

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend SS/Senate Bill No. 704, Page 23, Section 137.106, Line 15,

2 of said page, by inserting after all of said line the following:
 3 "137.115. 1. All other laws to the contrary
 4 notwithstanding, the assessor or the assessor's deputies in all
 5 counties of this state including the City of St. Louis shall
 6 annually make a list of all real and tangible personal property
 7 taxable in the assessor's city, county, town or district. Except
 8 as otherwise provided in subsection 3 of this section and section
 9 137.078, the assessor shall annually assess all personal property
 10 at thirty-three and one-third percent of its true value in money
 11 as of January first of each calendar year. The assessor shall
 12 annually assess all real property, including any new construction
 13 and improvements to real property, and possessory interests in
 14 real property at the percent of its true value in money set in
 15 subsection 5 of this section. The true value in money of any
 16 possessory interest in real property in subclass (3), where such
 17 real property is on or lies within the ultimate airport boundary
 18 as shown by a federal airport layout plan, as defined by 14 CFR
 19 151.5, of a commercial airport having a FAR Part 139
 20 certification and owned by a political subdivision, shall be the
 21 otherwise applicable true value in money of any such possessory

1 interest in real property, less the total dollar amount of costs
2 paid by a party, other than the political subdivision, towards
3 any new construction or improvements on such real property
4 completed after January 1, 2008, and which are included in the
5 above-mentioned possessory interest, regardless of the year in
6 which such costs were incurred or whether such costs were
7 considered in any prior year. The assessor shall annually assess
8 all real property in the following manner: new assessed values
9 shall be determined as of January first of each odd-numbered year
10 and shall be entered in the assessor's books; those same assessed
11 values shall apply in the following even-numbered year, except
12 for new construction and property improvements which shall be
13 valued as though they had been completed as of January first of
14 the preceding odd-numbered year. The assessor may call at the
15 office, place of doing business, or residence of each person
16 required by this chapter to list property, and require the person
17 to make a correct statement of all taxable tangible personal
18 property owned by the person or under his or her care, charge or
19 management, taxable in the county. On or before January first of
20 each even-numbered year, the assessor shall prepare and submit a
21 two-year assessment maintenance plan to the county governing body
22 and the state tax commission for their respective approval or
23 modification. The county governing body shall approve and
24 forward such plan or its alternative to the plan to the state tax
25 commission by February first. If the county governing body fails
26 to forward the plan or its alternative to the plan to the state
27 tax commission by February first, the assessor's plan shall be
28 considered approved by the county governing body. If the state
29 tax commission fails to approve a plan and if the state tax

1 commission and the assessor and the governing body of the county
2 involved are unable to resolve the differences, in order to
3 receive state cost-share funds outlined in section 137.750, the
4 county or the assessor shall petition the administrative hearing
5 commission, by May first, to decide all matters in dispute
6 regarding the assessment maintenance plan. Upon agreement of the
7 parties, the matter may be stayed while the parties proceed with
8 mediation or arbitration upon terms agreed to by the parties.
9 The final decision of the administrative hearing commission shall
10 be subject to judicial review in the circuit court of the county
11 involved. In the event a valuation of subclass (1) real property
12 within any county with a charter form of government, or within a
13 city not within a county, is made by a computer,
14 computer-assisted method or a computer program, the burden of
15 proof, supported by clear, convincing and cogent evidence to
16 sustain such valuation, shall be on the assessor at any hearing
17 or appeal. In any such county, unless the assessor proves
18 otherwise, there shall be a presumption that the assessment was
19 made by a computer, computer-assisted method or a computer
20 program. Such evidence shall include, but shall not be limited
21 to, the following:

22 (1) The findings of the assessor based on an appraisal of
23 the property by generally accepted appraisal techniques; and

24 (2) The purchase prices from sales of at least three
25 comparable properties and the address or location thereof. As
26 used in this subdivision, the word "comparable" means that:

27 (a) Such sale was closed at a date relevant to the property
28 valuation; and

29 (b) Such properties are not more than one mile from the

1 site of the disputed property, except where no similar properties
2 exist within one mile of the disputed property, the nearest
3 comparable property shall be used. Such property shall be within
4 five hundred square feet in size of the disputed property, and
5 resemble the disputed property in age, floor plan, number of
6 rooms, and other relevant characteristics.

