

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 100
102ND GENERAL ASSEMBLY

0466H.12C

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 137.100, 143.121, and 408.010, RSMo, and to enact in lieu thereof six new sections relating to mediums of exchange.

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

Section A. Sections 137.100, 143.121, and 408.010, RSMo, are repealed and six new sections enacted in lieu thereof, to be known as sections 30.266, 137.100, 143.121, 408.010, 408.012, and 408.900, to read as follows:

30.266. The state treasurer may keep in the custody of the state treasury an amount of gold and silver greater than or equal to one percent of all state funds. Nothing in this section shall require the state treasurer to invest any state funds in a manner inconsistent with Article IV, Section 15 of the Missouri Constitution.

137.100. The following subjects are exempt from taxation for state, county or local purposes:

- (1) Lands and other property belonging to this state;
- (2) Lands and other property belonging to any city, county or other political subdivision in this state, including market houses, town halls and other public structures, with their furniture and equipments, and on public squares and lots kept open for health, use or ornament;
- (3) Nonprofit cemeteries;
- (4) The real estate and tangible personal property which is used exclusively for agricultural or horticultural societies organized in this state, including not-for-profit agribusiness associations;

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.

12 (5) All property, real and personal, actually and regularly used exclusively for
13 religious worship, for schools and colleges, or for purposes purely charitable and not held for
14 private or corporate profit, except that the exemption herein granted does not include real
15 property not actually used or occupied for the purpose of the organization but held or used as
16 investment even though the income or rentals received therefrom is used wholly for religious,
17 educational or charitable purposes;

18 (6) Household goods, furniture, wearing apparel and articles of personal use and
19 adornment, as defined by the state tax commission, owned and used by a person in his home
20 or dwelling place;

21 (7) Motor vehicles leased for a period of at least one year to this state or to any city,
22 county, or political subdivision or to any religious, educational, or charitable organization
23 which has obtained an exemption from the payment of federal income taxes, provided the
24 motor vehicles are used exclusively for religious, educational, or charitable purposes;

25 (8) Real or personal property leased or otherwise transferred by an interstate compact
26 agency created pursuant to sections 70.370 to 70.430 or sections 238.010 to 238.100 to
27 another for which or whom such property is not exempt when immediately after the lease or
28 transfer, the interstate compact agency enters into a leaseback or other agreement that directly
29 or indirectly gives such interstate compact agency a right to use, control, and possess the
30 property; provided, however, that in the event of a conveyance of such property, the interstate
31 compact agency must retain an option to purchase the property at a future date or, within the
32 limitations period for reverters, the property must revert back to the interstate compact
33 agency. Property will no longer be exempt under this subdivision in the event of a
34 conveyance as of the date, if any, when:

35 (a) The right of the interstate compact agency to use, control, and possess the property
36 is terminated;

37 (b) The interstate compact agency no longer has an option to purchase or otherwise
38 acquire the property; and

39 (c) There are no provisions for reverter of the property within the limitation period for
40 reverters;

41 (9) All property, real and personal, belonging to veterans' organizations. As used in
42 this section, "veterans' organization" means any organization of veterans with a congressional
43 charter, that is incorporated in this state, and that is exempt from taxation under section 501(c)
44 (19) of the Internal Revenue Code of 1986, as amended;

45 (10) Solar energy systems not held for resale; and

46 **(11) Virtual currencies. As used in this section, "virtual currency" means any**
47 **type of digital representation of value that:**

48 **(a) Is used as a medium of exchange, unit of account, or store of value; and**

49 **(b) Is not recognized as legal tender by the United States government.**

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

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

4 (1) The amount of any federal income tax refund received for a prior year which
5 resulted in a Missouri income tax benefit. The amount added pursuant to this subdivision
6 shall not include any amount of a federal income tax refund attributable to a tax credit
7 reducing a taxpayer's federal tax liability pursuant to Public Law 116-136 or 116-260, enacted
8 by the 116th United States Congress, for the tax year beginning on or after January 1, 2020,
9 and ending on or before December 31, 2020, and deducted from Missouri adjusted gross
10 income pursuant to section 143.171. The amount added under this subdivision shall also not
11 include any amount of a federal income tax refund attributable to a tax credit reducing a
12 taxpayer's federal tax liability under any other federal law that provides direct economic
13 impact payments to taxpayers to mitigate financial challenges related to the COVID-19
14 pandemic, and deducted from Missouri adjusted gross income under section 143.171;

