

HOUSE BILL NO. 2716

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KENDRICK.

4601H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

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

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 135.180, to read as follows:

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

(1) "Actual amount", the total amount of property taxes levied and imposed in a given calendar year under the laws of this state on an eligible taxpayer's home;

(2) "Eligible taxpayer", an individual who, for a given tax year, has an income tax liability under chapter 143 and who:

(a) Owns a home that such individual purchased directly from a qualified community land trust, under a contract that requires that, if such individual sells his or her home, the sale price be less than the assessed valuation of the home; and

(b) Has a total income for such tax year of no more than eighty percent of the Area Median Income, as such term is defined and updated by the United States Department of Housing and Urban Development;

(3) "Hypothetical amount", the total amount of property taxes that would be levied and imposed in a given calendar year under the laws of this state on an eligible taxpayer's home, if the assessed valuation of such home were equal to the base price paid for the home by the eligible taxpayer;

(4) "Base price", the actual amount paid for a home by a taxpayer, less any subsidies provided as credits at closing by a qualified community land trust; provided that, such amount shall be adjusted annually by the percent increase in inflation, to be

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.

19 calculated by using the Consumer Price Index for All Urban Consumers for the United
20 States, as reported by the Bureau of Labor Statistics, or its successor index;

21 (5) "Qualified amount", the hypothetical amount subtracted from the actual
22 amount;

23 (6) "Qualified community land trust", a nonprofit, community-based organization
24 that provides homeownership opportunities to low-income households, in part, by selling
25 houses to low-income individuals at affordable prices while maintaining ownership of the
26 land on which such houses are built, to protect public and private investments in
27 affordability;

28 (7) "Tax liability", for a given tax year, the state income tax due by a taxpayer
29 under chapter 143, excluding withholding tax imposed under sections 143.191 to 143.265.

30 2. For all tax years beginning on or after January 1, 2021, a taxpayer shall be
31 allowed to claim a tax credit against such taxpayer's tax liability in an amount up to such
32 taxpayer's qualified amount; provided that, the amount of any tax credit claimed under
33 this section shall not exceed seven hundred fifty dollars.

34 3. No tax credit issued under this section shall be refunded or carried forward to
35 a subsequent tax year. No tax credit issued under this section shall be assigned,
36 transferred, or sold.

37 4. The department of revenue shall promulgate all necessary rules and regulations
38 for the administration of this section. Any rule or portion of a rule, as that term is defined
39 in section 536.010, that is created under the authority delegated in this section shall become
40 effective only if it complies with and is subject to all of the provisions of chapter 536 and,
41 if applicable, section 536.028. This section and chapter 536 are nonseverable, and if any
42 of the powers vested with the general assembly pursuant to chapter 536 to review, to delay
43 the effective date, or to disapprove and annul a rule are subsequently held
44 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted
45 after August 28, 2020, shall be invalid and void.

46 5. Under section 23.253 of the Missouri sunset act:

47 (1) The provisions of this section shall automatically sunset six years after the
48 effective date of this section unless reauthorized by an act of the general assembly;

49 (2) If such provisions are reauthorized, the provisions of this section shall
50 automatically sunset twelve years after the effective date of the reauthorization of such
51 provisions; and

52 (3) This section shall terminate on September first of the calendar year immediately
53 following the calendar year in which the provisions of this section are sunset.

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