

HCS SS SCS SB 730 -- HOMESTEAD PRESERVATION ACT

SPONSOR: Gross (Lembke, 85)

COMMITTEE ACTION: Voted "do pass" by the Committee on Senior Security by a vote of 17 to 0 with 1 present.

This substitute creates the Missouri Homestead Preservation Act which allows persons 65 years of age or older and disabled persons to obtain a tax credit for increases in their property taxes which exceed 5%. Tax credits will be applied to the following year's property taxes and will be funded by state appropriation.

FISCAL NOTE: Estimated Cost on General Revenue Fund of Unknown in FY 2005, Unknown in FY 2006, and \$1.6 million to Unknown in FY 2007. FY 2007 subject to appropriation. Estimated Effect on Other State Funds of a cost of \$0 in FY 2005, a cost of \$8,000 in FY 2006, and an income of \$8,000 in FY 2007. FY 2007 revenue subject to appropriation.

PROPOSERS: Supporters say that the bill specifies qualifications in order to receive the tax credit and requires that they must pay their taxes. The bill will provide tax relief for seniors without placing a financial burden on local school districts.

Testifying for the bill were Senator Gross; Missouri School Boards Association; Cooperating School Districts of St. Louis; Missouri School Administrators Coalition; Missouri State Teachers Association; Missouri Federation of Teachers; Missouri Assessors Association; Silver-Haired Legislature; Cooperating School Districts of Kansas City; Missouri Association of County Clerks; Missouri Growth Association; Missouri County Collectors Association; and Missouri Records Association.

OPPOSERS: There was no opposition voiced to the committee.

Bob Dominique, Legislative Analyst