

# SENATE AMENDMENT NO. \_\_\_\_\_

Offered by \_\_\_\_\_ of \_\_\_\_\_

Amend Senate Bill No. 247, Page 1, Section A, Line 3,

2 by inserting after all of said line the following:

3 "137.1050. 1. For the purposes of this section, the  
4 following terms shall mean:

5 (1) "Eligible credit amount", the difference between  
6 an eligible taxpayer's real property tax liability on such  
7 taxpayer's homestead for a given tax year, minus the real  
8 property tax liability on such homestead in the year that  
9 the taxpayer became an eligible taxpayer;

10 (2) "Eligible taxpayer", a Missouri resident who:

11 (a) Is eligible for Social Security retirement  
12 benefits;

13 (b) Is an owner of record of a homestead or has a  
14 legal or equitable interest in such property as evidenced by  
15 a written instrument; and

16 (c) Is liable for the payment of real property taxes  
17 on such homestead;

18 (3) "Homestead", real property actually occupied by an  
19 eligible taxpayer as the primary residence. An eligible  
20 taxpayer shall not claim more than one primary residence.

21 2. Any county authorized to impose a property tax may  
22 grant a property tax credit to eligible taxpayers residing  
23 in such county in an amount equal to the taxpayer's eligible  
24 credit amount, provided that:

25 (1) Such county adopts an ordinance authorizing such  
26 credit; or

27           (2) (a) A petition in support of a referendum on such  
 28 a credit is signed by at least five percent of the  
 29 registered voters of such county voting in the last  
 30 gubernatorial election and the petition is delivered to the  
 31 governing body of the county, which shall subsequently hold  
 32 a referendum on such credit.

33           (b) The ballot of submission for the question  
 34 submitted to the voters pursuant to paragraph (a) of this  
 35 subdivision shall be in substantially the following form:

36           Shall the County of \_\_\_\_\_ exempt senior citizens  
 37 from increases in the property tax liability due  
 38 on such seniors citizens' primary residence?

39                            YES                            NO

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

43           3. A county granting an exemption pursuant to this  
 44 section shall apply such exemption when calculating the  
 45 eligible taxpayer's property tax liability for the tax  
 46 year. The amount of the credit shall be noted on the  
 47 statement of tax due sent to the eligible taxpayer by the  
 48 county collector.

49           4. For the purposes of calculating property tax levies  
 50 pursuant to section 137.073, the total amount of credits  
 51 authorized by a county pursuant to this section shall be  
 52 considered tax revenue, as such term is defined in section  
 53 137.073, actually received by the county."; and

54           Further amend said bill, page 3, Section 143.114, line  
 55 67, by inserting after all of said line the following:

56           "143.124. 1. Other provisions of law to the contrary  
 57 notwithstanding, for tax years ending on or before December

58 31, 2006, the total amount of all annuities, pensions, or  
59 retirement allowances above the amount of six thousand  
60 dollars annually provided by any law of this state, the  
61 United States, or any other state to any person except as  
62 provided in subsection 4 of this section, shall be subject  
63 to tax pursuant to the provisions of this chapter, in the  
64 same manner, to the same extent and under the same  
65 conditions as any other taxable income received by the  
66 person receiving it. For purposes of this section,  
67 "annuity, pension, retirement benefit, or retirement  
68 allowance" shall be defined as an annuity, pension or  
69 retirement allowance provided by the United States, this  
70 state, any other state or any political subdivision or  
71 agency or institution of this or any other state. For all  
72 tax years beginning on or after January 1, 1998, for  
73 purposes of this section, annuity, pension or retirement  
74 allowance shall be defined to include 401(k) plans, deferred  
75 compensation plans, self-employed retirement plans, also  
76 known as Keogh plans, annuities from a defined pension plan  
77 and individual retirement arrangements, also known as IRAs,  
78 as described in the Internal Revenue Code, but not including  
79 Roth IRAs, as well as an annuity, pension or retirement  
80 allowance provided by the United States, this state, any  
81 other state or any political subdivision or agency or  
82 institution of this or any other state. An individual  
83 taxpayer shall only be allowed a maximum deduction equal to  
84 the amounts provided under this section for each taxpayer on  
85 the combined return.