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

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

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

16 (2) Livestock, twelve percent;

17 (3) Farm machinery, twelve percent;

18 (4) Motor vehicles which are eligible for registration as
19 and are registered as historic motor vehicles pursuant to section
20 301.131 and aircraft which are at least twenty-five years old and
21 which are used solely for noncommercial purposes and are operated
22 less than fifty hours per year or aircraft that are home built
23 from a kit, five percent;

24 (5) Poultry, twelve percent; and

25 (6) Tools and equipment used for pollution control and
26 tools and equipment used in retooling for the purpose of
27 introducing new product lines or used for making improvements to
28 existing products by any company which is located in a state
29 enterprise zone and which is identified by any standard

1 industrial classification number cited in subdivision [(5)] (7)
2 of section 135.200, twenty-five percent.

3 4. The person listing the property shall enter a true and
4 correct statement of the property, in a printed blank prepared
5 for that purpose. The statement, after being filled out, shall
6 be signed and either affirmed or sworn to as provided in section
7 137.155. The list shall then be delivered to the assessor.

8 5. (1) All subclasses of real property, as such subclasses
9 are established in Section 4(b) of Article X of the Missouri
10 Constitution and defined in section 137.016, shall be assessed at
11 the following percentages of true value:

- 12 (a) For real property in subclass (1), nineteen percent;
- 13 (b) For real property in subclass (2), twelve percent; and
- 14 (c) For real property in subclass (3), thirty-two percent.

15 (2) A taxpayer may apply to the county assessor, or, if not
16 located within a county, then the assessor of such city, for the
17 reclassification of such taxpayer's real property if the use or
18 purpose of such real property is changed after such property is
19 assessed under the provisions of this chapter. If the assessor
20 determines that such property shall be reclassified, he or she
21 shall determine the assessment under this subsection based on the
22 percentage of the tax year that such property was classified in
23 each subclassification.

24 6. Manufactured homes, as defined in section 700.010, which
25 are actually used as dwelling units shall be assessed at the same
26 percentage of true value as residential real property for the
27 purpose of taxation. The percentage of assessment of true value
28 for such manufactured homes shall be the same as for residential
29 real property. If the county collector cannot identify or find

1 the manufactured home when attempting to attach the manufactured
2 home for payment of taxes owed by the manufactured home owner,
3 the county collector may request the county commission to have
4 the manufactured home removed from the tax books, and such
5 request shall be granted within thirty days after the request is
6 made; however, the removal from the tax books does not remove the
7 tax lien on the manufactured home if it is later identified or
8 found. For purposes of this section, a manufactured home located
9 in a manufactured home rental park, rental community or on real
10 estate not owned by the manufactured home owner shall be
11 considered personal property. For purposes of this section, a
12 manufactured home located on real estate owned by the
13 manufactured home owner may be considered real property.

14 7. Each manufactured home assessed shall be considered a
15 parcel for the purpose of reimbursement pursuant to section
16 137.750, unless the manufactured home is real estate as defined
17 in subsection 7 of section 442.015 and assessed as a realty
18 improvement to the existing real estate parcel.

19 8. Any amount of tax due and owing based on the assessment
20 of a manufactured home shall be included on the personal property
21 tax statement of the manufactured home owner unless the
22 manufactured home is real estate as defined in subsection 7 of
23 section 442.015, in which case the amount of tax due and owing on
24 the assessment of the manufactured home as a realty improvement
25 to the existing real estate parcel shall be included on the real
26 property tax statement of the real estate owner.

