

FIRST REGULAR SESSION

HOUSE JOINT RESOLUTION NO. 17

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KIDD.

0217H.011

DANA RADEMAN MILLER, Chief Clerk

JOINT RESOLUTION

Submitting to the qualified voters of Missouri an amendment to Article X of the Constitution of Missouri, by adopting one new section relating to taxation of real property.

Be it resolved by the House of Representatives, the Senate concurring therein:

That at the next general election to be held in the state of Missouri, on Tuesday next following the first Monday in November, 2022, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for adoption or rejection, the following amendment to Article X of the Constitution of the state of Missouri:

Section A. Article X, Constitution of Missouri, is amended by adopting one new section, to be known as Section 27, to read as follows:

Section 27. 1. As used in this section, the following terms shall mean:

- (1) "Primary residence", a home lived in by an individual for at least nine months out of a calendar year;**
- (2) "Qualified taxpayer", any individual who:**
- (a) Has wholly owned his or her primary residence for at least two years, free of any obligation, and who is subject to local property tax authorized under the laws of this state on such residence; or**
- (b) Has conveyed, in trust to a third party, his or her primary residence, but has lived in his or her primary residence for at least two years and continues to live in such primary residence under the terms of the trust, and who is subject to local property tax authorized under the laws of this state on such residence. The age of a trustee shall not be**

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.

12 a factor in determining whether a taxpayer qualifies for the exemption authorized under
13 this section.

14 2. For all tax years beginning on or after January 1, 2023, a qualified taxpayer
15 shall, beginning the calendar year following the year in which the taxpayer becomes
16 eligible for full Social Security retirement benefits, be exempted from his or her local real
17 property tax liabilities according to the provisions of subsection 3 of this section.

18 3. (1) The first year in which a qualified taxpayer is eligible for the exemption, the
19 exemption shall be equal to twenty percent of each local real property tax paid on the
20 taxpayer's primary residence. The second year a qualified taxpayer is eligible for the
21 exemption, the exemption shall be equal to forty percent of each local real property tax
22 paid on the taxpayer's primary residence. The third year a qualified taxpayer is eligible
23 for the exemption, the exemption shall be equal to sixty percent of each local real property
24 tax paid on the taxpayer's primary residence. The fourth year a qualified taxpayer is
25 eligible for the exemption, the exemption shall be equal to eighty percent of each local real
26 property tax paid on the taxpayer's primary residence. The fifth year a qualified taxpayer
27 is eligible for the exemption and all years thereafter, the taxpayer shall be fully exempt
28 from any local real property tax on the taxpayer's primary residence.

29 (2) A qualified taxpayer shall be eligible for the exemption provided under this
30 section only in years in which there is no property encumbrance on the taxpayer's primary
31 residence, except for any trust that may formally convey the property to a third party while
32 allowing for the continued use of the property as a primary residence by the taxpayer
33 making the conveyance. A qualified taxpayer who has accumulated one or more years of
34 eligibility under subdivision (1) of this subsection, but whose primary residence later
35 becomes subject to a property encumbrance, shall no longer be eligible for the exemption;
36 however, such qualified taxpayer shall automatically become reeligible and shall be
37 credited with any previously accumulated years of eligibility in the first year following
38 the year in which the encumbrance is removed.

39 (3) For the sole purpose of calculating the percentage amount of the exemption
40 under subdivision (1) of this subsection, a taxpayer who, as of January 1, 2023, has already
41 attained the age necessary to qualify for full Social Security retirement benefits and meets
42 the definition of a qualified taxpayer shall be deemed to have been first eligible for the
43 exemption in the year following the year in which the taxpayer first became eligible for full
44 Social Security retirement benefits; however, no taxpayer shall actually receive the tax
45 credit authorized under this section for any tax year before January 1, 2023.

46 4. If a taxpayer is married, only one spouse need qualify as a qualified taxpayer to
47 be eligible for the exemption authorized under this section. If a qualified taxpayer dies, the

48 surviving spouse shall continue to receive the exemption authorized under this section,
49 provided that the surviving spouse continues to keep the real property as his or her
50 primary residence, and provided that the surviving spouse has attained an age that makes
51 him or her eligible for full Social Security retirement benefits. If such surviving spouse has
52 not attained such an age but continues to keep the real property as his or her primary
53 residence, he or she shall not be eligible for the exemption until he or she reaches such an
54 age, at which time he or she shall be automatically eligible for the full amount of the
55 exemption on the primary residence.

56 5. Once an individual attains the status of a qualified taxpayer, the two-year
57 ownership requirement shall be waived if such individual moves to a new primary
58 residence, provided the new primary residence is wholly owned and free of any obligation
59 or is conveyed in trust to a third party and free of any obligation.

60 6. No individual receiving the exemption authorized under this section shall be
61 eligible for or receive any other tax exemptions, tax credits, or tax incentives with respect
62 to any local real property tax exempted, in whole or in part, by this section.

63 7. Notwithstanding any provisions of subsections 1 to 6 of this section to the
64 contrary, a qualified taxpayer who makes use of a service in a district, division, or
65 subdivision that has been authorized to impose a real property tax for the specific purpose
66 of funding such service shall be liable for such property tax at the rate imposed, but only
67 in the tax year in which the service is used. This remaining tax liability shall extend, but
68 not be limited, to local property taxes authorized and imposed by special taxing districts
69 for ambulance services and fire protection services.

70 8. The department of revenue shall promulgate rules to implement the provisions
71 of this section.

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