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

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

30 (4) The amount of any deduction that is included in the computation of federal
31 taxable income for net operating loss allowed by 26 U.S.C. Section 172 of the Internal
32 Revenue Code of 1986, as amended, other than the deduction allowed by 26 U.S.C. Section
33 172(b)(1)(G) and 26 U.S.C. Section 172(i) of the Internal Revenue Code of 1986, as
34 amended, for a net operating loss the taxpayer claims in the tax year in which the net
35 operating loss occurred or carries forward for a period of more than twenty years and carries
36 backward for more than two years. Any amount of net operating loss taken against federal

37 taxable income but disallowed for Missouri income tax purposes pursuant to this subdivision
38 after June 18, 2002, may be carried forward and taken against any income on the Missouri
39 income tax return for a period of not more than twenty years from the year of the initial loss;
40 and

41 (5) For nonresident individuals in all taxable years ending on or after December 31,
42 2006, the amount of any property taxes paid to another state or a political subdivision of
43 another state for which a deduction was allowed on such nonresident's federal return in the
44 taxable year unless such state, political subdivision of a state, or the District of Columbia
45 allows a subtraction from income for property taxes paid to this state for purposes of
46 calculating income for the income tax for such state, political subdivision of a state, or the
47 District of Columbia;

48 (6) For all tax years beginning on or after January 1, 2018, any interest expense paid
49 or accrued in a previous taxable year, but allowed as a deduction under 26 U.S.C. Section
50 163, as amended, in the current taxable year by reason of the carryforward of disallowed
51 business interest provisions of 26 U.S.C. Section 163(j), as amended. For the purposes of this
52 subdivision, an interest expense is considered paid or accrued only in the first taxable year the
53 deduction would have been allowable under 26 U.S.C. Section 163, as amended, if the
54 limitation under 26 U.S.C. Section 163(j), as amended, did not exist.

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

57 (1) Interest received on deposits held at a federal reserve bank or interest or dividends
58 on obligations of the United States and its territories and possessions or of any authority,
59 commission or instrumentality of the United States to the extent exempt from Missouri
60 income taxes pursuant to the laws of the United States. The amount subtracted pursuant to
61 this subdivision shall be reduced by any interest on indebtedness incurred to carry the
62 described obligations or securities and by any expenses incurred in the production of interest
63 or dividend income described in this subdivision. The reduction in the previous sentence
64 shall only apply to the extent that such expenses including amortizable bond premiums are
65 deducted in determining the taxpayer's federal adjusted gross income or included in the
66 taxpayer's Missouri itemized deduction. The reduction shall only be made if the expenses
67 total at least five hundred dollars;

68 (2) The portion of any gain, from the sale or other disposition of property having a
69 higher adjusted basis to the taxpayer for Missouri income tax purposes than for federal
70 income tax purposes on December 31, 1972, that does not exceed such difference in basis. If
71 a gain is considered a long-term capital gain for federal income tax purposes, the modification
72 shall be limited to one-half of such portion of the gain;

73 (3) The amount necessary to prevent the taxation pursuant to this chapter of any
74 annuity or other amount of income or gain which was properly included in income or gain and
75 was taxed pursuant to the laws of Missouri for a taxable year prior to January 1, 1973, to the
76 taxpayer, or to a decedent by reason of whose death the taxpayer acquired the right to receive
77 the income or gain, or to a trust or estate from which the taxpayer received the income or
78 gain;

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

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

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

85 (7) The amount that would have been deducted in the computation of federal taxable
86 income pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code as in effect on
87 January 1, 2002, to the extent that amount relates to property purchased on or after July 1,
88 2002, but before July 1, 2003, and to the extent that amount exceeds the amount actually
89 deducted pursuant to 26 U.S.C. Section 168 of the Internal Revenue Code as amended by the
90 Job Creation and Worker Assistance Act of 2002;

91 (8) For all tax years beginning on or after January 1, 2005, the amount of any income
92 received for military service while the taxpayer serves in a combat zone which is included in
93 federal adjusted gross income and not otherwise excluded therefrom. As used in this section,
94 "combat zone" means any area which the President of the United States by Executive Order
95 designates as an area in which Armed Forces of the United States are or have engaged in
96 combat. Service is performed in a combat zone only if performed on or after the date
97 designated by the President by Executive Order as the date of the commencing of combat
98 activities in such zone, and on or before the date designated by the President by Executive
99 Order as the date of the termination of combatant activities in such zone;

