

HCS HB 649 -- INCOME TAX CREDIT FOR THE ELDERLY AND DISABLED FOR
PROPERTY TAXES PAID

SPONSOR: Bruns (Fares)

COMMITTEE ACTION: Voted "do pass" by the Committee on Senior
Citizen Advocacy by a vote of 11 to 0.

This substitute authorizes, beginning January 1, 2006, a 50% tax
credit to the elderly and disabled who have lived in their home
for at least 20 years and who have spent at least 10% of their
household income on real property taxes. A senior will not be
able to claim this credit if they filed a valid claim under
Section 137.016, RSMo, for the same tax year.

The provisions of the substitute will expire six years from the
effective date.

FISCAL NOTE: Estimated Effect on General Revenue Fund of an
Income of \$0 in FY 2006, a Cost of Unknown in FY 2007, and a Cost
of Unknown in FY 2008. Expected to exceed \$100,000. No impact
on Other State Funds in FY 2006, FY 2007, and FY 2008.

PROPOSERS: Supporters say one of the adverse consequences of
rising property taxes has left many seniors with the decision to
either buy food or medicine. The bill will alleviate some of
this burden by helping those who may live in modest homes but
have seen their property taxes increase due to the property
around their home.

Testifying for the bill were Representative Fares; and Richard J.
Magee.

OPPOSERS: There was no opposition voiced to the committee.

Dominic Lackey, Legislative Analyst