

HCS HBs 3078 & 2672 -- LOCAL REAL PROPERTY TAX CREDIT FOR CERTAIN  
DISABLED VETERANS

SPONSOR: Schmidt

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing  
Committee on Veterans and Armed Forces by a vote of 16 to 1.

The following is a summary of the House Committee Substitute for  
HBs 3078 and 2672.

This bill establishes the "Missouri Disabled Veteran Homestead  
Tax Credit Act".

Beginning January 1, 2027, if adopted by county order, ordinance,  
or resolution, a county can grant an annual real property tax  
credit for the primary residence of a disabled veteran that has a  
market value not to exceed \$500,000.

The tax credit can only be used for the primary residence and up  
to five acres. However, if the total market value of the  
dwelling and surrounding acreage does not exceed \$500,000,  
ownership of additional acreage will not disqualify an owner from  
eligibility for the tax credit.

The county may grant a tax credit for any percentage of the  
qualified amount that does not exceed 100% of the disabled  
veteran's property tax liability. Before January of any year,  
the governing body of a county may adjust this tax credit  
percentage for the next general reassessment year by ordinance.

If the qualifying disabled veteran passes, this real property tax  
credit must carry over to the benefit of the surviving spouse, as  
long as certain conditions are met.

This real property tax credit must not reduce assessed valuations  
and must not be construed as an exemption.

If an eligible owner receives this real property tax credit, he  
or she must no longer be eligible for any other real property tax  
relief or tax credit relating to the owner's qualifying  
residence.

For the purpose of calculating property tax levies, the total  
amount of these real property tax credits must be considered tax  
revenue actually received by the county or other political  
subdivision.

This bill creates the "Missouri Disabled Veteran Personal Property Tax Credit Act". For all tax years beginning on or after January 1, 2027, a county can authorize, by adopting an order, ordinance, or resolution, a personal property tax credit for eligible veterans in an amount equal to the credit percentage applied to the qualified tax liability for each qualified vehicle, up to two vehicles.

A veteran is eligible if he or she is a disabled veteran, is a resident of the county adopting an ordinance, owns and maintains a vehicle in this state, and is liable for the payment of personal property taxes on the vehicle. The vehicle must be in the name of the veteran or jointly with the veteran's spouse.

The tax credit percentage will be the same percentage as the eligible veteran's disability rating, not to exceed 100%.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

**PROPOSERS:** Supporters say that this bill lowers the tax burden for our disabled veterans. This would be an incentive for people to stay and retire in Missouri. A lot of nonprofit organizations are run by disabled veterans and this bill could bring more of those organizations to our state.

Testifying in person for the bill were Representative Schmidt; Missouri National Guard Assoc.; Blake Leitch, Parmele Disability Advocate; Charles Canady; Charles A Sanders; Abate For Missouri; and Andy Davis.

**OPPOSERS:** Those who oppose the bill say that the legislature is already making cuts to the budget because the State has run out of money. The State cannot afford to do this right now. This could decimate smaller communities. We need this tax revenue to fund police and fire departments.

Testifying in person against the bill was Arnie C. Dienoff.

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