

SECOND REGULAR SESSION

HOUSE BILL NO. 1956

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES SCHOEMEHL (Sponsor), KINGERY, McCLANAHAN, BIVINS,
STILL AND SCHUPP (Co-sponsors).

3442L.01I

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 143, RSMo, by adding thereto one new section relating to an income tax deduction for certain tuition costs.

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

Section A. Chapter 143, RSMo, is amended by adding thereto one new section, to be
2 known as section 143.129, to read as follows:

143.129. 1. As used in this section, the following terms mean:

- 2 (1) **"Deduction"**, an amount subtracted from the taxpayer's Missouri adjusted
3 gross income to determine Missouri taxable income for the tax year in which such
4 deduction is claimed;
- 5 (2) **"Taxpayer"**, any individual subject to the income tax imposed in this chapter
6 who:
- 7 (a) **Has been a resident of this state for at least the year immediately preceding the**
8 **claim for a deduction under this section;**
- 9 (b) **Paid tuition at the resident rate at any public four-year higher educational**
10 **institution in this state;**
- 11 (c) **Has not been enrolled as a full-time student for longer than four years;**
- 12 (d) **Provides proof of graduation from the public four-year higher educational**
13 **institution conferring the taxpayer's bachelor degree;**
- 14 (3) **"Tuition costs"**, the amount expended for tuition and fees for the last credit
15 hours or their equivalent, not to exceed eighteen, necessary to complete the taxpayer's

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.

16 bachelor degree requirements at any public four-year higher educational institution in this
17 state.

18 2. In addition to all deductions listed in this chapter, for all taxable years beginning
19 on or after January 1, 2011, a taxpayer shall be allowed a deduction for tuition costs. The
20 deduction amount shall be equal to one hundred percent of the amounts of the taxpayer's
21 tuition costs.

22 3. The department of revenue shall establish the procedure by which the deduction
23 provided in this section may be claimed, and may promulgate rules to implement the
24 provisions of this section. The department may confer with public four-year higher
25 educational institutions in this state to develop such procedures. Any rule or portion of a
26 rule, as that term is defined in section 536.010, that is created under the authority
27 delegated in this section shall become effective only if it complies with and is subject to all
28 of the provisions of chapter 536 and, if applicable, section 536.028. This section and
29 chapter 536 are nonseverable and if any of the powers vested with the general assembly
30 pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul
31 a rule are subsequently held unconstitutional, then the grant of rulemaking authority and
32 any rule proposed or adopted after August 28, 2010, shall be invalid and void.

33 4. Under section 23.253 of the Missouri sunset act:

34 (1) The provisions of the new program authorized under this section shall
35 automatically sunset on December thirty-first six years after the effective date of this
36 section unless reauthorized by an act of the general assembly; and

37 (2) If such program is reauthorized, the program authorized under this section
38 shall automatically sunset on December thirty-first twelve years after the effective date of
39 the reauthorization of this section; and

40 (3) This section shall terminate on September first of the calendar year immediately
41 following the calendar year in which the program authorized under this section is sunset.

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