

# SENATE BILL NO. 867

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR BRATTIN.

4216S.03I

KRISTINA MARTIN, Secretary

## AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for certain educational expenses.

*Be it enacted by the General Assembly of the State of Missouri, as follows:*

Section A. Chapter 135, RSMo, is amended by adding thereto  
2 one new section, to be known as section 135.721, to read as  
3 follows:

135.721. 1. This section shall be known and may be  
2 cited as the "Missouri Parental Choice Tax Credit Act".

3 2. For the purposes of this section, the following  
4 terms shall mean:

5 (1) "Department", the Missouri department of revenue;

6 (2) "Home school", the same meaning as provided in  
7 section 167.031;

8 (3) "Private school", a school that is not a part of  
9 the public school system of the state of Missouri and that  
10 charges tuition for the rendering of elementary or secondary  
11 educational services;

12 (4) "Qualified expenses":

13 (a) Tuition or fees at a private school or home school;

14 (b) Textbooks required by a private school or home  
15 school;

16 (c) Educational therapies or services from a licensed  
17 or accredited practitioner or provider including, but not

18 limited to, licensed or accredited paraprofessionals or  
19 educational aides;

20 (d) Tutoring services;

21 (e) Curriculum;

22 (f) Tuition or fees for a private virtual school;

23 (g) Fees for a nationally standardized norm-referenced  
24 achievement test, advanced placement examinations, or any  
25 examinations related to college or university admission;

26 (h) Services provided by a public school including,  
27 but not limited to, individual classes and extracurricular  
28 programs;

29 (i) Computer hardware or other technological devices  
30 that are used to help meet the qualified student's  
31 educational needs;

32 (j) Fees for summer education programs and specialized  
33 after-school education programs; and

34 (k) Transportation costs for mileage to and from a  
35 private school or home school;

36 "Qualified expenses" shall not include consumable  
37 educational supplies including, but not limited to, paper,  
38 pens, pencils, or markers; tuition at a private school  
39 located outside of the state of Missouri; or payments or  
40 reimbursements to any person related within the third degree  
41 of consanguinity or affinity to a qualified student;

42 (5) "Qualified student", a child who is required to be  
43 educated pursuant to section 167.031;

44 (6) "Resident school district", the school district in  
45 which a taxpayer's residence is located;

46 (7) "Tax credit", a credit against the tax otherwise  
47 due under chapter 143, excluding withholding tax imposed  
48 under sections 143.191 to 143.265;

49           (8) "Taxpayer", any individual subject to the state  
50 income tax imposed under chapter 143, excluding the  
51 withholding tax imposed under sections 143.191 to 143.265,  
52 and who:

53           (a) Enrolled a qualified student in a private school  
54 or home school during the tax year for which the taxpayer is  
55 claiming a tax credit pursuant to this section; and

56           (b) Did not enroll a qualified student in the resident  
57 school district during the tax year for which the taxpayer  
58 is claiming a tax credit pursuant to this section.

59           3. (1) For all tax years beginning on or after  
60 January 1, 2025, a taxpayer shall be authorized to claim a  
61 tax credit against the taxpayer's state tax liability in an  
62 amount equal to one hundred percent of qualified expenses  
63 incurred for educating a qualified student at a private  
64 school or home school, provided that no tax credit  
65 authorized pursuant to this section shall exceed the state  
66 adequacy target, as defined in section 163.011.

67           (2) Tax credits authorized pursuant to this section  
68 shall not be transferred, sold, or assigned.

69           (3) Any amount of tax credit that exceeds the  
70 taxpayer's state tax liability shall be considered an  
71 overpayment of taxes and shall be refunded.

72           4. Tax credits authorized pursuant to this section  
73 shall be claimed by the taxpayer at the time such taxpayer  
74 files a return.

75           5. The department shall promulgate rules to implement  
76 the provisions of this section. Any rule or portion of a  
77 rule, as that term is defined in section 536.010, that is  
78 created under the authority delegated in this section shall  
79 become effective only if it complies with and is subject to  
80 all of the provisions of chapter 536 and, if applicable,

81 section 536.028. This section and chapter 536 are  
82 nonseverable and if any of the powers vested with the  
83 general assembly pursuant to chapter 536 to review, to delay  
84 the effective date, or to disapprove and annul a rule are  
85 subsequently held unconstitutional, then the grant of  
86 rulemaking authority and any rule proposed or adopted after  
87 August 28, 2024, shall be invalid and void.

88 6. Pursuant to section 23.253 of the Missouri sunset  
89 act:

90 (1) The program authorized pursuant to this section  
91 shall automatically sunset six years after the effective  
92 date of this section unless reauthorized by an act of the  
93 general assembly; and

94 (2) If such program is reauthorized, the program  
95 authorized pursuant to this section shall automatically  
96 sunset twelve years after the effective date of the  
97 reauthorization; and

98 (3) This section shall terminate on September first of  
99 the calendar year immediately following the calendar year in  
100 which the program authorized pursuant to this section is  
101 sunset; and

102 (4) The provisions of this subsection shall not be  
103 construed to limit or in any way impair the department's  
104 ability to redeem tax credits authorized on or before the  
105 date the program authorized pursuant to this section  
106 expires, or a taxpayer's ability to redeem such tax credits.

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