

FIRST REGULAR SESSION

HOUSE BILL NO. 666

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE STRICKLER.

1364H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 135.025 and 135.030, RSMo, and to enact in lieu thereof two new sections relating to property tax credits.

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

Section A. Sections 135.025 and 135.030, RSMo, are repealed and two new sections
2 enacted in lieu thereof, to be known as sections 135.025 and 135.030, to read as follows:

135.025. The property taxes accrued and rent constituting property taxes accrued on
2 each return shall be totaled. This total, up to seven hundred fifty dollars in rent constituting
3 property taxes actually paid or eleven hundred dollars in actual property tax paid, shall be
4 used in determining the property tax credit, **for all tax years ending on or before December**
5 **31, 2023. For all tax years beginning on or after January 1, 2024, this total, up to one**
6 **thousand fifty-five dollars in rent constituting property taxes actually paid or one**
7 **thousand five hundred fifty dollars in actual property tax paid, shall be used in**
8 **determining the property tax credit and such totals shall be adjusted annually for**
9 **inflation based on the Consumer Price Index for All Urban Consumers for the Midwest**
10 **region, as defined and officially recorded by the United States Department of Labor or**
11 **its successor.** The director of revenue shall prescribe regulations providing for allocations
12 where part of a claimant's homestead is rented to another or used for nondwelling purposes or
13 where a homestead is owned or rented or used as a dwelling for part of a year.

135.030. 1. As used in this section:

2 (1) **(a)** The term "maximum upper limit" shall, for each calendar year after December
3 31, 1997, but before calendar year 2008, be the sum of twenty-five thousand dollars. For all
4 calendar years beginning on or after January 1, 2008, **but ending on or before December 31,**

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.

5 **2023**, the maximum upper limit shall be the sum of twenty-seven thousand five hundred
 6 dollars. In the case of a homestead owned and occupied for the entire year by the claimant,
 7 **for all calendar years ending on or before December 31, 2023**, the maximum upper limit
 8 shall be the sum of thirty thousand dollars.

9 (b) The term "maximum upper limit" shall, for all calendar years beginning on
 10 or after January 1, 2024, be the sum of:

11 a. Thirty-eight thousand two hundred dollars for an individual claimant, or in
 12 the case of a homestead owned and occupied for the entire year by the individual
 13 claimant, forty-two thousand two hundred dollars, which amount shall be annually
 14 adjusted for inflation based on the Consumer Price Index for All Urban Consumers for
 15 the Midwest region, as defined and officially recorded by the United States Department
 16 of Labor or its successor; or

17 b. Forty-one thousand dollars for a married claimant filing combined, or in the
 18 case of a homestead owned and occupied for the entire year by the married claimant
 19 filing combined, forty-eight thousand dollars, which amount shall be annually adjusted
 20 for inflation based on the Consumer Price Index for All Urban Consumers for the
 21 Midwest region, as defined and officially recorded by the United States Department of
 22 Labor or its successor;

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

27 2. If the income on a return is equal to or less than the maximum upper limit for the
 28 calendar year for which the return is filed, the property tax credit shall be determined from a
 29 table of credits based upon the amount by which the total property tax described in section
 30 135.025 exceeds the percent of income in the following list:

If the income on the return is:	The percent is:
Not over the minimum base	For all calendar years ending on or before December 31, 2023, 0 percent with credit not to exceed \$1,100 in actual property tax or rent equivalent paid up to \$750 and for all calendar years beginning on or after January 1, 2024, 0 percent with credit not to exceed \$1,550 in actual property

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	tax or rent equivalent paid up to \$1,055
Over the minimum base but not over the maximum upper limit	For all calendar years ending on or before December 31, 2023, 1/16 percent accumulative per \$300 from 0 percent to 4 percent and for all calendar years beginning on or after January 1, 2024, 1/16 percent accumulative per \$495 from 0 percent to 4 percent.

52 The director of revenue shall prescribe a table based upon the preceding sentences. The
53 property tax shall be in increments of twenty-five dollars and the income in increments of
54 three hundred dollars, **for all calendar years ending on or before December 31, 2023. For**
55 **all calendar years beginning on or after January 1, 2024, the property tax shall be in**
56 **increments of twenty-five dollars and the income in increments of four hundred ninety-**
57 **five dollars.** The credit shall be the amount rounded to the nearest whole dollar computed on
58 the basis of the property tax and income at the midpoints of each increment. As used in this
59 subsection, the term "accumulative" means an increase by continuous or repeated application
60 of the percent to the income increment at each three hundred dollar level **for all calendar**
61 **years ending on or before December 31, 2023, or at each four hundred ninety-five dollar**
62 **level for all calendar years beginning on or after January 1, 2024.**

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

