

SS SB 190 -- TAX RELIEF FOR SENIORS

SPONSOR: Luetkemeyer

COMMITTEE ACTION: Voted "Do Pass" by the Special Committee on Tax Reform by a vote of 10 to 0. Voted "Do Pass" by the Standing Committee on Rules- Administrative Oversight by a vote of 7 to 0.

This bill authorizes a county to grant a property tax credit to eligible taxpayers residing in such county, provided such county has adopted an ordinance authorizing such credit, or a petition in support of such credit is delivered to the governing body of the county and is subsequently submitted to and approved by the voters, as described in the bill.

Eligible taxpayers are defined as residents who:

- (1) Are eligible for Social Security retirement benefits;
- (2) Are the owner of record of or have a legal or equitable interest in a homestead; and
- (3) Are liable for the payment of real property taxes on such homestead.

The amount of the property tax credit shall be equal to the difference between the real property tax liability on the homestead in a given year minus the real property tax liability on such homestead in the year in which the taxpayer became an eligible taxpayer.

A credit granted pursuant to this bill shall be applied when calculating the eligible taxpayer's property tax liability for the tax year. The amount of the credit shall be noted on the statement of tax due sent to the eligible taxpayer by the county collector.

The amount of property tax credits authorized by a county pursuant to this bill shall be considered tax revenue actually received by the county for the purposes of calculating property taxes.

Currently, taxpayers with a certain filing status and adjusted gross income below certain thresholds are allowed to deduct 100% of certain of certain retirement and Social Security benefits from the taxpayer's Missouri adjusted gross income, with a reduced deduction as the taxpayer's adjusted gross income increases. For all tax years beginning January 1, 2024, this bill allows the maximum deduction to all taxpayers regardless of filing status or adjusted gross income.

PROPONENTS: Supporters say that the provisions of this bill will put more money back into the pockets of seniors. Currently, seniors are being priced out of their homes because of rising valuations attached to their homes. As a result, many seniors now find it necessary to seek out employment opportunities to cover the increased costs of living.

Supporters further say that seniors have paid their debt to society, and they should not have to worry about an inability to pay for basics, such as medicine.

Testifying in person for the bill were Senator Luetkemeyer; AARP; and Arnie C Dienoff.

OPPONENTS: There was no opposition voiced to the committee.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under "House Testimony on Senate Bills" on the House website.