

HB 154 -- PROPERTY ASSESSMENT LIMIT FOR THE ELDERLY

SPONSOR: Corlew

COMMITTEE ACTION: Voted "Do Pass" by the Standing Committee on Local Government by a vote of 8 to 4.

Beginning January 1, 2018, this bill limits the increase in assessed valuation of residential property to the percentage of increase in the federal Social Security benefits in the previous year for an individual who is 67 years of age or older or who is disabled, has a federal adjusted gross income of less than \$60,000 for a taxpayer with single filing status or \$68,000 for a taxpayer with married filing jointly status, and owns and lives in his or her principal residence. Any taxpayer meeting the requirements must provide the county assessor with either proof of age or proof of disability.

The provisions of the bill will expire December 31 six years after the effective date.

This bill is similar to HB 1650 (2016).

PROPONENTS: Supporters say that this bill is needed so that senior citizens are not forced out of their homes due to property tax increases, and it has a county opt-in provision so it is not a state mandate.

Testifying for the bill was Representative Corlew.

OPPONENTS: Those who oppose the bill say that there are current laws that offer almost the exact same benefits to the exact same persons without the unintended consequence of raising the property tax of persons who do not qualify.

Testifying against the bill was the Missouri Budget Project.

OTHERS: Others testifying on the bill say that there will be implementation issues so the circuit breaker is the best way to proceed. There also is a fairness issue such as when an elderly person who qualified for this program and thus has an artificially low assessed valuation of his or her home sells the home to a younger person who does not qualify and the assessed valuation jumps dramatically.

Testifying on the bill was AARP.