof the following:

7  
8 "143.011. 1. A tax is hereby imposed for every taxable year on the Missouri taxable income  
9 of every resident. The tax shall be determined by applying the tax table or the rate provided in  
10 section 143.021, which is based upon the following rates:

If the Missouri taxable income is:	The tax is:
Not over \$1,000.00	1 1/2% of the Missouri taxable income
Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000
Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess over \$2,000
Over \$3,000 but not over \$4,000	\$60 plus 3% of excess over \$3,000
Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess over \$4,000
Over \$5,000 but not over \$6,000	\$125 plus 4% of excess over \$5,000
Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of excess over \$6,000
Over \$7,000 but not over \$8,000	\$210 plus 5% of excess over \$7,000
Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of excess over \$8,000
Over \$9,000	\$315 plus 6% of excess over \$9,000

11  
12 2. (1) Beginning with the 2017 calendar year, the top rate of tax under subsection 1 of this  
13 section may be reduced over a period of years. Each reduction in the top rate of tax shall be by one-  
14 tenth of a percent and no more than one reduction shall occur in a calendar year. No more than  
15 ~~five~~ seven reductions shall be made under this subsection. Reductions in the rate of tax shall take  
16 effect on January first of a calendar year and such reduced rates shall continue in effect until the  
17 next reduction occurs.

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

1 (2) A reduction in the rate of tax shall only occur if the amount of net general revenue  
2 collected in the previous fiscal year exceeds the highest amount of net general revenue collected in  
3 any of the three fiscal years prior to such fiscal year by at least one hundred fifty million dollars.

4 (3) Any modification of tax rates under this subsection shall only apply to tax years that  
5 begin on or after a modification takes effect.

6 (4) The director of the department of revenue shall, by rule, adjust the tax tables under  
7 subsection 1 of this section to effectuate the provisions of this subsection. The bracket for income  
8 subject to the top rate of tax shall be eliminated once the top rate of tax has been reduced to five and  
9 one-half percent, and the top remaining rate of tax shall apply to all income in excess of the income  
10 in the second highest remaining income bracket.

11 3. (1) In addition to the rate reductions under subsection 2 of this section, beginning with  
12 the 2019 calendar year, the top rate of tax under subsection 1 of this section shall be reduced by  
13 four-tenths of one percent. Such reduction in the rate of tax shall take effect on January first of the  
14 2019 calendar year.

15 (2) The modification of tax rates under this subsection shall only apply to tax years that  
16 begin on or after the date the modification takes effect.

17 (3) The director of the department of revenue shall, by rule, adjust the tax tables under  
18 subsection 1 of this section to effectuate the provisions of this subsection.

19 4. (1) In addition to the rate reductions under subsections 2 and 3 of this section, beginning  
20 with the 2024 calendar year, the top rate of tax under subsection 1 of this section shall be reduced by  
21 one-tenth of one percent.

22 (2) The modification of tax rates under this subsection shall apply only to tax years that  
23 begin on or after the date the modification takes effect.

24 (3) The director of the department of revenue shall, by rule, adjust the tax tables under  
25 subsection 1 of this section to effectuate the provisions of this subsection.

26 5. Beginning with the 2017 calendar year, the brackets of Missouri taxable income  
27 identified in subsection 1 of this section shall be adjusted annually by the percent increase in  
28 inflation. The director shall publish such brackets annually beginning on or after October 1, 2016.  
29 Modifications to the brackets shall take effect on January first of each calendar year and shall apply  
30 to tax years beginning on or after the effective date of the new brackets.

31 ~~[5-]~~ 6. As used in this section, the following terms mean:

32 (1) "CPI", the Consumer Price Index for All Urban Consumers for the United States as  
33 reported by the Bureau of Labor Statistics, or its successor index;

34 (2) "CPI for the preceding calendar year", the average of the CPI as of the close of the  
35 twelve month period ending on August thirty-first of such calendar year;

36 (3) "Net general revenue collected", all revenue deposited into the general revenue fund,  
37 less refunds and revenues originally deposited into the general revenue fund but designated by law  
38 for a specific distribution or transfer to another state fund;

39 (4) "Percent increase in inflation", the percentage, if any, by which the CPI for the preceding  
40 calendar year exceeds the CPI for the year beginning September 1, 2014, and ending August 31,  
41 2015.

42 143.121. 1. The Missouri adjusted gross income of a resident individual shall be the"; and

43  
44 Further amend said amendment Page 46, Lines 33-34, by deleting said lines and inserting in lieu  
45 thereof the following:

46  
47 "Further amend said bill, Page 11, Section 143.131, Lines 1-12, by deleting all of said section and  
48 line from the bill and inserting in lieu thereof the following:"; and

1 Further amend said amendment Page 47, Line 20, by deleting all of said line and inserting in lieu  
2 thereof the following:

3  
4 "accrued in the prior year.

5 143.177. 1. This section shall be known and may be cited as the "Missouri Working Family  
6 Tax Credit Act".

7 2. For purposes of this section, the following terms shall mean:

8 (1) "Department", the department of revenue;

9 (2) "Eligible taxpayer", a resident individual with a filing status of single, head of  
10 household, widowed, or married filing combined who is subject to the tax imposed under chapter  
11 143, excluding withholding tax imposed under sections 143.191 to 143.265, and who is allowed a  
12 federal earned income tax credit under 26 U.S.C. Section 32, as amended;

13 (3) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding  
14 withholding tax imposed under sections 143.191 to 143.265.

