

Historic tax cut approved for Missouri

(MSC News)--On Wednesday, Missouri Governor Mike Parson signed into law historic income tax cuts.

Senate Bill 3 reduces Missouri's top state individual income tax rate from 5.3 percent to 4.95 percent starting in 2023.

The governor also signed into law a \$40 million tax break for farmers, ranchers and other agriculture related businesses after passing a special legislative session.

The Associated Press reports that on Tuesday, the Missouri Legislature passed the annual tax breaks for farmers.

The GOP-led Senate on Tuesday voted 26-3 to send the tax incentive package to Gov. Mike Parson. Lawmakers had passed a similar bill in May. But the Republican governor vetoed it, in part citing the short two-year sunset on many of the tax credits.

He called a special legislative session to extend the agricultural tax credits for a longer period of time.

He also asked lawmakers to spend some of the state's surplus revenue on an individual income tax cut, which they approved last week.

Meanwhile, KQ2-TV reports that part of the agricultural package signed by Parson includes incentives for the production and sale of alternative fuels, such as ethanol.

Ethanol is made from corn and other plant materials found in 98% of gasoline in the U.S. and has increased in production over the past twenty years.

Proponents of Ethanol express its environmental impact compared to fossil fuels, while others cite downsides to the alternative fuel, including what they call a lack of efficiency.

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