

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 133
102ND GENERAL ASSEMBLY

0457H.08C

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 135.010, 135.025, 135.030, 137.115, 142.815, 142.822, 142.824, 143.011, 143.022, 143.071, 143.114, 143.124, 143.125, 143.161, and 273.050, RSMo, and to enact in lieu thereof fourteen 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 135.010, 135.025, 135.030, 137.115, 142.815, 142.822, 142.824, 2 143.011, 143.022, 143.071, 143.114, 143.124, 143.125, 143.161, and 273.050, RSMo, are 3 repealed and fourteen new sections enacted in lieu thereof, to be known as sections 135.010, 4 135.025, 135.030, 137.115, 142.815, 142.822, 142.824, 143.011, 143.022, 143.071, 143.114, 5 143.124, 143.125, and 143.161, to read as follows:

135.010. As used in sections 135.010 to 135.030 the following words and terms 2 mean:

3 (1) "Claimant", a person or persons claiming a credit under sections 135.010 to 4 135.030. If the persons are eligible to file a joint federal income tax return and reside at the 5 same address at any time during the taxable year, then the credit may only be allowed if 6 claimed on a combined Missouri income tax return or a combined claim return reporting their 7 combined incomes and property taxes. A claimant shall not be allowed a property tax credit 8 unless the claimant or spouse has attained the age of sixty-five on or before the last day of the 9 calendar year and the claimant or spouse was a resident of Missouri for the entire year, or the 10 claimant or spouse is a veteran of any branch of the Armed Forces of the United States or this 11 state who became one hundred percent disabled as a result of such service, or the claimant or

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 spouse is disabled as defined in subdivision (2) of this section, and such claimant or spouse
13 provides proof of such disability in such form and manner, and at such times, as the director
14 of revenue may require, or if the claimant has reached the age of sixty on or before the last
15 day of the calendar year and such claimant received surviving spouse Social Security benefits
16 during the calendar year and the claimant provides proof, as required by the director of
17 revenue, that the claimant received surviving spouse Social Security benefits during the
18 calendar year for which the credit will be claimed. A claimant shall not be allowed a property
19 tax credit if the claimant filed a valid claim for a credit under section 137.106 in the year
20 following the year for which the property tax credit is claimed. The residency requirement
21 shall be deemed to have been fulfilled for the purpose of determining the eligibility of a
22 surviving spouse for a property tax credit if a person of the age of sixty-five years or older
23 who would have otherwise met the requirements for a property tax credit dies before the last
24 day of the calendar year. The residency requirement shall also be deemed to have been
25 fulfilled for the purpose of determining the eligibility of a claimant who would have
26 otherwise met the requirements for a property tax credit but who dies before the last day of
27 the calendar year;

28 (2) "Disabled", the inability to engage in any substantial gainful activity by reason of
29 any medically determinable physical or mental impairment which can be expected to result in
30 death or which has lasted or can be expected to last for a continuous period of not less than
31 twelve months. A claimant shall not be required to be gainfully employed prior to such
32 disability to qualify for a property tax credit;

33 (3) "Gross rent", amount paid by a claimant to a landlord for the rental, at arm's
34 length, of a homestead during the calendar year, exclusive of charges for health and personal
35 care services and food furnished as part of the rental agreement, whether or not expressly set
36 out in the rental agreement. If the director of revenue determines that the landlord and tenant
37 have not dealt at arm's length, and that the gross rent is excessive, then he shall determine the
38 gross rent based upon a reasonable amount of rent. Gross rent shall be deemed to be paid
39 only if actually paid prior to the date a return is filed. The director of revenue may prescribe
40 regulations requiring a return of information by a landlord receiving rent, certifying for a
41 calendar year the amount of gross rent received from a tenant claiming a property tax credit
42 and shall, by regulation, provide a method for certification by the claimant of the amount of
43 gross rent paid for any calendar year for which a claim is made. The regulations authorized
44 by this subdivision may require a landlord or a tenant or both to provide data relating to health
45 and personal care services and to food. Neither a landlord nor a tenant may be required to
46 provide data relating to utilities, furniture, home furnishings or appliances;

47 (4) "Homestead", the dwelling in Missouri owned or rented by the claimant and not to
48 exceed five acres of land surrounding it as is reasonably necessary for use of the dwelling as a

49 home. It may consist of part of a multidwelling or multipurpose building and part of the land
50 upon which it is built. "Owned" includes a vendee in possession under a land contract and
51 one or more tenants by the entireties, joint tenants, or tenants in common and includes a
52 claimant actually in possession if he was the immediate former owner of record, if a lineal
53 descendant is presently the owner of record, and if the claimant actually pays all taxes upon
54 the property. It may include a mobile home;

55 (5) "Income", Missouri adjusted gross income as defined in section 143.121 less two
56 thousand dollars **for all calendar years ending on or before December 31, 2023**, or in the
57 case of a homestead owned and occupied, for the entire year, by the claimant, less four
58 thousand dollars as an exemption for the claimant's spouse residing at the same address~~;~~ **for**
59 **all calendar years ending on or before December 31, 2023, or for all calendar years**
60 **beginning on or after January 1, 2024, less two thousand eight hundred dollars, or in the**
61 **case of a homestead owned and occupied, for the entire year, by the claimant, less five**
62 **thousand eight hundred dollars, as an exemption for the claimant's spouse residing at**
63 **the same address;** and increased, where necessary, to reflect the following:

