



Special Session Update

Oct. 7, 2022

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 Parson called the Legislature into a special session to consider two bills that he had vetoed. While he supported the concepts of the bills, he took issue with some technical aspects, so he called the Legislature into special session to pass legislation covering these areas that satisfied his objections to the original bills. The Legislature convened on Sept. 14 in conjunction with the veto session. Legislators met sporadically over the next few weeks passing two bills and adjourning on Oct. 4. The two areas the Legislature addressed during the special session were areas that were of interest to Missouri CPAs.

The first area the governor asked the Legislature to address was a tax rate reduction. He had vetoed legislation that would have provided a one-time tax refund to certain taxpayers. The governor wanted a tax cut that was more uniform and permanent.

In response to this request the Legislature passed [SB 3](#). This bill:

- Reduces the top rate of income tax to 4.95 percent, effective Jan. 1, 2023;
- Reduces the rate to 4.8 percent effective when net general revenue collections exceed the three-year average by \$175 million;
- Provides for up to three additional .1 percent reductions when certain other revenue triggers are met in the future eventually reducing the top rate of tax to 4.5 percent; and

- Exempts the first \$1,000 of taxpayer's income from taxation effective Jan. 1, 2023.

The other area addressed during the special session was the expiration dates for several agricultural tax credits. These had been extended for two years during the regular session. When the governor vetoed the bill, he stated the two-year extension did not provide for adequate planning for the use of the credits and he requested they be extended for six years.

The Legislature passed [HB 3](#), which addresses the following:

- Wood Energy Tax Credit;
- Meat Processing Facility Investment Tax Credit;
- Ethanol Retailers Incentive Tax Credit;
- Biodiesel Incentive Tax Credit;
- Urban Farms Tax Credit;
- Rolling Stock Tax Credit;
- Agricultural Product Utilization Tax Credit;
- New Generation Cooperative Tax Credit;
- Specialty Agricultural Crops Loan Program; and
- Family Farms Loan Program.

For Additional Information

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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