FIRST REGULAR SESSION

SENATE BILL NO. 100

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR EIGEL.

0466S.02I

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 143.121, 408.010, and 513.090, RSMo, and to enact in lieu thereof six new sections relating to bullion.

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

Section A. Sections 143.121, 408.010, and 513.090, RSMo, are repealed and six new sections enacted in lieu thereof, to be known as sections 30.266, 143.121, 408.010, 408.012, 408.014, and 513.090, to read as follows:

30.266. The state treasurer shall invest no less than one percent of the funds held in the budget reserve fund established pursuant to Article IV, Section 27(a) of the Missouri Constitution, in gold or silver.

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

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

(1) The amount of any federal income tax refund received for a prior year which resulted in a Missouri income tax benefit. The amount added pursuant to this subdivision shall not include any amount of a federal income tax refund attributable to a tax credit reducing a taxpayer's federal tax liability pursuant to Public Law 116-136 or 116-260, enacted by the 116th United States Congress, for the tax year beginning on or after January 1, 2020, and

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.
ending on or before December 31, 2020, and deducted from Missouri adjusted gross income pursuant to section 143.171. The amount added under this subdivision shall also not include any amount of a federal income tax refund attributable to a tax credit reducing a taxpayer's federal tax liability under any other federal law that provides direct economic impact payments to taxpayers to mitigate financial challenges related to the COVID-19 pandemic, and deducted from Missouri adjusted gross income under section 143.171;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(a) Livestock Forage Disaster Program;
(b) Livestock Indemnity Program;
(c) Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish;
(d) Emergency Conservation Program;
(e) Noninsured Crop Disaster Assistance Program;
(f) Pasture, Rangeland, Forage Pilot Insurance Program;

(g) Annual Forage Pilot Program;

(h) Livestock Risk Protection Insurance Plan;

(i) Livestock Gross Margin Insurance Plan;

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

(12) One hundred percent of any retirement benefits received by any taxpayer as a result of the taxpayer's service in the Armed Forces of the United States, including reserve components and the National Guard of this state, as defined in 32 U.S.C. Sections 101(3) and 109, and any other military force organized under the laws of this state; and

(13) For all tax years beginning on or after January 1, 2024, the portion of capital gain on the sale or exchange of gold and silver that are otherwise included in the taxpayer's federal adjusted gross income.

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

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

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

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

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

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

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

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

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

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

408.010. [The silver coins of the United States are
hereby declared a]1. Gold and silver coinage shall be
accepted as legal tender, at their par value[, fixed by the
laws of the United States], and shall be receivable in
payment of all debts, public or private, hereafter
contracted in the state of Missouri[; provided, however,
that no person shall have the right to pay, upon any one debt, dimes and half dimes to an amount exceeding ten dollars, or of twenty and twenty-five cent pieces exceeding twenty dollars]. Costs incurred in the course of verification of the weight and purity of any gold or silver coinage during any such transaction shall be borne by the receiving entity.

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

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

4. Except as otherwise provided in section 513.607, under no circumstance shall the state of Missouri or any department, agency, court, political subdivision, or instrumentality thereof seize from any person any gold or silver that is owned by such person.

408.012. Any person or entity may produce and sell gold or silver coins in this state, provided that:

(1) Each coin is labeled in a clear and intelligible manner with the weight and purity of the coin; and

(2) The seller otherwise complies with the provisions of section 407.292.

408.014. 1. The "Missouri Bullion Depository" is hereby established as an agency of the state within the state treasurer's office. The depository is established to serve as the custodian, guardian, and administrator of certain bullion and specie that may be transferred to or otherwise acquired by this state or any department, agency, or political subdivision thereof. The treasurer may adopt all rules necessary to carry out the purpose of this section.

2. (1) The depository may receive a deposit of bullion or specie from or on behalf of a person acting in
the person's own right, as trustee, or in another fiduciary
capacity, in accordance with rules adopted by the auditor as
appropriate to:
   (a) Ensure compliance with law; and
   (b) Protect the interests of:
       a. The depository;
       b. Depository account holders;
       c. This state and the departments, agencies, or
          political subdivisions thereof; and
       d. The public at large.
   (2) The depository shall keep and maintain records of
       the bullion and specie each person deposits.
   (3) The treasurer shall adopt standards by which the
       quantities of bullion and specie deposited are credited to a
       depositor's depository account by reference to the
       particular form in which the bullion and specie were
       deposited, classified by mint, denomination, weight, assay
       mark, or other indicator, as applicable. The standards
       shall conform to applicable national and international
       standards of weights and measures.
   (4) The treasurer may, if the treasurer determines
       that to do so is in the public interest, restrict the forms
       in which deposits may be made.
   (5) The depository shall adjust each depository
       account balance to reflect additions to or withdrawals or
       deliveries from the account.
3. The treasurer shall submit to the governor and the
   general assembly a report on the status, condition,
   operations, and prospects for the depository and depository
   participation each year not later than September thirtieth.
4. Any rule or portion of a rule, as that term is
   defined in section 536.010, that is created under the
authority delegated in this section shall become effective
only if it complies with and is subject to all of the
provisions of chapter 536 and, if applicable, section
536.028. This section and chapter 536 are nonseverable and
if any of the powers vested with the general assembly
pursuant to chapter 536 to review, to delay the effective
date, or to disapprove and annul a rule are subsequently
held unconstitutional, then the grant of rulemaking
authority and any rule proposed or adopted after August 28,
2023, shall be invalid and void.

5. For purposes of this section, the following terms
mean:

(1) "Bullion", precious metals that are formed into
uniform shapes and quantities such as ingots, bars, or
plates, with uniform content and purity, as are suitable for
or customarily used in the purchase, sale, storage,
transfer, and delivery of bulk or wholesale transactions in
precious metals;

(2) "Specie", a precious metal stamped into coins of
uniform shape, size, design, content, and purity, suitable
for or customarily used as currency, as a medium of
exchange, or as the medium for purchase, sale, storage,
transfer, or delivery of precious metals in retail or
wholesale transactions.

513.090. The following property shall be liable to be
seized and sold upon attachment and execution issued from
any court of record:

(1) All goods and chattels not herein exempted;
(2) All the rights and shares in the stock of any
association, joint stock company, bank, insurance company or
other corporation;
(3) All current gold and silver coin, which shall be returned by the officer as so much collected, without exposing the same to sale;

(4) Any bills, or other evidences of debt, issued by any moneyed corporation, or by the government of the United States, this state, or any other state, belonging to any person against whom an execution shall be issued, at the time such writ shall be delivered to the officer, or at any time thereafter;

[(5)] (4) All real estate whereof the defendant, or any person for his use, was seized, in law or equity, at the time of the issue and levy of the attachment, or rendition of the judgment, order or decree whereon execution was issued, or at any time thereafter.