



## **SJR 96**

**Sponsor:** Joe Nicola

**Path to full text:**

### **PART 1 – QUICK SNAPSHOT**

#### **1.1 One-Paragraph Overview**

Senate Joint Resolution 96 (SJR 96) would amend **Article X** of the Missouri Constitution to add a new section 4(e) saying that, *“Notwithstanding any provision of this article to the contrary, no taxes shall be imposed on any unrealized gains accrued on any asset prior to the sale of such asset.”*

In plain English: **Missouri government—state or local—could never tax “paper” increases in value on any asset before you sell it.** That includes farms, homes, small businesses, investments, and other property. It matters because it **slams the constitutional door on all wealth-tax and “mark-to-market”- style schemes, and does so in a sweeping, categorical way that aligns with our moral position that taxing unrealized gains on any asset is inherently unjust.**

#### **1.2 Triage Table**

- **Single-subject (Art. III §23)**
  - **Yes.** One clear subject: limits on taxation of unrealized gains on assets, reflected in both title and text.
- **Does it grow government?**
  - **No.** It adds **no agencies, programs, or regulatory power**; it only **restricts** taxing authority.
- **Overall impact on Missouri families:**
  - **Helps.** It fortifies families, farmers, and small businesses against present or future attempts to tax “paper” gains and makes it much harder for any politician to treat your property as the state’s piggy bank.
- **Alignment with Act for Missouri core beliefs (per your master prompt):**

- **Supports.** It strengthens property rights, constrains government, and reflects a clear moral judgment that the state has no legitimate claim on wealth that hasn't actually been realized.
- **Recommended stance:**
  - **Support.**

---

## PART 2 – PURPOSE & PROVISION MAP

### 2.1 Stated Purpose

- **Apparent purpose (plain English):**  
To constitutionally forbid Missouri from ever taxing unrealized gains on any asset prior to sale.
- **Title accuracy:**
  - Title: “*relating to the taxation of certain assets.*”
  - This is **accurate but very general.** It does not spell out “unrealized gains,” but it is not deceptive; voters would see the actual ballot language describing the new section.

### 2.2 Provision-by-Provision Map

#### Provision 1 – Absolute ban on taxes on unrealized gains on any asset

- **Location:** Article X, new §4(e); lines 20–23.
- **Plain-language description:**  
Adds a new section stating that, **despite anything else in Article X**, no tax may be imposed on any **unrealized** gain on **any asset** before the asset is sold. That is a flat, constitutional “no” to wealth taxes or mark-to-market taxation.
- **Tag:** [Good]
- **Why:**
  - Morally, this matches our conviction that **taxing unrealized gains—on any asset—is wrong**, because the gain is hypothetical and not yet income.
  - Practically, it **blocks future wealth-tax schemes** that could target farms, homes, small businesses, retirement accounts, or investments based on rising valuations.
  - The broad wording (“any asset,” “notwithstanding any provision of this article”) is a **deliberate shield**, ensuring no clever drafting or redefinition can sneak a new form of unrealized-gain tax in through the back door.

### 2.3 Changes to Existing Law

- **What it amends:**
  - Adds **Article X, §4(e)** to the Missouri Constitution.
- **Current law (substance):**
  - Article X governs **taxation**, including property taxes and other state/local taxes. Missouri does **not currently tax capital gains on a “mark-to-market” basis** as unrealized gains, but it does have **ad valorem property taxes** tied to assessed value.
- **What changes if SJR 96 passes:**
  - The Constitution would contain a **crystal-clear rule: no taxes on unrealized gains on any asset, ever.**
  - **Short term:** No immediate change to current tax bills, because Missouri doesn't practice wealth/mark-to-market taxation today.
  - **Long term:**
    - Future legislatures would be **constitutionally barred** from adopting wealth taxes or “mark-to-market” mechanisms.
    - The broad wording means **taxpayers and attorneys will have a powerful constitutional tool** to challenge any tax structure they can plausibly characterize as a tax on unrealized gains. That potential is a **feature**, not a flaw: we *want* a strong shield that forces government to justify any tax that touches unrealized value.