27 9. The assessor of each county and each city not within a
28 county shall use the trade-in value published in the October
29 issue of the National Automobile Dealers' Association Official

1 Used Car Guide, or its successor publication, as the recommended
2 guide of information for determining the true value of motor
3 vehicles described in such publication. The assessor shall not
4 use a value that is greater than the average trade-in value in
5 determining the true value of the motor vehicle without
6 performing a physical inspection of the motor vehicle. For
7 vehicles two years old or newer from a vehicle's model year, the
8 assessor may use a value other than average without performing a
9 physical inspection of the motor vehicle. In the absence of a
10 listing for a particular motor vehicle in such publication, the
11 assessor shall use such information or publications which in the
12 assessor's judgment will fairly estimate the true value in money
13 of the motor vehicle.

14 10. Before the assessor may increase the assessed valuation
15 of any parcel of subclass (1) real property by more than fifteen
16 percent since the last assessment, excluding increases due to new
17 construction or improvements, the assessor shall conduct a
18 physical inspection of such property.

19 11. If a physical inspection is required, pursuant to
20 subsection 10 of this section, the assessor shall notify the
21 property owner of that fact in writing and shall provide the
22 owner clear written notice of the owner's rights relating to the
23 physical inspection. If a physical inspection is required, the
24 property owner may request that an interior inspection be
25 performed during the physical inspection. The owner shall have
26 no less than thirty days to notify the assessor of a request for
27 an interior physical inspection.

28 12. A physical inspection, as required by subsection 10 of
29 this section, shall include, but not be limited to, an on-site

1 personal observation and review of all exterior portions of the
2 land and any buildings and improvements to which the inspector
3 has or may reasonably and lawfully gain external access, and
4 shall include an observation and review of the interior of any
5 buildings or improvements on the property upon the timely request
6 of the owner pursuant to subsection 11 of this section. Mere
7 observation of the property via a drive-by inspection or the like
8 shall not be considered sufficient to constitute a physical
9 inspection as required by this section.

10 13. [The provisions of subsections 11 and 12 of this
11 section shall only apply in any county with a charter form of
12 government with more than one million inhabitants.

13 14.] A county or city collector may accept credit cards as
14 proper form of payment of outstanding property tax or license
15 due. No county or city collector may charge surcharge for
16 payment by credit card which exceeds the fee or surcharge charged
17 by the credit card bank, processor, or issuer for its service. A
18 county or city collector may accept payment by electronic
19 transfers of funds in payment of any tax or license and charge
20 the person making such payment a fee equal to the fee charged the
21 county by the bank, processor, or issuer of such electronic
22 payment.

23 [15.] 14. Any county or city not within a county in this
24 state may, by an affirmative vote of the governing body of such
25 county, opt out of the provisions of this section and sections
26 137.073, 138.060, and 138.100 as enacted by house bill no. 1150
27 of the ninety-first general assembly, second regular session and
28 section 137.073 as modified by house committee substitute for
29 senate substitute for senate committee substitute for senate bill

1 no. 960, ninety-second general assembly, second regular session,
2 for the next year of the general reassessment, prior to January
3 first of any year. No county or city not within a county shall
4 exercise this opt-out provision after implementing the provisions
5 of this section and sections 137.073, 138.060, and 138.100 as
6 enacted by house bill no. 1150 of the ninety-first general
7 assembly, second regular session and section 137.073 as modified
8 by house committee substitute for senate substitute for senate
9 committee substitute for senate bill no. 960, ninety-second
10 general assembly, second regular session, in a year of general
11 reassessment. For the purposes of applying the provisions of
12 this subsection, a political subdivision contained within two or
13 more counties where at least one of such counties has opted out
14 and at least one of such counties has not opted out shall
15 calculate a single tax rate as in effect prior to the enactment
16 of house bill no. 1150 of the ninety-first general assembly,
17 second regular session. A governing body of a city not within a
18 county or a county that has opted out under the provisions of
19 this subsection may choose to implement the provisions of this
20 section and sections 137.073, 138.060, and 138.100 as enacted by
21 house bill no. 1150 of the ninety-first general assembly, second
22 regular session, and section 137.073 as modified by house
23 committee substitute for senate substitute for senate committee
24 substitute for senate bill no. 960, ninety-second general
25 assembly, second regular session, for the next year of general
26 reassessment, by an affirmative vote of the governing body prior
27 to December thirty-first of any year.

