

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE NO. 3 FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 131
102ND GENERAL ASSEMBLY

1045H.10C

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 137.073, 137.115, 143.011, 143.022, 143.071, 143.114, 143.124, 143.125, 144.064, and 273.050, RSMo, and to enact in lieu thereof twelve new sections relating to taxation, with an emergency clause for a certain section.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 137.073, 137.115, 143.011, 143.022, 143.071, 143.114, 143.124,
2 143.125, 144.064, and 273.050, RSMo, are repealed and twelve new sections enacted in lieu
3 thereof, to be known as sections 115.240, 135.098, 137.067, 137.073, 137.115, 143.011,
4 143.022, 143.071, 143.114, 143.124, 143.125, and 144.064, to read as follows:

115.240. The election authority for any political subdivision or special district
2 **shall label ballot measures relating to taxation that are submitted by such political**
3 **subdivision or special district to a vote of the people numerically or alphabetically in the**
4 **order in which they are submitted. No such ballot measure shall be labeled in a**
5 **descriptive manner aside from its numerical or alphabetical designation. Election**
6 **authorities may coordinate with each other, or with the secretary of state, to maintain a**
7 **database or other record to facilitate numerical or alphabetical assignment.**

135.098. 1. For purposes of this section, the following terms shall mean:
2 **(1) "Department", the Missouri department of revenue;**
3 **(2) "Federal firearms excise tax", the federal firearms and ammunition excise**
4 **tax imposed pursuant to 26 U.S.C. Section 4181;**

EXPLANATION — Matter enclosed in bold-faced brackets ~~thus~~ in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

5 (3) "State tax liability", any liability incurred by the taxpayer pursuant to the
6 provisions of chapter 143, exclusive of the provisions relating to the withholding of tax
7 as provided for in sections 143.191 to 143.265 and related provisions;

8 (4) "Tax credit", a credit against the taxpayer's state tax liability;

9 (5) "Taxpayer", any individual subject to the state income tax pursuant to
10 chapter 143.

11 2. For all tax years beginning on or after January 1, 2024, a taxpayer liable to
12 pay federal firearms excise tax shall be authorized to claim a tax credit in an amount
13 equal to one hundred percent of such tax paid by the taxpayer on sales of firearms and
14 ammunition made in the United States and sold by the taxpayer during the tax year.

15 3. The tax credit allowed by this section shall be claimed by such taxpayer at the
16 time such taxpayer files a return and shall be applied against the income tax liability
17 imposed by chapter 143, excluding the withholding tax imposed by sections 143.191 to
18 143.265. The department may require any documentation it deems necessary to
19 administer the provisions of this section.

20 4. Any amount of tax credit that exceeds the taxpayer's state tax liability shall
21 not be refunded to the taxpayer. Tax credits authorized pursuant to this section shall
22 not be transferred, sold, assigned, or otherwise conveyed.

23 5. A taxpayer shall not claim a tax credit pursuant to this section if the taxpayer
24 has retained sales tax pursuant to section 144.064 for the same federal firearms excise
25 tax paid.

26 6. The department may promulgate rules and adopt statements of policy,
27 procedures, forms, and guidelines to implement and administer the provisions of this
28 section. Rules promulgated pursuant to this subsection shall not be construed to create
29 or authorize the creation of any database that would include the names of any person
30 who purchases, sells, or uses any firearms or ammunition. Any rule or portion of a rule,
31 as that term is defined in section 536.010, that is created pursuant to the authority
32 delegated in this section shall become effective only if it complies with and is subject to
33 all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
34 chapter 536 are nonseverable and if any of the powers vested with the general assembly
35 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul
36 a rule are subsequently held unconstitutional, then the grant of rulemaking authority
37 and any rule proposed or adopted after August 28, 2023, shall be invalid and void.

38 7. Pursuant to section 23.253 of the Missouri sunset act:

39 (1) The program authorized under this section shall expire on December 31,
40 2029, unless reauthorized by the general assembly; and

41 **(2) The act shall terminate on September first of the calendar year immediately**
42 **following the calendar year in which the program authorized under this section is**
43 **sunset; and**

44 **(3) If such program is reauthorized, the program authorized under this section**
45 **shall automatically sunset six years after the effective date of the reauthorization of this**
46 **section; and**

47 **(4) The provisions of this subsection shall not be construed to limit or in any way**
48 **impair the department of revenue's ability to redeem tax credits authorized on or before**
49 **the date the program authorized pursuant to this section expires, or a taxpayer's ability**
50 **to redeem such tax credits.**

137.067. Notwithstanding any provision of law to the contrary, any ballot
2 **measure seeking approval to add, change, or modify a tax on real property shall express**
3 **the effect of the proposed change within the ballot language in terms of the change in**
4 **real dollars owed per one hundred thousand dollars of a property's market valuation.**

 137.073. 1. As used in this section, the following terms mean:

2 (1) "General reassessment", changes in value, entered in the assessor's books, of a
3 substantial portion of the parcels of real property within a county resulting wholly or partly
4 from reappraisal of value or other actions of the assessor or county equalization body or
5 ordered by the state tax commission or any court;

6 (2) "Tax rate", "rate", or "rate of levy", singular or plural, includes the tax rate for
7 each purpose of taxation of property a taxing authority is authorized to levy without a vote
8 and any tax rate authorized by election, including bond interest and sinking fund;

9 (3) "Tax rate ceiling", a tax rate as revised by the taxing authority to comply with the
10 provisions of this section or when a court has determined the tax rate; except that, other
11 provisions of law to the contrary notwithstanding, a school district may levy the operating
12 levy for school purposes required for the current year pursuant to subsection 2 of section
13 163.021, less all adjustments required pursuant to Article X, Section 22 of the Missouri
14 Constitution, if such tax rate does not exceed the highest tax rate in effect subsequent to the
15 1980 tax year. This is the maximum tax rate that may be levied, unless a higher tax rate
16 ceiling is approved by voters of the political subdivision as provided in this section;

17 (4) "Tax revenue", when referring to the previous year, means the actual receipts from
18 ad valorem levies on all classes of property, including state-assessed property, in the
19 immediately preceding fiscal year of the political subdivision, plus an allowance for taxes
20 billed but not collected in the fiscal year and plus an additional allowance for the revenue
21 which would have been collected from property which was annexed by such political
22 subdivision but which was not previously used in determining tax revenue pursuant to this
23 section. The term "tax revenue" shall not include any receipts from ad valorem levies on any

24 property of a railroad corporation or a public utility, as these terms are defined in section
25 386.020, which were assessed by the assessor of a county or city in the previous year but are
26 assessed by the state tax commission in the current year. All school districts and those
27 counties levying sales taxes pursuant to chapter 67 shall include in the calculation of tax
28 revenue an amount equivalent to that by which they reduced property tax levies as a result of
29 sales tax pursuant to section 67.505 and section 164.013 or as excess home dock city or
30 county fees as provided in subsection 4 of section 313.820 in the immediately preceding
31 fiscal year but not including any amount calculated to adjust for prior years. For purposes of
32 political subdivisions which were authorized to levy a tax in the prior year but which did not
33 levy such tax or levied a reduced rate, the term "tax revenue", as used in relation to the
34 revision of tax levies mandated by law, shall mean the revenues equal to the amount that
35 would have been available if the voluntary rate reduction had not been made.

36 2. Whenever changes in assessed valuation are entered in the assessor's books for any
37 personal property, in the aggregate, or for any subclass of real property as such subclasses are
38 established in Section 4(b) of Article X of the Missouri Constitution and defined in section
39 137.016, the county clerk in all counties and the assessor of St. Louis City shall notify each
40 political subdivision wholly or partially within the county or St. Louis City of the change in
41 valuation of each subclass of real property, individually, and personal property, in the
42 aggregate, exclusive of new construction and improvements. All political subdivisions shall
43 immediately revise the applicable rates of levy for each purpose for each subclass of real
44 property, individually, and personal property, in the aggregate, for which taxes are levied to
45 the extent necessary to produce from all taxable property, exclusive of new construction and
46 improvements, substantially the same amount of tax revenue as was produced in the previous
47 year for each subclass of real property, individually, and personal property, in the aggregate,
48 except that the rate shall not exceed the greater of the most recent voter-approved rate or the
49 most recent voter-approved rate as adjusted under subdivision (2) of subsection 5 of this
50 section. Any political subdivision that has received approval from voters for a tax increase
51 after August 27, 2008, may levy a rate to collect substantially the same amount of tax revenue
52 as the amount of revenue that would have been derived by applying the voter-approved
53 increased tax rate ceiling to the total assessed valuation of the political subdivision as most
54 recently certified by the city or county clerk on or before the date of the election in which
55 such increase is approved, increased by the percentage increase in the consumer price index,
56 as provided by law, except that the rate shall not exceed the greater of the most recent voter-
57 approved rate or the most recent voter-approved rate as adjusted under subdivision (2) of
58 subsection 5 of this section. Such tax revenue shall not include any receipts from ad valorem
59 levies on any real property which was assessed by the assessor of a county or city in such
60 previous year but is assessed by the assessor of a county or city in the current year in a

