

COMMISSION FOR THE BLIND.

1. Members of Commission for the Blind must file Federal Income Tax returns for private incomes.

2/9
February 7th
1934.



Mrs. Mary E. Ryder,
Missouri Commission for Blind,
3858 Westminster Place,
St. Louis, Missouri.

Dear Mrs. Ryder:-

We have your letter of January 29, 1934, in which information was requested as follows:

"Will you please tell me if the members of the staff of the Missouri Commission for the Blind are exempt from Federal income tax returns because they are employees of the State of Missouri?"

Laws of 1933, page 190, repealing and reenacting Sections 8888 and 8892 Revised Statutes of Missouri, 1929, provides in part as follows:

"Sec. 8892. Compensation of members.--The officers and members of the Commission hereby created shall receive no salary or other compensation for their services as officers or members of the Commission for the Blind, but their traveling expenses and other necessary expense in the performance of their duties as officers and members of the Commission for the Blind may be allowed and paid them out of any funds that may be appropriated by the State for the use of said Commission."

The United States Internal Revenue Laws provide that the compensation received by state and municipal officers and employees shall not be in any way subject to the Federal Income Tax. See U.S.C.A. Title 26, Section 954(b)(7), and note 46 thereunder; also Title 26, Section 1065(b) and Article 643 of Regulations 77, promulgated under Section 116 of the Revenue Act of 1932 as amended. This exemption does not, however, apply to the person but merely to the compensation. In other words, a state employee would be taxed on any income he had outside his state remuneration, and would be required to file a return as to such income.

Mrs. Mary E. Ryder

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Since under Section 8892 above quoted it is provided that the members of the Commission shall receive no compensation for their services except expenses, the question of taxation on that source does not arise. As to such income as the members may have from sources not connected with the state, Federal Income Tax returns must be filed.

Very truly yours,

CHAS. M. HOWELL, Jr.
Assistant Attorney General.

CMHJr:LC

Approved:

Attorney General.