

TITLE 12—DEPARTMENT OF REVENUE
Division 10—Director of Revenue
Chapter 2—Income Tax

PROPOSED AMENDMENT

12 CSR 10-2.150 Tax Exempt Status of United States Government-Related Obligations. The director is amending sections (1), (2), and (4), removing section (3), and renumbering as necessary.

Purpose: This amendment simplifies the rule notifying the public of the exempt or nonexempt status of United States government obligations for purposes of section 143.121, RSMo.

(1) *[Any obligations issued pursuant to the provisions of an Act of Congress of the United States known as the Farm Credit Act of 1971 are exempt. Obligations issued by the following United States government agencies and other exempt entities are tax exempt: Banks for Cooperatives, Federal Intermediate Credit Banks, Federal Land Banks, Federal Home Loan Banks, United States Postal Service, Federal Housing Administration Debentures, Public Housing Notes and Bonds, General Services Administration, Small Business Administration, Tennessee Valley Authority, Student Loan Marketing Association, Treasury Bills and Bonds, United States Individual Retirement Bonds, United States Series E. Bonds, United States Series H. Bonds, Commodity Credit Corporation, Federal Deposit Insurance Corporation, Federal Farm Loan Corporation, Federal Financing Bank Obligations, General Insurance Fund, National Credit Union Central Liquidity Facility, National Farm Loan Association, Public Debt, United States Certificates of Indebtedness, United States Freedom Shares, Zero Coupon Bonds, Certificate of Accrual on Treasury Securities (Cats), Zero Coupon Based Rate Adjustment Securities (Zebras), Treasury Investment Growth Receipts (Tigrs), Financial Corporation Bonds, Resolution Funding Corporation Bonds, Educational Institution Bonds, Financing Corporation Obligations, Puerto Rican Bonds, American Samoa, Guam, Northern Mariana Covenant, Northern Mariana, Virgin Islands, Federal Farm Credit Banks and Junior College Building Corporation Bonds, Series B, 1988.]* **Obligations of the United States Government made exempt from income taxation by Missouri pursuant to 31 U.S.C. § 3124 are tax exempt.**

(2) Obligations issued by the following United States government-related agencies are not tax-exempt: Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, Government National Mortgage Association, *[New Communities Debentures,]* Export-Import Bank of United States, Farmers Home Administration, **and the** Washington Metropolitan Area Transit Authority *[and Repurchase Agreements].* **Additionally, Repurchase Agreements and New Communities Debentures are not tax-exempt.**

[(3) See 12 CSR 10-2.155 with respect to the Missouri income taxation of interest received from a mutual fund or regulated investment company.]

[(4)] (3) The *[list]* **identification** of obligations *[provided in]* by this regulation is not **necessarily** all-inclusive.

AUTHORITY: section 143.961, RSMo [1994] 2016. Original rule filed Dec. 23, 1985, effective May 29, 1986. Emergency amendment filed Dec. 2, 1992, effective Jan. 1, 1993, expired April 30, 1993. Emergency amendment filed April 14, 1993, effective May 1, 1993, expired Aug. 28, 1993. Amended: Filed Dec. 2, 1992, effective July 7, 1993. Amended: Filed June 2, 2025.*

**Original authority 143.961, RSMo 1972.*

*31 U.S.C. 3124, **Farmers & Traders State Bank v. Johnson**, 458 N.E. 2d 1365 (Ill. App. 4th Dist. 1984).*

PUBLIC COST: This proposed amendment will not cost state agencies or political subdivisions more than five hundred dollars (\$500) in the aggregate.

PRIVATE COST: This proposed amendment will not cost private entities more than five hundred dollars (\$500) in the aggregate.

NOTICE TO SUBMIT COMMENTS: Anyone may file a statement in support of or in opposition to this proposed amendment with the Missouri Department of Revenue, Legislative Office, 301 W. High Street, Room 218, Jefferson City, MO 65109-0475. To be considered, comments must be received within thirty (30) days after publication of this notice in the Missouri Register. No public hearing is scheduled.