61 different subclass of real property. Where the taxing authority is a school district for the
62 purposes of revising the applicable rates of levy for each subclass of real property, the tax
63 revenues from state-assessed railroad and utility property shall be apportioned and attributed
64 to each subclass of real property based on the percentage of the total assessed valuation of the
65 county that each subclass of real property represents in the current taxable year. As provided
66 in Section 22 of Article X of the constitution, a political subdivision may also revise each levy
67 to allow for inflationary assessment growth occurring within the political subdivision. The
68 inflationary growth factor for any such subclass of real property or personal property shall be
69 limited to the actual assessment growth in such subclass or class, exclusive of new
70 construction and improvements, and exclusive of the assessed value on any real property
71 which was assessed by the assessor of a county or city in the current year in a different
72 subclass of real property, but not to exceed the consumer price index or five percent,
73 whichever is lower. Should the tax revenue of a political subdivision from the various tax
74 rates determined in this subsection be different than the tax revenue that would have been
75 determined from a single tax rate as calculated pursuant to the method of calculation in this
76 subsection prior to January 1, 2003, then the political subdivision shall revise the tax rates of
77 those subclasses of real property, individually, and/or personal property, in the aggregate, in
78 which there is a tax rate reduction, pursuant to the provisions of this subsection. Such
79 revision shall yield an amount equal to such difference and shall be apportioned among such
80 subclasses of real property, individually, and/or personal property, in the aggregate, based on
81 the relative assessed valuation of the class or subclasses of property experiencing a tax rate
82 reduction. Such revision in the tax rates of each class or subclass shall be made by computing
83 the percentage of current year adjusted assessed valuation of each class or subclass with a tax
84 rate reduction to the total current year adjusted assessed valuation of the class or subclasses
85 with a tax rate reduction, multiplying the resulting percentages by the revenue difference
86 between the single rate calculation and the calculations pursuant to this subsection and
87 dividing by the respective adjusted current year assessed valuation of each class or subclass to
88 determine the adjustment to the rate to be levied upon each class or subclass of property. The
89 adjustment computed herein shall be multiplied by one hundred, rounded to four decimals in
90 the manner provided in this subsection, and added to the initial rate computed for each class
91 or subclass of property. For school districts that levy separate tax rates on each subclass of
92 real property and personal property in the aggregate, if voters approved a ballot before
93 January 1, 2011, that presented separate stated tax rates to be applied to the different
94 subclasses of real property and personal property in the aggregate, or increases the separate
95 rates that may be levied on the different subclasses of real property and personal property in
96 the aggregate by different amounts, the tax rate that shall be used for the single tax rate
97 calculation shall be a blended rate, calculated in the manner provided under subdivision (1) of

98 subsection 6 of this section. Notwithstanding any provision of this subsection to the contrary,
99 no revision to the rate of levy for personal property shall cause such levy to increase over the
100 levy for personal property from the prior year.

101 3. (1) Where the taxing authority is a school district, it shall be required to revise the
102 rates of levy to the extent necessary to produce from all taxable property, including state-
103 assessed railroad and utility property, which shall be separately estimated in addition to other
104 data required in complying with section 164.011, substantially the amount of tax revenue
105 permitted in this section. In the year following tax rate reduction, the tax rate ceiling may be
106 adjusted to offset such district's reduction in the apportionment of state school moneys due to
107 its reduced tax rate. However, in the event any school district, in calculating a tax rate ceiling
108 pursuant to this section, requiring the estimating of effects of state-assessed railroad and
109 utility valuation or loss of state aid, discovers that the estimates used result in receipt of
110 excess revenues, which would have required a lower rate if the actual information had been
111 known, the school district shall reduce the tax rate ceiling in the following year to compensate
112 for the excess receipts, and the recalculated rate shall become the tax rate ceiling for purposes
113 of this section.

114 (2) For any political subdivision which experiences a reduction in the amount of
115 assessed valuation relating to a prior year, due to decisions of the state tax commission or a
116 court pursuant to sections 138.430 to 138.433, or due to clerical errors or corrections in the
117 calculation or recordation of any assessed valuation:

118 (a) Such political subdivision may revise the tax rate ceiling for each purpose it levies
119 taxes to compensate for the reduction in assessed value occurring after the political
120 subdivision calculated the tax rate ceiling for the particular subclass of real property or for
121 personal property, in the aggregate, in a prior year. Such revision by the political subdivision
122 shall be made at the time of the next calculation of the tax rate for the particular subclass of
123 real property or for personal property, in the aggregate, after the reduction in assessed
124 valuation has been determined and shall be calculated in a manner that results in the revised
125 tax rate ceiling being the same as it would have been had the corrected or finalized assessment
126 been available at the time of the prior calculation;

127 (b) In addition, for up to three years following the determination of the reduction in
128 assessed valuation as a result of circumstances defined in this subdivision, such political
129 subdivision may levy a tax rate for each purpose it levies taxes above the revised tax rate
130 ceiling provided in paragraph (a) of this subdivision to recoup any revenues it was entitled to
131 receive had the corrected or finalized assessment been available at the time of the prior
132 calculation.

133 4. (1) In order to implement the provisions of this section and Section 22 of Article X
134 of the Constitution of Missouri, the term improvements shall apply to both real and personal

135 property. In order to determine the value of new construction and improvements, each county
136 assessor shall maintain a record of real property valuations in such a manner as to identify
137 each year the increase in valuation for each political subdivision in the county as a result of
138 new construction and improvements. The value of new construction and improvements shall
139 include the additional assessed value of all improvements or additions to real property which
140 were begun after and were not part of the prior year's assessment, except that the additional
141 assessed value of all improvements or additions to real property which had been totally or
142 partially exempt from ad valorem taxes pursuant to sections 99.800 to 99.865, sections
143 135.200 to 135.255, and section 353.110 shall be included in the value of new construction
144 and improvements when the property becomes totally or partially subject to assessment and
145 payment of all ad valorem taxes. The aggregate increase in valuation of personal property for
146 the current year over that of the previous year is the equivalent of the new construction and
147 improvements factor for personal property. Notwithstanding any opt-out implemented
148 pursuant to subsection 14 of section 137.115, the assessor shall certify the amount of new
149 construction and improvements and the amount of assessed value on any real property which
150 was assessed by the assessor of a county or city in such previous year but is assessed by the
151 assessor of a county or city in the current year in a different subclass of real property
152 separately for each of the three subclasses of real property for each political subdivision to the
153 county clerk in order that political subdivisions shall have this information for the purpose of
154 calculating tax rates pursuant to this section and Section 22, Article X, Constitution of
155 Missouri. In addition, the state tax commission shall certify each year to each county clerk
156 the increase in the general price level as measured by the Consumer Price Index for All Urban
157 Consumers for the United States, or its successor publications, as defined and officially
158 reported by the United States Department of Labor, or its successor agency. The state tax
159 commission shall certify the increase in such index on the latest twelve-month basis available
160 on February first of each year over the immediately preceding prior twelve-month period in
161 order that political subdivisions shall have this information available in setting their tax rates
162 according to law and Section 22 of Article X of the Constitution of Missouri. For purposes of
163 implementing the provisions of this section and Section 22 of Article X of the Missouri
164 Constitution, the term "property" means all taxable property, including state-assessed
165 property.

166 (2) Each political subdivision required to revise rates of levy pursuant to this section
167 or Section 22 of Article X of the Constitution of Missouri shall calculate each tax rate it is
168 authorized to levy and, in establishing each tax rate, shall consider each provision for tax rate
169 revision provided in this section and Section 22 of Article X of the Constitution of Missouri,
170 separately and without regard to annual tax rate reductions provided in section 67.505 and
171 section 164.013. Each political subdivision shall set each tax rate it is authorized to levy

172 using the calculation that produces the lowest tax rate ceiling. It is further the intent of the
173 general assembly, pursuant to the authority of Section 10(c) of Article X of the Constitution
174 of Missouri, that the provisions of such section be applicable to tax rate revisions mandated
175 pursuant to Section 22 of Article X of the Constitution of Missouri as to reestablishing tax
176 rates as revised in subsequent years, enforcement provisions, and other provisions not in
177 conflict with Section 22 of Article X of the Constitution of Missouri. Annual tax rate
178 reductions provided in section 67.505 and section 164.013 shall be applied to the tax rate as
179 established pursuant to this section and Section 22 of Article X of the Constitution of
180 Missouri, unless otherwise provided by law.

181 5. (1) In all political subdivisions, the tax rate ceiling established pursuant to this
182 section shall not be increased unless approved by a vote of the people. Approval of the higher
183 tax rate shall be by at least a majority of votes cast. When a proposed higher tax rate requires
184 approval by more than a simple majority pursuant to any provision of law or the constitution,
185 the tax rate increase must receive approval by at least the majority required.

186 (2) When voters approve an increase in the tax rate, the amount of the increase shall
187 be added to the tax rate ceiling as calculated pursuant to this section to the extent the total rate
188 does not exceed any maximum rate prescribed by law. If a ballot question presents a stated
189 tax rate for approval rather than describing the amount of increase in the question, the stated
190 tax rate approved shall be adjusted as provided in this section and, so adjusted, shall be the
191 current tax rate ceiling. The increased tax rate ceiling as approved shall be adjusted such that
192 when applied to the current total assessed valuation of the political subdivision, excluding
193 new construction and improvements since the date of the election approving such increase,
194 the revenue derived from the adjusted tax rate ceiling is equal to the sum of: the amount of
195 revenue which would have been derived by applying the voter-approved increased tax rate
196 ceiling to total assessed valuation of the political subdivision, as most recently certified by the
197 city or county clerk on or before the date of the election in which such increase is approved,
198 increased by the percentage increase in the consumer price index, as provided by law. Such
199 adjusted tax rate ceiling may be applied to the total assessed valuation of the political
200 subdivision at the setting of the next tax rate. If a ballot question presents a phased-in tax rate
201 increase, upon voter approval, each tax rate increase shall be adjusted in the manner
202 prescribed in this section to yield the sum of: the amount of revenue that would be derived by
203 applying such voter-approved increased rate to the total assessed valuation, as most recently
204 certified by the city or county clerk on or before the date of the election in which such
205 increase was approved, increased by the percentage increase in the consumer price index, as
206 provided by law, from the date of the election to the time of such increase and, so adjusted,
207 shall be the current tax rate ceiling.

