

SCS HB 229 -- HOMESTEAD PROPERTY TAX EXEMPTION

This bill changes the application procedures for the Missouri Homestead Preservation Act for the elderly and disabled. The percentage limit for applications filed in 2005 and 2006 is based on the increase to tax liability from 2004 to 2005; and the limit for applications filed after 2006 is based on the increase to tax liability from the two years prior to the application to the year immediately prior to the application. An applicant satisfying the requirements of this credit between April 1, 2005, and September 30, 2006, may only apply once for the credit during this time period. County assessors must provide a list to the Department of Revenue of verified eligible homeowners who made improvements to their homesteads, not for accommodation of a disability to the homestead, and the dollar amount of the assessed value of the improvements by January 15 each year.

The definition of "eligible owner" has been revised to include property held in trust. An individual entitled to the tax credit must currently reside in the homestead and, except for the transfer of this property into a trust, satisfy the age, ownership, and income requirements.

In the case of ownership of the homestead by trust, the income of the creator of the trust will be imputed to determine the income of the trust regarding the maximum upper limit.

The bill specifies that an individual is prohibited from claiming both the circuit breaker income tax credit and the homestead property tax exemption credit.