

# SENATE BILL NO. 195

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR BRATTIN.

1417S.01H

KRISTINA MARTIN, Secretary

## AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for certain educational expenses.

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

Section A. Chapter 135, RSMo, is amended by adding thereto  
2 one new section, to be known as section 135.721, to read as  
3 follows:

135.721. 1. This section shall be known and may be  
2 cited as the "Missouri Parental Choice Tax Credit Act".

3 2. For the purposes of this section, the following  
4 terms shall mean:

5 (1) "Department", the Missouri department of revenue;

6 (2) "Home school", the same meaning as provided in  
7 section 167.012, or an FPE school, as defined in section  
8 167.031;

9 (3) "Private school", a school that is not a part of  
10 the public school system of the state of Missouri and that  
11 charges tuition for the rendering of elementary or secondary  
12 educational services;

13 (4) "Qualified expenses":

14 (a) Tuition or fees at a private school or home school;

15 (b) Textbooks required by a private school or home  
16 school;

17 (c) Educational therapies or services from a licensed  
18 or accredited practitioner or provider including, but not

19 limited to, licensed or accredited paraprofessionals or  
20 educational aides;

21 (d) Tutoring services;

22 (e) Curriculum;

23 (f) Tuition or fees for a private virtual school;

24 (g) Fees for a nationally standardized norm-referenced  
25 achievement test, advanced placement examinations, or any  
26 examinations related to college or university admission;

27 (h) Services provided by a public school including,  
28 but not limited to, individual classes and extracurricular  
29 programs;

30 (i) Computer hardware or other technological devices  
31 that are used to help meet the qualified student's  
32 educational needs;

33 (j) Fees for summer education programs and specialized  
34 after-school education programs; and

35 (k) Transportation costs for mileage to and from a  
36 private school or home school;

37 "Qualified expenses" shall not include consumable  
38 educational supplies including, but not limited to, paper,  
39 pens, pencils, or markers; tuition at a private school  
40 located outside of the state of Missouri; or payments or  
41 reimbursements to any person related within the third degree  
42 of consanguinity or affinity to a qualified student;

43 (5) "Qualified student", a child who is required to be  
44 educated pursuant to section 167.031;

45 (6) "Resident school district", the school district in  
46 which a taxpayer's residence is located;

47 (7) "Tax credit", a credit against the tax otherwise  
48 due under chapter 143, excluding withholding tax imposed  
49 under sections 143.191 to 143.265;

50           (8) "Taxpayer", any individual subject to the state  
51 income tax imposed under chapter 143, excluding the  
52 withholding tax imposed under sections 143.191 to 143.265,  
53 and who:

54           (a) Enrolled a qualified student in a private school  
55 or home school during the tax year for which the taxpayer is  
56 claiming a tax credit pursuant to this section; and

57           (b) Did not enroll a qualified student in the resident  
58 school district during the tax year for which the taxpayer  
59 is claiming a tax credit pursuant to this section.

60           3. (1) For all tax years beginning on or after  
61 January 1, 2026, a taxpayer shall be authorized to claim a  
62 tax credit against the taxpayer's state tax liability in an  
63 amount equal to one hundred percent of qualified expenses  
64 incurred for educating a qualified student at a private  
65 school or home school, provided that no tax credit  
66 authorized pursuant to this section shall exceed the state  
67 adequacy target, as defined in section 163.011.

68           (2) Tax credits authorized pursuant to this section  
69 shall not be transferred, sold, or assigned.

70           (3) Any amount of tax credit that exceeds the  
71 taxpayer's state tax liability shall be considered an  
72 overpayment of taxes and shall be refunded.

73           4. Tax credits authorized pursuant to this section  
74 shall be claimed by the taxpayer at the time such taxpayer  
75 files a return.

76           5. The department shall promulgate rules to implement  
77 the provisions of this section. Any rule or portion of a  
78 rule, as that term is defined in section 536.010, that is  
79 created under the authority delegated in this section shall  
80 become effective only if it complies with and is subject to  
81 all of the provisions of chapter 536 and, if applicable,

82 section 536.028. This section and chapter 536 are  
83 nonseverable and if any of the powers vested with the  
84 general assembly pursuant to chapter 536 to review, to delay  
85 the effective date, or to disapprove and annul a rule are  
86 subsequently held unconstitutional, then the grant of  
87 rulemaking authority and any rule proposed or adopted after  
88 August 28, 2025, shall be invalid and void.

89 6. Pursuant to section 23.253 of the Missouri sunset  
90 act:

91 (1) The program authorized pursuant to this section  
92 shall automatically sunset six years after the effective  
93 date of this section unless reauthorized by an act of the  
94 general assembly; and

95 (2) If such program is reauthorized, the program  
96 authorized pursuant to this section shall automatically  
97 sunset twelve years after the effective date of the  
98 reauthorization; and

99 (3) This section shall terminate on September first of  
100 the calendar year immediately following the calendar year in  
101 which the program authorized pursuant to this section is  
102 sunset; and

103 (4) The provisions of this subsection shall not be  
104 construed to limit or in any way impair the department's  
105 ability to redeem tax credits authorized on or before the  
106 date the program authorized pursuant to this section  
107 expires, or a taxpayer's ability to redeem such tax credits.

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