100 (9) For all tax years ending on or after July 1, 2002, with respect to qualified property
101 that is sold or otherwise disposed of during a taxable year by a taxpayer and for which an
102 additional modification was made under subdivision (3) of subsection 2 of this section, the
103 amount by which additional modification made under subdivision (3) of subsection 2 of this
104 section on qualified property has not been recovered through the additional subtractions
105 provided in subdivision (7) of this subsection;

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

109 (a) Livestock Forage Disaster Program;

- 110 (b) Livestock Indemnity Program;
- 111 (c) Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish;
- 112 (d) Emergency Conservation Program;
- 113 (e) Noninsured Crop Disaster Assistance Program;
- 114 (f) Pasture, Rangeland, Forage Pilot Insurance Program;
- 115 (g) Annual Forage Pilot Program;
- 116 (h) Livestock Risk Protection Insurance Plan;
- 117 (i) Livestock Gross Margin Insurance Plan;
- 118 (11) For all tax years beginning on or after January 1, 2018, any interest expense paid
- 119 or accrued in the current taxable year, but not deducted as a result of the limitation imposed
- 120 under 26 U.S.C. Section 163(j), as amended. For the purposes of this subdivision, an interest
- 121 expense is considered paid or accrued only in the first taxable year the deduction would have
- 122 been allowable under 26 U.S.C. Section 163, as amended, if the limitation under 26 U.S.C.
- 123 Section 163(j), as amended, did not exist; ~~and~~
- 124 (12) One hundred percent of any retirement benefits received by any taxpayer as a
- 125 result of the taxpayer's service in the Armed Forces of the United States, including reserve
- 126 components and the National Guard of this state, as defined in 32 U.S.C. Sections 101(3) and
- 127 109, and any other military force organized under the laws of this state; **and**
- 128 **(13) For all tax years beginning on or after January 1, 2024, the portion of**
- 129 **capital gain on the sale or exchange of gold and silver that are otherwise included in the**
- 130 **taxpayer's federal adjusted gross income.**
- 131 4. There shall be added to or subtracted from the taxpayer's federal adjusted gross
- 132 income the taxpayer's share of the Missouri fiduciary adjustment provided in section 143.351.
- 133 5. There shall be added to or subtracted from the taxpayer's federal adjusted gross
- 134 income the modifications provided in section 143.411.
- 135 6. In addition to the modifications to a taxpayer's federal adjusted gross income in this
- 136 section, to calculate Missouri adjusted gross income there shall be subtracted from the
- 137 taxpayer's federal adjusted gross income any gain recognized pursuant to 26 U.S.C. Section
- 138 1033 of the Internal Revenue Code of 1986, as amended, arising from compulsory or
- 139 involuntary conversion of property as a result of condemnation or the imminence thereof.
- 140 7. (1) As used in this subsection, "qualified health insurance premium" means the
- 141 amount paid during the tax year by such taxpayer for any insurance policy primarily
- 142 providing health care coverage for the taxpayer, the taxpayer's spouse, or the taxpayer's
- 143 dependents.
- 144 (2) In addition to the subtractions in subsection 3 of this section, one hundred percent
- 145 of the amount of qualified health insurance premiums shall be subtracted from the taxpayer's
- 146 federal adjusted gross income to the extent the amount paid for such premiums is included in

147 federal taxable income. The taxpayer shall provide the department of revenue with proof of
148 the amount of qualified health insurance premiums paid.

149 8. (1) Beginning January 1, 2014, in addition to the subtractions provided in this
150 section, one hundred percent of the cost incurred by a taxpayer for a home energy audit
151 conducted by an entity certified by the department of natural resources under section 640.153
152 or the implementation of any energy efficiency recommendations made in such an audit shall
153 be subtracted from the taxpayer's federal adjusted gross income to the extent the amount paid
154 for any such activity is included in federal taxable income. The taxpayer shall provide the
155 department of revenue with a summary of any recommendations made in a qualified home
156 energy audit, the name and certification number of the qualified home energy auditor who
157 conducted the audit, and proof of the amount paid for any activities under this subsection for
158 which a deduction is claimed. The taxpayer shall also provide a copy of the summary of any
159 recommendations made in a qualified home energy audit to the department of natural
160 resources.

161 (2) At no time shall a deduction claimed under this subsection by an individual
162 taxpayer or taxpayers filing combined returns exceed one thousand dollars per year for
163 individual taxpayers or cumulatively exceed two thousand dollars per year for taxpayers
164 filing combined returns.

