

HOUSE BILL NO. 2755

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE JUSTUS.

6843H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to tax credits.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be
2 known as section 135.005, to read as follows:

**135.005. 1. Notwithstanding any other section, if the top income tax rate under
2 section 143.011 is reduced under subsection 2 of section 143.011, then the amount
3 authorized for any and all tax credits shall be reduced by a percentage equal to the
4 percentage that such tax rate is reduced under subsection 2 of section 143.011.**

**5 2. Notwithstanding any other section, if the income tax rate under section 143.011
6 is reduced by any means other than subsection 2 of section 143.011, then the amount
7 authorized for any and all tax credits shall be reduced by a percentage equal to the
8 percentage that such tax rate is reduced.**

**9 3. Notwithstanding section 143.022 or any other section to the contrary, if the
10 deduction for business income under section 143.022 increases under subsections 4 and 5
11 of section 143.022, then the amount authorized for any and all tax credits shall be reduced
12 by a percentage equal to the percentage that such deduction for business income is
13 increased under subsections 4 and 5 of section 143.022.**

**14 4. Any tax credit authorized on or after August 28, 2016, shall be reduced under
15 this section by a percentage equal only to an income tax reduction or a deduction for
16 business income increase that occurs after such tax credit is authorized. No tax credit
17 reduction under this section shall be calculated using an income tax reduction or a**

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.

18 **deduction for business income increase that occurred before such tax credit was authorized.**

19 **5. A tax credit reduction under this section shall take effect the tax year**
20 **immediately following the tax year an income tax reduction or a deduction for business**
21 **income increase occurs.**

22 **6. Under section 23.253 of the Missouri sunset act:**

23 **(1) The provisions of the new program authorized under this section shall**
24 **automatically sunset six years after the effective date of this section unless reauthorized by**
25 **an act of the general assembly;**

26 **(2) If such program is reauthorized, the program authorized under this section**
27 **shall automatically sunset twelve years after the effective date of the reauthorization of this**
28 **section; and**

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

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