86 2. For the period beginning July 1, 1989, and ending  
87 December 31, 1989, there shall be subtracted from Missouri  
88 adjusted gross income for that period, determined pursuant  
89 to section 143.121, the first three thousand dollars of  
90 retirement benefits received by each taxpayer:

91           (1) If the taxpayer's filing status is single, head of  
92 household or qualifying widow(er) and the taxpayer's  
93 Missouri adjusted gross income is less than twelve thousand  
94 five hundred dollars; or

95           (2) If the taxpayer's filing status is married filing  
96 combined and their combined Missouri adjusted gross income  
97 is less than sixteen thousand dollars; or

98           (3) If the taxpayer's filing status is married filing  
99 separately and the taxpayer's Missouri adjusted gross income  
100 is less than eight thousand dollars.

101           3. For the tax years beginning on or after January 1,  
102 1990, but ending on or before December 31, 2006, there shall  
103 be subtracted from Missouri adjusted gross income,  
104 determined pursuant to section 143.121, a maximum of the  
105 first six thousand dollars of retirement benefits received  
106 by each taxpayer from sources other than privately funded  
107 sources, and for tax years beginning on or after January 1,  
108 1998, there shall be subtracted from Missouri adjusted gross  
109 income, determined pursuant to section 143.121, a maximum of  
110 the first one thousand dollars of any retirement allowance  
111 received from any privately funded source for tax years  
112 beginning on or after January 1, 1998, but before January 1,  
113 1999, and a maximum of the first three thousand dollars of  
114 any retirement allowance received from any privately funded  
115 source for tax years beginning on or after January 1, 1999,  
116 but before January 1, 2000, and a maximum of the first four  
117 thousand dollars of any retirement allowance received from  
118 any privately funded source for tax years beginning on or  
119 after January 1, 2000, but before January 1, 2001, and a  
120 maximum of the first five thousand dollars of any retirement  
121 allowance received from any privately funded source for tax  
122 years beginning on or after January 1, 2001, but before  
123 January 1, 2002, and a maximum of the first six thousand

124 dollars of any retirement allowance received from any  
125 privately funded sources for tax years beginning on or after  
126 January 1, 2002. A taxpayer shall be entitled to the  
127 maximum exemption provided by this subsection:

128 (1) If the taxpayer's filing status is single, head of  
129 household or qualifying widow(er) and the taxpayer's  
130 Missouri adjusted gross income is less than twenty-five  
131 thousand dollars; or

132 (2) If the taxpayer's filing status is married filing  
133 combined and their combined Missouri adjusted gross income  
134 is less than thirty-two thousand dollars; or

135 (3) If the taxpayer's filing status is married filing  
136 separately and the taxpayer's Missouri adjusted gross income  
137 is less than sixteen thousand dollars.

138 4. If a taxpayer's adjusted gross income exceeds the  
139 adjusted gross income ceiling for such taxpayer's filing  
140 status, as provided in subdivisions (1), (2) and (3) of  
141 subsection 3 of this section, such taxpayer shall be  
142 entitled to an exemption equal to the greater of zero or the  
143 maximum exemption provided in subsection 3 of this section  
144 reduced by one dollar for every dollar such taxpayer's  
145 income exceeds the ceiling for his or her filing status.

