

SENATE BILL NO. 931

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR KOENIG.

3709S.01H

ADRIANE D. CROUSE, Secretary

AN ACT

To repeal sections 130.029 and 143.081, RSMo, and to enact in lieu thereof two new sections relating to corporations.

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

Section A. Sections 130.029 and 143.081, RSMo, are
2 repealed and two new sections enacted in lieu thereof, to be
3 known as sections 130.029 and 143.081, to read as follows:

130.029. 1. Nothing herein contained shall be
2 construed to prohibit any corporation organized under any
3 general or special law of this state, or any other state or
4 by an act of the Congress of the United States or any labor
5 organization, cooperative association or mutual association
6 from making any contributions or expenditures, provided:

7 (1) That the board of directors of any corporation by
8 resolution has authorized contributions or expenditures, or
9 by resolution has authorized a designated officer to make
10 such contributions or expenditures; or

11 (2) That the members of any labor organization,
12 cooperative association or mutual association have
13 authorized contributions or expenditures by a majority vote
14 of the members present at a duly called meeting of any such
15 labor organization, cooperative association or mutual
16 association or by such vote has authorized a designated
17 officer to make such contributions or expenditures.

18 2. No provision of this section shall be construed to
19 authorize contributions or expenditures otherwise prohibited
20 by, or to change any necessary percentage of vote otherwise
21 required by, the articles of incorporation or association or
22 bylaws of such labor organization, corporation, cooperative
23 or mutual association.

24 3. Authority to make contributions or expenditures as
25 authorized by this section shall be adopted by general or
26 specific resolution. This resolution shall state the total
27 amount of contributions or expenditures authorized, the
28 purposes of such contributions or expenditures and the time
29 period within which such authority shall exist.

30 **4. (1) Any limited liability company that is duly**
31 **registered pursuant to chapter 347 and that has not elected**
32 **to be classified as a corporation under the federal tax code**
33 **and any S corporation may make contributions to any**
34 **committee.**

35 **(2) For purposes of this subsection and section 23 of**
36 **article VIII of the Missouri Constitution, the term**
37 **"corporation" shall include any C corporation, provided that**
38 **the term shall not include any limited liability company**
39 **that is duly registered pursuant to chapter 347 and that has**
40 **not elected to be classified as a corporation under the**
41 **federal tax code and any S corporation.**

143.081. 1. A resident individual, resident estate,
2 and resident trust shall be allowed a credit against the tax
3 otherwise due pursuant to sections 143.005 to 143.998 for
4 the amount of any income tax imposed for the taxable year by
5 another state of the United States (or a political
6 subdivision thereof) or the District of Columbia on income
7 derived from sources therein and which is also subject to
8 tax pursuant to sections 143.005 to 143.998. For purposes

9 of this subsection, the phrase "income tax imposed" shall be
10 that amount of tax before any income tax credit allowed by
11 such other state or the District of Columbia if the other
12 state or the District of Columbia authorizes a reciprocal
13 benefit for residents of this state.

14 2. The credit provided pursuant to this section shall
15 not exceed an amount which bears the same ratio to the tax
16 otherwise due pursuant to sections 143.005 to 143.998 as the
17 amount of the taxpayer's Missouri adjusted gross income
18 derived from sources in the other taxing jurisdiction bears
19 to the taxpayer's Missouri adjusted gross income derived
20 from all sources. In applying the limitation of the
21 previous sentence to an estate or trust, Missouri taxable
22 income shall be substituted for Missouri adjusted gross
23 income. If the tax of more than one other taxing
24 jurisdiction is imposed on the same item of income, the
25 credit shall not exceed the limitation that would result if
26 the taxes of all the other jurisdictions applicable to the
27 item were deemed to be of a single jurisdiction.

28 3. **(1)** For the purposes of this section, in the case
29 of an S corporation, each resident S shareholder shall be
30 considered to have paid a tax imposed on the shareholder in
31 an amount equal to the shareholder's pro rata share of any
32 net income tax paid by the S corporation to a state which
33 does not measure the income of shareholders on an S
34 corporation by reference to the income of the S corporation
35 or where a composite return and composite payments are made
36 in such state on behalf of the S shareholders by the S
37 corporation.

38 **(2) A resident S shareholder shall be eligible for a**
39 **credit issued pursuant to this section in an amount equal to**
40 **the shareholder's pro rata share of any income tax imposed**

41 pursuant to chapter 143 on income derived from sources in
42 another state of the United States, or a political
43 subdivision thereof, or the District of Columbia, and which
44 is subject to tax pursuant to chapter 143 but is not subject
45 to tax in such other jurisdiction.

46 4. For purposes of subsection 3 of this section, in
47 the case of an S corporation that is a bank chartered by a
48 state, the Office of Thrift Supervision, or the comptroller
49 of currency, each Missouri resident S shareholder of such
50 out-of-state bank shall qualify for the shareholder's pro
51 rata share of any net tax paid, including a bank franchise
52 tax based on the income of the bank, by such S corporation
53 where bank payment of taxes are made in such state on behalf
54 of the S shareholders by the S bank to the extent of the tax
55 paid.

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