64 (a) Social Security, railroad retirement, and veterans payments and benefits unless the
65 claimant is a one hundred percent service-connected, disabled veteran or a spouse of a one
66 hundred percent service-connected, disabled veteran. The one hundred percent service-
67 connected disabled veteran shall not be required to list veterans payments and benefits;

68 (b) The total amount of all other public and private pensions and annuities;

69 (c) Public relief, public assistance, and unemployment benefits received in cash, other
70 than benefits received under this chapter;

71 (d) No deduction being allowed for losses not incurred in a trade or business;

72 (e) Interest on the obligations of the United States, any state, or any of their
73 subdivisions and instrumentalities;

74 (6) "Property taxes accrued", property taxes paid, exclusive of special assessments,
75 penalties, interest, and charges for service levied on a claimant's homestead in any calendar
76 year. Property taxes shall qualify for the credit only if actually paid prior to the date a return
77 is filed. The director of revenue shall require a tax receipt or other proof of property tax
78 payment. If a homestead is owned only partially by claimant, then "property taxes accrued" is
79 that part of property taxes levied on the homestead which was actually paid by the claimant.
80 For purposes of this subdivision, property taxes are "levied" when the tax roll is delivered to
81 the director of revenue for collection. If a claimant owns a homestead part of the preceding
82 calendar year and rents it or a different homestead for part of the same year, "property taxes
83 accrued" means only taxes levied on the homestead both owned and occupied by the
84 claimant, multiplied by the percentage of twelve months that such property was owned and
85 occupied as the homestead of the claimant during the year. When a claimant owns and

86 occupies two or more different homesteads in the same calendar year, property taxes accrued
87 shall be the sum of taxes allocable to those several properties occupied by the claimant as a
88 homestead for the year. If a homestead is an integral part of a larger unit such as a farm, or
89 multipurpose or multidwelling building, property taxes accrued shall be that percentage of the
90 total property taxes accrued as the value of the homestead is of the total value. For purposes
91 of this subdivision "unit" refers to the parcel of property covered by a single tax statement of
92 which the homestead is a part;

93 (7) "Rent constituting property taxes accrued", twenty percent of the gross rent paid
94 by a claimant and spouse in the calendar year.

135.025. The property taxes accrued and rent constituting property taxes accrued on
2 each return shall be totaled. This total, up to seven hundred fifty dollars in rent constituting
3 property taxes actually paid or eleven hundred dollars in actual property tax paid, shall be
4 used in determining the property tax credit **for all calendar years ending on or before**
5 **December 31, 2023. For all calendar years beginning on or after January 1, 2024, this**
6 **total, up to one thousand fifty-five dollars in rent constituting property taxes actually**
7 **paid or one thousand five hundred fifty dollars in actual property tax paid, shall be used**
8 **in determining the property tax credit. Beginning January 1, 2025, the property tax**
9 **credit totals under this section shall be increased annually for inflation based on the**
10 **Consumer Price Index for All Urban Consumers for the Midwest Region, as defined**
11 **and officially recorded by the United States Department of Labor or its successor.** The
12 director of revenue shall prescribe regulations providing for allocations where part of a
13 claimant's homestead is rented to another or used for nondwelling purposes or where a
14 homestead is owned or rented or used as a dwelling for part of a year.

135.030. 1. As used in this section:

2 (1) The term "maximum upper limit" shall, for each calendar year after December 31,
3 1997, but before calendar year 2008, be the sum of twenty-five thousand dollars. For all
4 calendar years beginning on or after January 1, 2008, **but ending on or before December 31,**
5 **2023,** the maximum upper limit shall be the sum of twenty-seven thousand five hundred
6 dollars. In the case of a homestead owned and occupied for the entire year by the claimant,
7 **for all calendar years ending on or before December 31, 2023,** the maximum upper limit
8 shall be the sum of thirty thousand dollars. **For all calendar years beginning on or after**
9 **January 1, 2024, the maximum upper limit shall be the sum of thirty eight thousand two**
10 **hundred dollars and in the case of a homestead owned and occupied for the entire year**
11 **by the claimant, the maximum upper limit shall be the sum of forty-two thousand two**
12 **hundred dollars. Beginning January 1, 2025, the maximum upper limits shall be**
13 **increased annually for inflation based on the Consumer Price Index for All Urban**

14 **Consumers for the Midwest Region, as defined and officially recorded by the United**
 15 **States Department of Labor or its successor;**

16 (2) The term "minimum base" shall, for each calendar year after December 31, 1997,
 17 but before calendar year 2008, be the sum of thirteen thousand dollars. For all calendar years
 18 beginning on or after January 1, 2008, the minimum base shall be the sum of fourteen
 19 thousand three hundred dollars.

20 2. (1) If the income on a return is equal to or less than the maximum upper limit for
 21 the calendar year for which the return is filed, the property tax credit shall be determined from
 22 a table of credits based upon the amount by which the total property tax described in section
 23 135.025 exceeds the percent of income in the following list:

If the income on the return is:	The percent is:
Not over the minimum base	0 percent with credit not to exceed \$1,100 in actual property tax or rent equivalent paid up to \$750
Over the minimum base but not over the maximum upper limit	1/16 percent accumulative per \$300 from 0 percent to 4 percent.

