

SECOND REGULAR SESSION

HOUSE BILL NO. 2672

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE JONES (12).

6213H.01I

JOSEPH ENGLER, Chief Clerk

AN ACT

To amend chapter 137, RSMo, by adding thereto one new section relating to a local personal property tax credit for certain disabled veterans.

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 137.1054, to read as follows:

137.1054. 1. This section shall be known and may be cited as the "Missouri Disabled Veteran Personal Property Tax Credit Act".

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

(1) "County", any county or city not within a county in this state;

(2) "Credit percentage", the same percentage as the eligible veteran's disability rating, not to exceed one hundred percent;

(3) "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, expressed as a whole number percentage;

(4) "Disabled veteran", a Missouri resident who has been separated under honorable conditions from active service in any branch or reserve component of the Armed Forces of the United States or the National Guard of a state as defined in 32 U.S.C. Section 101, as amended, and has a service-connected disability and has received a disability rating of seventy percent or greater, as certified by the United States Department of Veterans Affairs;

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.

17 (5) "Eligible veteran", an individual who is a disabled veteran, is a resident of
18 the county adopting an ordinance under this section, owns and maintains a qualified
19 vehicle in this state, and is liable for the payment of personal property taxes on the
20 qualified vehicle;

21 (6) "Personal property tax credit", a credit against an eligible owner's liability
22 for tax on the qualified residence that is levied and imposed by the governing body of a
23 county or other political subdivision of this state with the power to levy and impose taxes
24 on real property in this state;

25 (7) "Qualified personal property assessment", the total assessed valuation of
26 each qualified vehicle as determined annually by the county assessor;

27 (8) "Qualified tax liability", the total personal property taxes levied on each
28 qualifying vehicle for the tax year, excluding any taxes levied for the blind pension fund;

29 (9) "Qualified vehicle", a motor vehicle titled solely in the name of the eligible
30 veteran or jointly with the eligible veteran's spouse, licensed in Missouri as required
31 under chapter 301, and used primarily for personal, noncommercial purposes.

32 3. (1) For all tax years beginning on or after January 1, 2027, a county may
33 authorize a personal property tax credit for eligible veterans in an amount equal to the
34 credit percentage applied to the qualified tax liability for each qualified vehicle, up to
35 two vehicles, if such county adopts an order, ordinance, or resolution authorizing such
36 personal property tax credit.

37 (2) A county that adopts and authorizes a personal property tax credit under the
38 provisions of this section may authorize:

39 (a) A uniform credit percentage equal to the eligible veteran's disability rating;
40 or

41 (b) A schedule of credit percentages based on disability rating tiers, provided
42 that no credit shall be granted for a disability rating below seventy percent.

43 4. (1) For each tax year in which a personal property tax credit is authorized
44 under this section, the county collector shall apply the credit or credits to the eligible
45 veteran's personal property tax bill after determining the total amount of his or her
46 qualified tax liability.

47 (2) Personal property tax credits authorized under the provisions of this section
48 shall reduce the amount of personal property taxes the eligible veteran is required to
49 pay but shall not alter the assessed valuation of the qualified vehicle, the levy applied by
50 any taxing authority, or the tax base used by any taxing authority and shall not be
51 construed as an exemption from personal property taxes. The eligible veteran shall
52 remain responsible for all taxes levied for the blind pension fund, which shall not be
53 subject to any credit authorized under this section.

54 **(3) Personal property tax credits issued under the provisions of this section shall**
55 **not be refundable. No personal property tax credit claimed under this section shall be**
56 **carried forward to any subsequent tax year. The personal property tax credit allowed**
57 **under this section shall not be transferred, assigned, sold, or otherwise conveyed.**

58 **5. An eligible veteran shall annually provide a copy of his or her current**
59 **disability rating letter from the Department of Veterans Affairs and proof of ownership**
60 **and registration for each qualified vehicle. A county may create a simplified renewal**
61 **process for eligible veterans whose disability rating is permanent and total or otherwise**
62 **designated as static by the United States Department of Veterans Affairs.**

63 **6. The governing body of the county may adopt reasonable procedures and**
64 **promulgate ordinances, rules, and regulations in order to implement and administer the**
65 **provisions of this section, including application deadlines, documentation requirements,**
66 **and renewal processes. Eligibility determinations shall be made in accordance with**
67 **guidelines established by this section and any additional local rules or regulations. The**
68 **department of revenue may provide optional guidance, but implementation shall be**
69 **conducted at the county level.**

70 **7. (1) For the purposes of calculating property tax rates, school district**
71 **operating levy determinations, county revenue reporting, constitutional rollback**
72 **calculations, and all other state or local revenue adjustment formulas, the total**
73 **amount of personal property tax credits authorized under this section shall be**
74 **considered tax revenue actually received by the county, political subdivision, or other**
75 **taxing authority.**

76 **(2) No taxing authority shall increase its operating levy or debt service levy, or**
77 **claim a revenue shortfall as a result of credits granted under the provisions of this**
78 **section.**

79 **(3) A personal property tax credit granted under this section shall not affect the**
80 **process of setting the tax rate as required under Article X, Section 22 of the Constitution**
81 **of Missouri and section 137.073 in any prior, current, or subsequent tax year.**

82 **(4) Nothing in this section shall impair the obligation of any contract, reduce or**
83 **restrict the taxing authority of any political subdivision, or alter the calculation of**
84 **assessed valuation for the purposes of bonded indebtedness.**

85 **8. Nothing in this section shall be construed to require any county to adopt or**
86 **authorize the personal property tax credit provided under this section. Adoption shall**
87 **be solely at the discretion of the county governing body.**