

**FISCAL NOTE
PUBLIC COST**

- I. Department Title: Department of Revenue
Division Title: Director of Revenue
Chapter Title: Chapter 2 – Income Tax**

Rule Number and Name:	12 CSR 10.2436 SALT Parity Act Implementation
Type of Rulemaking:	New

II. SUMMARY OF FISCAL IMPACT

Affected Agency or Political Subdivision	Estimated Cost of Compliance in the Aggregate
Department of Revenue	Less than \$11,000

III. WORKSHEET

IV. ASSUMPTIONS

The SALT Parity Act allows the Department to create an entity level income reporting tax return for S Corps and Partnerships. Additionally, members of the S Corps and Partnerships will receive a tax credit on their individual income tax return for the amount of tax paid by the entity. This program will result in the Department adding a line to the MO-1040, the MO-TC and creating the entity level return. These changes are being done by in-house staff who make changes to our tax forms annually. These changes are not expected to result in a fiscal impact.

The Department's internal tax reporting computer system will need to be updated to accept the changes on the MO-1040, MO-TC and the new entity reporting form. The Department has a vendor that makes changes to our system as needed. These changes are expected to result in one-time computer upgrades costs of less than \$11,000.

No other political subdivision or state agency is impacted by the SALT Parity Act.