208 **(3) The provisions of subdivision (2) of this subsection notwithstanding, if, prior**
209 **to the expiration of a temporary levy increase, voters approve a subsequent levy**
210 **increase, the new tax rate ceiling shall remain in effect only until such time as the**
211 **temporary levy expires under the terms originally approved by a vote of the people, at**
212 **which time the tax rate ceiling shall be decreased by the amount of the temporary levy**
213 **increase. If, prior to the expiration of a temporary levy increase, voters of a political**
214 **subdivision are asked to approve an additional, permanent increase to the political**
215 **subdivision's tax rate ceiling, voters shall be submitted ballot language that clearly**
216 **indicates that if the permanent levy increase is approved, the temporary levy shall be**
217 **made permanent.**

218 **(4)** The governing body of any political subdivision may levy a tax rate lower than its
219 tax rate ceiling and may, in a nonreassessment year, increase that lowered tax rate to a level
220 not exceeding the tax rate ceiling without voter approval in the manner provided under
221 subdivision ~~[(4)]~~ **(5)** of this subsection. Nothing in this section shall be construed as
222 prohibiting a political subdivision from voluntarily levying a tax rate lower than that which is
223 required under the provisions of this section or from seeking voter approval of a reduction to
224 such political subdivision's tax rate ceiling.

225 ~~[(4)]~~ **(5)** In a year of general reassessment, a governing body whose tax rate is lower
226 than its tax rate ceiling shall revise its tax rate pursuant to the provisions of subsection 4 of
227 this section as if its tax rate was at the tax rate ceiling. In a year following general
228 reassessment, if such governing body intends to increase its tax rate, the governing body shall
229 conduct a public hearing, and in a public meeting it shall adopt an ordinance, resolution, or
230 policy statement justifying its action prior to setting and certifying its tax rate. The provisions
231 of this subdivision shall not apply to any political subdivision which levies a tax rate lower
232 than its tax rate ceiling solely due to a reduction required by law resulting from sales tax
233 collections. The provisions of this subdivision shall not apply to any political subdivision
234 which has received voter approval for an increase to its tax rate ceiling subsequent to setting
235 its most recent tax rate.

236 6. (1) For the purposes of calculating state aid for public schools pursuant to section
237 163.031, each taxing authority which is a school district shall determine its proposed tax rate
238 as a blended rate of the classes or subclasses of property. Such blended rate shall be
239 calculated by first determining the total tax revenue of the property within the jurisdiction of
240 the taxing authority, which amount shall be equal to the sum of the products of multiplying
241 the assessed valuation of each class and subclass of property by the corresponding tax rate for
242 such class or subclass, then dividing the total tax revenue by the total assessed valuation of
243 the same jurisdiction, and then multiplying the resulting quotient by a factor of one hundred.
244 Where the taxing authority is a school district, such blended rate shall also be used by such

245 school district for calculating revenue from state-assessed railroad and utility property as
246 defined in chapter 151 and for apportioning the tax rate by purpose.

247 (2) Each taxing authority proposing to levy a tax rate in any year shall notify the clerk
248 of the county commission in the county or counties where the tax rate applies of its tax rate
249 ceiling and its proposed tax rate. Each taxing authority shall express its proposed tax rate in a
250 fraction equal to the nearest one-tenth of a cent, unless its proposed tax rate is in excess of one
251 dollar, then one/one-hundredth of a cent. If a taxing authority shall round to one/one-
252 hundredth of a cent, it shall round up a fraction greater than or equal to five/one-thousandth of
253 one cent to the next higher one/one-hundredth of a cent; if a taxing authority shall round to
254 one-tenth of a cent, it shall round up a fraction greater than or equal to five/one-hundredths of
255 a cent to the next higher one-tenth of a cent. Any taxing authority levying a property tax rate
256 shall provide data, in such form as shall be prescribed by the state auditor by rule,
257 substantiating such tax rate complies with Missouri law. All forms for the calculation of rates
258 pursuant to this section shall be promulgated as a rule and shall not be incorporated by
259 reference. The state auditor shall promulgate rules for any and all forms for the calculation of
260 rates pursuant to this section which do not currently exist in rule form or that have been
261 incorporated by reference. In addition, each taxing authority proposing to levy a tax rate for
262 debt service shall provide data, in such form as shall be prescribed by the state auditor by rule,
263 substantiating the tax rate for debt service complies with Missouri law. A tax rate proposed
264 for annual debt service requirements will be prima facie valid if, after making the payment for
265 which the tax was levied, bonds remain outstanding and the debt fund reserves do not exceed
266 the following year's payments. The county clerk shall keep on file and available for public
267 inspection all such information for a period of three years. The clerk shall, within three days
268 of receipt, forward a copy of the notice of a taxing authority's tax rate ceiling and proposed
269 tax rate and any substantiating data to the state auditor. The state auditor shall, within fifteen
270 days of the date of receipt, examine such information and return to the county clerk his or her
271 findings as to compliance of the tax rate ceiling with this section and as to compliance of any
272 proposed tax rate for debt service with Missouri law. If the state auditor believes that a taxing
273 authority's proposed tax rate does not comply with Missouri law, then the state auditor's
274 findings shall include a recalculated tax rate, and the state auditor may request a taxing
275 authority to submit documentation supporting such taxing authority's proposed tax rate. The
276 county clerk shall immediately forward a copy of the auditor's findings to the taxing authority
277 and shall file a copy of the findings with the information received from the taxing authority.
278 The taxing authority shall have fifteen days from the date of receipt from the county clerk of
279 the state auditor's findings and any request for supporting documentation to accept or reject in
280 writing the rate change certified by the state auditor and to submit all requested information to
281 the state auditor. A copy of the taxing authority's acceptance or rejection and any information

282 submitted to the state auditor shall also be mailed to the county clerk. If a taxing authority
283 rejects a rate change certified by the state auditor and the state auditor does not receive
284 supporting information which justifies the taxing authority's original or any subsequent
285 proposed tax rate, then the state auditor shall refer the perceived violations of such taxing
286 authority to the attorney general's office and the attorney general is authorized to obtain
287 injunctive relief to prevent the taxing authority from levying a violative tax rate.

288 (3) In the event that the taxing authority incorrectly completes the forms created and
289 promulgated under subdivision (2) of this subsection, or makes a clerical error, the taxing
290 authority may submit amended forms with an explanation for the needed changes. If such
291 amended forms are filed under regulations prescribed by the state auditor, the state auditor
292 shall take into consideration such amended forms for the purposes of this subsection.

293 7. No tax rate shall be extended on the tax rolls by the county clerk unless the political
294 subdivision has complied with the foregoing provisions of this section.

295 8. Whenever a taxpayer has cause to believe that a taxing authority has not complied
296 with the provisions of this section, the taxpayer may make a formal complaint with the
297 prosecuting attorney of the county. Where the prosecuting attorney fails to bring an action
298 within ten days of the filing of the complaint, the taxpayer may bring a civil action pursuant to
299 this section and institute an action as representative of a class of all taxpayers within a taxing
300 authority if the class is so numerous that joinder of all members is impracticable, if there are
301 questions of law or fact common to the class, if the claims or defenses of the representative
302 parties are typical of the claims or defenses of the class, and if the representative parties will
303 fairly and adequately protect the interests of the class. In any class action maintained
304 pursuant to this section, the court may direct to the members of the class a notice to be
305 published at least once each week for four consecutive weeks in a newspaper of general
306 circulation published in the county where the civil action is commenced and in other counties
307 within the jurisdiction of a taxing authority. The notice shall advise each member that the
308 court will exclude him or her from the class if he or she so requests by a specified date, that
309 the judgment, whether favorable or not, will include all members who do not request
310 exclusion, and that any member who does not request exclusion may, if he or she desires,
311 enter an appearance. In any class action brought pursuant to this section, the court, in
312 addition to the relief requested, shall assess against the taxing authority found to be in
313 violation of this section the reasonable costs of bringing the action, including reasonable
314 attorney's fees, provided no attorney's fees shall be awarded any attorney or association of
315 attorneys who receive public funds from any source for their services. Any action brought
316 pursuant to this section shall be set for hearing as soon as practicable after the cause is at
317 issue.

318 9. If in any action, including a class action, the court issues an order requiring a taxing
319 authority to revise the tax rates as provided in this section or enjoins a taxing authority from
320 the collection of a tax because of its failure to revise the rate of levy as provided in this
321 section, any taxpayer paying his or her taxes when an improper rate is applied has erroneously
322 paid his or her taxes in part, whether or not the taxes are paid under protest as provided in
323 section 139.031 or otherwise contested. The part of the taxes paid erroneously is the
324 difference in the amount produced by the original levy and the amount produced by the
325 revised levy. The township or county collector of taxes or the collector of taxes in any city
326 shall refund the amount of the tax erroneously paid. The taxing authority refusing to revise
327 the rate of levy as provided in this section shall make available to the collector all funds
328 necessary to make refunds pursuant to this subsection. No taxpayer shall receive any interest
329 on any money erroneously paid by him or her pursuant to this subsection. Effective in the
330 1994 tax year, nothing in this section shall be construed to require a taxing authority to refund
331 any tax erroneously paid prior to or during the third tax year preceding the current tax year.

