



April 3, 2023

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 began the second half of the session last week. The House marked the halfway point by sending the budget to the Senate with some controversial provisions. The Senate spent the week in a balance of advancing routine bills and taking on a high-profile issue that resulted in a filibuster. As we move to the last part of the session, bills of interest to MOCPA are starting to be heavily amended.

The state's budget starts in the House and is typically done around the halfway point of the session. The House completed its work last week. While the budget that came to the floor had several differences from Governor Parson's recommendation there were no real controversies. That changed when the budget came to the floor. Starting with the first budget bill, a representative offered an amendment restricting departments of state government from adopting certain practices related to promoting diversity, equity and inclusion. This amendment was adopted on all budget bills. There was a significant amount of debate on what the specific language accomplished and whether it unduly restricted the state. This debate will significantly complicate the passage of the budget in the Senate unless compromise language can be worked out.

The Senate spent the first part of last week working on routine bills on its calendar, passing several measures. On Wednesday, the Senate took up a bill that modified the process for passing citizen initiative petitions. Sparked by several recent constitutional amendments, changing this process is a priority of the majority party this year. The House passed the bill along mostly party lines. When the bill was taken up last week in the Senate, Democrats began a filibuster. After about six hours, the bill was placed on the informal calendar. It will almost certainly be brought up again and if a compromise is not reached before then another filibuster is likely.

As we move toward the end of the session, legislators begin to look for ways to advance their priorities. The most common of these is to amend a bill to another bill that is farther along in the process. This occurred last week on the following bills that MOCPA is tracking.

- [HB356](#)—Modifies provisions relating to income tax deductions for private pensions. This bill was amended to include a provision relating to ESOPs and to modify the business income deduction by adding Schedule F income;
- [HB816](#)—Modifies provisions relating to state sales tax and corporate income tax rates with a revenue trigger. This bill was amended to change the amount of the income tax reductions and removed any sales tax reductions;
- [SB247](#)—Modifies provisions relating to retirement. The original bill was an extension of the ESOP sunset. The bill was amended to change the limit on the deduction of Social Security benefits.

Legislation of Interest

[Click here](#) to view the complete list of high-priority bills MOCPA is currently tracking. The status on many of these changed last week. Be sure to check the list regularly to look for legislation that may be of interest to you or your clients.

Provide Input on PTET to MODOR

MOCPA's government advocacy team and a small working group of volunteer members will be meeting with the Missouri Department of Revenue's taxation division to discuss the challenges CPAs are encountering with the PTET filings this year. We will be sharing ways to improve the process so that it will go better in the future.

If you have questions, issues or practical solutions that you'd like addressed during this meeting, please [click here](#) to share with us by **June 1**. Individual comments will not be responded to but will be aggregated and presented to the Department's personnel during our meetings.

Some of the issues CPAs have experienced this year can be fixed administratively in time for next filing season (our primary focus), while others will require legislation. Any legislative remedies will likely not be effective until 2025. Thank you for your ongoing input and patience during this process!

For Additional Information

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.

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