

SECOND REGULAR SESSION

HOUSE BILL NO. 2069

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES BIVINS (Sponsor), SMITH (14), LOEHNER, MOORE,
FISHER AND ST. ONGE (Co-sponsors).

Read 1st time March 29, 2006 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

4712L.01I

AN ACT

To amend chapter 137, RSMo, by adding thereto one new section relating to a property tax exemption on homesteads.

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
2 known as section 137.097, to read as follows:

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

2 **(1) "Department", the department of revenue;**

3 **(2) "Eligible taxpayer", any individual who:**

4 **(a) Is sixty-five years of age or older as of January first of the year in which the**
5 **eligible taxpayer claims the exemption allowed in this section;**

6 **(b) Owns real property actually occupied by the eligible taxpayer as a homestead;**

7 **(c) Actually pays all taxes upon the property;**

8 **(3) "Homestead", the dwelling in Missouri that serves as the primary residence of**
9 **and is owned by the claimant and not to exceed five acres of land surrounding it as is**
10 **reasonably necessary for use of the dwelling as a home. It may consist of part of a**
11 **multidwelling or multipurpose building and part of the land upon which it is built, and**
12 **may include a mobile home.**

13 **2. For all real property assessments occurring on or after August 28, 2006, an**
14 **eligible taxpayer may claim an exemption from the levy of property taxes on the eligible**

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.

15 taxpayer's homestead under this chapter. For each year in which the exemption allowed
16 under this section is claimed, the amount of the assessed valuation of the homestead that
17 may be exempt shall be as follows:

- 18 (1) For 2007, up to the first five thousand dollars;
- 19 (2) For 2008, up to the first ten thousand dollars;
- 20 (3) For 2009, up to the first fifteen thousand dollars;
- 21 (4) For 2010, up to the first twenty thousand dollars;
- 22 (5) For 2011 and all subsequent years, up to the first twenty-five thousand dollars.

23 3. To receive the exemption allowed under this section, an eligible taxpayer shall
24 submit an application to the department by September thirtieth of each year for the
25 taxpayer to be eligible for the exemption in the tax year next following the calendar year
26 in which the application was completed. Applications may be completed between April
27 first and September thirtieth of any tax year in order for the taxpayer to be eligible for the
28 exemption in the tax year next following the calendar year in which the exemption
29 application was completed. The application shall be on forms provided by the department.
30 Forms also shall be made available on the department's Internet site and at all permanent
31 branch offices and all full-time, temporary, or fee offices maintained by the department.
32 The eligible taxpayer shall include with the application copies of receipts indicating
33 payment of property tax by the eligible taxpayer for the homestead for the three prior tax
34 years, and a certified copy of the most recent assessed valuation of the homestead. The
35 eligible taxpayer shall attest under penalty of perjury to the eligible taxpayer's age and to
36 the address of the homestead property.

37 4. Upon receipt of the applications, the department shall calculate the tax liability,
38 verify the age of the eligible taxpayers, and make adjustments to these numbers as
39 necessary on the applications. The department also shall disallow any application where
40 the eligible taxpayer also has filed a valid application for the senior citizens property tax
41 credit under sections 135.010 to 135.035, RSMo, or an application for the homestead
42 exemption credit under section 137.106. Once adjusted tax liability and age are verified,
43 the director shall determine eligibility for the credit and provide a list of all verified eligible
44 taxpayers to the county assessors or county clerks in counties with a township form of
45 government by December fifteenth of each year.

46 5. All revenue losses of any political subdivision resulting from the exemption
47 contained in this section shall be reimbursed to those political subdivisions by the state of
48 Missouri through appropriations. Data substantiating such revenue losses shall be
49 provided to the state auditor in such form as shall be prescribed by the state auditor by
50 rule. The required data shall be submitted for each political subdivision levying a property

51 tax and shall be submitted by either the county or the individual taxing authority as
52 requested by the state auditor. Calculation or verification of the revenue loss shall be
53 determined by the state auditor subsequent to the annual property tax rate review
54 completed under section 137.073. All data and documents substantiating the revenue loss
55 for each political subdivision shall be copied to each county clerk respectively, and shall
56 be retained and made available for public inspection by the county for a minimum of three
57 years.

58 6. The director of the department and the state auditor may promulgate rules to
59 implement the provisions of this section. Any rule or portion of a rule, as that term is
60 defined in section 536.010, RSMo, that is created under the authority delegated in this
61 section shall become effective only if it complies with and is subject to all of the provisions
62 of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter
63 536, RSMo, are nonseverable and if any of the powers vested with the general assembly
64 under chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul
65 a rule are subsequently held unconstitutional, then the grant of rulemaking authority and
66 any rule proposed or adopted after August 28, 2006, shall be invalid and void.

67 7. Under section 23.253, RSMo, of the Missouri Sunset Act:

68 (a) The provisions of the new program authorized under this section shall
69 automatically sunset six years after the effective date of this section unless reauthorized by
70 an act of the general assembly; and

71 (b) If such program is reauthorized, the program authorized under this section
72 shall automatically sunset twelve years after the effective date of the reauthorization of this
73 section; and

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

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