332 10. Any rule or portion of a rule, as that term is defined in section 536.010, that is
333 created under the authority delegated in this section shall become effective only if it complies
334 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.
335 This section and chapter 536 are nonseverable and if any of the powers vested with the
336 general assembly pursuant to chapter 536 to review, to delay the effective date, or to
337 disapprove and annul a rule are subsequently held unconstitutional, then the grant of
338 rulemaking authority and any rule proposed or adopted after August 28, 2004, shall be invalid
339 and void.

137.115. 1. All other laws to the contrary notwithstanding, the assessor or the
2 assessor's deputies in all counties of this state including the City of St. Louis shall annually
3 make a list of all real and tangible personal property taxable in the assessor's city, county,
4 town or district. Except as otherwise provided in subsection 3 of this section and section
5 137.078, the assessor shall annually assess all personal property at thirty-three and one-third
6 percent of its true value in money as of January first of each calendar year. The assessor shall
7 annually assess all real property, including any new construction and improvements to real
8 property, and possessory interests in real property at the percent of its true value in money set
9 in subsection 5 of this section. The true value in money of any possessory interest in real
10 property in subclass (3), where such real property is on or lies within the ultimate airport
11 boundary as shown by a federal airport layout plan, as defined by 14 CFR 151.5, of a
12 commercial airport having a FAR Part 139 certification and owned by a political subdivision,
13 shall be the otherwise applicable true value in money of any such possessory interest in real
14 property, less the total dollar amount of costs paid by a party, other than the political
15 subdivision, towards any new construction or improvements on such real property completed

16 after January 1, 2008, and which are included in the above-mentioned possessory interest,
17 regardless of the year in which such costs were incurred or whether such costs were
18 considered in any prior year. The assessor shall annually assess all real property in the
19 following manner: new assessed values shall be determined as of January first of each odd-
20 numbered year and shall be entered in the assessor's books; those same assessed values shall
21 apply in the following even-numbered year, except for new construction and property
22 improvements which shall be valued as though they had been completed as of January first of
23 the preceding odd-numbered year. The assessor may call at the office, place of doing
24 business, or residence of each person required by this chapter to list property, and require the
25 person to make a correct statement of all taxable tangible personal property owned by the
26 person or under his or her care, charge or management, taxable in the county. On or before
27 January first of each even-numbered year, the assessor shall prepare and submit a two-year
28 assessment maintenance plan to the county governing body and the state tax commission for
29 their respective approval or modification. The county governing body shall approve and
30 forward such plan or its alternative to the plan to the state tax commission by February first.
31 If the county governing body fails to forward the plan or its alternative to the plan to the state
32 tax commission by February first, the assessor's plan shall be considered approved by the
33 county governing body. If the state tax commission fails to approve a plan and if the state tax
34 commission and the assessor and the governing body of the county involved are unable to
35 resolve the differences, in order to receive state cost-share funds outlined in section 137.750,
36 the county or the assessor shall petition the administrative hearing commission, by May first,
37 to decide all matters in dispute regarding the assessment maintenance plan. Upon agreement
38 of the parties, the matter may be stayed while the parties proceed with mediation or
39 arbitration upon terms agreed to by the parties. The final decision of the administrative
40 hearing commission shall be subject to judicial review in the circuit court of the county
41 involved. In the event a valuation of subclass (1) real property within any county with a
42 charter form of government, or within a city not within a county, is made by a computer,
43 computer-assisted method or a computer program, the burden of proof, supported by clear,
44 convincing and cogent evidence to sustain such valuation, shall be on the assessor at any
45 hearing or appeal. In any such county, unless the assessor proves otherwise, there shall be a
46 presumption that the assessment was made by a computer, computer-assisted method or a
47 computer program. Such evidence shall include, but shall not be limited to, the following:
48 (1) The findings of the assessor based on an appraisal of the property by generally
49 accepted appraisal techniques; and
50 (2) The purchase prices from sales of at least three comparable properties and the
51 address or location thereof. As used in this subdivision, the word "comparable" means that:
52 (a) Such sale was closed at a date relevant to the property valuation; and

53 (b) Such properties are not more than one mile from the site of the disputed property,
54 except where no similar properties exist within one mile of the disputed property, the nearest
55 comparable property shall be used. Such property shall be within five hundred square feet in
56 size of the disputed property, and resemble the disputed property in age, floor plan, number of
57 rooms, and other relevant characteristics.

58 2. Assessors in each county of this state and the City of St. Louis may send personal
59 property assessment forms through the mail.

60 3. The following items of personal property shall each constitute separate subclasses
61 of tangible personal property and shall be assessed and valued for the purposes of taxation at
62 the following percentages of their true value in money:

63 (1) Grain and other agricultural crops in an unmanufactured condition, one-half of
64 one percent;

65 (2) Livestock, twelve percent;

66 (3) Farm machinery, twelve percent;

67 (4) Motor vehicles which are eligible for registration as and are registered as historic
68 motor vehicles pursuant to section 301.131 and aircraft which are at least twenty-five years
69 old and which are used solely for noncommercial purposes and are operated less than two
70 hundred hours per year or aircraft that are home built from a kit, five percent;

71 (5) Poultry, twelve percent; and

72 (6) Tools and equipment used for pollution control and tools and equipment used in
73 retooling for the purpose of introducing new product lines or used for making improvements
74 to existing products by any company which is located in a state enterprise zone and which is
75 identified by any standard industrial classification number cited in subdivision (7) of section
76 135.200, twenty-five percent.

77 4. The person listing the property shall enter a true and correct statement of the
78 property, in a printed blank prepared for that purpose. The statement, after being filled out,
79 shall be signed and either affirmed or sworn to as provided in section 137.155. The list shall
80 then be delivered to the assessor.

81 5. (1) All subclasses of real property, as such subclasses are established in Section 4
82 (b) of Article X of the Missouri Constitution and defined in section 137.016, shall be assessed
83 at the following percentages of true value:

84 (a) For real property in subclass (1), nineteen percent;

85 (b) For real property in subclass (2), twelve percent; and

86 (c) For real property in subclass (3), thirty-two percent.

87 (2) A taxpayer may apply to the county assessor, or, if not located within a county,
88 then the assessor of such city, for the reclassification of such taxpayer's real property if the use
89 or purpose of such real property is changed after such property is assessed under the

90 provisions of this chapter. If the assessor determines that such property shall be reclassified,
91 he or she shall determine the assessment under this subsection based on the percentage of the
92 tax year that such property was classified in each subclassification.

93 6. Manufactured homes, as defined in section 700.010, which are actually used as
94 dwelling units shall be assessed at the same percentage of true value as residential real
95 property for the purpose of taxation. The percentage of assessment of true value for such
96 manufactured homes shall be the same as for residential real property. If the county collector
97 cannot identify or find the manufactured home when attempting to attach the manufactured
98 home for payment of taxes owed by the manufactured home owner, the county collector may
99 request the county commission to have the manufactured home removed from the tax books,
100 and such request shall be granted within thirty days after the request is made; however, the
101 removal from the tax books does not remove the tax lien on the manufactured home if it is
102 later identified or found. For purposes of this section, a manufactured home located in a
103 manufactured home rental park, rental community or on real estate not owned by the
104 manufactured home owner shall be considered personal property. For purposes of this
105 section, a manufactured home located on real estate owned by the manufactured home owner
106 may be considered real property.

107 7. Each manufactured home assessed shall be considered a parcel for the purpose of
108 reimbursement pursuant to section 137.750, unless the manufactured home is deemed to be
109 real estate as defined in subsection 7 of section 442.015 and assessed as a realty improvement
110 to the existing real estate parcel.

111 8. Any amount of tax due and owing based on the assessment of a manufactured
112 home shall be included on the personal property tax statement of the manufactured home
113 owner unless the manufactured home is deemed to be real estate as defined in subsection 7 of
114 section 442.015, in which case the amount of tax due and owing on the assessment of the
115 manufactured home as a realty improvement to the existing real estate parcel shall be
116 included on the real property tax statement of the real estate owner.

117 9. **For the tax year ending on or before December 31, 2023**, the assessor of each
118 county and each city not within a county shall use ~~[the trade-in value published in the October~~
119 ~~issue of]~~ **a nationally recognized automotive trade publication such as** the National
120 Automobile Dealers' Association Official Used Car Guide, **Kelley Blue Book**, or ~~[its~~
121 ~~successor publication]~~ **Edmunds, or other similar publication** as the recommended guide of
122 information for determining the true value of motor vehicles described in such publication.
123 **The state tax commission shall determine which publication shall be used. The assessor**
124 **of each county and each city not within a county shall use the trade-in value published in**
125 **the current or any of the three immediately previous years' October issue of the**
126 **publication selected by the state tax commission.** The assessor shall not use a value that is

127 greater than the average trade-in value in determining the true value of the motor vehicle
 128 without performing a physical inspection of the motor vehicle. For vehicles two years old or
 129 newer from a vehicle's model year, the assessor may use a value other than average without
 130 performing a physical inspection of the motor vehicle.