28 [16.] 15. The governing body of any city of the third
29 classification with more than twenty-six thousand three hundred

1 but fewer than twenty-six thousand seven hundred inhabitants
2 located in any county that has exercised its authority to opt out
3 under subsection [15] 14 of this section may levy separate and
4 differing tax rates for real and personal property only if such
5 city bills and collects its own property taxes or satisfies the
6 entire cost of the billing and collection of such separate and
7 differing tax rates. Such separate and differing rates shall not
8 exceed such city's tax rate ceiling.

9 [17.] 16. Any portion of real property that is available as
10 reserve for strip, surface, or coal mining for minerals for
11 purposes of excavation for future use or sale to others that has
12 not been bonded and permitted under chapter 444 shall be assessed
13 based upon how the real property is currently being used. Any
14 information provided to a county assessor, state tax commission,
15 state agency, or political subdivision responsible for the
16 administration of tax policies shall, in the performance of its
17 duties, make available all books, records, and information
18 requested, except such books, records, and information as are by
19 law declared confidential in nature, including individually
20 identifiable information regarding a specific taxpayer or
21 taxpayer's mine property. For purposes of this subsection, "mine
22 property" shall mean all real property that is in use or readily
23 available as a reserve for strip, surface, or coal mining for
24 minerals for purposes of excavation for current or future use or
25 sale to others that has been bonded and permitted under chapter
26 444."; and

27 Further amend said bill, page 28, section 137.180, line 2 of
28 said page, by striking "fifteenth" and inserting in lieu thereof
29 the following: "first"; and further amend line 20 of said page,

1 by striking "fifteenth" and inserting in lieu thereof the
2 following: "first"; and

3 Further amend said bill and section, Page 29, Line 8, by
4 striking "fifteenth" and inserting in lieu thereof the following:
5 "first"; and

6 Further amend said bill and section, Page 31, Line 13 of
7 said page, by inserting after all of said line the following:

8 "137.275. Every person who thinks himself aggrieved by the
9 assessment of his property may appeal to the county board of
10 equalization, in person, by attorney or agent, or in writing.
11 Such appeals shall be lodged with the county board of
12 equalization on or before the [~~second~~] first Monday in July.

13 137.355. 1. If an assessor increases the valuation of any
14 tangible personal property as estimated in the itemized list
15 furnished to the assessor, and if an assessor increases the
16 valuation of any real property, he shall forthwith notify the
17 record owner of the increase either in person or by mail directed
18 to the last known address, and if the address of the owner is
19 unknown notice shall be given by publication in two newspapers
20 published in the county.

21 2. For all calendar years prior to the first day of January
22 of the year following receipt of software necessary for the
23 implementation of the requirements provided under subsections 3
24 and 4 of this section from the state tax commission, whenever any
25 assessor shall increase the valuation of any real property, he or
26 she shall forthwith notify the record owner on or before June
27 [~~fifteenth~~] first of the previous assessed value and such
28 increase either in person, or by mail directed to the last known
29 address and include on the face of such notice, in no less than

1 twelve-point font, the following statement:

2 NOTICE TO TAXPAYER: IF YOUR ASSESSED VALUE HAS
3 INCREASED, IT MAY INCREASE YOUR REAL PROPERTY TAXES
4 WHICH ARE DUE DECEMBER THIRTY-FIRST. IF YOU DO NOT
5 AGREE THAT THE VALUE OF YOUR PROPERTY HAS INCREASED,
6 YOU MUST CHALLENGE THE VALUE ON OR BEFORE _____
7 (INSERT DATE BY WHICH APPEAL MUST BE FILED) BY
8 CONTACTING YOUR COUNTY ASSESSOR.

