

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

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

Amend SS/SCS/Senate Bill Nos. 73 & 162, 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



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

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

89 (1) If the taxpayer's filing status is single, head of  
90 household or qualifying widow(er) and the taxpayer's

91 Missouri adjusted gross income is less than twelve thousand  
92 five hundred dollars; or

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

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

99 3. For the tax years beginning on or after January 1,  
100 1990, but ending on or before December 31, 2006, there shall  
101 be subtracted from Missouri adjusted gross income,  
102 determined pursuant to section 143.121, a maximum of the  
103 first six thousand dollars of retirement benefits received  
104 by each taxpayer from sources other than privately funded  
105 sources, and for tax years beginning on or after January 1,  
106 1998, there shall be subtracted from Missouri adjusted gross  
107 income, determined pursuant to section 143.121, a maximum of  
108 the first one thousand dollars of any retirement allowance  
109 received from any privately funded source for tax years  
110 beginning on or after January 1, 1998, but before January 1,  
111 1999, and a maximum of the first three thousand dollars of  
112 any retirement allowance received from any privately funded  
113 source for tax years beginning on or after January 1, 1999,  
114 but before January 1, 2000, and a maximum of the first four  
115 thousand dollars of any retirement allowance received from  
116 any privately funded source for tax years beginning on or  
117 after January 1, 2000, but before January 1, 2001, and a  
118 maximum of the first five thousand dollars of any retirement  
119 allowance received from any privately funded source for tax  
120 years beginning on or after January 1, 2001, but before  
121 January 1, 2002, and a maximum of the first six thousand  
122 dollars of any retirement allowance received from any  
123 privately funded sources for tax years beginning on or after

124 January 1, 2002. A taxpayer shall be entitled to the  
125 maximum exemption provided by this subsection:

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

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

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

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

144 5. For purposes of this subsection, the term "maximum  
145 Social Security benefit available" shall mean thirty-two  
146 thousand five hundred dollars for the tax year beginning on  
147 or after January 1, 2007, and for each subsequent tax year  
148 such amount shall be increased by the percentage increase in  
149 the Consumer Price Index for All Urban Consumers, or its  
150 successor index, as such index is defined and officially  
151 reported by the United States Department of Labor, or its  
152 successor agency. For the tax year beginning on or after  
153 January 1, 2007, but ending on or before December 31, 2007,  
154 there shall be subtracted from Missouri adjusted gross  
155 income, determined pursuant to section 143.121, a maximum of  
156 an amount equal to the greater of: six thousand dollars in

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

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

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

221 (2) If the taxpayer's filing status is single, head of  
222 household, qualifying widow(er), or married filing

223 separately, and the taxpayer's Missouri adjusted gross  
224 income is equal to or less than eighty-five thousand dollars.

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

230 6. For all tax years beginning on or before December  
231 31, 2023, if a taxpayer's adjusted gross income exceeds the  
232 adjusted gross income ceiling for such taxpayer's filing  
233 status, as provided in subdivisions (1) and (2) of  
234 subsection 5 of this section, such taxpayer shall be  
235 entitled to an exemption, less any applicable reduction  
236 provided under subsection 7 of this section, equal to the  
237 greater of zero or the maximum exemption provided in  
238 subsection 5 of this section reduced by one dollar for every  
239 dollar such taxpayer's income exceeds the ceiling for his or  
240 her filing status.

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

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

251 9. The provisions of subdivisions (1) and (2) of  
252 subsection 3 of this section shall apply during all tax  
253 years in which the federal Internal Revenue Code provides  
254 exemption levels for calculation of the taxability of Social  
255 Security benefits that are the same as the levels in



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

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

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

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

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

286 143.125. 1. As used in this section, the following  
287 terms mean: (1) "Benefits", any Social Security benefits  
288 received by a taxpayer age sixty-two years of age and older,

289 or Social Security disability benefits; (2) "Taxpayer", any  
290 resident individual.

291         2. For the taxable year beginning on or after January  
292 1, 2007, any taxpayer shall be allowed to subtract from the  
293 taxpayer's Missouri adjusted gross income to determine  
294 Missouri taxable income a maximum of an amount equal to  
295 twenty percent of the amount of any benefits received by the  
296 taxpayer and that are included in federal adjusted gross  
297 income under Section 86 of the Internal Revenue Code of  
298 1986, as amended. For the taxable year beginning on or  
299 after January 1, 2008, any taxpayer shall be allowed to  
300 subtract from the taxpayer's Missouri adjusted gross income  
301 to determine Missouri taxable income a maximum of an amount  
302 equal to thirty-five percent of the amount of any benefits  
303 received by the taxpayer and that are included in federal  
304 adjusted gross income under Section 86 of the Internal  
305 Revenue Code of 1986, as amended. For the taxable year  
306 beginning on or after January 1, 2009, any taxpayer shall be  
307 allowed to subtract from the taxpayer's Missouri adjusted  
308 gross income to determine Missouri taxable income a maximum  
309 of an amount equal to fifty percent of the amount of any  
310 benefits received by the taxpayer and that are included in  
311 federal adjusted gross income under Section 86 of the  
312 Internal Revenue Code of 1986, as amended. For the taxable  
313 year beginning on or after January 1, 2010, any taxpayer  
314 shall be allowed to subtract from the taxpayer's Missouri  
315 adjusted gross income to determine Missouri taxable income a  
316 maximum of an amount equal to sixty-five percent of the  
317 amount of any benefits received by the taxpayer and that are  
318 included in federal adjusted gross income under Section 86  
319 of the Internal Revenue Code of 1986, as amended. For the  
320 taxable year beginning on or after January 1, 2011, any  
321 taxpayer shall be allowed to subtract from the taxpayer's

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

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

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

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

349 3. For all tax years beginning on or before December  
350 31, 2023, if a taxpayer's adjusted gross income exceeds the  
351 adjusted gross income ceiling for such taxpayer's filing  
352 status, as provided in subdivisions (1) and (2) of  
353 subsection 2 of this section, such taxpayer shall be  
354 entitled to an exemption equal to the greater of zero or the

355 maximum exemption provided in subsection 2 of this section  
356 reduced by one dollar for every dollar such taxpayer's  
357 income exceeds the ceiling for his or her filing status.

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