

Insights

MISSOURI ELIMINATES CAPITAL GAINS TAX FOR INDIVIDUALS

May 30, 2025

Missouri is poised to become the first State to eliminate the income tax on capital gains for individuals. The General Assembly passed House Bill 594 in May, and Governor Mike Kehoe is expected to sign the bill. If he does so, the tax will be eliminated for all capital gains realized on individual returns in 2025. While the federal capital gains tax will remain, the legislative change will reduce the overall tax burden on capital gains by up to 4.8%.

The bill does not affect capital gains realized by entities that do not have flow through status in 2025. However, the bill does provide a trigger that would reduce (or eliminate) the Missouri capital gains tax for entities if State revenues exceed certain limits in future years.

If you have any questions about House Bill 594, please contact [Derek Rose](#).

RELATED CAPABILITIES

- Tax & Private Client

MEET THE TEAM



B. Derek Rose

St. Louis / Jefferson City

derek.rose@bclplaw.com

+1 314 259 2529

This material is not comprehensive, is for informational purposes only, and is not legal advice. Your use or receipt of this material does not create an attorney-client relationship between us. If you require legal advice, you should consult an attorney regarding your particular circumstances. The choice of a lawyer is an important decision and should not be based solely upon advertisements. This material may be “Attorney Advertising” under the ethics and professional rules of certain jurisdictions. For advertising purposes, St. Louis, Missouri, is designated BCLP’s principal office and Kathrine Dixon (kathrine.dixon@bclplaw.com) as the responsible attorney.