

SENATE BILL NO. 101

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR CIERPIOT.

0109S.01H

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 135.025 and 135.030, RSMo, and to enact in lieu thereof two new sections relating to a tax credit for the property tax liabilities of certain vulnerable persons.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 135.025 and 135.030, RSMo, are repealed and two new sections enacted in lieu thereof, to be known as sections 135.025 and 135.030, to read as follows:

135.025. The property taxes accrued and rent constituting property taxes accrued on each return shall be totaled. This total, up to seven hundred fifty dollars in rent constituting property taxes actually paid or eleven hundred dollars in actual property tax paid, shall be used in determining the property tax credit. **For all tax years beginning on or after January 1, 2025, such totals shall be adjusted annually for inflation based on the Consumer Price Index for All Urban Consumers, as defined and officially recorded by the United States Department of Labor or its successor.** The director of revenue shall prescribe regulations providing for allocations where part of a claimant's homestead is rented to another or used for nondwelling purposes or where a homestead is owned or rented or used as a dwelling for part of a year.

135.030. 1. As used in this section:

(1) The term "maximum upper limit" shall, for each calendar year after December 31, 1997, but before calendar

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

4 year 2008, be the sum of twenty-five thousand dollars. For
 5 all calendar years beginning on or after January 1, 2008,
 6 **but before calendar year 2025**, the maximum upper limit shall
 7 be the sum of twenty-seven thousand five hundred dollars.
 8 **For all calendar years beginning on or after January 1,**
 9 **2025, the maximum upper limit shall be the sum of thirty-**
 10 **five thousand dollars, with such amount adjusted annually**
 11 **for inflation based on the Consumer Price Index for All**
 12 **Urban Consumers, as defined and officially recorded by the**
 13 **United States Department of Labor or its successor.** In the
 14 case of a homestead owned and occupied for the entire year
 15 by the claimant, the maximum upper limit shall be the sum of
 16 **[thirty] thirty-eight** thousand dollars, with such amount
 17 **adjusted annually for inflation based on the Consumer Price**
 18 **Index for All Urban Consumers, as defined and officially**
 19 **recorded by the United States Department of Labor or its**
 20 **successor;**

21 (2) The term "minimum base" shall, for each calendar
 22 year after December 31, 1997, but before calendar year 2008,
 23 be the sum of thirteen thousand dollars. For all calendar
 24 years beginning on or after January 1, 2008, the minimum
 25 base shall be the sum of fourteen thousand three hundred
 26 dollars.

27 2. If the income on a return is equal to or less than
 28 the maximum upper limit for the calendar year for which the
 29 return is filed, the property tax credit shall be determined
 30 from a table of credits based upon the amount by which the
 31 total property tax described in section 135.025 exceeds the
 32 percent of income in the following list:

33 If the income on the return 34 is:	The percent is:
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<p>35 36 37 38 39 40</p>	<p>Not over the minimum base</p>	<p>0 percent with credit not to exceed \$1,100 in actual property tax or rent equivalent paid up to \$750, as adjusted pursuant to section 135.025</p>
<p>41 42 43</p>	<p>Over the minimum base but not over the maximum upper limit</p>	<p>1/16 percent accumulative per \$300 from 0 percent to 4 percent.</p>

44 The director of revenue shall prescribe a table based upon
 45 the preceding sentences. The property tax shall be in
 46 increments of twenty-five dollars and the income in
 47 increments of three hundred dollars. The credit shall be
 48 the amount rounded to the nearest whole dollar computed on
 49 the basis of the property tax and income at the midpoints of
 50 each increment. As used in this subsection, the term
 51 "accumulative" means an increase by continuous or repeated
 52 application of the percent to the income increment at each
 53 three hundred dollar level.

54 3. Notwithstanding subsection 4 of section 32.057, the
 55 department of revenue or any duly authorized employee or
 56 agent shall determine whether any taxpayer filing a report
 57 or return with the department of revenue who has not applied
 58 for the credit allowed pursuant to section 135.020 may
 59 qualify for the credit, and shall notify any qualified
 60 claimant of the claimant's potential eligibility, where the
 61 department determines such potential eligibility exists.

