



Veto Session Update

HB2030 Income Tax Deduction

[HB2030](#), sponsored by Rep. Denny Hoskins (R-Warrensburg), authorizes an income tax deduction for 50 percent of the net capital gain from the sale or exchange of employer securities of a Missouri corporation to a qualified Missouri employee stock ownership plan if, upon completion of the transaction, the qualified Missouri employee stock ownership plan owns at least 30 percent of all outstanding employer securities issued by the Missouri corporation. The deduction will be available for all tax years beginning on or after Jan. 1, 2017.

The bill was vetoed by the Governor on June 28, 2016 and the veto was overridden Sept. 14, 2016.



SB641 Income Tax Deduction

[SB641](#), sponsored by Sen. Dave Schatz (R-Sullivan), creates an income tax deduction for payments received as part of a program that compensates agricultural producers who have suffered a loss due to disaster or emergency. The deduction will be available for all tax years beginning on or after Jan. 1, 2014.

The bill was vetoed by the Governor on June 28, 2016 and the veto was overridden Sept. 14, 2016.



SB1025 Sales Tax

[SB1025](#), sponsored by Sen. Will Kraus (R-Lee Summit) exempts instructional classes from sales tax.

The bill was vetoed by the Governor on June 28, 2016 and the veto was overridden Sept. 14, 2016.

Identity Verification Quiz

In October, the Department implemented increased security steps to protect taxpayers from identity theft and refund fraud. The Department will ask some taxpayers to confirm their identities by completing a short Identity Confirmation Quiz.

The quiz is used to help prevent tax refund fraud by confirming the person's identity has not been stolen and used to file a false return. Once the taxpayer successfully passes the quiz, the return will be processed without further delay. Taxpayers who fail the quiz will be provided further instructions. The quiz can be taken online or by phone. The new security measure will also be in effect for the tax season next year.

"Identity theft has consistently been a top concern, and it is our duty to protect our citizens from criminals who use stolen information to file fraudulent returns," said Acting Revenue Director John Mollenkamp.

The Department has stopped over \$100 million in fraudulent tax refunds since January 1, 2015. For more information about the new security measure, visit the [Identity Theft and Refund Fraud](#) page on the Department's website.