31 (2) The director of revenue shall prescribe a table based upon ~~[the preceding~~
 32 ~~sentences]~~ **subdivision (1) of this subsection.** The property tax shall be in increments of
 33 twenty-five dollars and the income in increments of three hundred dollars. The credit shall be
 34 the amount rounded to the nearest whole dollar computed on the basis of the property tax and
 35 income at the midpoints of each increment. As used in this subsection, the term
 36 "accumulative" means an increase by continuous or repeated application of the percent to the
 37 income increment at each three hundred dollar level.

38 3. (1) **For all calendar years beginning on or after January 1, 2024, if the income**
 39 **on a return is equal to or less than the maximum upper limit for the calendar year for**
 40 **which the return is filed, the property tax credit shall be determined from a table of**
 41 **credits based upon the amount by which the total property tax described in section**
 42 **135.025 exceeds the percent of income in the following list:**

If the income on the return is:	The percent is:
Not over the minimum base	0 percent with credit not to exceed \$1,550 in actual property tax or rent equivalent paid up to \$1,055, as adjusted for inflation.

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Over the minimum base but not over the maximum upper limit	1/16 percent accumulative per \$495 from 0 percent to 4 percent.
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(2) The director of revenue shall prescribe a table based upon subdivision (1) of this subsection. The property tax shall be in increments of twenty-five dollars and the income in increments of four hundred ninety-five dollars. The credit shall be the amount rounded to the nearest whole dollar computed on the basis of the property tax and income at the midpoints of each increment. As used in this subsection, the term "accumulative" means an increase by continuous or repeated application of the percent to the income increment at each four hundred ninety-five dollar level.

4. Notwithstanding subsection 4 of section 32.057, the department of revenue or any duly authorized employee or agent shall determine whether any taxpayer filing a report or return with the department of revenue who has not applied for the credit allowed pursuant to section 135.020 may qualify for the credit, and shall notify any qualified claimant of the claimant's potential eligibility, where the department determines such potential eligibility exists.

137.115. 1. All other laws to the contrary notwithstanding, the assessor or the assessor's deputies in all counties of this state including the City of St. Louis shall annually make a list of all real and tangible personal property taxable in the assessor's city, county, town or district. Except as otherwise provided in subsection 3 of this section and section 137.078, the assessor shall annually assess all personal property at thirty-three and one-third percent of its true value in money as of January first of each calendar year. The assessor shall annually assess all real property, including any new construction and improvements to real property, and possessory interests in real property at the percent of its true value in money set in subsection 5 of this section. The true value in money of any possessory interest in real property in subclass (3), where such real property is on or lies within the ultimate airport boundary as shown by a federal airport layout plan, as defined by 14 CFR 151.5, of a commercial airport having a FAR Part 139 certification and owned by a political subdivision, shall be the otherwise applicable true value in money of any such possessory interest in real property, less the total dollar amount of costs paid by a party, other than the political subdivision, towards any new construction or improvements on such real property completed after January 1, 2008, and which are included in the above-mentioned possessory interest, regardless of the year in which such costs were incurred or whether such costs were considered in any prior year. The assessor shall annually assess all real property in the following manner: new assessed values shall be determined as of January first of each odd-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 fifteen-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

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161	10	90
162	Greater than 10	99.9

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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.

142.815. 1. Motor fuel used for the following nonhighway purposes is exempt from
2 the fuel tax imposed by this chapter, and a refund may be claimed by the consumer, except as
3 provided for in subdivision (1) of this subsection, if the tax has been paid and no refund has
4 been previously issued:

5 (1) Motor fuel used for nonhighway purposes including fuel for farm tractors or
6 stationary engines owned or leased and operated by any person and used exclusively for
7 agricultural purposes and including, beginning January 1, 2006, bulk sales of one hundred
8 gallons or more of gasoline made to farmers and delivered by the ultimate vender to a farm
9 location for agricultural purposes only. As used in this section, the term "farmer" shall mean
10 any person engaged in farming in an authorized farm corporation, family farm, or family farm
11 corporation as defined in section 350.010. At the discretion of the ultimate vender, the refund
12 may be claimed by the ultimate vender on behalf of the consumer for sales made to farmers
13 and to persons engaged in construction for agricultural purposes as defined in section
14 142.800. After December 31, 2000, the refund may be claimed only by the consumer and
15 may not be claimed by the ultimate vender unless bulk sales of gasoline are made to a farmer
16 after January 1, 2006, as provided in this subdivision and the farmer provides an exemption

17 certificate to the ultimate vender, in which case the ultimate vender may make a claim for
18 refund under section 142.824 but shall be liable for any erroneous refund;

19 (2) Kerosene sold for use as fuel to generate power in aircraft engines, whether in
20 aircraft or for training, testing or research purposes of aircraft engines;

21 (3) Diesel fuel used as heating oil, or in railroad locomotives or any other motorized
22 flanged-wheel rail equipment, or used for other nonhighway purposes other than as expressly
23 exempted pursuant to another provision.