131 **10. For all tax years beginning on or after January 1, 2024, the assessor of each**
 132 **county and each city not within a county shall use the manufacturer's suggested retail**
 133 **price for all manufactured motor vehicles as acquired annually by the state tax**
 134 **commission for the original value in money of all motor vehicle assessment valuations.**
 135 **For the purposes of this subsection, the term "original value in money" means the**
 136 **manufacturer's suggested retail price. For the purposes of this subsection, the term**
 137 **"motor vehicles" means trucks, automobiles, motorcycles, boats, trailers, and other**
 138 **motor vehicles required to be registered and titled pursuant to the provisions of the**
 139 **motor vehicle and registration laws of this state. The term "motor vehicles" shall**
 140 **include farm tractors and farm machinery including tractors or machinery designed for**
 141 **off-road use but capable of movement on roads at low speeds. The following ten-year**
 142 **depreciation schedule shall be applied to each manufacturer's suggested retail price to**
 143 **develop the annual and historical valuation guide for all motor vehicles. The values**
 144 **shall be delivered to each software vendor not later than November fifteenth annually**
 145 **and vendors shall have the values in place by December fifteenth annually for use in the**
 146 **next assessment year. In the absence of a listing for a particular motor vehicle in such**
 147 **publication, the assessor shall use such information or publications which in the assessor's**
 148 **judgment will fairly estimate the ~~true~~ original value in money of the motor vehicle[-] and**
 149 **the assessor shall apply the appropriate depreciation from the table as follows:**

Year	Percent Depreciation
Current	15
1	25
2	32.5
3	45.3
4	50.3
5	55.8
6	60.1
7	75.2
8	83.2
9	87.2
10	90
Greater than 10	99.9

150
151
152
153
154
155
156
157
158
159
160
161
162

163

164 **To implement the new schedule without large variations from the current method, the**
165 **assessor shall assume that the last valuation tables prior to October 1, 2024, are fair**
166 **valuations and these valuations shall be depreciated from the above table until the end**
167 **of their useful life. The state tax commission shall, with the assistance of the Missouri**
168 **state assessor's association, develop the bid specifications to secure the original**
169 **manufacturer's suggested retail price from a nationally recognized service. The state**
170 **tax commission shall secure an annual appropriation from the legislature for the guide**
171 **and the programming necessary to allow valuation by vehicle identification number in**
172 **all certified mass appraisal software systems used in the state. The state tax commission**
173 **or the state of Missouri shall be the registered user of the value guide with rights to**
174 **allow all assessors access to the guide and to an online site. The state tax commission or**
175 **state shall be responsible for renewals and annual software cost for preparing the data**
176 **in a usable format for approved personal property software vendors in the state. If a**
177 **county creates its own software, it shall meet the same standards as the approved**
178 **vendors. The data shall be available to all vendors by November fifteenth annually. All**
179 **vendors shall have the data available for use in their client counties by December**
180 **fifteenth prior to the January first assessment date. When the manufacturer's**
181 **suggested retail price data is not available from the approved source or the assessor**
182 **deems it not appropriate for the vehicle value he or she is valuing, the assessor may**
183 **obtain a manufacturer's suggested retail price from a source he or she deems reliable**
184 **and apply the depreciation schedule set out above.**

185 ~~[10.]~~ **11.** Before the assessor may increase the assessed valuation of any parcel of
186 subclass (1) real property by more than fifteen percent since the last assessment, excluding
187 increases due to new construction or improvements, the assessor shall conduct a physical
188 inspection of such property.

189 ~~[11.]~~ **12.** If a physical inspection is required, pursuant to subsection 10 of this section,
190 the assessor shall notify the property owner of that fact in writing and shall provide the owner
191 clear written notice of the owner's rights relating to the physical inspection. If a physical
192 inspection is required, the property owner may request that an interior inspection be
193 performed during the physical inspection. The owner shall have no less than thirty days to
194 notify the assessor of a request for an interior physical inspection.

195 ~~[12.]~~ **13.** A physical inspection, as required by subsection 10 of this section, shall
196 include, but not be limited to, an on-site personal observation and review of all exterior
197 portions of the land and any buildings and improvements to which the inspector has or may
198 reasonably and lawfully gain external access, and shall include an observation and review of
199 the interior of any buildings or improvements on the property upon the timely request of the

200 owner pursuant to subsection 11 of this section. Mere observation of the property via a drive-
201 by inspection or the like shall not be considered sufficient to constitute a physical inspection
202 as required by this section.

203 ~~[13.]~~ **14.** A county or city collector may accept credit cards as proper form of payment
204 of outstanding property tax or license due. No county or city collector may charge surcharge
205 for payment by credit card which exceeds the fee or surcharge charged by the credit card
206 bank, processor, or issuer for its service. A county or city collector may accept payment by
207 electronic transfers of funds in payment of any tax or license and charge the person making
208 such payment a fee equal to the fee charged the county by the bank, processor, or issuer of
209 such electronic payment.

210 ~~[14.]~~ **15.** Any county or city not within a county in this state may, by an affirmative
211 vote of the governing body of such county, opt out of the provisions of this section and
212 sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first
213 general assembly, second regular session and section 137.073 as modified by house
214 committee substitute for senate substitute for senate committee substitute for senate bill no.
215 960, ninety-second general assembly, second regular session, for the next year of the general
216 reassessment, prior to January first of any year. No county or city not within a county shall
217 exercise this opt-out provision after implementing the provisions of this section and sections
218 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first general
219 assembly, second regular session and section 137.073 as modified by house committee
220 substitute for senate substitute for senate committee substitute for senate bill no. 960, ninety-
221 second general assembly, second regular session, in a year of general reassessment. For the
222 purposes of applying the provisions of this subsection, a political subdivision contained
223 within two or more counties where at least one of such counties has opted out and at least one
224 of such counties has not opted out shall calculate a single tax rate as in effect prior to the
225 enactment of house bill no. 1150 of the ninety-first general assembly, second regular session.
226 A governing body of a city not within a county or a county that has opted out under the
227 provisions of this subsection may choose to implement the provisions of this section and
228 sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first
229 general assembly, second regular session, and section 137.073 as modified by house
230 committee substitute for senate substitute for senate committee substitute for senate bill no.
231 960, ninety-second general assembly, second regular session, for the next year of general
232 reassessment, by an affirmative vote of the governing body prior to December thirty-first of
233 any year.

234 ~~[15.]~~ **16.** The governing body of any city of the third classification with more than
235 twenty-six thousand three hundred but fewer than twenty-six thousand seven hundred
236 inhabitants located in any county that has exercised its authority to opt out under subsection

237 14 of this section may levy separate and differing tax rates for real and personal property only
 238 if such city bills and collects its own property taxes or satisfies the entire cost of the billing
 239 and collection of such separate and differing tax rates. Such separate and differing rates shall
 240 not exceed such city's tax rate ceiling.

241 ~~[16.]~~ 17. Any portion of real property that is available as reserve for strip, surface, or
 242 coal mining for minerals for purposes of excavation for future use or sale to others that has
 243 not been bonded and permitted under chapter 444 shall be assessed based upon how the real
 244 property is currently being used. Any information provided to a county assessor, state tax
 245 commission, state agency, or political subdivision responsible for the administration of tax
 246 policies shall, in the performance of its duties, make available all books, records, and
 247 information requested, except such books, records, and information as are by law declared
 248 confidential in nature, including individually identifiable information regarding a specific
 249 taxpayer or taxpayer's mine property. For purposes of this subsection, "mine property" shall
 250 mean all real property that is in use or readily available as a reserve for strip, surface, or coal
 251 mining for minerals for purposes of excavation for current or future use or sale to others that
 252 has been bonded and permitted under chapter 444.

143.011. 1. A tax is hereby imposed for every taxable year on the Missouri taxable
 2 income of every resident. The tax shall be determined by applying the tax table or the rate
 3 provided in 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

21	Over \$8,000 but not over	\$260 plus 5 1/2% of excess over \$8,000
22	\$9,000	
23	Over \$9,000	\$315 plus 6% of excess over \$9,000

24 2. (1) Notwithstanding the provisions of subsection 1 of this section to the contrary,
 25 ~~[beginning with]~~ **for** the 2023 calendar year, the top rate of tax pursuant to subsection 1 of
 26 this section shall be four and ninety-five hundredths percent.

27 **(2) Notwithstanding the provisions of subsection 1 of this section to the contrary,**
 28 **beginning with the 2024 calendar year, the top rate of tax under subsection 1 of this**
 29 **section shall be four and one-half percent.**

30 ~~[(2)]~~ (3) The modification of tax rates made pursuant to this subsection shall apply
 31 only to tax years that begin on or after January 1, 2023.

32 ~~[(3)]~~ (4) The director of the department of revenue shall, by rule, adjust the tax table
 33 provided in subsection 1 of this section to effectuate the provisions of this subsection. The
 34 top remaining rate of tax shall apply to all income in excess of seven thousand dollars, as
 35 adjusted pursuant to subsection 5 of this section.

36 3. (1) In addition to the rate reduction under subsection 2 of this section, beginning
 37 with the ~~[2024]~~ **2025** calendar year, the top rate of tax under subsection 1 of this section may
 38 be reduced by fifteen hundredths of a percent. A reduction in the rate of tax shall take effect
 39 on January first of a calendar year and such reduced rates shall continue in effect until the
 40 next reduction occurs.

41 (2) A reduction in the rate of tax shall only occur if the amount of net general revenue
 42 collected in the previous fiscal year exceeds the highest amount of net general revenue
 43 collected in any of the three fiscal years prior to such fiscal year by at least one hundred
 44 seventy-five million dollars.

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

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

49 4. (1) In addition to the rate reductions under subsections 2 and 3 of this section,
 50 beginning with the calendar year immediately following the calendar year in which a
 51 reduction is made pursuant to subsection 3 of this section, the top rate of tax under subsection
 52 1 of this section may be further reduced over a period of years. Each reduction in the top rate
 53 of tax shall be by one-tenth of a percent and no more than one reduction shall occur in a
 54 calendar year. No more than three reductions shall be made under this subsection.
 55 Reductions in the rate of tax shall take effect on January first of a calendar year and such
 56 reduced rates shall continue in effect until the next reduction occurs.

