

January 15, 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**

Governor Greitens was the focus of much of the legislative activity last week. Not all of it was of his choosing. It is only the second week, but it is apparent that tax reform debate is going to be a prominent part of the legislative discussion this session.

On Wednesday, the governor delivered his second State of the State address to the Legislature and again broke with tradition by not unveiling his budget as part of his address. Without the budget, the governor's remarks can only give the Legislature a general idea of his priorities for the year.

His speech focused on efforts to reduce government regulations, improve efficiency, and his intentions to unveil a major tax plan. He offered specific examples of his successes on the regulatory front but did not provide any details for tax reform. Saying only that it would benefit working Missourians and show outside companies that Missouri was open for business. He pledged to unveil the details this week.

Governor Greitens' speech was quickly overshadowed by a news story reporting an extramarital affair and allegations of blackmail that occurred prior to him becoming governor. He has acknowledged the affair but has denied the other allegations. The event quickly escalated to national news media. Look for more to develop on this story.

Until resolved, these allegations and investigations are going to have an impact on the legislative process. Both chambers adjourned quickly on Thursday morning, and many legislators issued public statements regarding the matter. When the Legislature returns this week, you can expect some of those comments to find their way to the floor during debate. It is also not clear yet how much this will impact the governor's ability to achieve his legislative priorities for the year.

As mentioned, one of Governor Greitens' priorities is tax reform, which is also of key importance to the Legislature. While we have yet to see the governor's proposal, the Senate will show at least some of its priorities this week. [SB 611](#) and [SB 617](#) will have hearings this week in the Senate Ways and Means Committee. These bills make several substantial changes to Missouri's tax system.

With a legislative hearing on two bills and the governor unveiling his tax plan, there will be much focus on tax reform this week. It is interesting that this would occur now. The federal tax code has

just undergone sweeping changes, and it is still unclear how they will impact Missouri. This marks the first year the state has hit the revenue triggers of the previous tax cuts. The full impact of those, as well as the details of how the business tax deduction will work, have yet to play out. While many would think all this uncertainty would reduce the interest in further tax reform, that does not seem to be the case.

Nevertheless, those unknowns will impact the tax reform debate as they develop. For these reasons, it is unlikely that tax reform will move quickly through the legislative process.

### **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.

### **For Additional Information**

There is still time to sign up for [CPA Day](#) this Wednesday. 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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