24 2. Subject to the procedural requirements and conditions set out in this chapter, the
25 following uses are exempt from the tax imposed by section 142.803 on motor fuel, and a
26 deduction or a refund may be claimed:

27 (1) (a) Motor fuel for which proof of export is available in the form of a terminal-
28 issued destination state shipping paper and which is either:

29 ~~[(a)]~~ a. Exported by a supplier who is licensed in the destination state or through the
30 bulk transfer system;

31 ~~[(b)]~~ b. Removed by a licensed distributor for immediate export to a state for which
32 all the applicable taxes and fees (however nominated in that state) of the destination state
33 have been paid to the supplier, as a trustee, who is licensed to remit tax to the destination
34 state; or which is destined for use within the destination state by the federal government for
35 which an exemption has been made available by the destination state subject to procedural
36 rules and regulations promulgated by the director; or

37 ~~[(c)]~~ c. Acquired by a licensed distributor and which the tax imposed by this chapter
38 has previously been paid or accrued either as a result of being stored outside of the bulk
39 transfer system immediately prior to loading or as a diversion across state boundaries
40 properly reported in conformity with this chapter and was subsequently exported from this
41 state on behalf of the distributor[;].

42 (b) The exemption pursuant to **subparagraph a. of** paragraph (a) of this subdivision
43 shall be claimed by a deduction on the report of the supplier which is otherwise responsible
44 for remitting the tax upon removal of the product from a terminal or refinery in this state.

45 (c) The ~~[exemption]~~ **exemptions** pursuant to ~~[paragraphs (b) and (c)]~~ **subparagraphs**
46 **b. and c. of paragraph (a)** of this subdivision shall be claimed by the distributor, upon a
47 refund application made to the director within three years.

48 (d) A refund claim may be made monthly or whenever the claim exceeds one
49 thousand dollars;

50 (2) Undyed K-1 kerosene sold at retail through dispensers which have been designed
51 and constructed to prevent delivery directly from the dispenser into a vehicle fuel supply tank,
52 and undyed K-1 kerosene sold at retail through nonbarricaded dispensers in quantities of not
53 more than twenty-one gallons for use other than for highway purposes. Exempt use of

54 undyed kerosene shall be governed by rules and regulations of the director. If no rules or
55 regulations are promulgated by the director, then the exempt use of undyed kerosene shall be
56 governed by rules and regulations of the Internal Revenue Service. A distributor or supplier
57 delivering to a retail facility shall obtain an exemption certificate from the owner or operator
58 of such facility stating that its sales conform to the dispenser requirements of this subdivision.
59 A licensed distributor, having obtained such certificate, may provide a copy to his or her
60 supplier and obtain undyed kerosene without the tax levied by section 142.803. Having
61 obtained such certificate in good faith, such supplier shall be relieved of any responsibility if
62 the fuel is later used in a taxable manner. An ultimate vendor who obtained undyed kerosene
63 upon which the tax levied by section 142.803 had been paid and makes sales qualifying
64 pursuant to this subsection may apply for a refund of the tax pursuant to application, as
65 provided in section 142.818, to the director provided the ultimate vendor did not charge such
66 tax to the consumer;

67 (3) Motor fuel sold to the United States or any agency or instrumentality thereof.
68 This exemption shall be claimed as provided in section 142.818;

69 (4) Motor fuel used solely and exclusively as fuel to propel motor vehicles on the
70 public roads and highways of this state when leased or owned and when being operated by a
71 federally recognized Indian tribe in the performance of essential governmental functions,
72 such as providing police, fire, health or water services. The exemption for use pursuant to
73 this subdivision shall be made available to the tribal government upon a refund application
74 stating that the motor fuel was purchased for the exclusive use of the tribe in performing
75 named essential governmental services;

76 (5) That portion of motor fuel used to operate equipment attached to a motor vehicle,
77 if the motor fuel was placed into the fuel supply tank of a motor vehicle that has a common
78 fuel reservoir for travel on a highway and for the operation of equipment, or if the motor fuel
79 was placed in a separate fuel tank and used only for the operation of auxiliary equipment.
80 The exemption for use pursuant to this subdivision shall be claimed by a refund claim filed by
81 the consumer who shall provide evidence of an allocation of use satisfactory to the director;

82 (6) Motor fuel acquired by a consumer out-of-state and carried into this state, retained
83 within and consumed from the same vehicle fuel supply tank within which it was imported,
84 except interstate motor fuel users;

85 (7) Motor fuel which was purchased tax-paid and which was lost or destroyed as a
86 direct result of a sudden and unexpected casualty or which had been accidentally
87 contaminated so as to be unsalable as highway fuel as shown by proper documentation as
88 required by the director. The exemption pursuant to this subdivision shall be refunded to the
89 person or entity owning the motor fuel at the time of the contamination or loss. Such person
90 shall notify the director in writing of such event and the amount of motor fuel lost or

91 contaminated within ten days from the date of discovery of such loss or contamination, and
92 within thirty days after such notice, shall file an affidavit sworn to by the person having
93 immediate custody of such motor fuel at the time of the loss or contamination, setting forth in
94 full the circumstances and the amount of the loss or contamination and such other information
95 with respect thereto as the director may require;

96 (8) Dyed diesel fuel or dyed kerosene used for an exempt purpose. This exemption
97 shall be claimed as follows:

98 (a) A supplier or importer shall take a deduction against motor fuel tax owed on their
99 monthly report for those gallons of dyed diesel fuel or dyed kerosene imported or removed
100 from a terminal or refinery destined for delivery to a point in this state as shown on the
101 shipping papers;

