



April 14, 2025

In order to be responsive to the latest legislative developments, MOCPA continually monitors proposed legislation. We utilize both professional and grassroots lobbyists to ensure the CPA profession has a voice in Jefferson City. By keeping members informed, MOCPA is empowering you to contribute to the legislative process.

Session Update

Last week was again slow for the Senate regarding passage of legislation. The Senate Perfected and Third Read four Senate bills, compared to the House Third Reading of 13 House bills and one Senate bill. The House has now passed and sent the Senate 133 bills, some of which are omnibus in nature containing a number of unrelated subjects. The Senate has sent the House 49 bills for further consideration.

This week, much of the legislative action will likely pertain to bills passed by one chamber and sent to the other. The swiftly approaching May 16 deadline is clearly the forefront in legislators' minds as many are pushing to have public hearings on their filed bills and continue to search for places to add amendments to legislation already moving through the respective chambers.

Budget Update

State Budget Director Dan Haug announced that net general revenue collections for March 2025 declined 2.2 percent compared to those for March 2024, from \$898.6 million last year to \$878.9 million this year. Net general revenue collections for 2025 fiscal year-to-date decreased 1.4 percent compared to March 2024, from \$9.32 billion last year to \$9.18 billion this year. Both the House and Senate Appropriations Committees will be keeping this in mind as the Senate begins crafting their version of the FY2026 operating budget and the House finishes the final three capital improvement bills.

Legislation of Interest

[Click here](#) to view the complete list of high-priority bills MOCPA is currently tracking. The deadline for filing new bills has passed, but bills are regularly amended. The list is updated each week to reflect any changes. Be sure to check the list regularly to look for legislation that may be of interest to you or your clients.

A few bills of interest that had activity last week include:

- **Tax Credit—Agriculture:** [SB 466](#), which eliminates the sunset for several agriculture tax credits that are set to expire Dec. 31, 2028, was heard in the House Committee on Agriculture.

- **Tax Credit—Benevolent:** [HB 828](#), which is the House companion to [SB 67](#), exempts taxpayers from penalties or interest on an income tax balance due if the taxpayer is denied part or all of a tax credit that they have qualified for due to the lack of available funds for the credit. After a brief debate, the House provided the first of two necessary approval votes and Perfected the bill by voice vote.
- **Tax Credit—Childcare:** [HB 269](#), which is the companion to [SB 455](#), establishes the Childcare Contribution Tax Credit Act. The bill was heard in the Senate Committee on Emerging Issues.
- **Tax Credit—Circuit Breaker:** [HB 45](#), which adjusts the “circuit breaker” tax credit by modifying the limits to account for filing single, jointly, or renting or owning, was passed by an 8-0 vote in the House Special Committee on Tax Reform.
- **Tax Credit—Jury Duty:** [HB 223](#), which allows employers to claim up to 100 percent of wages paid to an employee while that employee serves jury duty, minus any amount of compensation remitted to the employer, was passed by the House Committee on Ways and Means by a 5-2 vote.
- **Tax Credit Review:** [HB 1007](#), which provides a consistent structure and accountability for all tax credits by implementing caps, sunsets, proper oversight, and removal of expired sunsets from statute, was passed by a 5-3 vote in the House Special Committee on Tax Reform.
- **Tax Deduction—Capital Gains:** [HB 594](#) was Third Read and Passed in the Senate by a 27-6 vote, and now returns to the House for their concurrence or conference. The bill authorizes an income tax deduction for 100 percent of all income reported as capital gains for federal income tax purposes beginning on or after Jan. 1, 2025. During previous debate, the bill was amended to also modify provisions relating to law enforcement sales taxes; authorize collected transient guest taxes to be used for the operating costs of a community center; authorize certain counties to impose a transient guest tax; add cities authorized to impose a sales tax for the purposes of public safety; authorize a sales tax exemption for retail sales of diapers, feminine hygiene products and incontinence products; and adjust the “circuit breaker” tax credit annually to account for inflation.
- **Tax Elimination—Income:** [HB 798](#) was passed by a 4-1 vote in the Senate Committee on Economic and Workforce Development. The bill simplifies income tax collections by implementing a flat tax rate of 4.7 percent on all taxable income and removes all tax deduction triggers and existing taxable income brackets. During the bill’s House progression, it was amended to repeal the Missouri Working Family Tax Credit Act, phase out capital gains, modify tax penalties incurred when a tax credit cap is reached, lower the corporate income tax rate from 4 to 3.75 percent, and modify the pregnancy and maternity homes and diaper bank tax credits by allowing taxpayers to claim 100 percent rather than 75 percent of contributions.

· **Tax Exemption—Veterans:** [SJR 46](#) currently provides a property tax exemption for all real property used as a homestead by former prisoners of war with a total service-connected disability. If approved by voters, this proposed constitutional amendment would extend such property tax exemption to all veterans of the Armed Forces of the United States who have a total service-connected disability. During debate, the bill was amended to add definitions for “disabled veteran” and “surviving spouse” to ensure the exemption is allowed to pass to the surviving spouse. The Senate provided the first of two necessary approval votes and Perfected the bill by voice vote.

For Additional Information

Attend MOCPA Legislative Session Wrap-up Webinar

Virtual | May 30 | 10-10:50 a.m.

After Missouri’s 2025 regular legislative session adjourns, learn how bills of interest to CPAs fared, and what outcomes could impact the profession, your business or your clients. Patty Faenger, executive director of the Missouri State Board of Accountancy, will join the conversation to share important info you need to know for renewing your license this year.

[Register here](#) for this 50-minute, complimentary CPE session!

This *Government Advocacy Update* will continue regularly throughout the legislative session. If you have any questions on our legislative efforts, please visit our [government advocacy web page](#), or contact [Dena Hull](#) at (800) 264-7966, ext. 105.

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