

HB 1254 -- TAXATION

SPONSOR: Berry

This bill authorizes an amnesty from the assessment or payment of all penalties, additions to tax, and interest on delinquencies of unpaid taxes administered by the Department of Revenue which occurred on or prior to December 31, 2013. A taxpayer must apply for amnesty; pay the unpaid taxes in full from August 1, 2014, to October 31, 2014; and agree to comply with state tax laws for the next eight years from the date of the agreement. If a taxpayer is granted amnesty, he or she will not be eligible to participate in any future amnesty for the same tax. All tax payments received from the tax amnesty program must be deposited into the General Revenue Fund unless otherwise earmarked by the Missouri Constitution.

Beginning January 1, 2014, an eligible small business or eligible corporation is allowed a 50% income tax deduction for small business income. To be eligible, a corporation's net income can not exceed \$500,000 and a small business' net income can not exceed \$100,000. Business income does not include compensation or income from farming or agribusiness activities. A shareholder of a S-corporation, a member of a limited liability company or limited liability partnership, and a partner in a partnership will be allowed a flow-through deduction.

The provisions of the bill regarding the tax amnesty will expire December 31, 2021.

The provisions of the bill regarding the tax amnesty contain an emergency clause.