

FIRST REGULAR SESSION

HOUSE BILL NO. 983

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE LAFAVER.

1134L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 135.025 and 135.030, RSMo, and to enact in lieu thereof two new sections relating to senior citizens property tax relief.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 135.025 and 135.030, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 135.025 and 135.030, to read as follows:

135.025. **1. Except as provided in subsection 2 of this section**, the property taxes accrued and rent constituting property taxes accrued on each return shall be totaled. This total, up to seven hundred fifty dollars in rent constituting property taxes actually paid or eleven hundred dollars in actual property tax paid, shall be used in determining the property tax credit. The director of revenue shall prescribe regulations providing for allocations where part of a claimant's homestead is rented to another or used for nondwelling purposes or where a homestead is owned or rented or used as a dwelling for part of a year.

2. For all calendar years beginning on or after January 1, 2016, the amounts of the property taxes accrued and rent constituting property taxes accrued that are totaled on each return under this section and used to determine the property tax credit shall not exceed nine hundred thirty-seven dollars and fifty cents in rent constituting property taxes actually paid or one thousand three hundred seventy-five dollars in actual property tax paid.

135.030. 1. As used in this section:

(1) The term "maximum upper limit" shall, for each calendar year after December 31, 1997, but before calendar year 2008, be the sum of twenty-five thousand dollars. For all calendar years beginning on or after January 1, 2008, the maximum upper limit shall be the sum of

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

5 twenty-seven thousand five hundred dollars. In the case of a homestead owned and occupied for
6 the entire year by the claimant, the maximum upper limit shall be the sum of thirty thousand
7 dollars;

8 (2) The term "minimum base" shall, for each calendar year after December 31, 1997, but
9 before calendar year 2008, be the sum of thirteen thousand dollars. For all calendar years
10 beginning on or after January 1, 2008, the minimum base shall be the sum of fourteen thousand
11 three hundred dollars.

12 2. (1) For all calendar years ending on or before December 31, 2015, if the income
13 on a return is equal to or less than the maximum upper limit for the calendar year for which the
14 return is filed, the property tax credit shall be determined from a table of credits based upon the
15 amount by which the total property tax described in section 135.025 exceeds the percent of
16 income in the following list:

17

18 If the income on the return is:

The percent is:

19 Not over the minimum base

0 percent with credit

20

not to exceed \$1,100

21

in actual property tax

22

or rent equivalent paid

23

up to \$750

24 Over the minimum base but

1/16 percent accumulative

25 not over the maximum upper

per \$300 from

26 limit

0 percent to 4 percent.

27 (2) For all calendar years beginning on or after January 1, 2016, if the income on
28 a return is equal to or less than the maximum upper limit for the calendar year for which
29 the return is filed, the property tax credit shall be determined from a table of credits based
30 upon the amount by which the total property tax described in section 135.025 exceeds the
31 percent of income in the following list:

32

33 If the income on the return is:

The percent is:

34 Not over the minimum base

0 percent with credit

35

not to exceed \$1,375

36

in actual property tax

37

or rent equivalent paid

38

up to \$937.50

39 Over the minimum base but

1/16 percent accumulative

40 not over the maximum upper

per \$300 from

41 limit

0 percent to 4 percent.

42

43 **(3)** The director of revenue shall prescribe a table based upon [the preceding sentences]
44 **subdivisions (1) and (2) of this subsection.** The property tax shall be in increments of
45 twenty-five dollars and the income in increments of three hundred dollars. The credit shall be
46 the amount rounded to the nearest whole dollar computed on the basis of the property tax and
47 income at the midpoints of each increment. As used in this subsection, the term "accumulative"
48 means an increase by continuous or repeated application of the percent to the income increment
49 at each three hundred dollar level.

50 3. Notwithstanding subsection 4 of section 32.057, the department of revenue or any
51 duly authorized employee or agent shall determine whether any taxpayer filing a report or return
52 with the department of revenue who has not applied for the credit allowed pursuant to section
53 135.020 may qualify for the credit, and shall notify any qualified claimant of the claimant's
54 potential eligibility, where the department determines such potential eligibility exists.

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