9 3. Effective January first of the year following receipt of
10 software necessary for the implementation of the requirements
11 provided under this subsection and subsection 4 of this section
12 from the state tax commission, if an assessor increases the
13 valuation of any real property, the assessor, on or before June
14 [fifteenth] first, shall notify the record owner of the increase
15 and, in a year of general reassessment, the county shall notify
16 the record owner of the projected tax liability likely to result
17 from such an increase either in person or by mail directed to the
18 last known address, and, if the address of the owner is unknown,
19 notice shall be given by publication in two newspapers published
20 in the county. Notice of the projected tax liability from the
21 county shall accompany the notice of increased valuation from the
22 assessor.

23 4. The notice of projected tax liability, required under
24 subsection 3 of this section, from the county shall include:

25 (1) Record owner's name, address, and the parcel number of
26 the property;

27 (2) A list of all political subdivisions levying a tax upon
28 the property of the record owner;

29 (3) The projected tax rate for each political subdivision

1 levying a tax upon the property of the record owner, and the
2 purpose for each levy of such political subdivisions;

3 (4) The previous year's tax rates for each individual tax
4 levy imposed by each political subdivision levying a tax upon the
5 property of the record owner;

6 (5) The tax rate ceiling for each levy imposed by each
7 political subdivision levying a tax upon the property of the
8 record owner;

9 (6) The contact information for each political subdivision
10 levying a tax upon the property of the record owner;

11 (7) A statement identifying any projected tax rates for
12 political subdivisions levying a tax upon the property of the
13 record owner, which were not calculated and provided by the
14 political subdivision levying the tax; and

15 (8) The total projected property tax liability of the
16 taxpayer.

17 137.385. Any person aggrieved by the assessment of his
18 property may appeal to the county board of equalization. An
19 appeal shall be in writing and the forms to be used for this
20 purpose shall be furnished by the county clerk. Such appeal
21 shall be lodged with the county clerk as secretary of the board
22 of equalization before the [~~third~~] first Monday in [~~June~~] July;
23 provided, that the board may in its discretion extend the time
24 for filing such appeals.

25 138.060. 1. (1) The county board of equalization shall,
26 in a summary way, determine all appeals from the valuation of
27 property made by the assessor, and shall correct and adjust the
28 assessment accordingly. There shall be no presumption that the
29 assessor's valuation is correct. In any county with a charter

1 form of government with a population greater than two hundred
2 eighty thousand inhabitants but less than two hundred eighty-five
3 thousand inhabitants, and in any county with a charter form of
4 government with greater than one million inhabitants, and in any
5 city not within a county, the assessor shall have the burden to
6 prove that the assessor's valuation does not exceed the true
7 market value of the subject property. In such county or city, in
8 the event a physical inspection of the subject property is
9 required by subsection 10 of section 137.115, the assessor shall
10 have the burden to establish the manner in which the physical
11 inspection was performed and shall have the burden to prove that
12 the physical inspection was performed in accordance with section
13 137.115. In such county or city, In the event the assessor fails
14 to provide sufficient evidence to establish that the physical
15 inspection was performed in accordance with section 137.115, the
16 property owner shall prevail on the appeal as a matter of law.
17 At any hearing before the state tax commission or a court of
18 competent jurisdiction of an appeal of assessment from a first
19 class charter county or a city not within a county, the assessor
20 shall not advocate nor present evidence advocating a valuation
21 higher than that value finally determined by the assessor or the
22 value determined by the board of equalization, whichever is
23 higher, for that assessment period.

24 (2) The provisions of subdivision (1) of this subsection
25 shall also apply to appeals made in any county not described in
26 subdivision (1) of this subsection for which the property subject
27 to appeal experienced an increase in assessed valuation in excess
28 of fifteen percent since the previous assessment, excluding
29 increases due to new construction or improvements.

1 2. The county clerk shall keep an accurate record of the
2 proceedings and orders of the board, and the assessor shall
3 correct all erroneous assessments, and the clerk shall adjust the
4 tax book according to the orders of such board and the orders of
5 the state tax commission, except that in adding or deducting such
6 percent to each tract or parcel of real estate as required by
7 such board or state tax commission, he shall add or deduct in
8 each case any fractional sum of less than fifty cents, so that
9 the value of any separate tract shall contain no fractions of a
10 dollar.

