

HCS HB 1564 -- RENTAL PROPERTY TAX CREDIT

SPONSOR: Kratky

COMMITTEE ACTION: Voted "Do Pass" by the Special Standing Committee on Small Business by a vote of 21 to 1.

Beginning January 1, 2015, this bill authorizes an income tax credit for certain specified costs incurred in the renovation of a taxpayer's rented dwelling or residence. The building must be a multi-family dwelling with at least two units, one of which must be occupied by the taxpayer. The credit will be equal to 20% of the renovation's costs, up to \$2,500 per taxpayer. The tax credit will be issued on a first-come, first-served basis and is not refundable or transferable but can be carried forward for three years. No more than \$5 million of these tax credits can be issued in any fiscal year.

The provisions of the bill will expire December 31 six years after the effective date.

PROPONENTS: Supporters say that the bill provides an incentive for a taxpayer to live on the premises of his or her rental property and maintain the property.

Testifying for the bill were Representative Kratky and Missouri Realtors Association.

OPPONENTS: There was no opposition voiced to the committee.