## PART 3 – CONSTITUTIONAL & PROCESS CHECKS

### 3.1 Missouri Single-Subject & Original-Purpose Tests

- **Main subject:**  
Limits on taxation of **unrealized gains on assets**.
- **Other subjects / riders:**
  - None. It's a single sentence, single concept.
- **Title vs. content:**
  - Title is related and not misleading; actual text is short and matches the described subject.
- **Original-purpose shift:**
  - No substitutes or multi-stage drafts visible here; nothing indicates a bait-and-switch.

- **Conclusion:**

- Likely complies with single-subject and clear-title requirements.

### 3.2 U.S. & Missouri Constitutional Rights

- **Rights affected:**

- The measure **limits government**, not citizens. It does not restrict speech, religion, arms, or due process.
  - It **strengthens property and economic liberty** by limiting how far the tax power can reach.

- **Conclusion:**

- No rights violations; instead, it adds a **structural protection** for taxpayers against confiscatory or speculative taxation.

### 3.3 Delegation & Unelected Power

- **Delegation to agencies:**

- None. No boards, commissions, or bureaucracies are created. All the “work” is done by a short, self-executing rule.

- **Courts’ role:**

- Courts may have to interpret edge cases (what counts as “unrealized,” what counts as an “asset”), but the **core command is clear**: if the gain isn’t realized, you cannot tax it.
  - This is not open-ended delegation; it is a **bright-line principle** that judges are required to uphold.

- **Conclusion:**

- **No problematic delegation** or empowerment of unelected regulators.

---

## PART 4 – IMPACT ON MISSOURI FAMILIES

### 4.1 Economic, Tax, and Utility Impacts

- **Short-term (1–2 years):**

- Because Missouri does not currently tax unrealized gains, **household tax bills likely stay the same at first**.
  - The immediate impact is **preventive**: politicians cannot even seriously float a wealth-tax or mark-to-market proposal without acknowledging it would be unconstitutional.

- **Long-term (5+ years):**
  - **Protection from wealth taxes:**
    - Families, farmers, small businesses, and retirees gain **strong protection** against future attempts to tax appreciation in land, homes, or investments **before those gains are realized.**
  - **Leverage against abusive tax structures:**
    - The broad language gives citizens **legal leverage** against any tax that effectively tries to capture increases in value that haven't been realized as income.
  - **Property-tax angle:**
    - It is **possible** that property-tax challenges will be brought under this section, arguing that repeated reassessments are effectively taxing unrealized gains in property value.
    - From our perspective—based on our skepticism of property-tax structures—this is a **welcome fight**, forcing the state either to defend the justice of the current system or to rethink how it funds local government.
    - In other words, for Act for Missouri, the possibility that §4(e) might **put pressure on unjust property-tax practices is a feature, not a bug.**
- **Net impact on budgets:**
  - **Positive for families:** hard cap on what the state can target.
  - Any fiscal adjustment burden falls on politicians to design **fairer, more honest forms of taxation**, rather than quietly inventing wealth-style levies.

## 4.2 Freedom, Parental Rights, and Education

- **Direct effects:**
  - SJR 96 does not mention schools, DESE, parents, or curriculum.
- **Indirect:**
  - School funding relies on tax structures that may, down the road, interact with §4(e). If this triggers reform, your lens is: **design it in a way that respects property rights and local control**, rather than simply protecting the status quo.
- **Net effect:**
  - No direct change today, but **long-term, pro-family potential** if it forces more honest funding debates instead of stealth wealth taxation.

## 4.3 Moral & Cultural Climate

- **Moral principle:**
  - Biblically and morally, this aligns with the idea that government **does not own your increase before God actually gives it to you in reality (realized income or sale).**
  - Taxing hypothetical paper gains is very close to legalized plunder; SJR 96 draws a hard line against that.
- **Cultural message:**
  - It sends a clear signal that, in Missouri, **ordinary people's property and savings are not open season** for experimental tax schemes dreamed up by elites.
- **Net effect:**
  - **Supports** a culture of **ownership, stewardship, and limited civil authority.**

---

## PART 5 – ACT FOR MISSOURI CORE PRINCIPLES CHECK

Using your master prompt's lens.

