

HCS HB 457 -- SENIOR CITIZENS' HOMESTEAD TAX RELIEF ACT

SPONSOR: Sutherland

COMMITTEE ACTION: Voted "do pass" by the Committee on Ways and Means by a vote of 7 to 0.

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 program is renamed 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 federal 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 federal Consumer Price Index in increments of \$50.

The substitute changes the laws regarding the Missouri Homestead Preservation Act by specifying the use of the term "base year," extending the deadline to file an application from September 30 to October 15, and requiring the Director of the Department of Revenue to determine the apportionment percentage by equally distributing it among all eligible applicants.

FISCAL NOTE: Estimated Cost on General Revenue Fund of \$100,228 in FY 2008, \$1,042,913 in FY 2009, and \$4,902,335 in FY 2010. No impact on Other State Funds in FY 2008, FY 2009, and FY 2020.

PROPOSERS: Supporters say that it is important that the income limits are increased for the circuit breaker tax credit as the Consumer Price Index increases.

Testifying for the bill was Representative Sutherland.

OPPOSERS: There was no opposition voiced to the committee.