11 138.090. 1. Except as provided in subsection 2 of this
12 section, the county board of equalization in first class counties
13 shall meet on the ~~first~~ third Monday in July of each year.

14 2. Upon a finding by the board that it is necessary in
15 order to fairly hear all cases arising from a general
16 reassessment, the board may begin meeting after July first in any
17 applicable year to timely consider any appeal or complaint
18 resulting from an evaluation made during a general reassessment
19 of all taxable real property and possessory interests in the
20 county. There shall be no presumption that the assessor's
21 valuation is correct."; and

22 Further amend said bill, Page 32 Section 138.434, Line 13 of
23 said page, by inserting after all of said line the following:

24 "143.121. 1. The Missouri adjusted gross income of a
25 resident individual shall be the taxpayer's federal adjusted
26 gross income subject to the modifications in this section.

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

29 (1) The amount of any federal income tax refund received

1 for a prior year which resulted in a Missouri income tax benefit.
2 The amount added pursuant to this subdivision shall not include
3 any amount of a federal income tax refund attributable to a tax
4 credit reducing a taxpayer's federal tax liability pursuant to
5 Public Law 116-136, enacted by the 116th United States Congress,
6 for the tax year beginning on or after January 1, 2020, and
7 ending on or before December 31, 2020, and deducted from Missouri
8 adjusted gross income pursuant to section 143.171;

9 (2) Interest on certain governmental obligations excluded
10 from federal gross income by 26 U.S.C. Section 103 of the
11 Internal Revenue Code, as amended. The previous sentence shall
12 not apply to interest on obligations of the state of Missouri or
13 any of its political subdivisions or authorities and shall not
14 apply to the interest described in subdivision (1) of subsection
15 3 of this section. The amount added pursuant to this subdivision
16 shall be reduced by the amounts applicable to such interest that
17 would have been deductible in computing the taxable income of the
18 taxpayer except only for the application of 26 U.S.C. Section 265
19 of the Internal Revenue Code, as amended. The reduction shall
20 only be made if it is at least five hundred dollars;

21 (3) The amount of any deduction that is included in the
22 computation of federal taxable income pursuant to 26 U.S.C.
23 Section 168 of the Internal Revenue Code as amended by the Job
24 Creation and Worker Assistance Act of 2002 to the extent the
25 amount deducted relates to property purchased on or after July 1,
26 2002, but before July 1, 2003, and to the extent the amount
27 deducted exceeds the amount that would have been deductible
28 pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code of
29 1986 as in effect on January 1, 2002;

1 (4) The amount of any deduction that is included in the
2 computation of federal taxable income for net operating loss
3 allowed by 26 U.S.C. Section 172 of the Internal Revenue Code of
4 1986, as amended, other than the deduction allowed by 26 U.S.C.
5 Section 172(b)(1)(G) and 26 U.S.C. Section 172(i) of the Internal
6 Revenue Code of 1986, as amended, for a net operating loss the
7 taxpayer claims in the tax year in which the net operating loss
8 occurred or carries forward for a period of more than twenty
9 years and carries backward for more than two years. Any amount
10 of net operating loss taken against federal taxable income but
11 disallowed for Missouri income tax purposes pursuant to this
12 subdivision after June 18, 2002, may be carried forward and taken
13 against any income on the Missouri income tax return for a period
14 of not more than twenty years from the year of the initial loss;
15 and

16 (5) For nonresident individuals in all taxable years ending
17 on or after December 31, 2006, the amount of any property taxes
18 paid to another state or a political subdivision of another state
19 for which a deduction was allowed on such nonresident's federal
20 return in the taxable year unless such state, political
21 subdivision of a state, or the District of Columbia allows a
22 subtraction from income for property taxes paid to this state for
23 purposes of calculating income for the income tax for such state,
24 political subdivision of a state, or the District of Columbia;

25 (6) For all tax years beginning on or after January 1,
26 2018, any interest expense paid or accrued in a previous taxable
27 year, but allowed as a deduction under 26 U.S.C. Section 163, as
28 amended, in the current taxable year by reason of the
29 carryforward of disallowed business interest provisions of 26

1 U.S.C. Section 163(j), as amended. For the purposes of this
2 subdivision, an interest expense is considered paid or accrued
3 only in the first taxable year the deduction would have been
4 allowable under 26 U.S.C. Section 163, as amended, if the
5 limitation under 26 U.S.C. Section 163(j), as amended, did not
6 exist.

