

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Bill No. 18, Page 5, Section 37.850, Line 35, by
2 inserting after all of said line the following:

3 "135.010. As used in sections 135.010 to 135.030 the following words and terms mean:

4 (1) "Claimant", a person or persons claiming a credit under sections 135.010 to 135.030. If
5 the persons are eligible to file a joint federal income tax return and reside at the same address at any
6 time during the taxable year, then the credit may only be allowed if claimed on a combined Missouri
7 income tax return or a combined claim return reporting their combined incomes and property taxes.
8 A claimant shall not be allowed a property tax credit unless the claimant or spouse has attained the
9 age of sixty-five on or before the last day of the calendar year and the claimant or spouse was a
10 resident of Missouri for the entire year, or the claimant or spouse is a veteran of any branch of the
11 Armed Forces of the United States or this state who became one hundred percent disabled as a result
12 of such service, or the claimant or spouse is disabled as defined in subdivision (2) of this section, and
13 such claimant or spouse provides proof of such disability in such form and manner, and at such
14 times, as the director of revenue may require, or if the claimant has reached the age of sixty on or
15 before the last day of the calendar year and such claimant received surviving spouse Social Security
16 benefits during the calendar year and the claimant provides proof, as required by the director of
17 revenue, that the claimant received surviving spouse Social Security benefits during the calendar
18 year for which the credit will be claimed. A claimant shall not be allowed a property tax credit if the
19 claimant filed a valid claim for a credit under section 137.106 in the year following the year for
20 which the property tax credit is claimed. The residency requirement shall be deemed to have been
21 fulfilled for the purpose of determining the eligibility of a surviving spouse for a property tax credit
22 if a person of the age of sixty-five years or older who would have otherwise met the requirements for
23 a property tax credit dies before the last day of the calendar year. The residency requirement shall
24 also be deemed to have been fulfilled for the purpose of determining the eligibility of a claimant who
25 would have otherwise met the requirements for a property tax credit but who dies before the last day
26 of the calendar year;

27 (2) "Disabled", the inability to engage in any substantial gainful activity by reason of any
28 medically determinable physical or mental impairment which can be expected to result in death or
29 which has lasted or can be expected to last for a continuous period of not less than twelve months. A
30 claimant shall not be required to be gainfully employed prior to such disability to qualify for a
31 property tax credit;

32 (3) ["Gross rent", amount paid by a claimant to a landlord for the rental, at arm's length, of a
33 homestead during the calendar year, exclusive of charges for health and personal care services and
34 food furnished as part of the rental agreement, whether or not expressly set out in the rental
35 agreement. If the director of revenue determines that the landlord and tenant have not dealt at arm's
36 length, and that the gross rent is excessive, then he shall determine the gross rent based upon a
37 reasonable amount of rent. Gross rent shall be deemed to be paid only if actually paid prior to the

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1 date a return is filed. The director of revenue may prescribe regulations requiring a return of
 2 information by a landlord receiving rent, certifying for a calendar year the amount of gross rent
 3 received from a tenant claiming a property tax credit and shall, by regulation, provide a method for
 4 certification by the claimant of the amount of gross rent paid for any calendar year for which a claim
 5 is made. The regulations authorized by this subdivision may require a landlord or a tenant or both to
 6 provide data relating to health and personal care services and to food. Neither a landlord nor a tenant
 7 may be required to provide data relating to utilities, furniture, home furnishings or appliances;

8 (4)] "Homestead", the dwelling in Missouri owned or rented by the claimant and not to
 9 exceed five acres of land surrounding it as is reasonably necessary for use of the dwelling as a home.
 10 It may consist of part of a multidwelling or multipurpose building and part of the land upon which it
 11 is built. "Owned" includes a vendee in possession under a land contract and one or more tenants by
 12 the entireties, joint tenants, or tenants in common and includes a claimant actually in possession if he
 13 was the immediate former owner of record, if a lineal descendant is presently the owner of record,
 14 and if the claimant actually pays all taxes upon the property. It may include a mobile home;

15 [(5)] (4) "Income", Missouri adjusted gross income as defined in section 143.121 less two
 16 thousand dollars, or in the case of a homestead owned and occupied, for the entire year, by the
 17 claimant, less four thousand dollars as an exemption for the claimant's spouse residing at the same
 18 address, and increased, where necessary, to reflect the following:

19 (a) Social Security, railroad retirement, and veterans payments and benefits unless the
 20 claimant is a one hundred percent service-connected, disabled veteran or a spouse of a one hundred
 21 percent service-connected, disabled veteran. The one hundred percent service-connected disabled
 22 veteran shall not be required to list veterans payments and benefits;

23 (b) The total amount of all other public and private pensions and annuities;

24 (c) Public relief, public assistance, and unemployment benefits received in cash, other than
 25 benefits received under this chapter;

26 (d) No deduction being allowed for losses not incurred in a trade or business;

