

HB 2418 -- INCOME TAX DEDUCTION FOR CERTAIN FARMERS

SPONSOR: Diehl

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Agriculture Policy by a vote of 17 to 0.

Currently, an individual owner of farmland who sells all or a portion of such land to a "beginning farmer" may subtract from his or her Missouri adjusted gross income certain amounts when calculating the individuals' tax obligation.

This bill broadens the scope of those taxpayers who may subtract certain amounts from their Missouri adjusted gross income calculations by including any of the following:

- (1) Individuals;
- (2) Firms;
- (3) Partners in a firm;
- (4) Corporations;
- (5) Partnerships;
- (6) Shareholders in an S Corporation; or
- (7) Members of a Limited Liability Company.

PROPOSERS: Supporters say that this bill clarifies who qualifies for the tax deduction in order for more farmers to participate in the program. Currently, law defines a farm owner as an individual. Many farms, including family farms, are small corporations and partnerships.

Testifying in person for the bill were Representative Diehl; FCS Financial (Farm Credit Systems); Missouri Farm Bureau; Missouri Cattlemen's Association; Missouri Corn Growers Association; and Missouri Soybean Association.

OPPOSERS: There was no opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.