7 3. There shall be subtracted from the taxpayer's federal
8 adjusted gross income the following amounts to the extent
9 included in federal adjusted gross income:

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

26 (2) The portion of any gain, from the sale or other
27 disposition of property having a higher adjusted basis to the
28 taxpayer for Missouri income tax purposes than for federal income
29 tax purposes on December 31, 1972, that does not exceed such

1 difference in basis. If a gain is considered a long-term capital
2 gain for federal income tax purposes, the modification shall be
3 limited to one-half of such portion of the gain;

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

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

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

17 (6) The portion of capital gain specified in section
18 135.357 that would otherwise be included in federal adjusted
19 gross income;

20 (7) The amount that would have been deducted in the
21 computation of federal taxable income pursuant to 26 U.S.C.
22 Section 168 of the Internal Revenue Code as in effect on January
23 1, 2002, to the extent that amount relates to property purchased
24 on or after July 1, 2002, but before July 1, 2003, and to the
25 extent that amount exceeds the amount actually deducted pursuant
26 to 26 U.S.C. Section 168 of the Internal Revenue Code as amended
27 by the Job Creation and Worker Assistance Act of 2002;

28 (8) For all tax years beginning on or after January 1,
29 2005, the amount of any income received for military service

1 while the taxpayer serves in a combat zone which is included in
2 federal adjusted gross income and not otherwise excluded
3 therefrom. As used in this section, "combat zone" means any area
4 which the President of the United States by Executive Order
5 designates as an area in which Armed Forces of the United States
6 are or have engaged in combat. Service is performed in a combat
7 zone only if performed on or after the date designated by the
8 President by Executive Order as the date of the commencing of
9 combat activities in such zone, and on or before the date
10 designated by the President by Executive Order as the date of the
11 termination of combatant activities in such zone;

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

21 (10) For all tax years beginning on or after January 1,
22 2014, the amount of any income received as payment from any
23 program which provides compensation to agricultural producers who
24 have suffered a loss as the result of a disaster or emergency,
25 including the:

- 26 (a) Livestock Forage Disaster Program;
- 27 (b) Livestock Indemnity Program;
- 28 (c) Emergency Assistance for Livestock, Honeybees, and
29 Farm-Raised Fish;

- 1 (d) Emergency Conservation Program;
- 2 (e) Noninsured Crop Disaster Assistance Program;
- 3 (f) Pasture, Rangeland, Forage Pilot Insurance Program;
- 4 (g) Annual Forage Pilot Program;
- 5 (h) Livestock Risk Protection Insurance Plan; and
- 6 (i) Livestock Gross Margin Insurance Plan; and

7 (11) For all tax years beginning on or after January 1,
8 2018, any interest expense paid or accrued in the current taxable
9 year, but not deducted as a result of the limitation imposed
10 under 26 U.S.C. Section 163(j), as amended. For the purposes of
11 this subdivision, an interest expense is considered paid or
12 accrued only in the first taxable year the deduction would have
13 been allowable under 26 U.S.C. Section 163, as amended, if the
14 limitation under 26 U.S.C. Section 163(j), as amended, did not
15 exist.

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

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

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

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

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

13 8. (1) Beginning January 1, 2014, in addition to the
14 subtractions provided in this section, one hundred percent of the
15 cost incurred by a taxpayer for a home energy audit conducted by
16 an entity certified by the department of natural resources under
17 section 640.153 or the implementation of any energy efficiency
18 recommendations made in such an audit shall be subtracted from
19 the taxpayer's federal adjusted gross income to the extent the
20 amount paid for any such activity is included in federal taxable
21 income. The taxpayer shall provide the department of revenue
22 with a summary of any recommendations made in a qualified home
23 energy audit, the name and certification number of the qualified
24 home energy auditor who conducted the audit, and proof of the
25 amount paid for any activities under this subsection for which a
26 deduction is claimed. The taxpayer shall also provide a copy of
27 the summary of any recommendations made in a qualified home
28 energy audit to the department of natural resources.