102 (b) This exemption shall be claimed by a deduction on the report of the supplier
103 which is otherwise responsible for remitting the tax on removal of the product from a terminal
104 or refinery in this state; **and**

105 (c) This exemption shall be claimed by the distributor, upon a refund application
106 made to the director within three years. A refund claim may be made monthly or whenever
107 the claim exceeds one thousand dollars; **and**

108 (9) Motor fuel delivered to any marina within this state that sells such fuel solely for
109 use in any watercraft, as such term is defined in section 306.010, and not accessible to other
110 motor vehicles, is exempt from the fuel tax imposed by this chapter. Any motor fuel
111 distributor that delivers motor fuel to any marina in this state for use solely in any watercraft,
112 as such term is defined in section 306.010, may claim the exemption provided in this
113 subsection. Any motor fuel customer who purchases motor fuel for use in any watercraft, as
114 such term is defined in section 306.010, at a location other than a marina within this state may
115 claim the exemption provided in this subsection by filing a claim for refund of the fuel tax.

116 **3. (1) Beginning on October 1, 2023, an entity exempt from taxation as provided**
117 **by Section 501(c)(3) of the Internal Revenue Code of 1986 (26 U.S.C. Section 501), as**
118 **amended, to which an individual, person, or entity that is eligible to claim a refund as**
119 **provided in this section submits all documentation and information required to make a**
120 **refund application may make a claim for such individual's, person's, or entity's refund**
121 **as provided in this section. Upon approval, the refund shall be made to such exempt**
122 **entity.**

123 **(2) A taxpayer who is an individual, person, or entity that submits the required**
124 **information to an exempt entity as described in subdivision (1) of this subsection shall be**
125 **allowed to subtract from such taxpayer's Missouri adjusted gross income to determine**
126 **Missouri taxable income an amount equal to the total amount eligible for a refund**
127 **submitted to an exempt entity under subdivision (1) of this section for the same tax year.**

128 **Such amount shall be deductible only to the extent that such amount is not deducted on**
129 **the taxpayer's federal income tax return for that tax year. The department of revenue**
130 **shall promulgate rules and regulations to administer the provisions of this section.**

142.822. 1. (1) **As used in this section and section 142.824, "nonprofit entity"**
2 **means any entity that is exempt from taxation as provided in Section 501(c)(3) of the**
3 **Internal Revenue Code of 1986 (26 U.S.C. Section 501), as amended.**

4 (2) **Motor fuel used for purposes of propelling motor vehicles on highways shall be**
5 **exempt from the fuel tax collected under subsection 3 of section 142.803, and an exemption**
6 **and refund may be claimed by the taxpayer if the tax has been paid and no refund has been**
7 **previously issued, provided that the taxpayer applies for the exemption and refund as**
8 **specified in this section. Beginning on and after October 1, 2023, any nonprofit entity to**
9 **which a taxpayer who is eligible to claim a refund as provided in this section submits all**
10 **documentation and information required to make a refund application may make a**
11 **claim for such taxpayer's refund as provided in this section. Upon approval, the refund**
12 **shall be made to such nonprofit entity.**

13 2. (1) **The exemption and refund shall be issued on a fiscal year basis, based on**
14 **motor fuel tax paid and collected through the end of fiscal year 2023, to each person who**
15 **pays the fuel tax collected under subsection 3 of section 142.803 and who claims an**
16 **exemption and refund in accordance with this section, and shall apply so that the fuel**
17 **taxpayer has no liability for the tax collected in that fiscal year under subsection 3 of section**
18 **142.803.**

19 (2) **Beginning in fiscal year 2024, exemptions and refunds issued under this**
20 **section shall be based on the tax year. Any fuel taxes collected under subsection 3 of**
21 **section 142.803 from July 1, 2023, to December 31, 2023, shall be reported under the**
22 **provisions of subsection 4 of this section. Any fuel taxes collected under subsection 3 of**
23 **section 142.803 from January 1, 2024, to December 31, 2024, and each tax year**
24 **thereafter, shall be reported under the provisions of subsection 4 of this section.**
25 **Exemptions and refunds shall be issued to persons who pay the fuel tax collected under**
26 **subsection 3 of section 142.803 and who claim an exemption and refund in accordance**
27 **with this section and shall apply so that the fuel taxpayer has no liability for the tax**
28 **collected in the corresponding tax year under subsection 3 of section 142.803.**

29 [2-] 3. **To claim an exemption and refund in accordance with subdivision (1) of**
30 **subsection 2 of this section, a person shall present to the director a statement containing a**
31 **written verification that the claim is made under penalty of perjury and that states the total**
32 **fuel tax paid in the applicable fiscal year for each vehicle for which the exemption and refund**
33 **is claimed. The claim shall [not be transferred or assigned, and shall] be filed on or after July**
34 **first, but not later than September thirtieth, following the fiscal year for which the exemption**

35 and refund is claimed. The claim statement may be submitted electronically, and shall at a
36 minimum include the following information:

37 (1) ~~[Vehicle identification number of the motor vehicle into which the motor fuel was~~
38 ~~delivered;~~

39 ~~(2)]~~ Date of sale;

40 ~~[(3)]~~ (2) Name and address of purchaser;