165 (3) Any deduction claimed under this subsection shall be claimed for the tax year in
166 which the qualified home energy audit was conducted or in which the implementation of the
167 energy efficiency recommendations occurred. If implementation of the energy efficiency
168 recommendations occurred during more than one year, the deduction may be claimed in more
169 than one year, subject to the limitations provided under subdivision (2) of this subsection.

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

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

408.010. ~~[The silver coins of the United States are hereby declared a legal tender, at
2 their par value, fixed by the laws of the United States, and shall be receivable in payment of
3 all debts, public or private, hereafter contracted in the state of Missouri; provided, however,
4 that no person shall have the right to pay, upon any one debt, dimes and half dimes to an
5 amount exceeding ten dollars, or of twenty and twenty-five cent pieces exceeding twenty
6 dollars.]~~ **1. The state of Missouri shall accept gold and silver coinage as legal tender, at
7 spot price plus market premium, for payment of any debt, tax, fee, or obligation owed.
8 Costs incurred in the course of verification of the weight and purity of any gold or silver
9 coinage during any such transaction shall be borne by the receiving entity.**

10 2. No person or entity shall be required to use gold or silver coinage in the
11 payment of any debt.

12 3. Nothing in this section shall prohibit the use of federal reserve notes in the
13 payment of any debt.

14 4. Except as otherwise provided in section 513.607, under no circumstance shall
15 the state of Missouri or any department, agency, political subdivision, or instrumentality
16 thereof seize from any person any gold or silver that is owned by such person. Any
17 person who has his or her gold or silver seized in violation of this section shall have a
18 cause of action in a court of competent jurisdiction. Any successful cause of action shall
19 result in an award of attorney's fees.

 408.012. 1. The state of Missouri shall not require payment in the form of any
2 digital currency.

3 2. For purposes of this section, "digital currency" means any currency or money
4 that is primarily stored, managed, or transferred by electronic means.

 408.900. 1. For purposes of this section, the following terms shall mean:

2 (1) "Blockchain network", a group of computers working together to run a
3 consensus mechanism to agree upon and verify data in a digital record;

4 (2) "Digital asset", any cryptocurrencies, natively electronic assets, including
5 stable coins, nonfungible tokens, and other digital-only assets that confer economic,
6 proprietary, or access rights or powers;

7 (3) "Digital asset mining", using electricity to power a computer for the purpose
8 of securing a blockchain network;

9 (4) "Digital asset mining business", a group of computers working at a single site
10 that consumes more than one megawatt of energy for the purpose of generating digital
11 assets by securing a blockchain network;

12 (5) "Discriminatory rates", electricity rates substantially different from other
13 industrial uses of electricity in similar geographic areas;

14 (6) "Home digital asset mining", mining digital assets in areas zoned for
15 residential use;

16 (7) "Money transmitter", any person, as that term is defined in section 361.700,
17 that is subject to sections 361.700 to 361.727;

18 (8) "Node", a computational device that contains a copy of a blockchain ledger.

19 2. (1) Any person may run a node or a series of nodes in Missouri for the
20 purpose of home digital asset mining at the person's private residence.

21 (2) A person or entity may have a digital asset mining business in any area in this
22 state that is zoned for industrial use.

23 **(3) Any person engaged in home digital asset mining or digital asset mining**
24 **business shall not be considered a money transmitter.**

25 **3. A political subdivision shall not:**

26 **(1) Limit the sound decibels generated from home digital asset mining other**
27 **than limits set for sound pollution generally;**

28 **(2) Impose any requirement on a digital asset mining business that is not also a**
29 **requirement for data centers in such political subdivision; or**

30 **(3) Rezone the area in which a digital asset mining business is located without**
31 **complying with applicable state and local zoning laws or rezone any area with the intent**
32 **or effect of discriminating against a digital asset mining business.**

33 **4. A digital asset mining business may appeal a change in zoning pursuant to any**
34 **applicable state or local zoning laws.**

35 **5. The public service commission may set rates reflective of cost to serve, but**
36 **shall not establish a rate schedule for digital asset mining that creates discriminatory**
37 **rates for digital asset mining businesses.**

 Section B. If any provision of section A of this act or the application thereof to
2 anyone or to any circumstance is held invalid, the remainder of those sections and the
3 application of such provisions to others or other circumstances shall not be affected thereby.

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