

SECOND REGULAR SESSION

# HOUSE BILL NO. 1729

## 92ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE SHOEMYER.

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

STEPHEN S. DAVIS, Chief Clerk

4947L.011

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### AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to an income tax credit for property taxes paid on certain farm assets.

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*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 135.940, to read as follows:

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

(1) "Increase in property taxes", the positive difference between the property tax levy assessed on property in the tax year for which the tax credit under this section is claimed and the tax year immediately preceding the tax year for which the credit is claimed, when such positive difference occurs as the result of an increase in property tax levies;

(2) "Property", any farm asset, whether real or personal property, used in commercial production agriculture by a qualified taxpayer;

(3) "Property tax", any real or personal property tax levied by this state or any political subdivision of the state;

(4) "Qualified taxpayer", any person owning or operating a farm or ranch in this state;

2. For all tax years beginning on or after January 1, 2005, a qualified taxpayer shall be allowed a credit against the tax otherwise due under chapter 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, in an amount equal to the increase in property taxes on property owned by the qualified taxpayer.

3. The director of revenue shall establish the procedure by which the tax credit in this section may be claimed, and may promulgate rules and regulations necessary to

19 administer this section. Any rule or portion of a rule, as that term is defined in section  
20 536.010, RSMo, that is created under the authority delegated in this section shall become  
21 effective only if it complies with and is subject to all of the provisions of chapter 536,  
22 RSMo, and, if applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are  
23 nonseverable and if any of the powers vested with the general assembly pursuant to  
24 chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule  
25 are subsequently held unconstitutional, then the grant of rulemaking authority and any  
26 rule proposed or adopted after August 28, 2004, shall be invalid and void.

27 4. Pursuant to section 23.253, RSMo, of the Missouri Sunset Act:

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

31 (2) If such program is reauthorized, the program authorized under this section  
32 shall automatically sunset twelve years after the effective date of the reauthorization of this  
33 section; and

34 (3) This section shall terminate on September first of the calendar year immediately  
35 following the calendar year in which the program authorized under this section is sunset.