146 5. For purposes of this subsection, the term "maximum  
147 Social Security benefit available" shall mean thirty-two  
148 thousand five hundred dollars for the tax year beginning on  
149 or after January 1, 2007, and for each subsequent tax year  
150 such amount shall be increased by the percentage increase in  
151 the Consumer Price Index for All Urban Consumers, or its  
152 successor index, as such index is defined and officially  
153 reported by the United States Department of Labor, or its  
154 successor agency. For the tax year beginning on or after  
155 January 1, 2007, but ending on or before December 31, 2007,  
156 there shall be subtracted from Missouri adjusted gross

157 income, determined pursuant to section 143.121, a maximum of  
158 an amount equal to the greater of: six thousand dollars in  
159 retirement benefits received from sources other than  
160 privately funded sources, to the extent such benefits are  
161 included in the taxpayer's federal adjusted gross income; or  
162 twenty percent of the retirement benefits received from  
163 sources other than privately funded sources in the tax year,  
164 but not to exceed the maximum Social Security benefit  
165 available for such tax year. For the tax year beginning on  
166 or after January 1, 2008, but ending on or before December  
167 31, 2008, there shall be subtracted from Missouri adjusted  
168 gross income, determined pursuant to section 143.121, a  
169 maximum of an amount equal to the greater of: six thousand  
170 dollars in retirement benefits received from sources other  
171 than privately funded sources, to the extent such benefits  
172 are included in the taxpayer's federal adjusted gross  
173 income; or thirty-five percent of the retirement benefits  
174 received from sources other than privately funded sources in  
175 the tax year, but not to exceed the maximum Social Security  
176 benefit available for such tax year. For the tax year  
177 beginning on or after January 1, 2009, but ending on or  
178 before December 31, 2009, there shall be subtracted from  
179 Missouri adjusted gross income, determined pursuant to  
180 section 143.121, a maximum of an amount equal to the greater  
181 of: six thousand dollars in retirement benefits received  
182 from sources other than privately funded sources, to the  
183 extent such benefits are included in the taxpayer's federal  
184 adjusted gross income; or fifty percent of the retirement  
185 benefits received from sources other than privately funded  
186 sources in the tax year, but not to exceed the maximum  
187 Social Security benefit available for such tax year. For  
188 the tax year beginning on or after January 1, 2010, but  
189 ending on or before December 31, 2010, there shall be

190 subtracted from Missouri adjusted gross income, determined  
191 pursuant to section 143.121, a maximum of an amount equal to  
192 the greater of: six thousand dollars in retirement benefits  
193 received from sources other than privately funded sources,  
194 to the extent such benefits are included in the taxpayer's  
195 federal adjusted gross income; or sixty-five percent of the  
196 retirement benefits received from sources other than  
197 privately funded sources in the tax year, but not to exceed  
198 the maximum Social Security benefit available for such tax  
199 year. For the tax year beginning on or after January 1,  
200 2011, but ending on or before December 31, 2011, there shall  
201 be subtracted from Missouri adjusted gross income,  
202 determined pursuant to section 143.121, a maximum of an  
203 amount equal to the greater of: six thousand dollars in  
204 retirement benefits received from sources other than  
205 privately funded sources, to the extent such benefits are  
206 included in the taxpayer's federal adjusted gross income; or  
207 eighty percent of the retirement benefits received from  
208 sources other than privately funded sources in the tax year,  
209 but not to exceed the maximum Social Security benefit  
210 available for such tax year. For all tax years beginning on  
211 or after January 1, 2012, there shall be subtracted from  
212 Missouri adjusted gross income, determined pursuant to  
213 section 143.121, a maximum of an amount equal to one hundred  
214 percent of the retirement benefits received from sources  
215 other than privately funded sources in the tax year, but not  
216 to exceed the maximum Social Security benefit available for  
217 such tax year. For all tax years beginning on or before  
218 December 31, 2023, a taxpayer shall be entitled to the  
219 maximum exemption provided by this subsection:

220 (1) If the taxpayer's filing status is married filing  
221 combined, and their combined Missouri adjusted gross income  
222 is equal to or less than one hundred thousand dollars; or

223           (2) If the taxpayer's filing status is single, head of  
224 household, qualifying widow(er), or married filing  
225 separately, and the taxpayer's Missouri adjusted gross  
226 income is equal to or less than eighty-five thousand dollars.