41 ~~[(4) Name and address of seller;~~

42 ~~(5)]~~ (3) Number of gallons purchased; ~~and~~

43 ~~(6)]~~ (4) Number of gallons purchased and charged Missouri fuel tax, as a separate
44 item; and

45 (5) **If the claim is submitted by a nonprofit entity:**

46 (a) **Documentation of the nonprofit entity's tax-exempt status; and**

47 (b) **A statement signed by the purchaser indicating that the nonprofit entity is**
48 **entitled to the purchaser's refund.**

49 **4. To claim an exemption and refund in accordance with subdivision (2) of**
50 **subsection 2 of this section, a person may elect to proceed under either subdivision (1) or**
51 **(2) of this subsection:**

52 (1) **For a receipt-based exemption and refund under this subdivision, a person**
53 **shall present to the director a statement containing a written verification that the claim**
54 **is made under penalty of perjury and that states the total fuel tax paid in the applicable**
55 **tax year for each vehicle for which the exemption and refund is claimed. The claim shall**
56 **not be transferred or assigned and shall be filed on or after January fifteenth but not**
57 **later than April fifteenth after the close of the tax year for which the exemption and**
58 **refund is claimed. A person claiming a refund under this subdivision shall not be**
59 **entitled to claim a standard refund under subdivision (2) of this subsection for the same**
60 **tax year. The claim statement may be submitted electronically and shall at a minimum**
61 **include the following information:**

62 (a) **Date of sale;**

63 (b) **Name and address of purchaser;**

64 (c) **Number of gallons purchased;**

65 (d) **Number of gallons purchased and charged Missouri fuel tax, as a separate**
66 **item; and**

67 (e) **An affirmation that such person is claiming the itemized refund and shall not**
68 **claim the standard refund under subdivision (2) of this subsection; or**

69 (2) **For a standard refund under this subdivision, at the time a person files his or**
70 **her Missouri income tax return, a person may select to claim the exemption and refund**
71 **as a standard refund applied as an immediate refund or applied as a credit against the**

72 person's Missouri income tax liability under chapter 143. A person claiming a standard
73 refund under this subdivision shall not be entitled to claim a receipt-based refund under
74 subdivision (1) of this subsection for the same tax year. For the purposes of this
75 subdivision, the term "standard refund" shall mean the exemption and refund provided
76 under this section, applied for and claimed by a person as a set, flat amount under
77 paragraph (a) of this subdivision, selected to be refunded to such person as either an
78 immediate refund or credit applied against the person's Missouri income tax liability
79 under chapter 143.

80 (a) The standard refund shall be allocated as follows:

81 a. Thirty dollars for the 2023 tax year;

82 b. Forty-five dollars for the 2024 tax year;

83 c. Sixty dollars for the 2025 tax year;

84 d. Seventy-five dollars for all tax years beginning on or after January 1, 2026.

85 (b) A person shall file a form, provided by the department of revenue, with such
86 person's Missouri income tax return, if applicable. The claim shall not be transferred or
87 assigned and the form shall be filed on or after January fifteenth but not later than
88 April fifteenth after the close of the tax year for which the exemption and refund is
89 claimed.

90 (c) Such form may be submitted electronically and at minimum shall include:

91 a. The person's selection of the standard refund taken as a refund or as a credit
92 against chapter 143 income taxes, as provided under this subdivision, that he or she is
93 claiming for the applicable tax year;

94 b. An affirmation that such person is claiming the standard refund and shall not
95 claim the receipt-based refund under subdivision (1) of this subsection;

96 c. The vehicle identification number of the motor vehicle into which the motor
97 fuel was delivered;

98 d. The name and address of the person making the claim;

99 e. Information or identification showing that such person was the owner of a
100 vehicle licensed in Missouri;

101 f. An affirmation that such person made eligible purchases under this section in
102 the tax year for which the exemption and refund is claimed; and

103 g. Any other information that the department may require to fulfill the
104 obligations under this section.

105 5. The exemption and refund as reimbursed under the provisions of this section
106 shall be paid out of the proceeds of the additional tax under subsection 3 of section
107 142.803. Refunds shall not exceed the tax collected under subsection 3 of section
108 142.803. If amount of refunds claimed under this section in a tax year exceeds the tax

109 **collected for the tax year, refunds shall be allowed based on the order in which they are**
110 **claimed. The qualifications provided under subsections 4 and 5 of this section shall be**
111 **subject to audit by the department.**

112 ~~[3-]~~ **6.** Every person shall maintain and keep records supporting the claim statement
113 filed with the department of revenue for a period of three years to substantiate all claims for
114 exemption and refund of the motor fuel tax, together with invoices, original sales receipts
115 marked paid by the seller, bills of lading, and other pertinent records and paper as may be
116 required by the director for reasonable administration of this chapter. **The requirement to**
117 **maintain records shall be the responsibility of any nonprofit entity to which a purchaser**
118 **submits claim records required by this section.**

119 ~~[4-]~~ **7.** The director may make any investigation necessary before issuing an
120 exemption and refund under this section, and may investigate an exemption and refund under
121 this section after it has been issued and within the time frame for making adjustments to the
122 tax pursuant to this chapter.

123 ~~[5-]~~ **8.** If an exemption and refund is not issued within forty-five days of an accurate
124 and complete filing, as required by this chapter, the director shall pay interest at the rate
125 provided in section 32.065 accruing after the expiration of the forty-five-day period until the
126 date the exemption and refund is issued.

