

SS SCS SB 15 -- STUDY COMMISSION ON STATE TAX POLICY

SPONSOR: Dixon (Koenig)

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Ways and Means by a vote of 9 to 2. Voted "Do Pass with HCS" by the Select Committee on Financial Institutions and Taxation by a vote of 10 to 0.

This bill establishes the Study Commission on State Tax Policy. The commission will be composed of the members of the Joint Committee on Tax Policy as well as members of the public who have expertise in the field of taxation, including one member appointed by the Speaker and one member by the Minority Floor Leader of the House of Representatives. The commission is tasked with examining Missouri's tax system to identify its strengths and weaknesses and to provide any recommendations for improvement. The commission will provide a final report by December 31, 2017 to the Governor and the General Assembly and cease activities by January 1, 2018.

PROPOSERS: Supporters say that the criminal code was reviewed with the Missouri Bar providing six years of work. Now the tax code needs a complete review. A commission made up of lawmakers, business people, and individuals representing all types of taxpayers is a great way to approach the development of future needed tax related reforms. A comprehensive review of the state's tax code on a periodic basis is a good idea. The tax laws and policies are changed every year by the legislature, courts, or administrative actions. The effect a change to one section has on other sections is often difficult to address with legislation and adjusting the tax code with a bill-by-bill legislative approach results in a patchwork of tax law that creates a confusing system. To be most effective, the sections of the tax code should interact in a logical, orderly fashion. It has been 45 years since the state tax code has been reviewed. It makes sense to do a review of the tax code and provide recommendations for improvements that would maintain fiscal capacity to invest in public education.

Testifying for the bill were Senator Dixon; Missouri Society Of CPAs; Missouri Grocer's Association; Missouri Retailers Association; Missouri National Education Association; Mo Budget Project; Associated Industries Of Missouri; Taxpayers Research Institute Of Missouri; Missouri Association Of Counties; Missouri Municipal League; and Missouri School Boards Association.

OPPOSERS: There was no opposition voiced to the committee.