227 For all tax years beginning on or after January 1, 2024, a  
228 taxpayer shall be entitled to the maximum exemption provided  
229 by this subsection regardless of the taxpayer's filing  
230 status or the amount of the taxpayer's Missouri adjusted  
231 gross income.

232           6. For all tax years beginning on or before December  
233 31, 2023, if a taxpayer's adjusted gross income exceeds the  
234 adjusted gross income ceiling for such taxpayer's filing  
235 status, as provided in subdivisions (1) and (2) of  
236 subsection 5 of this section, such taxpayer shall be  
237 entitled to an exemption, less any applicable reduction  
238 provided under subsection 7 of this section, equal to the  
239 greater of zero or the maximum exemption provided in  
240 subsection 5 of this section reduced by one dollar for every  
241 dollar such taxpayer's income exceeds the ceiling for his or  
242 her filing status.

243           7. For purposes of calculating the subtraction  
244 provided in subsection 5 of this section, such subtraction  
245 shall be decreased by an amount equal to any Social Security  
246 benefit exemption provided under section 143.125.

247           8. For purposes of this section, any Social Security  
248 benefits otherwise included in Missouri adjusted gross  
249 income shall be subtracted; but Social Security benefits  
250 shall not be subtracted for purposes of other computations  
251 pursuant to this chapter, and are not to be considered as  
252 retirement benefits for purposes of this section.

253           9. The provisions of subdivisions (1) and (2) of  
254 subsection 3 of this section shall apply during all tax  
255 years in which the federal Internal Revenue Code provides

256 exemption levels for calculation of the taxability of Social  
257 Security benefits that are the same as the levels in  
258 subdivisions (1) and (2) of subsection 3 of this section.

259 If the exemption levels for the calculation of the  
260 taxability of Social Security benefits are adjusted by  
261 applicable federal law or regulation, the exemption levels  
262 in subdivisions (1) and (2) of subsection 3 of this section  
263 shall be accordingly adjusted to the same exemption levels.

264 10. The portion of a taxpayer's lump sum distribution  
265 from an annuity or other retirement plan not otherwise  
266 included in Missouri adjusted gross income as calculated  
267 pursuant to this chapter but subject to taxation under  
268 Internal Revenue Code Section 402 shall be taxed in an  
269 amount equal to ten percent of the taxpayer's federal  
270 liability on such distribution for the same tax year.

271 11. For purposes of this section, retirement benefits  
272 received shall not include any withdrawals from qualified  
273 retirement plans which are subsequently rolled over into  
274 another retirement plan.

275 12. The exemptions provided for in this section shall  
276 not affect the calculation of the income to be used to  
277 determine the property tax credit provided in sections  
278 135.010 to 135.035.

279 13. The exemptions provided for in this section shall  
280 apply to any annuity, pension, or retirement allowance as  
281 defined in subsection 1 of this section to the extent that  
282 such amounts are included in the taxpayer's federal adjusted  
283 gross income and not otherwise deducted from the taxpayer's  
284 federal adjusted gross income in the calculation of Missouri  
285 taxable income. This subsection shall not apply to any  
286 individual who qualifies under federal guidelines to be one  
287 hundred percent disabled.

288           143.125. 1. As used in this section, the following  
289 terms mean: (1) "Benefits", any Social Security benefits  
290 received by a taxpayer age sixty-two years of age and older,  
291 or Social Security disability benefits; (2) "Taxpayer", any  
292 resident individual.

