

Protecting Your Interests

May 18, 2020

*In order to be responsive to the latest legislative developments, MOCPA continually monitors proposed legislation. The society utilizes 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.*

**Update provided by Chuck Pierce, CPA, MOCPA government relations consultant**

### **Session Update**

The Legislature adjourned its abbreviated COVID-19 session at 6 p.m. on Friday, May 15. The shortened session saw several large omnibus bills passed in the final two weeks. Several of these contained items of interest to Missouri CPAs.

Although the Legislature missed several weeks in the middle of the session, the Missouri Constitution does not allow them to add any time to the end. This shortened session caused the Legislature to pass more omnibus bills than typical. So, although the number of bills passed is much lower than a typical session, most bills contain a lot of items and the total amount of laws enacted ended up being close to a normal session.

It ended up being a successful legislative session for MOCPA. MOCPA began the session with three priorities: making changes to the statute governing peer review administration; allowing CPA candidates to sit for the exam with 120 credit hours while maintaining licensure at 150; and making changes to the state's partnership audit requirements to comply with IRS provisions. All of these items were passed. Although none of the original filed bills passed, MOCPA was able to add these provisions to various omnibus bills that made it to the finish line in the final week. These provisions are contained in HB 1854, HB 2046, and SB 676.

### **Legislation of Interest**

As mentioned above, this year had a lot of large omnibus bills passed. This means you have to look closely at the bills to determine what is actually in them. Here are some provisions that passed that are of particular interest to CPAs:

[HB 1655](#) contains changes to the notary laws.

[HB 1682](#) has a provision establishing a new state tax deduction. It establishes a 529 type program to allow a state tax deduction to fund long-term care costs.

[HB 1854](#) contains several provisions of interest to CPAs, including:

- Changes to the partnership audit requirements;

- Changes to the financial reporting requirements for political subdivisions;
- Changes to the state auditor's authority regarding audits of third-class counties;
- Creates a local government expenditure database;
- Grants authority for several targeted sales taxes; and
- Changes the voting requirements for CIDs and TDDs.

[HB 2046](#) includes the changes to the CPA exam requirement and peer review administration. It also provides enhanced reciprocity for several professions. It includes provisions restricting some professions from denying licensing based on criminal convictions. CPAs licensing requirements are exempted from these restrictions.

[SB 591](#) was an omnibus tort reform bill. It places limits on the use of punitive damages and makes changes to the state's merchandising practices act.

[SB 599](#) adds broker dealers and investment advisers to the list of investment professionals protected under the Senior Savings Protection Act.

[SB 676](#) is an omnibus tax bill that includes:

- Changes to the partnership audit requirements;
- Revisions to notification requirements for changes in property tax valuations;
- A provision to ensure that the individual payments under the CARES Act are not subject to Missouri income tax; and
- Exemption from Missouri tax in the year of death for anyone who died as a direct result of the terrorist attack of 9/11.

These bills now go to Governor Parson for his review. He can either sign the bills, veto them, or allow them to become law without his signature. He has publicly stated that he will be scrutinizing these large omnibus bills closely before making a decision on whether to sign them.

### **For Additional Information**

Future *Government Advocacy Updates* will be sent only as issues develop. Look for reports on any breaking news, an update after the final date for the governor to act on legislation, and an update on veto session.

If you have any questions on MOCPA's government advocacy efforts, please visit the [Web page](#), or contact [Dena Hull](#) at (800) 264-7966, ext. 105.

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