

SECOND REGULAR SESSION

SENATE BILL NO. 573

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR EIGEL.

Pre-filed December 1, 2019, and ordered printed.

ADRIANE D. CROUSE, Secretary.

3563S.02I

AN ACT

To repeal section 143.011, RSMo, and to enact in lieu thereof two new sections relating to taxation.

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

Section A. Section 143.011, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 143.011 and 414.162, to read as follows:

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

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

2. (1) Beginning with the 2017 calendar year, the top rate of tax under subsection 1 of this section may be reduced over a period of years. Each reduction in the top rate of tax shall be by one-tenth of a percent and no more

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

19 than one reduction shall occur in a calendar year. No more than five reductions
20 shall be made under this subsection. Reductions in the rate of tax shall take
21 effect on January first of a calendar year and such reduced rates shall continue
22 in effect until the next reduction occurs.

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

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

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

35 3. (1) In addition to the rate reductions under subsection 2 of this section,
36 beginning with the 2019 calendar year, the top rate of tax under subsection 1 of
37 this section shall be reduced by four-tenths of one percent. Such reduction in the
38 rate of tax shall take effect on January first of the 2019 calendar year.

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

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

44 4. (1) **In addition to the rate reductions under subsections 2 and**
45 **3 of this section, beginning with 2021 calendar year, the top rate of tax**
46 **under subsection 1 of this section shall be reduced by three-tenths of**
47 **one percent. Such reduction in the rate of tax shall take effect on**
48 **January first of a calendar year.**

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

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

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

61 [5.] 6. As used in this section, the following terms mean:

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

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

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

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

414.162. 1. Beginning January 1, 2021, the department of
2 **agriculture shall impose a surcharge on all petroleum products within**
3 **this state which are enumerated by section 414.032. Such surcharge**
4 **shall be administered pursuant to the provisions of section 414.102 and**
5 **subsections 1 and 2 of section 414.152. Such surcharge shall be imposed**
6 **upon such petroleum products within this state and shall be imposed**
7 **at the following rate:**

8 **(1) For the year beginning January 1, 2021, and ending December**
9 **31, 2021, such surcharge shall be two hundred ten dollars per eight**
10 **thousand gallons;**

11 **(2) For the year beginning January 1, 2022, and ending December**
12 **31, 2022, such surcharge shall be three hundred dollars per eight**
13 **thousand gallons;**

14 **(3) For the year beginning January 1, 2023, and ending December**
15 **31, 2023, such surcharge shall be three hundred ninety dollars per eight**
16 **thousand gallons; and**

17 **(4) For all years beginning on or after January 1, 2024, such**
18 **surcharge shall be four hundred eighty dollars per eight thousand**
19 **gallons.**

20 **All revenue generated by the assessment of such surcharges shall be**
21 **deposited in the state road fund created pursuant to Section 30(b) of**
22 **Article IV of the Missouri Constitution.**

23 **2. Railroad corporations as defined in section 388.010 and airline**
24 **companies as defined in section 155.010 shall not be subject to the**
25 **surcharge described in this section.**

Unofficial ✓

Bill

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