

Income/Franchise:

Missouri DOR Proposes Recission of Special Industry and Optional SSF Apportionment Rules Due to Law Changes

Proposed Recission of 12 CSR 10-2.200: Trucking Companies; Proposed Recission of 12 CSR 10-2.205: Railroads; Proposed Recission of 12 CSR 10-2.210: Airlines, Mo. Dept. of Rev. (8/15/23); Proposed Recission of 12 CSR 10-2.052: Optional Single Sales Factor, Mo. Dept. of Rev. (8/15/23). The Missouri Department of Revenue (Department) is proposing to rescind three of its special industry apportionment rules – specifically, its rules involving trucking companies, railroads, and airlines – because it believes these rules “might lead to a lack of clarity for taxpayers” that are part of these industries “but who can no longer use the corporate income tax apportionment provisions found in those rules” due to Missouri’s adoption of a mandatory single-sales factor formula for state corporation income tax purposes for tax years beginning on or after January 1, 2020 [see previously issued Multistate Tax Alert for more details on the underlying state tax law changes enacted in 2018]. Similarly, the Department is proposing to rescind its “optional single sales factor” rule “due to its limited potential applicability” (*i.e.*, it “could only be applied by corporations that never filed an income tax return for income tax periods ending on or before December 31, 2019”) to avoid potential taxpayer confusion. Any comments on these proposed rule rescissions must be received within 30 days after their August 15, 2023 publication in the Missouri Register. Please contact us with any questions.

URL: <https://www.sos.mo.gov/CMSImages/AdRules/moreg/2023/v48n16Aug15/v48n16.pdf>

URL: <https://www.sos.mo.gov/CMSImages/AdRules/moreg/2023/v48n16Aug15/v48n16.pdf>

URL: <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/Tax/us-tax-enacted-missouri-legislation-includes-future-reduction-to-corporate-income-tax-rate-and-apportionment-changes.pdf>

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