

SECOND REGULAR SESSION

# HOUSE BILL NO. 997

92ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE MUCKLER.

Read 1<sup>st</sup> time January 8, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

3564L.011

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## AN ACT

To amend chapter 137, RSMo, by adding thereto one new section relating to the Missouri homestead preservation Act, with an emergency clause.

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*Be it enacted by the General Assembly of the state of Missouri, as follows:*

Section A. Chapter 137, RSMo, is amended by adding thereto one new section, to be known as section 137.107, to read as follows:

**137.107. 1. This section shall be known and may be cited as "The Missouri Homestead Preservation Act".**

**2. Notwithstanding any provision of law to the contrary, the assessed value of primary residential property, excluding any value added by new construction or improvements, which is owned by any person who is sixty-five years of age or older and who uses the property as a homestead, as defined in section 135.010, RSMo, shall not increase during any tax-year reassessment cycle during the period of time the person resides on that property after attaining the age of sixty-five years. Any person claiming a homestead exemption under this section shall be required to pay an enrollment of fifteen dollars each assessment cycle, with the revenue being deposited in the assessment fund of each county and any city not within a county. Moneys deposited into the assessment fund may be expended for administrative costs associated with the Missouri homestead act. Age and years of residence for purposes of this section shall be determined as of January first of each odd-numbered year; provided, however, that such information shall be provided by affidavit of the owner of homestead property by such date to the county assessor.**

**3. No person claiming a homestead exemption under this section shall be eligible to claim the property tax credit allowed in sections 135.010 to 135.035, RSMo, and no person claiming the property tax credit allowed in sections 135.010 to 135.035, RSMo, shall**

19 be eligible to claim the homestead exemption under this section.

20       **4. No person with a household combined adjusted gross income of more than the**  
21 **household exemption maximum base amount shall be eligible to claim the homestead**  
22 **exemption allowed in this section. For purposes of this section, the term "homestead**  
23 **exemption maximum base amount" shall, in the calendar year 2004, be the sum of**  
24 **thirty-nine thousand dollars, and for each succeeding calendar year the sum shall be the**  
25 **sum of the previous year increased, in one hundred dollar increments, by the same**  
26 **percentage as the increase in the general price level as measured by the consumer price**  
27 **index for the United States, or its successor index, as defined and officially recorded by the**  
28 **United States Department of Labor or its successor agency. Beginning January 1, 2005,**  
29 **the state tax commission shall determine the homestead exemption maximum base amount**  
30 **from the increase in the consumer price index for the previous twelve-month period and**  
31 **shall certify such base amount to each county clerk each calendar year.**

32       **5. The general assembly shall appropriate moneys from the general revenue fund**  
33 **so that any political subdivision losing revenue during the time the assessed value on the**  
34 **real property was exempt under this section shall receive proportional restitution, based**  
35 **on the ratio the tax levy of each political subdivision bears to the total tax levy of all**  
36 **political subdivisions levying a real property tax against such property between the time**  
37 **the exemption was granted under this section and the assessment value at the time of the**  
38 **sale, conveyance, or other disposition of the real property.**

39       **6. The state tax commission shall promulgate rules and regulations to administer**  
40 **this section in accordance with the intent of the general assembly that this section be**  
41 **construed liberally to promote maximum property tax relief for persons sixty-five years**  
42 **of age and older. No rule or portion of a rule promulgated pursuant to the authority of this**  
43 **section shall become effective unless it has been promulgated pursuant to chapter 536,**  
44 **RSMo.**

45       **7. This section shall become effective January 1, 2005, and shall apply to all taxable**  
46 **years beginning after December 31, 2004.**

47       **8. Pursuant to section 23.253, RSMo, of the Missouri Sunset Act:**

48       **(1) The provisions of the new program authorized under this section shall**  
49 **automatically sunset six years after the effective date of this section unless reauthorized by**  
50 **an act of the general assembly; and**

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

54       **(3) This section shall terminate on September first of the calendar year immediately**

55 **following the calendar year in which the program authorized under this section is sunset.**

2 Section B. Because immediate action is necessary to provide property tax relief for the  
3 senior citizens of this state, section A of this act is deemed necessary for the immediate  
4 preservation of the public health, welfare, peace, and safety, and is hereby declared to be an  
5 emergency act within the meaning of the constitution, and section A of this act shall be in full  
force and effect upon its passage and approval.