

HCS HB 1321 & 1695 -- PROPERTY TAXATION (Sutherland)

COMMITTEE OF ORIGIN: Committee on Ways and Means

This substitute changes the qualifications for and the amount of credit allowed under the senior citizen/disabled person property tax credit, commonly known as circuit breaker. The substitute:

- (1) Increases from \$27,500 to \$32,500 the maximum income allowed in order to claim the credit for single, head of household, qualifying widow(er), or married filing separately;
- (2) Increases from \$27,500 to \$43,000 the maximum income allowed in order to claim the credit for married filing combined;
- (3) Increases from \$14,300 to \$17,000 the minimum income allowed in order to claim the full credit;
- (4) Increases from \$2,000 to \$10,500 the amount of the exemption allowed for a married couple; and
- (5) Increases the maximum credit amount from \$750 to \$1,100.

The substitute also extends the requirement for certain political subdivisions to deposit a percentage of property tax collections into county assessment funds to December 31, 2012.

Property taxes paid by certain nonresident taxpayers are excluded from being added-back to their adjusted gross income if the other state does not require a similar add-back of Missouri's property taxes.

The definition of "tax rate ceiling" is revised to be the tax rate used by the taxing authority in the preceding year or the tax rate determined by a court, and the revenue received from a voter-approved tax rate increase is limited to the amount determined by applying the levy increase to the prior year's assessed valuation.

FISCAL NOTE: Estimated Cost on General Revenue Fund of \$17,765,819 to \$19,265,819 in FY 2009, \$17,777,759 to \$19,277,759 in FY 2010, and \$17,786,091 to \$19,286,091 in FY 2011. No impact on Other State Funds in FY 2009, FY 2010, and FY 2011.