127 ~~[6-]~~ **9. (1) Except as provided in subdivision (2) of this subsection,** the exemption
128 and refund specified in this section shall be available only with regard to motor fuel delivered
129 into a motor vehicle with a gross weight, as defined in section 301.010, of twenty-six
130 thousand pounds or less.

131 **(2) The exemption and refund specified in this subsection shall be available with**
132 **regard to motor fuel delivered into a motor vehicle with a gross weight that exceeds**
133 **twenty-six thousand pounds when the motor vehicle is owned by a corporation licensed**
134 **in Missouri with its primary headquarters in Missouri, or owned by a sole proprietor**
135 **whose home office is located in Missouri, provided that the corporation or sole**
136 **proprietor submits documentation to the director that any exemption and refund**
137 **claimed is based solely on fuel delivered into a motor vehicle while it was operating in**
138 **the state of Missouri. If the motor vehicle was operated in multiple states, the applicant**
139 **shall submit documentation that separates the fuel delivered to the vehicle while**
140 **operating in other states from the fuel delivered to the vehicle while operating in the**
141 **state of Missouri.**

142 **10.** The department of revenue shall develop a mobile application that allows
143 claims to be submitted on a person's phone at the time of motor fuel purchase in lieu of
144 the procedures set out under subsection 2 of this section. The application shall be
145 designed so that the person submitting the claim is required to demonstrate that he or

146 **she is at the motor fuel pump. The development and maintenance of the application**
 147 **shall be paid with funds that come from the fuel tax road fund.**

148 ~~[7-]~~ **11.** The director shall promulgate rules as necessary to implement the provisions
 149 off this section. Any rule or portion of a rule, as that term is defined in section 536.010, that
 150 is created under the authority delegated in this section shall become effective only if it
 151 complies with and is subject to all of the provisions of chapter 536 and, if applicable, section
 152 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with
 153 the general assembly pursuant to chapter 536 to review, to delay the effective date, or to
 154 disapprove and annul a rule are subsequently held unconstitutional, then the grant of
 155 rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid
 156 and void.

142.824. 1. To claim a refund in accordance with section 142.815, a person shall
 2 present to the director a statement containing a written verification that the claim is made
 3 under penalties of perjury and lists the total amount of motor fuel purchased and used for
 4 exempt purposes. **Beginning on October 1, 2023, any nonprofit entity to which a person**
 5 **who is eligible to claim a refund as provided in this section submits all documentation**
 6 **and information required to make a refund application may make a claim for such**
 7 **person's refund as provided in this section. Upon approval, the refund shall be made to**
 8 **such nonprofit entity.** The claim shall ~~[not be transferred or assigned and shall]~~ be filed not
 9 more than three years after the date the motor fuel was imported, removed or sold if the
 10 claimant is a supplier, importer, exporter or distributor. If the claim is filed by the ultimate
 11 consumer, a consumer must file the claim within one year of the date of purchase or April
 12 fifteenth following the year of purchase, whichever is later. The claim statement may be
 13 submitted electronically, and shall be supported by documentation as approved by the director
 14 and shall include the following information:

- 15 (1) Date of sale;
- 16 (2) Name and address of purchaser;
- 17 (3) ~~[Name and address of seller;~~
- 18 ~~(4)]~~ (4) Number of gallons purchased and base price per gallon;
- 19 ~~[(5)]~~ (4) Number of gallons purchased and charged Missouri fuel tax, as a separate
 20 item; ~~and~~
- 21 ~~(6)]~~ (5) Number of gallons purchased and charged sales tax, if applicable, as a
 22 separate item; **and**
- 23 (6) **If the claim is submitted by a nonprofit entity:**
- 24 (a) **Documentation of the nonprofit entity's tax-exempt status; and**
- 25 (b) **A statement signed by the purchaser indicating that the nonprofit entity is**
 26 **entitled to the purchaser's refund.**

27 2. If the original sales slip or invoice is lost or destroyed, a statement to that effect
28 shall accompany the claim for refund, and the claim statement shall also set forth the serial
29 number of the invoice. If the director finds the claim is otherwise regular, the director may
30 allow such claim for refund.

31 3. The director may make any investigation necessary before refunding the motor fuel
32 tax to a person and may investigate a refund after the refund has been issued and within the
33 time frame for making adjustments to the tax pursuant to this chapter.

34 4. In any case where a refund would be payable to a supplier pursuant to this chapter,
35 the supplier may claim a credit in lieu of such refund for a period not to exceed three years.

36 5. Every person shall maintain and keep for a period of three years records to
37 substantiate all claims for refund of the motor fuel tax, together with invoices, original sales
38 slips marked paid by the seller, bills of lading, and other pertinent records and paper as may
39 be required by the director for reasonable administration of this chapter. **The requirement to**
40 **maintain records shall be the responsibility of any nonprofit entity to which a purchaser**
41 **submits claim records required by this section.**

42 6. Motor fuel tax that has been paid more than once with respect to the same gallon of
43 motor fuel shall be refunded by the director to the person who last paid the tax after the
44 subsequent taxable event upon submitting proof satisfactory to the director.

45 7. Motor fuel tax that has otherwise been erroneously paid by a person shall be
46 refunded by the director upon proof shown satisfactory to the director.