57 (2) (a) A reduction in the rate of tax shall only occur if:

58 a. The amount of net general revenue collected in the previous fiscal year exceeds the
59 highest amount of net general revenue collected in any of the three fiscal years prior to such
60 fiscal year by at least two hundred million dollars; and

61 b. The amount of net general revenue collected in the previous fiscal year exceeds the
62 amount of net general revenue collected in the fiscal year five years prior, adjusted annually
63 by the percentage increase in inflation over the preceding five fiscal years.

64 (b) The amount of net general revenue collected required by subparagraph a. of
65 paragraph (a) of this subdivision in order to make a reduction pursuant to this subsection shall
66 be adjusted annually by the percent increase in inflation beginning with January 2, 2023.

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

69 (4) The director of the department of revenue shall, by rule, adjust the tax tables under
70 subsection 1 of this section to effectuate the provisions of this subsection. The bracket for
71 income subject to the top rate of tax shall be eliminated once the top rate of tax has been
72 reduced below the rate applicable to such bracket, and the top remaining rate of tax shall
73 apply to all income in excess of the income in the second highest remaining income bracket.

74 5. Beginning with the 2017 calendar year, the brackets of Missouri taxable income
75 identified in subsection 1 of this section shall be adjusted annually by the percent increase in
76 inflation. The director shall publish such brackets annually beginning on or after October 1,
77 2016. Modifications to the brackets shall take effect on January first of each calendar year
78 and shall apply to tax years beginning on or after the effective date of the new brackets.

79 6. As used in this section, the following terms mean:

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

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

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

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

143.022. 1. As used in this section, "business income" means the income greater than
2 zero arising from transactions in the regular course of all of a taxpayer's trade or business and
3 shall be limited to the Missouri source net profit from the combination of the following:

4 (1) The total combined profit as properly reported to the Internal Revenue Service on
5 each Schedule C, or its successor form, filed; ~~and~~

6 (2) The total partnership and S corporation income or loss properly reported to the
7 Internal Revenue Service on Part II of Schedule E, or its successor form;

8 **(3) The total combined profit as properly reported to the Internal Revenue
9 Service on each Schedule E, or its successor form, filed; and**

10 **(4) The total combined profit as properly reported to the Internal Revenue
11 Service on each Form 4835, or its successor form, filed.**

12 2. In addition to all other modifications allowed by law, there shall be subtracted from
13 the federal adjusted gross income of an individual taxpayer a percentage of such individual's
14 business income, to the extent that such amounts are included in federal adjusted gross
15 income when determining such individual's Missouri adjusted gross income **and are not**
16 **otherwise subtracted or deducted in determining such individual's Missouri taxable**
17 **income.**

18 3. In the case of an S corporation described in section 143.471 or a partnership
19 computing the deduction allowed under subsection 2 of this section, taxpayers described in
20 subdivision (1) or (2) of this subsection shall be allowed such deduction apportioned in
21 proportion to their share of ownership of the business as reported on the taxpayer's Schedule
22 K-1, or its successor form, for the tax period for which such deduction is being claimed when
23 determining the Missouri adjusted gross income of:

24 (1) The shareholders of an S corporation as described in section 143.471;

25 (2) The partners in a partnership.

26 4. The percentage to be subtracted under subsection 2 of this section shall be
27 increased over a period of years. Each increase in the percentage shall be by five percent and
28 no more than one increase shall occur in a calendar year. The maximum percentage that may
29 be subtracted is twenty percent of business income. Any increase in the percentage that may
30 be subtracted shall take effect on January first of a calendar year and such percentage shall
31 continue in effect until the next percentage increase occurs. An increase shall only apply to
32 tax years that begin on or after the increase takes effect.

33 5. An increase in the percentage that may be subtracted under subsection 2 of this
34 section shall only occur if the amount of net general revenue collected in the previous fiscal
35 year exceeds the highest amount of net general revenue collected in any of the three fiscal
36 years prior to such fiscal year by at least one hundred fifty million dollars.

37 6. The first year that a taxpayer may make the subtraction under subsection 2 of this
38 section is 2017, provided that the provisions of subsection 5 of this section are met. If the
39 provisions of subsection 5 of this section are met, the percentage that may be subtracted in
40 2017 is five percent.

143.071. 1. For all tax years beginning before September 1, 1993, a tax is hereby
2 imposed upon the Missouri taxable income of corporations in an amount equal to five percent
3 of Missouri taxable income.

4 2. For all tax years beginning on or after September 1, 1993, and ending on or before
5 December 31, 2019, a tax is hereby imposed upon the Missouri taxable income of
6 corporations in an amount equal to six and one-fourth percent of Missouri taxable income.

7 3. For all tax years beginning on or after January 1, 2020, **but on or before**
8 **December 31, 2023**, a tax is hereby imposed upon the Missouri taxable income of
9 corporations in an amount equal to four percent of Missouri taxable income.

10 4. **For all tax years beginning on or after January 1, 2024, a tax is hereby**
11 **imposed upon the Missouri taxable income of corporations in an amount equal to two**
12 **percent of Missouri taxable income.**

13 5. **In addition to the rate reduction under subsection 4 of this section, beginning**
14 **with the 2026 calendar year, the rate of tax imposed under subsection 4 of this section**
15 **may be reduced from two percent to one percent as follows:**

16 (1) **In a fiscal year after the 2024 fiscal year, if the amount of net corporate**
17 **income tax revenue collected in the immediately preceding fiscal year exceeds the**
18 **amount of net corporate income tax revenue collected in the 2024 fiscal year by at least**
19 **fifty million dollars, the rate shall be reduced from two percent to one percent as**
20 **provided under this subsection;**

21 (2) **The reduction in the rate of tax shall take effect on January first of the**
22 **calendar year following the close of the previous fiscal year that caused the rate**
23 **reduction as described in subdivision (1) of this subsection. The reduced rate shall**
24 **continue in effect for all subsequent tax years; and**

25 (3) **The modification of the tax rate under this subsection shall apply only to tax**
26 **years that begin on or after a modification takes effect.**

27 6. **In addition to the rate reductions under subsections 4 and 5 of this section, the**
28 **rate of tax imposed under subsection 5 of this section may be reduced from one percent**
29 **to zero as follows:**

30 (1) **Beginning with the calendar year immediately following the calendar year in**
31 **which a rate reduction is made under subsection 5 of this section, if the amount of net**
32 **general revenue collected, as defined under section 143.011, in the immediately**
33 **preceding fiscal year exceeds the amount of net general revenue collected in the fiscal**
34 **year in which the reduction under subsection 5 of this section was implemented by at**
35 **least two hundred fifty million dollars, the rate shall be reduced as provided under this**
36 **subsection and no income tax shall be imposed on the income of corporations under this**
37 **section;**

38 **(2) The reduction of the rate of tax shall take effect on January first of the**
39 **calendar year following the close of the previous fiscal year that caused the rate**
40 **reduction as described in subdivision (1) of this subsection. The reduced rate shall**
41 **continue in effect for all subsequent tax years; and**

42 **(3) The modification of the tax rate under this subsection shall only apply to tax**
43 **years that begin on or after a modification takes effect.**

44 7. The provisions of this section shall not apply to out-of-state businesses operating
45 under sections 190.270 to 190.285.

46 **8. Upon the full reduction and elimination of the tax under subsections 4, 5, and**
47 **6 of this section, no corporate income tax credits shall be claimed in any tax years where**
48 **there is no tax imposed upon the Missouri taxable income of corporations. Nothing in**
49 **this subsection shall prevent a corporate taxpayer from redeeming a refundable tax**
50 **credit properly claimed and issued before the elimination of the rate of tax under this**
51 **section in a tax year after such elimination.**

52 9. The provisions of this section shall apply as set forth under section 148.720.

53 **10. For the purposes of this section, the term "net corporate income tax revenue**
54 **collected" shall mean all revenue collected from the tax imposed under this section and**
55 **deposited into the general revenue fund, less refunds and revenues originally deposited**
56 **into the general revenue fund but designated by law for a specific distribution or**
57 **transfer to another state fund.**

143.114. 1. As used in this section, the following terms mean:

2 (1) "Commercial domicile", the principal place from which the trade or business of
3 the taxpayer is directed or managed;

4 (2) "Deduction", an amount subtracted from the taxpayer's Missouri adjusted gross
5 income to determine Missouri taxable income for the tax year in which such deduction is
6 claimed;

7 (3) "Employer securities", the same meaning as defined under Section 409(l) of the
8 Internal Revenue Code **of 1986, as amended;**

9 (4) "Missouri corporation", a corporation whose commercial domicile is in this state;

10 (5) "Qualified Missouri employee stock ownership plan", an employee stock
11 ownership plan, as defined under Section 4975(e)(7) of the Internal Revenue Code **of 1986,**
12 **as amended,** and trust that is established by a Missouri corporation for the benefit of the
13 employees of the corporation;

14 (6) "Taxpayer", an individual, firm, partner in a firm, corporation, partnership,
15 shareholder in an S corporation, or member of a limited liability company subject to the
16 income tax imposed under chapter 143, excluding withholding tax imposed by sections
17 143.191 to 143.265.

