

## AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to tax relief for veterans.

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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 135.1002, to read as follows:

135.790. 1. For all tax years beginning on or after January 1, 2005, any veteran of any branch of the armed services of the United States who has retired from the armed services or who has reached the age of sixty-five shall be exempt from any and all taxes imposed by this state or any political subdivision thereof, whether imposed upon such person's income, property, sales, or any other transactions.

2. The department of revenue shall develop rules and regulations to implement this section. No rule or portion of a rule promulgated pursuant to the authority of this section shall become effective unless it has been promulgated pursuant to chapter 536, RSMo. Such rules and regulations shall provide a procedure for the certification of veterans to receive the exemption provided by this section, and a standard form by which veterans may claim the exemption from each tax and taxing authority.

3. Any revenue lost by counties and political subdivisions as a result of the enactment of this section shall be replaced through appropriations. The general assembly shall appropriate, and the director of revenue shall credit to the "Local Revenue Replacement Fund", which is hereby created, moneys sufficient to reimburse every political subdivision of this state in the amounts necessary to replace the revenue lost by each political subdivision as a result of the exemption provided in this section. Any unexpended balance at the end of each biennium shall remain in the fund, the provisions of section 33.080, RSMo, notwithstanding. Every political subdivision which loses revenue as a result of the exemption provided in this section shall certify such revenue loss for calendar year 2005 to the commissioner of administration by November 1, 2006, and by each succeeding November for revenue losses incurred in the previous calendar year. The director of revenue is authorized to examine the tax records of every political subdivision to estimate the amount of revenue lost by each political subdivision as a result of the exemption provided in this section.

4. Pursuant to section 23.253, RSMo, of the Missouri Sunset Act:

(1) The provisions of the new program authorized under this section shall automatically sunset six years after the effective date of this section unless reauthorized by an act of the general

assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of the reauthorization of this section; and

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