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Missouri House Approved Tax Bracket Adjustment

(AP) - Missouri House members have endorsed the first change in Missouri's income tax brackets since the Great Depression.

A bill given initial approval Monday would require Missouri's tax brackets to be adjusted annually for inflation starting in 2015.

Although the tax rates have changed over time, Missouri's top income tax bracket has been set at \$9,000 since 1931. That means all income over that amount is taxed at the same 6 percent rate.

Republican House member Paul Curtman, of Pacific, is sponsoring the tax-bracket legislation. He says that while \$9,000 may have been a decent income during the Great Depression, it now falls below the poverty level.

Legislative researchers estimate the tax-bracket adjustment could reduce state tax revenues by \$26 million when it's fully in effect.

Associated Press