18 2. For all tax years beginning on or after January 1, [2017] **2023**, in addition to all
19 other modifications allowed by law, a taxpayer shall be allowed a deduction from the
20 taxpayer's federal adjusted gross income when determining Missouri adjusted gross income in
21 an amount equal to fifty percent of the net capital gain from the sale or exchange of employer
22 securities of a Missouri corporation to a qualified Missouri employee stock ownership plan if,
23 upon completion of the transaction, the qualified Missouri employee stock ownership plan
24 owns at least thirty percent of all outstanding employer securities issued by the Missouri
25 corporation.

26 3. Whenever an employee leaves a Missouri corporation with a qualified Missouri
27 employee stock ownership plan, the Missouri corporation shall inform the former employee
28 of the deadline for when the former employee shall decide whether they will receive their
29 shares of employer securities or compensation for their shares of employer securities.

30 4. The department of revenue may promulgate rules and regulations for the
31 administration of this section. Any rule or portion of a rule, as that term is defined in section
32 536.010, that is created under the authority delegated in this section shall become effective
33 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable,
34 section 536.028. This section and chapter 536 are nonseverable and if any of the powers
35 vested with the general assembly pursuant to chapter 536 to review, to delay the effective
36 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant
37 of rulemaking authority and any rule proposed or adopted after August 28, 2016, shall be
38 invalid and void.

39 ~~[5. Under section 23.253 of the Missouri sunset act:~~

40 ~~(1) The provisions of the new program authorized under this section shall~~
41 ~~automatically sunset on December thirty first, six years after October 14, 2016, unless~~
42 ~~reauthorized by an act of the general assembly;~~

43 ~~(2) If such program is reauthorized, the program authorized under this section shall~~
44 ~~automatically sunset on December thirty first, twelve years after the effective date of the~~
45 ~~reauthorization of this section; and~~

46 ~~(3) This section shall terminate on September first of the calendar year immediately~~
47 ~~following the calendar year in which the program authorized under this section is sunset.]~~

143.124. 1. Other provisions of law to the contrary notwithstanding, for tax years
2 ending on or before December 31, 2006, the total amount of all annuities, pensions, or
3 retirement allowances above the amount of six thousand dollars annually provided by any law
4 of this state, the United States, or any other state to any person except as provided in
5 subsection 4 of this section, shall be subject to tax pursuant to the provisions of this chapter,
6 in the same manner, to the same extent and under the same conditions as any other taxable
7 income received by the person receiving it. For purposes of this section, "annuity, pension,

8 retirement benefit, or retirement allowance" shall be defined as an annuity, pension or
9 retirement allowance provided by the United States, this state, any other state or any political
10 subdivision or agency or institution of this or any other state. For all tax years beginning on
11 or after January 1, 1998, for purposes of this section, annuity, pension or retirement allowance
12 shall be defined to include 401(k) plans, deferred compensation plans, self-employed
13 retirement plans, also known as Keogh plans, annuities from a defined pension plan and
14 individual retirement arrangements, also known as IRAs, as described in the Internal Revenue
15 Code, but not including Roth IRAs, as well as an annuity, pension or retirement allowance
16 provided by the United States, this state, any other state or any political subdivision or agency
17 or institution of this or any other state. An individual taxpayer shall only be allowed a
18 maximum deduction equal to the amounts provided under this section for each taxpayer on
19 the combined return.

20 2. For the period beginning July 1, 1989, and ending December 31, 1989, there shall
21 be subtracted from Missouri adjusted gross income for that period, determined pursuant to
22 section 143.121, the first three thousand dollars of retirement benefits received by each
23 taxpayer:

24 (1) If the taxpayer's filing status is single, head of household or qualifying widow(er)
25 and the taxpayer's Missouri adjusted gross income is less than twelve thousand five hundred
26 dollars; or

27 (2) If the taxpayer's filing status is married filing combined and their combined
28 Missouri adjusted gross income is less than sixteen thousand dollars; or

29 (3) If the taxpayer's filing status is married filing separately and the taxpayer's
30 Missouri adjusted gross income is less than eight thousand dollars.

31 3. For the tax years beginning on or after January 1, 1990, but ending on or before
32 December 31, 2006, there shall be subtracted from Missouri adjusted gross income,
33 determined pursuant to section 143.121, a maximum of the first six thousand dollars of
34 retirement benefits received by each taxpayer from sources other than privately funded
35 sources, and for tax years beginning on or after January 1, 1998, there shall be subtracted
36 from Missouri adjusted gross income, determined pursuant to section 143.121, a maximum of
37 the first one thousand dollars of any retirement allowance received from any privately funded
38 source for tax years beginning on or after January 1, 1998, but before January 1, 1999, and a
39 maximum of the first three thousand dollars of any retirement allowance received from any
40 privately funded source for tax years beginning on or after January 1, 1999, but before
41 January 1, 2000, and a maximum of the first four thousand dollars of any retirement
42 allowance received from any privately funded source for tax years beginning on or after
43 January 1, 2000, but before January 1, 2001, and a maximum of the first five thousand dollars
44 of any retirement allowance received from any privately funded source for tax years

45 beginning on or after January 1, 2001, but before January 1, 2002, and a maximum of the first
46 six thousand dollars of any retirement allowance received from any privately funded sources
47 for tax years beginning on or after January 1, 2002, **but before January 1, 2024, and a**
48 **maximum of the first twelve thousand dollars of any retirement allowance received from**
49 **any privately funded sources for tax years beginning on or after January 1, 2024.** A
50 taxpayer shall be entitled to the maximum exemption provided by this subsection:

51 (1) If the taxpayer's filing status is single, head of household or qualifying widow(er)
52 and the taxpayer's Missouri adjusted gross income is less than [~~twenty-five~~] **fifty** thousand
53 dollars; or

54 (2) If the taxpayer's filing status is married filing combined and their combined
55 Missouri adjusted gross income is less than [~~thirty-two~~] **sixty-four** thousand dollars; or

56 (3) If the taxpayer's filing status is married filing separately and the taxpayer's
57 Missouri adjusted gross income is less than [~~sixteen~~] **thirty-two** thousand dollars.

58 4. If a taxpayer's adjusted gross income exceeds the adjusted gross income ceiling for
59 such taxpayer's filing status, as provided in subdivisions (1), (2) and (3) of subsection 3 of this
60 section, such taxpayer shall be entitled to an exemption equal to the greater of zero or the
61 maximum exemption provided in subsection 3 of this section reduced by one dollar for every
62 dollar such taxpayer's income exceeds the ceiling for his or her filing status.

63 5. For purposes of this subsection, the term "maximum Social Security benefit
64 available" shall mean thirty-two thousand five hundred dollars for the tax year beginning on
65 or after January 1, 2007, and for each subsequent tax year such amount shall be increased by
66 the percentage increase in the Consumer Price Index for All Urban Consumers, or its
67 successor index, as such index is defined and officially reported by the United States
68 Department of Labor, or its successor agency. For the tax year beginning on or after January
69 1, 2007, but ending on or before December 31, 2007, there shall be subtracted from Missouri
70 adjusted gross income, determined pursuant to section 143.121, a maximum of an amount
71 equal to the greater of: six thousand dollars in retirement benefits received from sources other
72 than privately funded sources, to the extent such benefits are included in the taxpayer's federal
73 adjusted gross income; or twenty percent of the retirement benefits received from sources
74 other than privately funded sources in the tax year, but not to exceed the maximum Social
75 Security benefit available for such tax year. For the tax year beginning on or after January 1,
76 2008, but ending on or before December 31, 2008, there shall be subtracted from Missouri
77 adjusted gross income, determined pursuant to section 143.121, a maximum of an amount
78 equal to the greater of: six thousand dollars in retirement benefits received from sources other
79 than privately funded sources, to the extent such benefits are included in the taxpayer's federal
80 adjusted gross income; or thirty-five percent of the retirement benefits received from sources
81 other than privately funded sources in the tax year, but not to exceed the maximum Social

82 Security benefit available for such tax year. For the tax year beginning on or after January 1,
83 2009, but ending on or before December 31, 2009, there shall be subtracted from Missouri
84 adjusted gross income, determined pursuant to section 143.121, a maximum of an amount
85 equal to the greater of: six thousand dollars in retirement benefits received from sources other
86 than privately funded sources, to the extent such benefits are included in the taxpayer's federal
87 adjusted gross income; or fifty percent of the retirement benefits received from sources other
88 than privately funded sources in the tax year, but not to exceed the maximum Social Security
89 benefit available for such tax year. For the tax year beginning on or after January 1, 2010, but
90 ending on or before December 31, 2010, there shall be subtracted from Missouri adjusted
91 gross income, determined pursuant to section 143.121, a maximum of an amount equal to the
92 greater of: six thousand dollars in retirement benefits received from sources other than
93 privately funded sources, to the extent such benefits are included in the taxpayer's federal
94 adjusted gross income; or sixty-five percent of the retirement benefits received from sources
95 other than privately funded sources in the tax year, but not to exceed the maximum Social
96 Security benefit available for such tax year. For the tax year beginning on or after January 1,
97 2011, but ending on or before December 31, 2011, there shall be subtracted from Missouri
98 adjusted gross income, determined pursuant to section 143.121, a maximum of an amount
99 equal to the greater of: six thousand dollars in retirement benefits received from sources other
100 than privately funded sources, to the extent such benefits are included in the taxpayer's federal
101 adjusted gross income; or eighty percent of the retirement benefits received from sources
102 other than privately funded sources in the tax year, but not to exceed the maximum Social
103 Security benefit available for such tax year. For all tax years beginning on or after January 1,
104 2012, there shall be subtracted from Missouri adjusted gross income, determined pursuant to
105 section 143.121, a maximum of an amount equal to one hundred percent of the retirement
106 benefits received from sources other than privately funded sources in the tax year, but not to
107 exceed the maximum Social Security benefit available for such tax year. A taxpayer shall be
108 entitled to the maximum exemption provided by this subsection:

109 (1) If the taxpayer's filing status is married filing combined, and their combined
110 Missouri adjusted gross income is equal to or less than one hundred thousand dollars; or

111 (2) If the taxpayer's filing status is single, head of household, qualifying widow(er),
112 or married filing separately, and the taxpayer's Missouri adjusted gross income is equal to or
113 less than eighty-five thousand dollars.

