

SECOND REGULAR SESSION

[PERFECTED]

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 2944

103RD GENERAL ASSEMBLY

6569H.02P

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal section 137.1050, RSMo, and to enact in lieu thereof one new section relating to the senior citizen homestead tax credit.

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Section A. Section 137.1050, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 137.1050, to read as follows: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 **from all political subdivisions levying a real property tax**, 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 **as of January first of the applicable tax year**;
 - (b) Is an owner of record of a homestead or has a legal or equitable interest in such property as evidenced by a **publicly recorded or a verified** written instrument **including, but not limited to, a trust document in which at least one primary beneficiary is sixty-two years of age or older**; 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":

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.

16 (a) In the case of a taxpayer that meets all requirements of subdivision (2) of this
17 subsection prior to the year in which a credit is authorized pursuant to subsection 2 of this
18 section, the year in which such credit is authorized;

19 (b) For all other taxpayers, the year in which the taxpayer meets all requirements of
20 subdivision (2) of this subsection.

21

22 If in any tax year subsequent to the eligible taxpayer's initial credit year the eligible taxpayer's
23 real property tax liability is lower than such liability in the initial credit year, such tax year
24 shall be considered the eligible taxpayer's initial credit year for all subsequent tax years. This
25 provision shall not apply if an eligible taxpayer's real property tax liability is lower than such
26 liability in the taxpayer's initial credit year solely due to a reduction in a property tax levy
27 made pursuant to section 321.554.

28 2. (1) Any county authorized to impose a property tax ~~may~~ shall grant a property
29 tax credit to all eligible taxpayers residing in such county for certain increases to such
30 taxpayer's real property tax liability in an amount equal to the taxpayer's eligible credit
31 amount, provided that:

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

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

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

39 Shall the County of _____ exempt senior citizens aged 62 and
40 older from increases in the property tax liability due on such
41 senior citizens' primary residence?

42 YES NO

43

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

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

49 3. (1) In a county granting a real property tax credit pursuant to this section, the
50 county and each political subdivision levying a real property tax on an eligible
51 taxpayer's homestead shall apply the county's or political subdivision's proportional
52 amount of such credit when calculating the eligible taxpayer's property tax liability for the

53 tax year. The **total** amount of the credit **and the county's and each political subdivision's**
54 **proportional amount of the credit** shall be noted in actual monetary value on the
55 statement of tax due sent to the eligible taxpayer by the county collector. **A note on the**
56 **statement of tax due shall indicate that it is the responsibility of the taxpayer to notify**
57 **the county if he or she is no longer eligible for the credit provided under this section.**
58 **Such ineligibility shall include, but not be limited to, circumstances in which the**
59 **taxpayer is no longer the owner of record, is no longer liable for the payment of**
60 **property taxes on the qualifying residence, or no longer occupies the qualifying**
61 **residence due to death or relocation, or the qualifying residence is no longer such**
62 **taxpayer's primary residence. Failure to notify the county governing body of**
63 **ineligibility may result in penalties described in this section.** The county governing
64 body or political subdivision's governing body may adopt reasonable procedures in order to
65 carry out the purposes and intent of this section, provided that **neither** the county **nor a**
66 **political subdivision** shall ~~not~~ adopt any procedure that limits the definition or scope of
67 eligible credit amount or eligible taxpayer as defined in this section.

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

72 (3) If an eligible taxpayer's homestead is annexed into a taxing jurisdiction to which
73 such eligible taxpayer did not owe real property tax in the eligible taxpayer's initial credit
74 year, then the real property tax liability for the taxpayer's initial credit year shall be increased
75 to reflect the real property tax liability owed to the annexing taxing jurisdiction.

76 4. For the purposes of calculating property tax levies pursuant to section 137.073, the
77 total amount of credits authorized ~~by~~ **in** a county pursuant to this section shall be considered
78 tax revenue, as such term is defined in section 137.073, actually received **by the political**
79 **subdivision levying such tax.**

80 5. ~~[A county granting a tax credit pursuant to this section shall notify each political~~
81 ~~subdivision within such county of the total credit amount applicable to such political~~
82 ~~subdivision by no later than November thirtieth of each year]~~ **For purposes of this section,**
83 **"real property tax" includes, but is not limited to, the following levies on an eligible**
84 **taxpayer's homestead by a county or a political subdivision within such county:**

- 85 (1) A tax levy for debt service;
86 (2) A tax levy for operating purposes or operating expenses;
87 (3) A tax levy for capital improvements or capital projects;
88 (4) A special assessment or special tax levy; and
89 (5) Any other real property tax levied for any purpose.

