

FIRST REGULAR SESSION

HOUSE BILL NO. 135

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HUDSON.

0651H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 135.030, RSMo, and to enact in lieu thereof one new section relating to property tax credits.

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

Section A. Section 135.030, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 135.030, to read as follows:

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, **for all calendar years ending on or before December 31, 2023**, the maximum upper limit shall be the sum of thirty thousand dollars. **For all calendar years beginning on and after January 1, 2024, 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-seven thousand dollars, which amount shall be annually adjusted for inflation based on the Consumer Price Index for All Urban Consumers for the Midwest region, as defined and officially recorded by the United States Department of Labor or its successor;**

(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. **For all calendar years beginning on and after January 1,**

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.

18 **2024, in the case of a homestead owned and occupied for the entire year by the claimant,**
 19 **the minimum base shall be the sum of twenty-one thousand three hundred dollars,**
 20 **which amount shall be annually adjusted for inflation based on the Consumer Price**
 21 **Index for All Urban Consumers for the Midwest region, as defined and officially**
 22 **recorded by the United States Department of Labor or its successor.**

23 2. (1) For all calendar years ending on or before December 31, 2023, if the
 24 income on a return is equal to or less than the maximum upper limit for the calendar year for
 25 which the return is filed, the property tax credit shall be determined from a table of credits
 26 based upon the amount by which the total property tax described in section 135.025 exceeds
 27 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.

34 (2) The director of revenue shall prescribe a table based upon ~~the preceding~~
 35 ~~sentences]~~ **subdivision (1) of this subsection.** The property tax shall be in increments of
 36 twenty-five dollars and the income in increments of three hundred dollars. The credit shall be
 37 the amount rounded to the nearest whole dollar computed on the basis of the property tax and
 38 income at the midpoints of each increment. As used in this subsection, the term
 39 "accumulative" means an increase by continuous or repeated application of the percent to the
 40 income increment at each three hundred dollar level.

41 3. (1) For all calendar years beginning on and after January 1, 2024, in the case
 42 of a homestead owned and occupied for the entire year by the claimant, if the income on
 43 a return is equal to or less than the maximum upper limit for the calendar year for
 44 which the return is filed, the property tax credit shall be determined from a table of
 45 credits based upon the amount by which the total property tax described in section
 46 135.025 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

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Over the minimum base but not over the maximum upper limit	1/16 percent accumulative per \$300 from 0 percent to 4 percent.
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(2) The director of revenue shall prescribe a table based upon subdivision (1) of this subsection. 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 increment at each three-hundred-dollar level.

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

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