

FIRST REGULAR SESSION

# HOUSE BILL NO. 1336

103RD GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE REEDY.

2750H.011

JOSEPH ENGLER, Chief Clerk

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## AN ACT

To repeal section 137.1050, RSMo, and to enact in lieu thereof one new section relating to a homestead local property tax credit.

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

Section A. Section 137.1050, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 137.1050, to read as follows:

137.1050. 1. For the purposes of this section, the following terms shall mean:

- (1) "Eligible credit amount", the difference between an eligible taxpayer's real property tax liability on such taxpayer's homestead for a given tax year, minus the real property tax liability on such homestead in the eligible taxpayer's initial credit year;
- (2) "Eligible taxpayer", a Missouri resident who:
- (a) Is sixty-two years of age or older;
  - (b) Is an owner of record of a homestead or has a legal or equitable interest in such property as evidenced by a written instrument; and
  - (c) Is liable for the payment of real property taxes on such homestead;
- (3) "Homestead", real property actually occupied by an eligible taxpayer as the primary residence. An eligible taxpayer shall not claim more than one primary residence;
- (4) "Initial credit year":
- (a) In the case of a taxpayer that meets all requirements of subdivision (2) of this subsection prior to the year in which a credit is authorized pursuant to subsection 2 of this section, the year in which such credit is authorized;
  - (b) For all other taxpayers, the year in which the taxpayer meets all requirements of subdivision (2) of this subsection **and applies for the credit.**

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.

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19 If in any tax year subsequent to the eligible taxpayer's initial credit year the eligible taxpayer's  
20 real property tax liability is lower than such liability in the initial credit year, such tax year  
21 shall be considered the eligible taxpayer's initial credit year for all subsequent tax years.

22 2. (1) Any county authorized to impose a property tax may grant a property tax credit  
23 to eligible taxpayers residing in such county in an amount equal to the taxpayer's eligible  
24 credit amount, provided that:

25 (a) Such county adopts an ordinance authorizing such credit; or

26 (b) a. A petition in support of a referendum on such a credit is signed by at least five  
27 percent of the registered voters of such county voting in the last gubernatorial election and the  
28 petition is delivered to the governing body of the county, which shall subsequently hold a  
29 referendum on such credit.

30 b. The ballot of submission for the question submitted to the voters pursuant to  
31 paragraph (b) of this subdivision shall be in substantially the following form:

32 Shall the County of \_\_\_\_\_ exempt senior citizens aged 62 and  
33 older from increases in the property tax liability due on such  
34 senior citizens' primary residence?

35  YES

NO

36

37 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in  
38 favor of the proposal, then the credit shall be in effect.

39 (2) An ordinance adopted pursuant to paragraph (a) of subdivision (1) of this  
40 subsection shall not preclude such ordinance from being amended or superseded by a petition  
41 subsequently adopted pursuant to paragraph (b) of subdivision (1) of this subsection.

42 3. (1) A county granting credit pursuant to this section shall apply such credit when  
43 calculating the eligible taxpayer's property tax liability for the tax year. The amount of the  
44 credit shall be noted on the statement of tax due sent to the eligible taxpayer by the county  
45 collector. The county governing body may adopt reasonable procedures in order to carry out  
46 the purposes and intent of this section, provided that the county shall not adopt any procedure  
47 that limits the definition or scope of eligible credit amount or eligible taxpayer as defined in  
48 this section.

49 (2) If an eligible taxpayer makes new construction and improvements to such eligible  
50 taxpayer's homestead, the real property tax liability for the taxpayer's initial credit year shall  
51 be increased to reflect the real property tax liability attributable to such new construction and  
52 improvements.

53 (3) If an eligible taxpayer's homestead is annexed into a taxing jurisdiction to which  
54 such eligible taxpayer did not owe real property tax in the eligible taxpayer's initial credit

55 year, then the real property tax liability for the taxpayer's initial credit year shall be increased  
56 to reflect the real property tax liability owed to the annexing taxing jurisdiction.

57 **(4) Nothing in this section shall be construed to relieve a taxpayer of the**  
58 **obligation to pay the tax liability levied for:**

59 **(a) The state blind pension fund; or**

60 **(b) Any tax levied for the payment of voter-approved bond indebtedness.**

61 4. For the purposes of calculating property tax levies pursuant to section 137.073, the  
62 total amount of credits authorized by a county pursuant to this section shall be considered tax  
63 revenue, as such term is defined in section 137.073, actually received.

64 5. A county granting a tax credit pursuant to this section shall notify each political  
65 subdivision within such county of the total credit amount applicable to such political  
66 subdivision by no later than November thirtieth of each year.

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