47 8. If a refund is not issued within forty-five days of an accurate and complete filing,
48 as required by this chapter, the director shall pay interest at the rate provided in section 32.065
49 accruing after the expiration of the forty-five-day period until the date the refund is issued.

50 9. The director shall promulgate rules as necessary to implement the provisions of
51 this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is
52 created under the authority delegated in this section shall become effective only if it complies
53 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.
54 This section and chapter 536 are nonseverable and if any of the powers vested with the
55 general assembly pursuant to chapter 536 to review, to delay the effective date, or to
56 disapprove and annul a rule are subsequently held unconstitutional, then the grant of
57 rulemaking authority and any rule proposed or adopted after August 28, 2021, shall be invalid
58 and void.

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:

4 5 If the Missouri taxable income is:	The tax is:
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6	Not over \$1,000.00	1 1/2% of the Missouri taxable income
7	Over \$1,000 but not over	\$15 plus 2% of excess over \$1,000
8	\$2,000	
9	Over \$2,000 but not over	\$35 plus 2 1/2% of excess over \$2,000
10	\$3,000	
11	Over \$3,000 but not over	\$60 plus 3% of excess over \$3,000
12	\$4,000	
13	Over \$4,000 but not over	\$90 plus 3 1/2% of excess over \$4,000
14	\$5,000	
15	Over \$5,000 but not over	\$125 plus 4% of excess over \$5,000
16	\$6,000	
17	Over \$6,000 but not over	\$165 plus 4 1/2% of excess over \$6,000
18	\$7,000	
19	Over \$7,000 but not over	\$210 plus 5% of excess over \$7,000
20	\$8,000	
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 calendar year, the top rate of tax under subsection 1 of this section may be
 38 reduced by fifteen hundredths of a percent. A reduction in the rate of tax shall take effect on
 39 January first of a calendar year and such reduced rates shall continue in effect until the next
 40 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 under
48 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 F, 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. (1) Upon the full reduction and elimination of the tax under subsections 4, 5,**
47 **and 6 of this section, no corporate income tax credits shall be claimed in any tax years**
48 **where there is no tax imposed upon the Missouri taxable income of corporations.**
49 **Nothing in this subsection shall prevent a corporate taxpayer from redeeming a**
50 **refundable tax credit properly claimed and issued before the elimination of the rate of**
51 **tax under this section in a tax year after such elimination.**

52 **(2) Notwithstanding the provisions of section 148.720, the reduction of the tax**
53 **rate and eventual elimination of the Missouri corporate income tax under subsections 4,**
54 **5, and 6 of this section shall not apply to, or in any way cause a reduction or elimination**
55 **of, any tax or tax rate imposed under chapter 148.**

56 **9. For the purposes of this section, the term "net corporate income tax revenue**
57 **collected" shall mean all revenue collected from the tax imposed under this section and**

58 **deposited into the general revenue fund, less refunds and revenues originally deposited**
59 **into the general revenue fund but designated by law for a specific distribution or**
60 **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"~~]~~:

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.

143.161. 1. For all taxable years beginning after December 31, 1997, a resident may
2 deduct one thousand two hundred dollars for each dependent for whom such resident is
3 entitled to a dependency exemption deduction for federal income tax purposes, provided that
4 the exemption amount as defined under 26 U.S.C. Section 151 is not zero. In the case of a
5 dependent who has attained sixty-five years of age on or before the last day of the taxable
6 year, if such dependent resides in the taxpayer's home or the dependent's own home or if such
7 dependent does not receive Medicaid or state funding while residing in a facility licensed
8 pursuant to chapter 198, the taxpayer may deduct an additional one thousand dollars.

9 2. For all taxable years beginning on or after January 1, 1999, a resident who qualifies
10 as an unmarried head of household or as a surviving spouse for federal income tax purposes
11 may deduct an additional one thousand four hundred dollars.

12 3. For all taxable years beginning on or after January 1, 2015, for each birth for which
13 a certificate of birth resulting in stillbirth has been issued under section 193.165, a taxpayer
14 may claim the exemption under subsection 1 of this section only in the taxable year in which
15 the stillbirth occurred, if the child otherwise would have been a member of the taxpayer's
16 household.

17 **4. (1) In addition to the exemptions provided for pursuant to subsections 1 to 3**
18 **of this section, for all tax years beginning on or after January 1, 2024, a taxpayer may**
19 **deduct two thousand four hundred dollars for each child to which a taxpayer gives birth**
20 **during the tax year and for which the taxpayer is entitled to a dependency exemption for**
21 **federal income tax purposes, regardless of whether the exemption amount as defined**
22 **under 26 U.S.C. Section 151 is zero.**

23 **(2) A deduction authorized pursuant to this subsection shall only be made**
24 **during the tax year in which the taxpayer gives birth to a child for which the taxpayer is**
25 **entitled to the deduction provided in subdivision (1) of this subsection and shall only be**
26 **made for the child to which the taxpayer gives birth during the tax year.**

27 **(3) A taxpayer shall not be eligible to claim a deduction pursuant to this**
28 **subsection and subsection 1 or 3 of this section for the same child.**

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~~
~~caused such dog to be listed and the tax imposed by sections 273.040 to~~

4 ~~273.180 to be paid on or before the first day of February of each year~~
5 ~~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.

✓