

FIRST REGULAR SESSION

HOUSE BILL NO. 458

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE KIDD.

0287H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 135, RSMo, by adding thereto one new section relating to a tax credit for senior citizen property owners.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 135, RSMo, is amended by adding thereto one new section, to be known as section 135.1915, to read as follows:

135.1915. 1. As used in this section, the following terms mean:

(1) "Qualified taxpayer", any individual who has owned his or her primary residence for at least two years, whose primary residence is wholly owned by the individual and free of any obligation, and who is subject to the tax imposed under chapter 137;

(2) "Tax credit", a credit against the tax otherwise due under chapter 137.

2. For all tax years beginning on or after January 1, 2020, a qualified taxpayer shall, beginning the calendar year following the year in which the qualified taxpayer is eligible for full Social Security retirement benefits, be allowed to claim a tax credit against the qualified taxpayer's state real property tax liability under chapter 137 in an amount equal to the amount of real property tax paid on the qualified taxpayer's primary residence, subject to the provisions of subsection 6 of this section.

3. In the event the qualified taxpayer is married, only one spouse need qualify as a qualified taxpayer to be eligible for the credit authorized under this section.

4. Once an individual attains the status of a qualified taxpayer, the two-year ownership requirement shall be waived if the qualified taxpayer moves to a new primary residence, provided the new primary residence is wholly owned and free of any obligation.

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.

17 **5. (1) The first year a qualified taxpayer is eligible for the tax credit under this**
18 **section, the tax credit shall not exceed twenty percent of the amount of real property tax**
19 **paid on the qualified taxpayer's primary residence. The second year a qualified taxpayer**
20 **is eligible for the tax credit, the tax credit shall not exceed forty percent of the amount of**
21 **real property tax paid on the qualified taxpayer's primary residence. The third year a**
22 **qualified taxpayer is eligible for the tax credit, the tax credit shall not exceed sixty percent**
23 **of the amount of real property tax paid on the qualified taxpayer's primary residence. The**
24 **fourth year a qualified taxpayer is eligible for the tax credit, the tax credit shall not exceed**
25 **eighty percent of the amount of real property tax paid on the qualified taxpayer's primary**
26 **residence. The fifth year a qualified taxpayer is eligible for the tax credit and all years**
27 **thereafter, the taxpayer is exempt from paying any state real property tax on the qualified**
28 **taxpayer's primary residence.**

29 **(2) A qualified taxpayer may only claim the tax credit provided for under this**
30 **section in years in which there is no property encumbrance on the qualified taxpayer's**
31 **primary residence. A qualified taxpayer who has accumulated one or more years of**
32 **eligibility under subdivision (1) of this subsection, but whose primary residence later**
33 **becomes subject to a property encumbrance, shall no longer be eligible for the tax credit;**
34 **however, such taxpayer shall automatically become reeligible and shall be reccredited with**
35 **any previously accumulated years of eligibility in the first year following the year in which**
36 **the encumbrance is removed.**

37 **6. Tax credits issued under the provisions of this section shall be refundable but**
38 **shall not be sold, transferred, or assigned.**

39 **7. No taxpayer shall claim the tax credit authorized under this section the same**
40 **year that such taxpayer claims a tax credit authorized under section 135.020.**

41 **8. Notwithstanding any provisions of subsections 1 to 7 of this section to the**
42 **contrary, a qualified taxpayer who makes use of a service in a district, division, or**
43 **subdivision which has been authorized to impose a property tax for the specific purpose**
44 **of funding such service shall remain liable for such property tax at the rate imposed. This**
45 **remaining tax liability shall extend, but not be limited, to property taxes authorized and**
46 **imposed under chapter 190 for ambulance services, and property taxes authorized and**
47 **imposed under chapter 321 for fire protection services.**

48 **9. The department of revenue may promulgate rules to implement the provisions**
49 **of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that**
50 **is created under the authority delegated in this section shall become effective only if it**
51 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**
52 **section 536.028. This section and chapter 536 are nonseverable, and if any of the powers**

53 vested with the general assembly pursuant to chapter 536 to review, to delay the effective
54 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
55 grant of rulemaking authority and any rule proposed or adopted after August 28, 2019,
56 shall be invalid and void.

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