

HB 536 -- Broad-Based Tax Relief Act

Sponsor: Burlison

This bill establishes the Broad-Based Tax Relief Act of 2013 which authorizes an individual income tax deduction for business income and phases it in over five years. Taxpayers will be allowed to deduct 10% of business income for the 2013 tax year, 20% for 2014, 30% for 2015, 40% for 2016, and, once fully phased-in, will be allowed a 50% deduction for all tax years after the 2016 tax year. Shareholders of S corporations and partners in partnerships will be allowed a proportional deduction based on their share of ownership. Also, the bill phases in a reduction in the corporate income tax rate over five years from 6.25% of Missouri taxable income to 5.625% for tax year 2013, 5% for 2014, 4.375% for 2015, 3.75% for 2016, and 3.125% for 2017 and all subsequent tax years.