15 3. (1) Beginning with the 2023 calendar year, an eligible taxpayer shall be allowed a tax  
16 credit in an amount equal to a percentage of the amount such taxpayer would receive under the  
17 federal earned income tax credit as such credit existed under 26 U.S.C. Section 32 as of January 1,  
18 2021, as provided pursuant to subdivision (2) of this subsection. The tax credit allowed by this  
19 section shall be claimed by such taxpayer at the time such taxpayer files a return and shall be  
20 applied against the income tax liability imposed by chapter 143 after reduction for all other credits  
21 allowed thereon. If the amount of the credit exceeds the tax liability, the difference shall not be  
22 refunded to the taxpayer and shall not be carried forward to any subsequent tax year.

23 (2) Subject to the provisions of subdivision (3) of this subsection, the percentage of the  
24 federal earned income tax credit to be allowed as a tax credit pursuant to subdivision (1) of this  
25 subsection shall be ten percent, which may be increased to twenty percent subject to the provisions  
26 of subdivision (3) of this subsection. The maximum percentage that may be claimed as a tax credit  
27 pursuant to this section shall be twenty percent of the federal earned income tax credit that may be  
28 claimed by such taxpayer. Any increase in the percentage that may be claimed as a tax credit shall  
29 take effect on January first of a calendar year and such percentage shall continue in effect until the  
30 next percentage increase occurs. An increase shall only apply to tax years that begin on or after the  
31 increase takes effect.

32 (3) The initial percentage to be claimed as a tax credit and any increase in the percentage  
33 that may be claimed pursuant to subdivision (2) of this subsection shall only occur if the amount of  
34 net general revenue collected in the previous fiscal year exceeds the highest amount of net general  
35 revenue collected in any of the three fiscal years prior to such fiscal year by at least one hundred  
36 fifty million dollars.

37 4. Notwithstanding the provisions of section 32.057 to the contrary, the department shall  
38 determine whether any taxpayer filing a report or return with the department who did not apply for  
39 the credit authorized under this section may qualify for the credit and, if so, determines a taxpayer  
40 may qualify for the credit, shall notify such taxpayer of his or her potential eligibility. In making a  
41 determination of eligibility under this section, the department shall use any appropriate and  
42 available data including, but not limited to, data available from the Internal Revenue Service, the  
43 U.S. Department of Treasury, and state income tax returns from previous tax years.

44 5. The department shall prepare an annual report containing statistical information regarding  
45 the tax credits issued under this section for the previous tax year, including the total amount of  
46 revenue expended, the number of credits claimed, and the average value of the credits issued to  
47 taxpayers whose earned income falls within various income ranges determined by the department.

48 6. The director of the department may promulgate rules and regulations to administer the  
49 provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010,

1 that is created under the authority delegated in this section shall become effective only if it complies  
 2 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This  
 3 section and chapter 536 are nonseverable and if any of the powers vested with the general assembly  
 4 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are  
 5 subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or  
 6 adopted after the effective date of this section shall be invalid and void.

7 7. Tax credits authorized under this section shall not be subject to the requirements of  
 8 sections 135.800 to 135.830."; and"; and

9  
 10 Further amend said amendment, Page 58, Lines 6-30, by deleting all of said lines and inserting in  
 11 lieu thereof the following:

12  
 13 "Section 1. 1. No later than the first week of November 2021 any county or municipality of  
 14 this state that has enacted a use tax shall provide notice in the newspaper with the greatest  
 15 circulation in such county or municipality that certain purchases from out-of-state vendors will  
 16 become subject to an expansion of the use tax as provided by state law. The notice shall be printed  
 17 in the newspaper at least once per week, for two consecutive weeks. The notice shall include the  
 18 rates of the use tax in the county or municipality and shall include general information on repealing  
 19 a local use tax under section 144.761.

20 2. Nothing under subsection 1 of this section shall be construed to require that duplicate  
 21 notices be published or to prevent any counties or municipalities from coordinating and  
 22 collaborating in their notice efforts in order to maximize cost savings to taxpayers."; and"; and

23  
 24 Further amend said amendment, Page 58, Lines 32-40, by deleting all of said linea and inserting in  
 25 lieu thereof the following:

26  
 27 "Further amend said bill, Page 43, Sections B and C, by deleting all of said sections and inserting in  
 28 lieu thereof the following:

29  
 30 "Section B. The enactment of sections 143.177, 144.608, 144.637, 144.638, and 144.752 of  
 31 Section A of this act; the repeal and reenactment of sections 143.011, 144.011, 144.014, 144.020,  
 32 144.049, 144.054, 144.140, 144.526, and 144.605 of Section A of this act; and the repeal of sections  
 33 144.710, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015 of Section A of this act  
 34 shall become effective January 1, 2023.

35 Section C. Notwithstanding the provisions of section 1.140 to the contrary, the provisions of  
 36 sections 143.011, 143.177, 144.011, 144.014, 144.020, 144.049, 144.054, 144.140, 144.526,  
 37 144.605, 144.608, 144.637, 144.638, 144.752, and 1 of Section A of this act shall be nonseverable,  
 38 and if any such provision is for any reason held to be invalid, such decision shall invalidate all of the  
 39 remaining such provisions.

40 Section D. Because immediate action is necessary to protect the interests of taxpayers  
 41 during the COVID-19 pandemic, sections 143.121 and 143.171 of section A of this act are deemed  
 42 necessary for the immediate preservation of the public health, welfare, peace, and safety, and are  
 43 hereby declared to be an emergency act within the meaning of the constitution, and sections 143.121  
 44 and 143.171 of section A of this act shall be in full force and effect upon its passage and approval.";  
 45 and"; and

46  
 47 Further amend said bill by amending the title, enacting clause, and intersectional references  
 48 accordingly.

49 THIS AMENDS AMENDMENT 0752H11.39H