

Be it resolved by the people of the state of Missouri that the Constitution be amended:

Article X is amended by repealing Section 1 and two new sections are adopted to be known as Article X, Sections 1 and 26.

Section 1. (a) The General Assembly and all state executive agencies and departments shall not issue, authorize or approve a cumulative amount of tax credits in excess of \$200 million per state fiscal year. If the cumulative amount of tax credits issued, authorized or approved in any state fiscal year exceeds \$200 million, the existing rate of the individual income tax shall be permanently reduced by the reduction factor effective the immediately ensuing tax year.

(b) If the existing rate of the individual income tax is one quarter of one percent or less, then the individual income tax shall be permanently eliminated and the general assembly shall not have the authority to impose a tax on or measured by income or earnings of an individual.

(c) "Reduction factor" is the percentage, rounded up to the nearest quarter of one percent but not less than one quarter of one percent, sufficient to reduce tax collections by the cumulative amount of tax credits issued, authorized or approved in any state fiscal year which is in excess of \$200 million.

(d) All tax credits, issued after the effective date of this amendment, shall be redeemed within five years of the date of issuance of such tax credit and any tax credits issued after the effective date of this amendment but not redeemed in such time period shall expire and cannot be used to offset or pay any tax liability or be refunded from any state funds or by any state entity.

(e) Notwithstanding other provisions of this constitution, any taxpayer of the state shall have standing to bring suit in a circuit court of proper venue to enforce the provisions of this section and, if the suit is sustained, shall receive from the state his costs, including reasonable attorneys' fees, incurred in maintaining such suit.

Section 26. The taxing power may be exercised by the general assembly for state purposes, and by counties and other political subdivisions under power granted to them by the general assembly for county, municipal and other corporate purposes, except as restricted in Section 1 of this Article.

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