1. **100% Pro-Life**
  - **Not implicated.** No abortion or personhood provisions.
2. **Christian & Biblical Values**
  - **Supports.**
    - Respects private property and opposes state claims on hypothetical wealth.
    - Lines up with the idea that “Thou shalt not steal” applies to government as well as individuals.
3. **Property Taxes & Economic Freedom**
  - **Supports (strongly).**
    - Absolute ban on taxing unrealized gains on any asset is a **strong defense of economic liberty.**
    - Any pressure it puts on existing property-tax structures will **force a serious conversation** about whether those structures are just—something we are already pushing for.
4. **Literal / Original-Intent Constitutionalism**
  - **Supports.**
    - Short, clear, self-executing clause backed by a plain-meaning command.

- Moves Missouri closer to a tax system where **ordinary citizens can actually read the Constitution and understand their protections.**

## 5. Right to Bear Arms

- **Not implicated.**

## 6. State Sovereignty & Tenth Amendment

- **Supports.**

- Makes it harder for Missouri to be dragged into **federal or global wealth-tax trends** by making such schemes unconstitutional here.

## 7. Nuclear Family & Parental Rights

- **Not directly implicated.** Indirect help via family finances.

## 8. Homeschool Protection

- **Not implicated.**

## 9. Currency & Financial Control

- **Supports (partially).**

- Limits how state tax policy can weaponize asset valuations, which helps resist some forms of future financial control.
- Does not address CBDC/FedNow directly, but it **closes off one avenue of abuse.**

## 10. Election Integrity

- **Not implicated.**

## 11. Government Transparency

- **Neutral.** Doesn't change Sunshine or records, but **simpler, clearer tax rules** tend to be easier for citizens to understand and monitor.

---

# PART 6 – SPECIAL TOPIC TESTS

## 6.1 Amendment 3 / Personhood & Equal Protection

- **Not implicated.** No abortion, “reproductive freedom,” or personhood language.

## 6.2 Surveillance, Digital-ID, and Data Hubs

- **Not implicated.** No IDs, databases, or data-sharing systems.

## 6.3 Utilities, Energy Policy, and Data Centers

- **Not implicated.** No mention of utilities, energy policy, or big-user tariffs.

#### 6.4 Federal Money & Strings

- **Not implicated.** No federal funds accepted or conditioned.

#### 6.5 Model-Legislation / Agenda 21 & 2030 / Globalism Indicators

- The language is a **simple, one-sentence tax limitation** with none of the usual globalist buzzwords (equity, sustainable, resilience, etc.). If it mirrors model language elsewhere, it's still clearly **anti-wealth-tax**, not pro-Agenda-2030.

---

### PART 7 – RED FLAGS, AMENDMENT IDEAS, & FINAL RECOMMENDATION

#### 7.1 Red-Flag List

From **Act for Missouri's** perspective, **no major red flags**. The two items below are more “things to watch” than reasons to oppose:

1. **Watch Item – Interaction with property tax and local funding**
  - **Location:** Art. X, §4(e).
  - **Note:** Challenges to property-tax structures could arise. For us, this is **not a** reason to oppose; it is an opportunity to **push for a more just tax framework** if current practices are in fact taxing unrealized gains.
2. **Watch Item – Litigation and judicial interpretation**
  - **Location:** Same language.
  - **Note:** As with any constitutional limit, courts will interpret the edges—what counts as “unrealized,” etc. But the core rule (“no tax on unrealized gains on any asset”) is so direct that it **still strongly favors taxpayers**.

#### 7.2 Possible Fixes / Amendments (Optional, Not Essential)

From our moral stance—**taxing unrealized gains on any asset is wrong, full stop**—any attempt to narrow the language risks **creating loopholes**. So there is a strong argument **not** to tinker with it.

#### 7.3 Final Recommendation

- **Recommended stance: Support.**
- **Why:**
  - SJR 96 is a **short, clear constitutional shield** that permanently bans Missouri from taxing unrealized gains on any asset.

- It does **not grow government**, create new bureaucracy, or infringe individual rights; instead it **strengthens property rights and economic liberty** for Missouri families.
- While its broad language may invite future challenges to other tax structures, that is consistent with your conviction that government **has no moral claim on hypothetical, unrealized wealth**.
- For Act for Missouri, this is a **rare case where sweeping, tightly-closed language is exactly what you want**, and it aligns fully with our constitutional, pro-liberty principles.