



Sept. 6, 2023

Missouri Chamber of Commerce and Industry
428 East Capitol Avenue
Jefferson City, MO 65101

Contact: 573-634-3511
Dan Mehan, President/CEO
Megan Davis, Director of Communications

Gov. Parson signs bill reauthorizing employee stock ownership plan (ESOP) tax deduction

EDITOR'S NOTE: [Photos from today's bill signing are available for download here.](#)

Pictured (from left to right) are representatives of two employee-owned companies – Louis Landwehr, Winter-Dent & Company, and Doyle Edwards, Brewer Science – along with Trevor Monnig, president of the Heart of America Chapter of The ESOP Association.

JEFFERSON CITY, Mo. – Gov. Mike Parson signed legislation today that will help ensure Missouri businesses remain in Missouri. At a ceremonial signing event at the state capitol, Gov. Parson signed SB 20, sponsored by Sen. Mike Bernskoetter (R-Jefferson City), which reauthorizes the employee stock ownership plan (ESOP) tax deduction.

The Missouri Chamber of Commerce and Industry strongly supported the extension of this valuable tool that promotes employee ownership and fosters a positive business environment in our state.

“We believe ESOPs are incredibly important, especially when we’re in a global competition for jobs and talent,” said Dan Mehan, president and CEO of the Missouri Chamber. “Employee-owned businesses often exhibit higher levels of employee satisfaction, increased productivity and greater long-term stability. In turn, these companies contribute to the local economy, driving growth and job creation. This ESOP tax deduction plays a crucial role in facilitating the transition to employee ownership, making it more financially viable for businesses.”

In 2016, Missouri lawmakers created a 50 percent income tax deduction on the proceeds business owners receive when they sell their companies to their employees. The incentive was intended to encourage businesses to go the ESOP route versus selling to a competitor or passing the business to out-of-state ownership.

Senate Bill 20 repeals the 2022 sunset of the legislation and extends this successful incentive program.

“We have witnessed firsthand the positive impact of employee ownership in Missouri,” Mehan said. “It is our firm belief that extending the ESOP tax deduction found in SB 20 will further encourage and support locally-owned businesses, leading to a stronger and more prosperous economy.”

The Missouri Chamber of Commerce and Industry is the largest business association in Missouri. Together with the Missouri Chamber Federation, the Missouri Chamber represents more than 75,000 employers. To learn more, go to www.mochamber.com, or follow us @MissouriChamber on Twitter.

###