29 (2) At no time shall a deduction claimed under this

1 subsection by an individual taxpayer or taxpayers filing combined
2 returns exceed one thousand dollars per year for individual
3 taxpayers or cumulatively exceed two thousand dollars per year
4 for taxpayers filing combined returns.

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

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

19 9. The provisions of subsection 8 of this section shall
20 expire on December 31, 2020.

21 143.171. 1. For all tax years beginning on or after
22 January 1, 1994, and ending on or before December 31, 2018, an
23 individual taxpayer shall be allowed a deduction for his or her
24 federal income tax liability under Chapter 1 of the Internal
25 Revenue Code for the same taxable year for which the Missouri
26 return is being filed, not to exceed five thousand dollars on a
27 single taxpayer's return or ten thousand dollars on a combined
28 return, after reduction for all credits thereon, except the
29 credit for payments of federal estimated tax, the credit for the

1 overpayment of any federal tax, and the credits allowed by the
2 Internal Revenue Code by 26 U.S.C. Section 31, 26 U.S.C. Section
3 27, and 26 U.S.C. Section 34.

4 2. (1) Notwithstanding any other provision of law to the
5 contrary, for all tax years beginning on or after January 1,
6 2019, an individual taxpayer shall be allowed a deduction equal
7 to a percentage of his or her federal income tax liability under
8 Chapter 1 of the Internal Revenue Code for the same taxable year
9 for which the Missouri return is being filed, not to exceed five
10 thousand dollars on a single taxpayer's return or ten thousand
11 dollars on a combined return, after reduction for all credits
12 thereon, except the credit for payments of federal estimated tax,
13 the credit for the overpayment of any federal tax, and the
14 credits allowed by the Internal Revenue Code by 26 U.S.C. Section
15 31, 26 U.S.C. Section 27, and 26 U.S.C. Section 34. The
16 deduction percentage is determined according to the following
17 table:

18 If the Missouri gross income on the	The deduction
19 return is:	percentage is:
20 \$25,000 or less	35 percent
21 From \$25,001 to \$50,000	25 percent
22 From \$50,001 to \$100,000	15 percent
23 From \$100,001 to \$125,000	5 percent
24 \$125,001 or more	0 percent

25 (2) Notwithstanding any provision of law to the contrary,
26 the amount of any tax credits reducing a taxpayer's federal tax
27 liability pursuant to Public Law 116-136, enacted by the 116th
28 United States Congress, for the tax year beginning on or after
29 January 1, 2020, and ending on or before December 31, 2020, shall

1 not be considered in determining a taxpayer's federal tax
2 liability for the purposes of subdivision (1) of this subsection,
3 and such amount may be included in the amount to be deducted
4 under subdivision (1) of this subsection.

5 3. For all tax years beginning on or after September 1,
6 1993, a corporate taxpayer shall be allowed a deduction for fifty
7 percent of its federal income tax liability under Chapter 1 of
8 the Internal Revenue Code for the same taxable year for which the
9 Missouri return is being filed after reduction for all credits
10 thereon, except the credit for payments of federal estimated tax,
11 the credit for the overpayment of any federal tax, and the
12 credits allowed by the Internal Revenue Code by 26 U.S.C. Section
13 31, 26 U.S.C. Section 27, and 26 U.S.C. Section 34.

14 4. If a federal income tax liability for a tax year prior
15 to the applicability of sections 143.011 to 143.996 for which he
16 was not previously entitled to a Missouri deduction is later paid
17 or accrued, he may deduct the federal tax in the later year to
18 the extent it would have been deductible if paid or accrued in
19 the prior year."; and

20 Further amend the title and enacting clause accordingly.