

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for House Bill No. 1386, Page 1, In the Title, Lines 2-3, by
2 deleting the words, "an income tax deduction for volunteer firefighters" and inserting in lieu thereof
3 the words, "income tax deductions"; and

4
5 Further amend said bill, Page 2, Section 143.112, Line 41, by inserting after all of said section and
6 line the following:

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8 "143.116. 1. As used in this section, the following terms mean:

9 (1) "Deduction", an amount subtracted from the taxpayer's Missouri adjusted gross income
10 to determine Missouri taxable income, or federal taxable income in the case of a corporation, for the
11 tax year for which such deduction is claimed;

12 (2) "Disabled employee", a person employed by the taxpayer employed for at least one year
13 who:

14 (a) Is determined to be at least fifty percent disabled by the Social Security Administration
15 or the Department of Veterans Affairs; or

16 (b) Is determined to be disabled by the division of vocational rehabilitation and is
17 participating in the division's job placement program;

18 (3) "Eligible small business", a business that employs fifty or fewer employees and that
19 employs a disabled employee or an ex-offender employee for at least forty weeks during the tax
20 year for which the deduction allowed under this section is claimed;

21 (4) "Ex-offender employee", a person employed by the taxpayer for at least one year who
22 was discharged from a correctional facility during the twelve months preceding such employment;

23 (5) "Taxpayer", any eligible small business subject to the tax imposed under chapter 143,
24 excluding withholding tax imposed by sections 143.191 to 143.265.

25 2. For all tax years beginning on or after January 1, 2017, a taxpayer shall be allowed a
26 deduction for employing a disabled employee or an ex-offender employee. The deduction amount
27 shall be equal to five thousand dollars for each such person employed, subject to the following:

28 (1) If a disabled employee, such taxpayer shall employ the person for at least twenty-five
29 hours per week; or

30 (2) If an ex-offender employee, such taxpayer shall employ the person for an average of at
31 least forty hours per week.

Standing Action Taken _____ Date _____

Select Action Taken _____ Date _____

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2 Upon satisfying either of these requirements, the taxpayer shall be eligible to claim the full amount
3 of the deduction in each of the next three tax years.

4 3. The amount of the deduction issued shall not exceed the amount of the taxpayer's state
5 tax liability for the tax year for which the deduction is claimed. If the amount of the deduction
6 allowed exceeds the amount of the taxpayer's state tax liability for the tax year for which the
7 deduction is claimed, the difference shall not be refundable but may be carried forward to any of the
8 taxpayer's three subsequent tax years. No deduction issued under this section shall be transferred,
9 sold, or assigned. The aggregate amount of deductions which may be issued under this section in
10 any one fiscal year shall not exceed ten million dollars. The deductions issued under this section
11 shall be issued on a first-come, first-served filing basis.

12 4. The department of revenue may promulgate rules to implement the provisions of this
13 section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
14 under the authority delegated in this section shall become effective only if it complies with and is
15 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
16 chapter 536 are nonseverable, and if any of the powers vested with the general assembly pursuant to
17 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently
18 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
19 August 28, 2016, shall be invalid and void.

20 5. Under section 23.253 of the Missouri sunset act:

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

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

27 (3) This section shall terminate on September first of the calendar year immediately
28 following the calendar year in which the program authorized under this section is sunset."; and

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30 Further amend said bill by amending the title, enacting clause, and intersectional references
31 accordingly.