114 6. If a taxpayer's adjusted gross income exceeds the adjusted gross income ceiling for
115 such taxpayer's filing status, as provided in subdivisions (1) and (2) of subsection 5 of this
116 section, such taxpayer shall be entitled to an exemption, less any applicable reduction
117 provided under subsection 7 of this section, equal to the greater of zero or the maximum

118 exemption provided in subsection 5 of this section reduced by one dollar for every dollar such
119 taxpayer's income exceeds the ceiling for his or her filing status.

120 7. For purposes of calculating the subtraction provided in subsection 5 of this section,
121 such subtraction shall be decreased by an amount equal to any Social Security benefit
122 exemption provided under section 143.125.

123 8. For purposes of this section, any Social Security benefits otherwise included in
124 Missouri adjusted gross income shall be subtracted; but Social Security benefits shall not be
125 subtracted for purposes of other computations pursuant to this chapter, and are not to be
126 considered as retirement benefits for purposes of this section.

127 9. The provisions of subdivisions (1) and (2) of subsection 3 of this section shall
128 apply during all tax years in which the federal Internal Revenue Code provides exemption
129 levels for calculation of the taxability of Social Security benefits that are the same as the
130 levels in subdivisions (1) and (2) of subsection 3 of this section. If the exemption levels for
131 the calculation of the taxability of Social Security benefits are adjusted by applicable federal
132 law or regulation, the exemption levels in subdivisions (1) and (2) of subsection 3 of this
133 section shall be accordingly adjusted to the same exemption levels.

134 10. The portion of a taxpayer's lump sum distribution from an annuity or other
135 retirement plan not otherwise included in Missouri adjusted gross income as calculated
136 pursuant to this chapter but subject to taxation under Internal Revenue Code Section 402 shall
137 be taxed in an amount equal to ten percent of the taxpayer's federal liability on such
138 distribution for the same tax year.

139 11. For purposes of this section, retirement benefits received shall not include any
140 withdrawals from qualified retirement plans which are subsequently rolled over into another
141 retirement plan.

142 12. The exemptions provided for in this section shall not affect the calculation of the
143 income to be used to determine the property tax credit provided in sections 135.010 to
144 135.035.

145 13. The exemptions provided for in this section shall apply to any annuity, pension, or
146 retirement allowance as defined in subsection 1 of this section to the extent that such amounts
147 are included in the taxpayer's federal adjusted gross income and not otherwise deducted from
148 the taxpayer's federal adjusted gross income in the calculation of Missouri taxable income.
149 This subsection shall not apply to any individual who qualifies under federal guidelines to be
150 one hundred percent disabled.

143.125. 1. As used in this section, the following terms mean:

2 (1) "Benefits"[7]:

3 (a) **On or before December 31, 2023**, any Social Security benefits received by a
4 taxpayer age sixty-two years of age and older, or Social Security disability benefits;

5 **(b) On or after January 1, 2024, any Social Security benefits received by a**
6 **taxpayer, regardless of age, including retirement, disability, survivors, and supplemental**
7 **benefits;**

8 (2) "Taxpayer", any resident individual.

9 2. For the taxable year beginning on or after January 1, 2007, any taxpayer shall be
10 allowed to subtract from the taxpayer's Missouri adjusted gross income to determine Missouri
11 taxable income a maximum of an amount equal to twenty percent of the amount of any
12 benefits received by the taxpayer and that are included in federal adjusted gross income under
13 Section 86 of the Internal Revenue Code of 1986, as amended. For the taxable year beginning
14 on or after January 1, 2008, any taxpayer shall be allowed to subtract from the taxpayer's
15 Missouri adjusted gross income to determine Missouri taxable income a maximum of an
16 amount equal to thirty-five percent of the amount of any benefits received by the taxpayer and
17 that are included in federal adjusted gross income under Section 86 of the Internal Revenue
18 Code of 1986, as amended. For the taxable year beginning on or after January 1, 2009, any
19 taxpayer shall be allowed to subtract from the taxpayer's Missouri adjusted gross income to
20 determine Missouri taxable income a maximum of an amount equal to fifty percent of the
21 amount of any benefits received by the taxpayer and that are included in federal adjusted
22 gross income under Section 86 of the Internal Revenue Code of 1986, as amended. For the
23 taxable year beginning on or after January 1, 2010, any taxpayer shall be allowed to subtract
24 from the taxpayer's Missouri adjusted gross income to determine Missouri taxable income a
25 maximum of an amount equal to sixty-five percent of the amount of any benefits received by
26 the taxpayer and that are included in federal adjusted gross income under Section 86 of the
27 Internal Revenue Code of 1986, as amended. For the taxable year beginning on or after
28 January 1, 2011, any taxpayer shall be allowed to subtract from the taxpayer's Missouri
29 adjusted gross income to determine Missouri taxable income a maximum of an amount equal
30 to eighty percent of the amount of any benefits received by the taxpayer and that are included
31 in federal adjusted gross income under Section 86 of the Internal Revenue Code of 1986, as
32 amended. For all taxable years beginning on or after January 1, 2012, any taxpayer shall be
33 allowed to subtract from the taxpayer's Missouri adjusted gross income to determine Missouri
34 taxable income a maximum of an amount equal to one hundred percent of the amount of any
35 benefits received by the taxpayer and that are included in federal adjusted gross income under
36 Section 86 of the Internal Revenue Code of 1986, as amended. **For all tax years ending on**
37 **or before December 31, 2023,** a taxpayer shall be entitled to the maximum exemption
38 provided by this subsection:

39 (1) If the taxpayer's filing status is married filing combined, and their combined
40 Missouri adjusted gross income is equal to or less than one hundred thousand dollars; or

41 (2) If the taxpayer's filing status is single, head of household, qualifying widow(er),
42 or married filing separately, and the taxpayer's Missouri adjusted gross income is equal to or
43 less than eighty-five thousand dollars.

44

45 **For all tax years beginning on or after January 1, 2024, a taxpayer shall be entitled to**
46 **the maximum exemption provided by this subsection regardless of the taxpayer's filing**
47 **status or the amount of the taxpayer's Missouri adjusted gross income.**

48 3. **For all tax years ending on or before December 31, 2023,** if a taxpayer's
49 adjusted gross income exceeds the adjusted gross income ceiling for such taxpayer's filing
50 status, as provided in subdivisions (1) and (2) of subsection 2 of this section, such taxpayer
51 shall be entitled to an exemption equal to the greater of zero or the maximum exemption
52 provided in subsection 2 of this section reduced by one dollar for every dollar such taxpayer's
53 income exceeds the ceiling for his or her filing status.

54 4. The director of the department of revenue may promulgate rules to implement the
55 provisions of this section. Any rule or portion of a rule, as that term is defined in section
56 536.010, that is created under the authority delegated in this section shall become effective
57 only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable,
58 section 536.028. This section and chapter 536 are nonseverable and if any of the powers
59 vested with the general assembly pursuant to chapter 536 to review, to delay the effective
60 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant
61 of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be
62 invalid and void.

144.064. 1. No sales tax levied under this chapter on any firearms or ammunition
2 shall be levied at a rate that is higher than the sales tax levied under this chapter or any other
3 excise tax levied on any sporting goods or equipment or any hunting equipment.

4 2. **Beginning August 28, 2023, in addition to all other exemptions granted**
5 **pursuant to this chapter, there is hereby specifically exempted from the provisions of**
6 **and from the computation of the tax levied, assessed, or payable pursuant to this**
7 **chapter and the local sales tax law as defined in section 32.085, all sales of firearms and**
8 **ammunition made in the United States and sold in this state.**

9 3. **Beginning August 28, 2023, from every remittance of sales tax to the director**
10 **of revenue made on or before the date when the same becomes due by a person selling**
11 **firearms or ammunition made in the United States, the person required to remit the**
12 **same shall be entitled to deduct and retain an amount equal to the amount of the federal**
13 **firearms and ammunition excise tax paid by such person pursuant to 26 U.S.C. Section**
14 **4181, as amended. If the amount of sales tax required to be remitted is less than the**
15 **amount of the federal firearms and ammunition excise tax paid, the amount allowed to**

16 **be deducted and retained pursuant to this subsection shall be carried forward to**
17 **subsequent sales tax filing periods until the full deduction is made.**

2 ~~[273.050. No dog shall be permitted to be and remain within the limits~~
3 ~~of the state unless the owner thereof, or someone for said owner, shall have~~
4 ~~caused such dog to be listed and the tax imposed by sections 273.040 to~~
5 ~~273.180 to be paid on or before the first day of February of each year~~
 ~~hereafter.]~~

 Section B. Because immediate action is necessary to protect taxpayers from inflated
2 values and rapidly increasing prices, the repeal and reenactment of section 137.115 of section
3 A of this act is deemed necessary for the immediate preservation of the public health, welfare,
4 peace, and safety, and is hereby declared to be an emergency act within the meaning of the
5 constitution, and the repeal and reenactment of section 137.115 of section A of this act shall
6 be in full force and effect upon its passage and approval.

✓