

Protecting Your Interests

January 8, 2018

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 2018 legislative session officially started at noon on Wednesday, Jan. 3. The first few days focused on speeches outlining leadership's priorities and introducing all pre-filed legislation.

In the first two days, approximately 750 bills and resolutions were introduced. This must happen before any action can be taken on the legislation. Based on early indicators, it will be an active session. So far, there are no big surprises in the bills filed, and you can expect all the usual topics to be repeated this session. Of interest to MOCPA, tax reform continues to be a big focus, and several comprehensive tax bills have been filed.

While many legislators continue to have an appetite for further tax reform, it is not clear if the budget hawks in the Legislature will be amenable to further revenue uncertainty. The federal changes have created a great deal of uncertainty for the state's tax revenues. Because the Missouri return is linked to the federal return, changes to federal taxable income impact state revenues. Initial predictions forecast dire consequences to the state. However, once the final tax bill was analyzed, the predictions were much less significant. Both the University of Missouri and Missouri's Director of Revenue forecast impacts of less than \$100 million. In fact, the director estimates that the state may actually gain revenue in the long run. There is a growing trend among legislators in thinking that perhaps the best path is to allow the federal changes to run their course for at least one year before making changes to Missouri's system. The University of Missouri's detailed study can be read [here](#).

The initial speeches from legislative leadership can give some indication of what is to come. Based on what they said, it is shaping up to be a lot like last session. The House outlined past priorities of reducing regulations, providing opportunities for business expansion, and ethics reform. They also began fast-tracking legislation addressing these issues and have already scheduled some committee hearings.

On the other hand, the Senate clearly indicated it is going to move at a slower pace, due in part to the brewing controversy over gubernatorial appointments to boards and commissions. Governor Greitens made several high-profile interim appointments. Appointees to two of the boards (Education

Commission and Missouri Housing Development Commission) took some very controversial votes prior to being confirmed by the Senate. These appointees now need to be approved in the first 30 days after the session starts. The controversy and debate over many of these appointments is expected to slow things down in the Senate.

Two noncontroversial appointments were confirmed last week. Former Senator Will Kraus was confirmed to the State Tax Commission. Current Senator Ryan Silvey was confirmed to the Public Service Commission and resigned his Senate seat to take the new position. Congratulations to both of these Senators who have been helpful to MOCPA during their tenure. As chair of the Senate Ways and Means Committee, Senator Kraus worked with MOCPA on tax legislation and regularly spoke to our group at CPA Day.

The resignation of Senator Silvey created some shuffling in Senate committee assignments. As a result, MOCPA member Senator Denny Hoskins, CPA, was named chairman of the Senate Veterans Commission. Because Whiteman Air Force Base is in his district, this is an important committee to Senator Hoskins. Also, being granted a chairmanship as a freshman Senator is quite an honor. Congratulations to Senator Hoskins!

Legislation of Interest

[Click here](#) for a list of high-priority bills MOCPA is currently tracking that are of particular interest to CPAs and their clients. Look for this list to continue to grow during the coming weeks as more legislation is introduced.

Of note is [SB 829](#), which was filed by Senator Hoskins at MOCPA's request. It makes changes to peer review and continuing professional education reporting. As we've done in the past, MOCPA is working with the Missouri State Board of Accountancy to produce legislation that both groups can support and advance for the good of the profession.

For Additional Information

Don't forget, [CPA Day](#) is next Wednesday, Jan. 17, and participation is still needed. Join your peers at the Capitol to receive an up to the minute briefing on what is happening in Jefferson City, and how it could impact your business. In addition, MOCPA members will be handing out tax guides to all legislators, so your participation would definitely make a strong impact. If you're new to attending CPA Day, MOCPA is happy to pair you up with a seasoned participant! To attend this complimentary event, simply reply to this email or contact [Dena Hull](#).

This *Government Advocacy Update* will continue weekly through the legislative 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.

Related Links

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