27 (e) Interest on the obligations of the United States, any state, or any of their subdivisions and
 28 instrumentalities;

29 [(6)] (5) "Property taxes accrued", property taxes paid, exclusive of special assessments,
 30 penalties, interest, and charges for service levied on a claimant's homestead in any calendar year.
 31 Property taxes shall qualify for the credit only if actually paid prior to the date a return is filed. The
 32 director of revenue shall require a tax receipt or other proof of property tax payment. If a homestead
 33 is owned only partially by claimant, then "property taxes accrued" is that part of property taxes
 34 levied on the homestead which was actually paid by the claimant. For purposes of this subdivision,
 35 property taxes are "levied" when the tax roll is delivered to the director of revenue for collection. If
 36 a claimant owns a homestead part of the preceding calendar year and rents it or a different homestead
 37 for part of the same year, "property taxes accrued" means only taxes levied on the homestead both
 38 owned and occupied by the claimant, multiplied by the percentage of twelve months that such
 39 property was owned and occupied as the homestead of the claimant during the year. When a
 40 claimant owns and occupies two or more different homesteads in the same calendar year, property
 41 taxes accrued shall be the sum of taxes allocable to those several properties occupied by the claimant
 42 as a homestead for the year. If a homestead is an integral part of a larger unit such as a farm, or
 43 multipurpose or multidwelling building, property taxes accrued shall be that percentage of the total
 44 property taxes accrued as the value of the homestead is of the total value. For purposes of this
 45 subdivision "unit" refers to the parcel of property covered by a single tax statement of which the
 46 homestead is a part[;

47 (7) "Rent constituting property taxes accrued", twenty percent of the gross rent paid by a
 48 claimant and spouse in the calendar year].

135.025. 1. The property taxes accrued [and rent constituting property taxes accrued] on each return shall be totaled. This total, up to [seven hundred fifty dollars in rent constituting property taxes actually paid or] eleven hundred dollars in actual property tax paid, shall be used in determining the property tax credit. The director of revenue shall prescribe regulations providing for allocations where part of a claimant's homestead is rented to another or used for nondwelling purposes or where a homestead is owned [or rented] or used as a dwelling for part of a year.

2. Notwithstanding any other provision of law, beginning in fiscal year 2014, the state treasurer shall annually deposit from state revenue that otherwise would have been deposited into the general revenue fund an amount equal to fifty-five million one hundred thousand dollars into the Missouri senior services protection fund established in subsection 3 of this section. Moneys in the fund shall be allocated for services for low-income seniors and people with disabilities.

3. There is hereby created in the state treasury the "Missouri Senior Services Protection Fund", which shall consist of money collected under subsection 2 of this section. The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund and, upon appropriation, money in the fund shall be used solely for the administration of subsection 2 of this section. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

135.030. 1. As used in this section:

(1) The term "maximum upper limit" shall, for each calendar year after December 31, 1997, but before calendar year 2008, be the sum of twenty-five thousand dollars. For all calendar years beginning on or after January 1, 2008, the maximum upper limit shall be the sum of twenty-seven thousand five hundred dollars. In the case of a homestead owned and occupied for the entire year by the claimant, the maximum upper limit shall be the sum of thirty thousand dollars;

(2) The term "minimum base" shall, for each calendar year after December 31, 1997, but before calendar year 2008, be the sum of thirteen thousand dollars. For all calendar years beginning on or after January 1, 2008, the minimum base shall be the sum of fourteen thousand three hundred dollars.

2. If the income on a return is equal to or less than the maximum upper limit for the calendar year for which the return is filed, the property tax credit shall be determined from a table of credits based upon the amount by which the total property tax described in section 135.025 exceeds the percent of income in the following list:

If the income on the return is	The percent is:
Not over the minimum base	0 percent with credit not to exceed \$1,100 in actual property tax [or rent equivalent paid up to \$750]
Over the minimum base but not over the maximum upper limit	1/16 percent accumulative per \$300 from 0 percent to 4 percent.

The director of revenue shall prescribe a table based upon the preceding sentences. The property tax shall be in increments of twenty-five dollars and the income in increments of three hundred dollars. The credit shall be the amount rounded to the nearest whole dollar computed on the basis of the property tax and income at the midpoints of each increment. As used in this subsection, the term "accumulative" means an increase by continuous or repeated application of the percent to the income

1 increment at each three hundred dollar level.

2 3. Notwithstanding subsection 4 of section 32.057, the department of revenue or any duly
3 authorized employee or agent shall determine whether any taxpayer filing a report or return with the
4 department of revenue who has not applied for the credit allowed pursuant to section 135.020 may
5 qualify for the credit, and shall notify any qualified claimant of the claimant's potential eligibility,
6 where the department determines such potential eligibility exists."; and

7
8 Further amend said bill by amending the title, enacting clause, and intersectional references
9 accordingly.