293           2. For the taxable year beginning on or after January  
294 1, 2007, any taxpayer shall be allowed to subtract from the  
295 taxpayer's Missouri adjusted gross income to determine  
296 Missouri taxable income a maximum of an amount equal to  
297 twenty percent of the amount of any benefits received by the  
298 taxpayer and that are included in federal adjusted gross  
299 income under Section 86 of the Internal Revenue Code of  
300 1986, as amended. For the taxable year beginning on or  
301 after January 1, 2008, any taxpayer shall be allowed to  
302 subtract from the taxpayer's Missouri adjusted gross income  
303 to determine Missouri taxable income a maximum of an amount  
304 equal to thirty-five percent of the amount of any benefits  
305 received by the taxpayer and that are included in federal  
306 adjusted gross income under Section 86 of the Internal  
307 Revenue Code of 1986, as amended. For the taxable year  
308 beginning on or after January 1, 2009, any taxpayer shall be  
309 allowed to subtract from the taxpayer's Missouri adjusted  
310 gross income to determine Missouri taxable income a maximum  
311 of an amount equal to fifty percent of the amount of any  
312 benefits received by the taxpayer and that are included in  
313 federal adjusted gross income under Section 86 of the  
314 Internal Revenue Code of 1986, as amended. For the taxable  
315 year beginning on or after January 1, 2010, any taxpayer  
316 shall be allowed to subtract from the taxpayer's Missouri  
317 adjusted gross income to determine Missouri taxable income a  
318 maximum of an amount equal to sixty-five percent of the  
319 amount of any benefits received by the taxpayer and that are  
320 included in federal adjusted gross income under Section 86

321 of the Internal Revenue Code of 1986, as amended. For the  
322 taxable year beginning on or after January 1, 2011, any  
323 taxpayer shall be allowed to subtract from the taxpayer's  
324 Missouri adjusted gross income to determine Missouri taxable  
325 income a maximum of an amount equal to eighty percent of the  
326 amount of any benefits received by the taxpayer and that are  
327 included in federal adjusted gross income under Section 86  
328 of the Internal Revenue Code of 1986, as amended. For all  
329 taxable years beginning on or after January 1, 2012, any  
330 taxpayer shall be allowed to subtract from the taxpayer's  
331 Missouri adjusted gross income to determine Missouri taxable  
332 income a maximum of an amount equal to one hundred percent  
333 of the amount of any benefits received by the taxpayer and  
334 that are included in federal adjusted gross income under  
335 Section 86 of the Internal Revenue Code of 1986, as  
336 amended. For all tax years beginning on or before December  
337 31, 2023, a taxpayer shall be entitled to the maximum  
338 exemption provided by this subsection:

339 (1) If the taxpayer's filing status is married filing  
340 combined, and their combined Missouri adjusted gross income  
341 is equal to or less than one hundred thousand dollars; or

342 (2) If the taxpayer's filing status is single, head of  
343 household, qualifying widow(er), or married filing  
344 separately, and the taxpayer's Missouri adjusted gross  
345 income is equal to or less than eighty-five thousand dollars.

346 For all tax years beginning on or after January 1, 2024, a  
347 taxpayer shall be entitled to the maximum exemption provided  
348 by this subsection regardless of the taxpayer's filing  
349 status or the amount of the taxpayer's Missouri adjusted  
350 gross income.

351 3. For all tax years beginning on or before December  
352 31, 2023, if a taxpayer's adjusted gross income exceeds the  
353 adjusted gross income ceiling for such taxpayer's filing

354 status, as provided in subdivisions (1) and (2) of  
355 subsection 2 of this section, such taxpayer shall be  
356 entitled to an exemption equal to the greater of zero or the  
357 maximum exemption provided in subsection 2 of this section  
358 reduced by one dollar for every dollar such taxpayer's  
359 income exceeds the ceiling for his or her filing status.

360 4. The director of the department of revenue may  
361 promulgate rules to implement the provisions of this  
362 section. Any rule or portion of a rule, as that term is  
363 defined in section 536.010, that is created under the  
364 authority delegated in this section shall become effective  
365 only if it complies with and is subject to all of the  
366 provisions of chapter 536 and, if applicable, section  
367 536.028. This section and chapter 536 are nonseverable and  
368 if any of the powers vested with the general assembly  
369 pursuant to chapter 536 to review, to delay the effective  
370 date, or to disapprove and annul a rule are subsequently  
371 held unconstitutional, then the grant of rulemaking  
372 authority and any rule proposed or adopted after August 28,  
373 2007, shall be invalid and void."; and  
374 Further amend the title and enacting clause accordingly.