

SECOND REGULAR SESSION

HOUSE BILL NO. 2362

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SCHMIDT.

4246H.01I

JOSEPH ENGLER, Chief Clerk

AN ACT

To amend chapter 137, RSMo, by adding thereto one new section relating to a real property tax exemption for certain disabled veterans, with a penalty provision.

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

Section A. Chapter 137, RSMo, is amended by adding thereto one new section, to be known as section 137.1075, to read as follows:

137.1075. 1. This section shall be known and may be cited as the "Disabled Veteran Property Tax Relief Act".

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

(1) "Commission", the state tax commission;

(2) "Disability rating", the percentage of disability assigned to a disabled veteran by the United States Department of Veterans Affairs, reflecting the degree to which the veteran's disability impacts his or her ability to work and perform daily activities;

(3) "Disabled veteran", a Missouri resident who has served as a member of the Armed Forces of the United States, has received a disability rating certified by the United States Department of Veterans Affairs, and is an owner of record and liable for the payment of property taxes on the primary residence for which the exemption allowed under this section is claimed;

(4) "Primary residence", the real property owned and occupied by the disabled veteran as his or her principal place of residence.

3. In addition to all other exemptions authorized under Article X, Section 6 of the Constitution of Missouri or otherwise authorized by law, and as authorized under

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 Article X, Section 6(a) of the Constitution of Missouri, for all tax years beginning on or
19 after January 1, 2027, an annual exemption is granted for property that is used as a
20 primary residence by a disabled veteran within the state of Missouri, proportional to the
21 disabled veteran's disability rating and calculated as follows:

22 (1) For disabled veterans with a disability rating less than one hundred percent,
23 the total real property tax levied and imposed upon the primary residence of a disabled
24 veteran shall be reduced by a percentage equal to the veteran's disability rating; and

25 (2) For disabled veterans with a disability rating of one hundred percent, the
26 annual exemption is equal to one hundred percent of the tax assessed on the primary
27 residence.

28 4. In order to verify eligibility for the exemption allowed under this section, no
29 later than April first of each tax year for which an exemption is claimed, a disabled
30 veteran shall:

31 (1) Submit an application on a form provided by the county or city not within a
32 county to the local assessor or collector's office or other entity as directed by local rule
33 or ordinance;

34 (2) Include documentation that verifies proof of the disability rating, including
35 official documentation from the United States Department of Veterans Affairs; and

36 (3) Include proof of ownership and occupation of the primary residence.

37 5. The collector's office or other entity designated by rule or ordinance shall
38 review applications and determine eligibility of the residential property based on the
39 criteria set forth under this section and by the application, visual inspection,
40 questionnaire, or other reasonable methods. The determination shall be made in
41 accordance with guidelines established by the commission and any additional local rules
42 or regulations.

43 6. The exemption under this section carries over to the benefit of the disabled
44 veteran's surviving spouse as long as the spouse holds the legal or beneficial title to the
45 qualified residence, permanently resides therein, and does not remarry. No exemption
46 shall be allowed for the tax year in which the surviving spouse remarries. The
47 exemption for a surviving spouse shall remain proportional to the disabled veteran's
48 disability rating as of the time of the veteran's passing.

49 7. The claim for an exemption shall not be transferred or assigned, except as
50 provided for under this section.

51 8. Any individual who knowingly provides false information to obtain the
52 exemption set forth in this section shall be subject to a penalty equal to twice the amount
53 of the tax exemption improperly received, in addition to any other penalties under state
54 or local law.

55 **9. The governing body of the county or city not within a county may adopt**
56 **reasonable procedures and promulgate ordinances, rules, and regulations in order to**
57 **implement and administer the provisions of this section and comply with any additional**
58 **requirements or regulations promulgated by the commission.**

59 **10. The exemption granted under this section shall not affect the process of**
60 **setting the tax rate as required under Article X, Section 22 of the Constitution of**
61 **Missouri and section 137.073 in any prior, current, or subsequent tax year.**

62 **11. The commission may promulgate all necessary rules and regulations for the**
63 **administration of this section. Any rule or portion of a rule, as that term is defined in**
64 **section 536.010, that is created under the authority delegated in this section shall**
65 **become effective only if it complies with and is subject to all of the provisions of chapter**
66 **536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable**
67 **and if any of the powers vested with the general assembly pursuant to chapter 536 to**
68 **review, to delay the effective date, or to disapprove and annul a rule are subsequently**
69 **held unconstitutional, then the grant of rulemaking authority and any rule proposed or**
70 **adopted after August 28, 2026, shall be invalid and void.**

71 **12. No rule promulgated by the commission shall in any way adversely impact,**
72 **interrupt, or interfere with the performance of the required statutory duties of any**
73 **county or city elected official including, but not limited to, the collector, when**
74 **performing such duties as deemed necessary for the purposes of this section and the**
75 **distribution of all other real and personal property taxes.**

76 **13. If any provision of this section or its application to any person or**
77 **circumstance is held invalid, such determination shall not affect the provisions or**
78 **applications of this section which may be given effect without the invalid provision or**
79 **application, and to that end the provisions of this section are severable.**

80 **14. Under section 23.253 of the Missouri sunset act:**

81 **(1) The provisions of this section shall sunset six years after the effective date of**
82 **this section unless reauthorized by an act of the general assembly; and**

83 **(2) This section shall terminate on January first of the calendar year**
84 **immediately following the calendar year in which the provisions of this section are**
85 **sunset.**

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