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*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, there was a flurry of legislative hearings on priority bills, lengthy floor debates and the initial committee mark-up for the fiscal year 2027 operating budget.

The House worked late into the evening and took up 24 bills for debate, which they later perfected, third read and passed. The House's goal was to send 100 bills to the Senate before adjournment on Thursday, which it surpassed at 103. This surprisingly included two controversial measures: [SB 888](#), which contains numerous provisions regarding sentencing, juvenile justice reform and expansion of prosecutorial authority; and [HJR 173](#), which seeks to phase out the state's income tax.

In contrast, the Senate perfected five bills. [SB 999](#), the Born-Alive Abortion Survivors Act, brought activity to a halt, as did an amendment to the journal regarding removing consent bills from the calendar. It appeared the Senate would have another lackluster week, but surprisingly, decorum resumed and the Senators moved through their calendar.

The Legislature is on spring break this week. As a result, there will not be a *Government Advocacy Update* next week.

### **Bills 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.

Of special note, [SB 1233](#), which creates an additional pathway to CPA licensure, was discussed by the House Committee on Professional Registration and Licensure. During discussion, a House Committee Substitute was adopted that created an omnibus professional licensure bill containing a severability clause. The bill now includes provisions related to: telehealth services; the Missouri board for architects, professional engineers, professional land surveyors and professional landscape

architects; dietitians; massage therapists and chiropractors; dental care; physician assistants; long-term care facilities; social work supervisors; pharmacists; speech-language pathologists; and design professionals. Once modified, the committee passed the bill by a 16-1 vote.

Other bills on MOCPA's priority list that had activity last week included:

[SB 994](#), which modifies Missouri tax law by creating a 60-day grace period for taxpayers who owe additional taxes after a claimed state tax credit is reduced or denied, was heard in the House Committee on Ways and Means. The bill also aligns Missouri's income tax filing deadline with the federal deadline so that any change by the IRS automatically applies to state filings, and it includes administrative updates.

[HB 3405](#), which modifies Missouri's existing SALT Parity Act by reclassifying the pass-through entity tax benefit from a tax credit to a deduction and separating it from the state's overall tax credit reporting, was heard in the House Ways and Means Committee. The change would not alter the tax benefit available to partnerships and S corporations.

[HB 1743](#), which modifies Missouri law on collecting delinquent taxes by limiting when property can be seized and sold, was heard in the House Committee on Ways and Means.

[HB 2142](#) and [HB 2058](#), known as the "Show MO Act," would modify Missouri's tax credit program for motion media production projects. The bills were discussed in the House Committee on Economic Development and combined with HB 2142 as the lead. Once modified, the committee passed the bill by a 12-1 vote.

[SB 1079](#), the Senate companion bill to [HB 2142](#) and [HB 2058](#) highlighted above, was discussed in the Senate Committee on Economic and Workforce Development. After no discussion, the committee passed the bill by a 6-1 vote.

[HB 1707](#), which would modify the definition of "gross receipts" for the purposes of sales tax, to provide that charges related to the extension of credit will include applicable credit/debit card fees, was retaken up on the House floor. During perfection, the sponsor amended the bill's title to "certain processing fees excluded from sales tax." After a brief debate, the House third read and passed the bill by a 149-0 vote. It now will be sent to the Senate for further consideration.

[HJR 173](#), which proposes a constitutional amendment to taxation by establishing revenue triggers that, if met, would reduce and eliminate the top individual income tax rate, was taken up on the House floor. After considerable debate, the House moved the bill through all necessary approval votes and perfection, and it was third read and passed by a 98-54 vote. The bill now will be sent to the Senate for further consideration.

[SB 1575](#), which modifies provisions to capital gains taxes, was heard in the Senate Committee on Economic and Workforce Development. Current law authorizes an

income tax deduction for 100 percent of income reported as capital gain for federal income tax purposes. This bill provides that depreciation that has been deducted for federal tax purposes but was sold and recovered will be considered capital gain and excluded from income tax. Additionally, taxable income of a resident estate or trust will fall under the capital gains tax provisions.

[HB 2205](#), which modifies Missouri's tax treatment of retirement income by allowing taxpayers to deduct 100 percent of retirement income from privately funded sources, was discussed in the House Committee on Pensions. The committee passed the bill by a vote of 7–3, with two members voting “present.”

[SJR 68](#) and [SJR 96](#), which would prohibit the taxation of unrealized gains, were discussed in the Senate Committee on Economic and Workforce Development. During discussion, a Senate Committee Substitute was adopted to combine the bills. Once modified, the committee passed the bill by a 5-2 vote.

### **For Additional Information**

There will be no *Government Advocacy Update* next week because of the Legislature's spring break. We will resume normal reporting upon the General Assembly's return. If you have any questions on our legislative efforts, please contact [Dena Hull](#) at (800) 264-7966, ext. 105.

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