



CAPITOL TELEPHONE: 573-751-2204

E-MAIL:

DEAN.DOHRMAN@HOUSE.MO.GOV

**STATE REPRESENTATIVE
DEAN A. DOHRMAN
51ST DISTRICT**

Committees

**Higher Education, Vice Chair
Subcommittee on Student Debt Relief
Joint Committee on Education
Veterans
Special Committee on Employment Security
NCSL Military and Veterans Affairs Task Force**



STATE CAPITOL OFFICE
201 WEST CAPITOL AVENUE
ROOM 415-A
JEFFERSON CITY, MO 65101-6806

QUICK LINKS:

www.state.mo.us

www.house.mo.gov

www.modot.org

www.senate.mo.gov

**Capitol Report
January 11th, 2018**

The 99th Missouri General Assembly, Second Session, has officially begun. Governor Greitens delivered the 2018 State of the State Address yesterday in the House of Representatives Chamber at the Missouri State Capitol. In the address, the governor discussed the current condition of Missouri as a state, job growth, economic outlook and forecasts, among several other topics important to the well-being of the state.

As I have mentioned previously, 2017 played host to some very historic events in Missouri. Now, in 2018, the new year brings more topics to the table including approval of measures to cut bureaucratic red tape, lessen the regulatory burden on families and businesses, and advance policy changes that will provide more educational opportunities to young people in all parts of the state.

In other news, since the recent passage of the federal income tax overhaul, I thought it would be beneficial to provide you with a brief summary of the major changes. The net effect of most of these changes is that corporations will see a significant decline in their tax rate, individual tax payers are being encouraged to take the standard deduction instead of itemizing, and the income tax brackets for filers are generally adjusted down. More on this topic below.

Federal Income Tax Changes

In light of the recent passage of the federal income tax overhaul, I thought it would be beneficial to provide you with a brief summary of the major changes. The net effect of most of these changes is that corporations will see a significant decline in their tax rate, individual tax payers are being encouraged to take the standard deduction instead of itemizing, and the income tax brackets for filers are generally adjusted down. Below is a brief list of the changes.

Changing from existing federal tax law:

- The corporate income tax rate is reduced from 35% to 21%
- Changes to the income tax brackets (10% up to 37%)
- The Affordable Care Act individual mandate is removed
- The standard deduction is increased:
 - o From \$6,350 to \$12,000 for single filers
 - o From \$12,700 to \$24,000 for married filing jointly
- 529 education savings accounts are now eligible for K-12 spending
 - o Allows for expenditures up to \$10,000 to private institutions
- The Child Tax Credit is increased from \$1,000 to \$2,000:
 - o Is now refundable up to \$1,400
 - For single filers making up to \$200,000
 - For married filing jointly making up to \$400,000
- Creates a \$500 credit for non-child dependents (includes parents and adults with disabilities)
- Pass thru entities get up to a 20% earnings deduction that begins to phase out at \$315,000
- The estate (death) tax threshold is doubled
- The \$4,050 personal exemption is removed
- The tax preparation deduction is removed
- The moving expenses deduction is removed

- Alimony is no longer deductible
- Increases limits on the alternative minimum tax
- Eliminates the \$4,050 personal exemption
- The state and local tax (SALT) deduction is now capped at \$10,000

Not changing from existing federal tax law:

- No changes to classroom supplies deduction
 - o If a teacher uses personal money to purchase supplies
- Home owners' profit off of sale is still at the capital gains rate
- Tuition waivers for graduate students remain tax free

The Governor's Situation

Late last night a story broke about Governor Greitens having an extramarital affair. The governor made a statement about this situation, but few factual details are known at this time, and I will offer no speculations. However, the following comment has been released by House leadership, and I concur with this statement. "While the details of the story continue to emerge, the allegations made against the Governor last night are deeply concerning. The Governor must be forthright and accountable for his actions."

It is an honor to serve the 51st District in the Missouri House of Representatives. Each week I will issue a capitol report to keep you informed of activities in Jefferson City. Any concerns or issues you might have are of great interest to me. I look forward to your input and thoughts, so please feel free to contact me at any time if you have questions, concerns, or ideas to improve our state government and the quality of life for all Missourians. My telephone number is 573-751-2204 or you may contact me by email at dean.dohrman@house.mo.gov. Thank you for working with me to make Missouri a great place to live.

Serving the Constituents of the 51st District,



State Representative

If you would like to **unsubscribe** to this Capitol Report,
please contact: dylan.bryant@house.mo.gov