

HCS HB 1467 & 903 -- SENIOR CITIZENS' HOMESTEAD TAX RELIEF ACT

SPONSOR: Cooper, 120 (Sutherland)

COMMITTEE ACTION: Voted "do pass" by the Committee on Tax Policy by a vote of 15 to 2.

This substitute changes the qualifications for and the amount of credit allowed under the senior citizen/disabled person property tax credit, commonly known as circuit breaker. The substitute renames the program the Senior Citizens' Homestead Tax Relief Act.

The substitute also:

(1) Increases from \$25,000 to \$25,500 the maximum income allowed to claim the credit and indexes the new amount by the increase in the Consumer Price Index in increments of \$50; and

(2) Increases from \$13,000 to \$13,300 the minimum base and indexes the new amount by the increase in the Consumer Price Index in increments of \$50. The minimum base is the maximum level of income at which the taxpayer receives a credit for property taxes paid up to the maximum of \$750.

FISCAL NOTE: Estimated Effect on General Revenue Fund of an income of \$0 in FY 2005, a cost of \$1,393,264 in FY 2006, and a cost of \$2,747,221 in FY 2007. No impact on Other State Funds in FY 2005, FY 2006, and FY 2007.

PROPOSERS: Supporters say that they support these changes to the credit.

Testifying for the bill were the Cooperating School Districts of Greater Kansas City; Missouri School Boards Association; School Administrator Coalition; and Missouri National Education Association.

OPPOSERS: There was no opposition voiced to the committee.

Karla Strobel, Legislative Analyst