

FIRST REGULAR SESSION

HOUSE BILL NO. 825

99TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HANNEGAN.

1625H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for senior citizen property owners.

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

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be known as section 135.1920, to read as follows:

135.1920. 1. As used in this section, the following terms mean:

- (1) "Base year", the year that a taxpayer first satisfies the requirements of a qualified taxpayer;**
- (2) "Qualified taxpayer", any individual:**
 - (a) Who is sixty-five years of age or older on the first day of the tax year;**
 - (b) Who is retired;**
 - (c) Who owns the taxpayer's primary residence;**
 - (d) Whose primary source of income is social security; and**
 - (e) Who is subject to the tax imposed under chapter 143, excluding withholding tax imposed under sections 143.191 to 143.265;**
- (3) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed under sections 143.191 to 143.265.**
- 2. For all tax years beginning on or after January 1, 2017, a qualified taxpayer shall be allowed to claim a tax credit against the qualified taxpayer's state tax liability in an amount equal to the difference between:**
 - (1) The product of the current tax rate imposed on the taxpayer's primary residence times the current assessed value of the taxpayer's primary residence; and**

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.

18 **(2) The product of the current tax rate imposed on the taxpayer's primary**
19 **residence times the base year assessed value of the taxpayer's primary residence.**

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21 **Any portion of increased property value assessment attributable solely to improvements**
22 **made on the primary residence after the base year shall be added to the base year assessed**
23 **value under subdivision (2) of this subsection.**

24 **3. If the qualified taxpayer is married and files a joint tax return, only one spouse**
25 **need qualify as a qualified taxpayer to be eligible for the credit authorized under this**
26 **section.**

27 **4. Qualified taxpayers shall remit property tax when due and may apply for the**
28 **credit authorized under this section when filing the qualified taxpayer's Missouri income**
29 **tax return.**

30 **5. Tax credits issued under the provisions of this section shall be refundable but**
31 **shall not be sold, transferred, or assigned. No portion of a tax credit authorized under this**
32 **section shall be carried over to subsequent tax years.**

33 **6. No taxpayer shall claim the tax credit authorized under this section the same**
34 **year that such taxpayer claims a tax credit authorized under section 135.020.**

35 **7. The department of revenue may promulgate rules to implement the provisions**
36 **of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that**
37 **is created under the authority delegated in this section shall become effective only if it**
38 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**
39 **section 536.028. This section and chapter 536 are nonseverable, and if any of the powers**
40 **vested with the general assembly pursuant to chapter 536 to review, to delay the effective**
41 **date, or to disapprove and annul a rule are subsequently held unconstitutional, then the**
42 **grant of rulemaking authority and any rule proposed or adopted after August 28, 2017,**
43 **shall be invalid and void.**

44 **8. Under section 23.253 of the Missouri sunset act:**

45 **(1) The provisions of the new program authorized under this section shall**
46 **automatically sunset on December thirty-first six years after the effective date of this**
47 **section unless reauthorized by an act of the general assembly;**

48 **(2) If such program is reauthorized, the program authorized under this section**
49 **shall automatically sunset on December thirty-first twelve years after the effective date of**
50 **the reauthorization of this section; and**

51 **(3) This section shall terminate on September first of the calendar year immediately**
52 **following the calendar year in which the program authorized under this section is sunset.**

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