

SECOND REGULAR SESSION

SENATE JOINT RESOLUTION NO. 63

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR RIZZO.

Read 1st time February 13, 2020, and ordered printed.

ADRIANE D. CROUSE, Secretary.

5402S.011

JOINT RESOLUTION

Submitting to the qualified voters of Missouri an amendment to Article X of the Constitution of Missouri, by adopting one new section relating to taxation of real property.

Be it resolved by the Senate, the House of Representatives concurring therein:

That at the next general election to be held in the state of Missouri, on Tuesday next following the first Monday in November, 2020, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for adoption or rejection, the following amendment to Article X of the Constitution of the state of Missouri:

Section A. Article X, Constitution of Missouri, is amended by adopting one new section, to be known as Section 27, to read as follows:

Section 27. 1. As used in this section, the following terms shall mean:

(1) "Primary residence", a home lived in by an individual for at least nine months out of a calendar year;

(2) "Qualified taxpayer", any individual who:

(a) Has wholly owned his or her primary residence for at least two years, free of any obligation, and who is subject to local property tax authorized under the laws of this state on such residence; or

(b) Has conveyed, in trust to a third party, his or her primary residence, but has lived in his or her primary residence for at least two years and continues to live in such primary residence under the terms of the trust, and who is subject to local property tax authorized under the laws of this state on such residence. The age of a trustee shall not be a factor in determining whether a taxpayer qualifies for the

15 exemption authorized under this section.

16 2. For all tax years beginning on or after January 1, 2021, a
17 qualified taxpayer shall, beginning the calendar year following the year
18 in which the taxpayer becomes eligible for full Social Security
19 retirement benefits, be exempted from his or her local real property tax
20 liabilities according to the provisions of subsection 3 of this section.

21 3. (1) The first year in which a qualified taxpayer is eligible for
22 the exemption, the exemption shall be equal to twenty percent of each
23 local real property tax paid on the taxpayer's primary residence. The
24 second year a qualified taxpayer is eligible for the exemption, the
25 exemption shall be equal to forty percent of each local real property
26 tax paid on the taxpayer's primary residence. The third year a
27 qualified taxpayer is eligible for the exemption, the exemption shall be
28 equal to sixty percent of each local real property tax paid on the
29 taxpayer's primary residence. The fourth year a qualified taxpayer is
30 eligible for the exemption, the exemption shall be equal to eighty
31 percent of each local real property tax paid on the taxpayer's primary
32 residence. The fifth year a qualified taxpayer is eligible for the
33 exemption and all years thereafter, the taxpayer shall be fully exempt
34 from any local real property tax on the taxpayer's primary residence.

35 (2) A qualified taxpayer shall be eligible for the exemption
36 provided under this section only in years in which there is no property
37 encumbrance on the taxpayer's primary residence, except for any trust
38 that may formally convey the property to a third party while allowing
39 for the continued use of the property as a primary residence by the
40 taxpayer making the conveyance. A qualified taxpayer who has
41 accumulated one or more years of eligibility under subdivision (1) of
42 this subsection, but whose primary residence later becomes subject to
43 a property encumbrance, shall no longer be eligible for the exemption;
44 however, such qualified taxpayer shall automatically become reeligible
45 and shall be reccredited with any previously accumulated years of
46 eligibility in the first year following the year in which the encumbrance
47 is removed.

48 (3) For the sole purpose of calculating the percentage amount of
49 the exemption under subdivision (1) of this subsection, a taxpayer who,
50 as of January 1, 2021, has already attained the age necessary to qualify
51 for full Social Security retirement benefits and meets the definition of

52 a qualified taxpayer shall be deemed to have been first eligible for the
53 exemption in the year following the year in which the taxpayer first
54 became eligible for full Social Security retirement benefits; however,
55 no taxpayer shall actually receive the tax credit authorized under this
56 section for any tax year before January 1, 2021.

57 4. In the event a taxpayer is married, only one spouse need
58 qualify as a qualified taxpayer to be eligible for the exemption
59 authorized under this section. In the event that a qualified taxpayer
60 dies, the surviving spouse shall continue to receive the exemption
61 authorized under this section, provided that the surviving spouse
62 continues to keep the real property as his or her primary residence,
63 and provided that the surviving spouse has attained an age which
64 makes him or her eligible for full Social Security retirement benefits. If
65 such surviving spouse has not attained such an age but continues to
66 keep the real property as his or her primary residence, he or she shall
67 not be eligible for the exemption until he or she reaches such an age,
68 at which time he or she shall be automatically eligible for the full
69 amount of the exemption on the primary residence.

70 5. Once an individual attains the status of a qualified taxpayer,
71 the two-year ownership requirement shall be waived if such individual
72 moves to a new primary residence, provided the new primary residence
73 is wholly owned and free of any obligation or is conveyed in trust to a
74 third party and free of any obligation.

75 6. No individual receiving the exemption authorized under this
76 section shall be eligible for or receive any other tax exemptions, tax
77 credits, or tax incentives with respect to any local real property tax
78 exempted, in whole or in part, by this section.

79 7. Notwithstanding any provisions of subsections 1 to 6 of this
80 section to the contrary, a qualified taxpayer who makes use of a service
81 in a district, division, or subdivision which has been authorized to
82 impose a real property tax for the specific purpose of funding such
83 service shall be liable for such property tax at the rate imposed, but
84 only in the tax year in which the service is used. This remaining tax
85 liability shall extend, but not be limited, to local property taxes
86 authorized and imposed by special taxing districts for ambulance
87 services and fire protection services.

88 8. The department of revenue shall promulgate rules to

89 **implement the provisions of this section.**

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Unofficial

Bill

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