90 **6. Nothing in this section shall be construed to prevent an eligible taxpayer from**
91 **appealing an assessment.**

92 **7. For all tax years beginning on or after the effective date of this section, an**
93 **eligible taxpayer applying for the tax credit authorized under the provisions of this**
94 **section shall not be required to reapply annually. Upon initial qualification under the**
95 **provisions of this section and any additional provisions adopted by the county governing**
96 **body, the eligible taxpayer shall maintain such eligibility without a requirement to**
97 **reapply for qualification each year. The tax credit shall continue to be automatically**
98 **applied to the eligible taxpayer's homestead until the tax year in which the eligible**
99 **taxpayer relocates to another homestead or upon the death of the eligible taxpayer,**
100 **which shall be certified with a copy of the death certificate or notification of the**
101 **relocation within ninety days of the date of either such event. If a credit is granted in**
102 **error due to the failure of the taxpayer to notify the county collector of relocation or**
103 **death, the governing body of the county may remedy the error.**

104 **8. The department of health and senior services shall, subject to appropriation**
105 **by the general assembly, establish and maintain a secure electronic portal accessible to**
106 **each county, through a county designee authorized to administer or assist in**
107 **administering any senior citizen property tax credit program authorized under this**
108 **section for the limited purpose of verifying whether an applicant is deceased. Such**
109 **portal shall permit authorized county designees to access or query records necessary to**
110 **determine the death status of applicants in order to ensure the accurate and lawful**
111 **administration of such tax credit.**

112 **9. In the event no appropriation is made for the establishment or maintenance of**
113 **such portal, the department of health and senior services shall, no later than July**
114 **thirtieth of each year, provide to each county, through its authorized county designee, a**
115 **report listing all individuals whose deaths were recorded within that county during the**
116 **period beginning July first of the immediately preceding year and ending June thirtieth**
117 **of the current year. Such report shall be provided in a format reasonably usable by the**
118 **county designee for purposes of administering, verifying, and maintaining eligibility for**
119 **the senior citizen property tax credit.**

120 **10. Each county designee, in furtherance of administering any senior citizen**
121 **property tax credit eliminating the need for mandatory annual renewal by eligible**
122 **applicants, shall implement reasonable procedures to determine whether a change of**
123 **ownership has occurred with respect to any homestead receiving such credit prior to the**
124 **issuance of property tax statements for the applicable tax year. Such procedures shall**
125 **conform to applicable local ordinances, administrative processes, and available records,**

126 and shall ensure the accurate continuation or removal of such credit based upon
127 eligibility.

128 **11. Any payment of real or personal property taxes transmitted through the**
129 **United States Postal Service and postmarked no later than January fifth of the year**
130 **immediately following the applicable tax year shall be deemed timely paid and shall not**
131 **be subject to penalty or interest, provided that, regardless of postmark date, any check,**
132 **cashier's check, or money order dated later than December thirty-first of the applicable**
133 **tax year shall be considered delinquent, and further provided that any payment made**
134 **by means other than United States Postal Service mail, including but not limited to in-**
135 **person, electronic, internet, interactive voice response, or electronic check payments**
136 **shall be considered delinquent if received after December thirty-first of the applicable**
137 **tax year.**

138 **12. Notwithstanding any provision of law to the contrary, in any county**
139 **operating under a township form of government, the township collector, or other county**
140 **designee authorized to collect property taxes, shall have the same authority as provided**
141 **to county collectors under section 139.053 to accept partial or installment payments of**
142 **real and personal property taxes prior to delinquency. Such township collector or**
143 **county designee may establish reasonable procedures for the acceptance, processing,**
144 **safeguarding, and accounting of such installment payments consistent with state law**
145 **and local ordinances, and taxpayers within such jurisdictions shall have the same rights**
146 **and opportunities to remit property taxes through installment payments as taxpayers in**
147 **counties without a township form of government.**

148 **13. Notwithstanding any provision of law to the contrary, in the event a county**
149 **experiences technical, administrative, or operational difficulties that materially delay**
150 **the preparation, printing, or mailing of real or personal property tax statements, the**
151 **county governing body may extend the deadline for timely payment of such taxes for a**
152 **period not to exceed thirty days beyond the otherwise applicable delinquency date.**
153 **During such extension period, payments received shall be deemed timely and shall not**
154 **be subject to penalty or interest. The county governing body shall provide reasonable**
155 **public notice of such extension, and such extension shall apply uniformly to all affected**
156 **taxpayers within the jurisdiction.**

157 **14. Notwithstanding any provision of law to the contrary, the county assessor,**
158 **township assessor, or other county designee responsible for the administration of**
159 **assessment lists, personal property declarations, homestead verification forms, or other**
160 **assessment-related filings may allow a grace period not to exceed ten days following the**
161 **statutory deadline for submission of such forms when such forms are transmitted**
162 **through the United States Postal Service and postmarked on or before the applicable**

163 **due date but received after such due date due to postal delay. Any such form received**
164 **within the authorized grace period shall be deemed timely filed and shall not result in**
165 **penalty, estimated assessment, or disqualification from any property tax credit or relief**
166 **program solely due to delayed receipt. The assessor or county designee may establish**
167 **reasonable procedures to verify postmark dates and ensure uniform and consistent**
168 **application of such grace period in accordance with state law.**

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