



February 17, 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, the House sent their first bills of the legislative session to the Senate. The Senate took up a bill that would return control of the City of St. Louis Police Department to the Board of Police Commissioners; a board appointed by the governor. This legislation is a priority of Governor Kehoe but was met with resistance by Senate democrats who filibustered the measure. MOCPA testified in opposition to a resolution that would impose a tax on professional services.

With the March 1 bill filing deadline swiftly approaching, floor debate in both chambers is expected to increase this week along with a continued flood of committee hearings. To date, the House has filed 2,117 bills and joint resolutions while the Senate has filed 754 bills and joint resolutions. The legislative spring break, which marks the halfway point in session, is only four weeks away.

Legislation of Interest

[Click here](#) to view the complete list of high-priority bills MOCPA is currently tracking. New bills are filed daily, and the list is updated each week. 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:

- [SB 59](#), which authorizes an income tax deduction for all survivor benefits derived as a result of service in the Armed Forces, was amended to include first responders. It passed in the Senate and was sent to the House.
- [SB 67](#), which exempts taxpayers from penalties or interest on an income tax balance due if the taxpayer is denied a tax credit because of a lack of available funds, was debated in the Senate and sent to the House. Its House companion, [HB 326](#), was heard in the House Ways and Means Committee.
- [HB 594](#), which repeals the tax on capital gains, was passed in the House and will be sent to the Senate for further consideration.
- [SB 163](#), which modifies provisions relating to an income tax deduction for certain National Guard duties, was debated and perfected in the Senate.

· [SJR 31](#), along with five other identical resolutions, which are the Senate companions to [HJR 1](#), were heard by the Senate Committee on Economic and Workforce Development. Upon voter approval, a resolution would place a spending cap on the General Assembly's appropriation authority, create the Tax Reform Fund for any surplus revenue collections, repeal the prohibition on sales and use tax expansions, eliminate the Missouri income tax and personal capital gains taxes immediately, and impose a state sales tax on lobbying services of 6 percent. The SJR sponsors indicated they plan to amend the bills to include a tax on services. MOCPA, along with Associated Industries of Missouri, Missouri Association of Realtors, and the Missouri Budget Project, testified in opposition. The groups stated a tax on services is problematic and that reducing or eliminating one tax while increasing a different one to make it revenue neutral still places the same amount of taxes on people. In addition, five Senate bills were heard by the committee that would implement the provisions in the SJRs if approved by the voters.

[Attend Important MOCPA Webinar Addressing Tax on Services](#) **Virtual | Feb. 28 | 9-9:50 a.m.**

As Missouri lawmakers explore the possible elimination of personal or corporate income tax, there are proposals that could impose a tax on professional services as a potential source for financial relief.

Attend this session to better understand:

- The history of tax on services in Missouri;
- How such a tax would be implemented;
- Risks and impact it would have on the CPA profession, your clients, and the business community; and
- How you can help by reaching out to your legislator.

We'll be joined by Joe Crosby, CEO of Multistate Associates, to share the national scope of this issue.

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

For Additional Information

This *Government Advocacy Update* will continue regularly through 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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