

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend SS/SCS/Senate Bill No. 594, Page 1, Section A, Line 3,

2 of said page, by inserting immediately after said line the
3 following:

4 "135.010. As used in sections 135.010 to 135.030 the
5 following words and terms mean:

6 (1) "Claimant"[,]: a person or persons claiming a credit
7 under sections 135.010 to 135.030. If the persons are eligible
8 to file a joint federal income tax return and reside at the same
9 address at any time during the taxable year, then the credit may
10 only be allowed if claimed on a combined Missouri income tax
11 return or a combined claim return reporting their combined
12 incomes and property taxes. A claimant shall not be allowed a
13 property tax credit unless the claimant or spouse:

14 (a) Has attained the age of sixty-five on or before the
15 last day of the calendar year and the claimant or spouse was a
16 resident of Missouri for the entire year[, or the claimant or
17 spouse];

18 (b) Is a veteran of any branch of the Armed Forces of the
19 United States or this state who became one hundred percent
20 disabled as a result of such service[, or the claimant or
21 spouse];

22 (c) Is disabled as defined in subdivision (2) of this
23 section, and such claimant or spouse provides proof of such

1 disability in such form and manner, and at such times, as the
2 director of revenue may require[,]; or

3 (d) If the claimant has reached the age of sixty on or
4 before the last day of the calendar year and such claimant
5 received surviving spouse Social Security benefits during the
6 calendar year and the claimant provides proof, as required by the
7 director of revenue, that the claimant received surviving spouse
8 Social Security benefits during the calendar year for which the
9 credit will be claimed.

10
11 A claimant shall not be allowed a property tax credit if the
12 claimant filed a valid claim for a credit under section 137.106
13 in the year following the year for which the property tax credit
14 is claimed. The residency requirement shall be deemed to have
15 been fulfilled for the purpose of determining the eligibility of
16 a surviving spouse for a property tax credit if a person of the
17 age of sixty-five years or older who would have otherwise met the
18 requirements for a property tax credit dies before the last day
19 of the calendar year. The residency requirement shall also be
20 deemed to have been fulfilled for the purpose of determining the
21 eligibility of a claimant who would have otherwise met the
22 requirements for a property tax credit but who dies before the
23 last day of the calendar year;

24 (2) "Disabled", the inability to engage in any substantial
25 gainful activity by reason of any medically determinable physical
26 or mental impairment which can be expected to result in death or
27 which has lasted or can be expected to last for a continuous
28 period of not less than twelve months. A claimant shall not be
29 required to be gainfully employed prior to such disability to

1 qualify for a property tax credit;

2 (3) ["Gross rent", amount paid by a claimant to a landlord
3 for the rental, at arm's length, of a homestead during the
4 calendar year, exclusive of charges for health and personal care
5 services and food furnished as part of the rental agreement,
6 whether or not expressly set out in the rental agreement. If the
7 director of revenue determines that the landlord and tenant have
8 not dealt at arm's length, and that the gross rent is excessive,
9 then he shall determine the gross rent based upon a reasonable
10 amount of rent. Gross rent shall be deemed to be paid only if
11 actually paid prior to the date a return is filed. The director
12 of revenue may prescribe regulations requiring a return of
13 information by a landlord receiving rent, certifying for a
14 calendar year the amount of gross rent received from a tenant
15 claiming a property tax credit and shall, by regulation, provide
16 a method for certification by the claimant of the amount of gross
17 rent paid for any calendar year for which a claim is made. The
18 regulations authorized by this subdivision may require a landlord
19 or a tenant or both to provide data relating to health and
20 personal care services and to food. Neither a landlord nor a
21 tenant may be required to provide data relating to utilities,
22 furniture, home furnishings or appliances;

23 (4) "Homestead", the dwelling in Missouri owned [or
24 rented] by the claimant and not to exceed five acres of land
25 surrounding it as is reasonably necessary for use of the dwelling
26 as a home. It may consist of part of a multidwelling or
27 multipurpose building and part of the land upon which it is
28 built. "Owned" includes a vendee in possession under a land
29 contract and one or more tenants by the entirety, joint

1 tenants, or tenants in common and includes a claimant actually in
2 possession if he was the immediate former owner of record, if a
3 lineal descendant is presently the owner of record, and if the
4 claimant actually pays all taxes upon the property. It may
5 include a mobile home;

6 [(5)] (4) "Income", Missouri adjusted gross income as
7 defined in section 143.121 less two thousand dollars, or in the
8 case of a homestead owned and occupied, for the entire year, by
9 the claimant, less four thousand dollars as an exemption for the
10 claimant's spouse residing at the same address, and increased,
11 where necessary, to reflect the following:

12 (a) Social Security, railroad retirement, and veterans
13 payments and benefits unless the claimant is a one hundred
14 percent service-connected, disabled veteran or a spouse of a one
15 hundred percent service-connected, disabled veteran. The one
16 hundred percent service-connected disabled veteran shall not be
17 required to list veterans payments and benefits;

18 (b) The total amount of all other public and private
19 pensions and annuities;

20 (c) Public relief, public assistance, and unemployment
21 benefits received in cash, other than benefits received under
22 this chapter;

23 (d) No deduction being allowed for losses not incurred in a
24 trade or business;

25 (e) Interest on the obligations of the United States, any
26 state, or any of their subdivisions and instrumentalities;

27 [(6)] (5) "Property taxes accrued", property taxes paid,
28 exclusive of special assessments, penalties, interest, and
29 charges for service levied on a claimant's homestead in any

1 calendar year. Property taxes shall qualify for the credit only
2 if actually paid prior to the date a return is filed. The
3 director of revenue shall require a tax receipt or other proof of
4 property tax payment. If a homestead is owned only partially by
5 claimant, then "property taxes accrued" is that part of property
6 taxes levied on the homestead which was actually paid by the
7 claimant. For purposes of this subdivision, property taxes are
8 "levied" when the tax roll is delivered to the director of
9 revenue for collection. If a claimant owns a homestead part of
10 the preceding calendar year and rents it or a different homestead
11 for part of the same year, "property taxes accrued" means only
12 taxes levied on the homestead both owned and occupied by the
13 claimant, multiplied by the percentage of twelve months that such
14 property was owned and occupied as the homestead of the claimant
15 during the year. When a claimant owns and occupies two or more
16 different homesteads in the same calendar year, property taxes
17 accrued shall be the sum of taxes allocable to those several
18 properties occupied by the claimant as a homestead for the year.
19 If a homestead is an integral part of a larger unit such as a
20 farm, or multipurpose or multidwelling building, property taxes
21 accrued shall be that percentage of the total property taxes
22 accrued as the value of the homestead is of the total value. For
23 purposes of this subdivision "unit" refers to the parcel of
24 property covered by a single tax statement of which the homestead
25 is a part[;

26 (7) "Rent constituting property taxes accrued", twenty
27 percent of the gross rent paid by a claimant and spouse in the
28 calendar year].

29 135.025. The property taxes accrued [and rent constituting

1 property taxes accrued] on each return shall be totaled. This
2 total, up to [seven hundred fifty dollars in rent constituting
3 property taxes actually paid or] eleven hundred dollars in actual
4 property tax paid, shall be used in determining the property tax
5 credit. The director of revenue shall prescribe regulations
6 providing for allocations where part of a claimant's homestead is
7 rented to another or used for nondwelling purposes or where a
8 homestead is owned [or rented] or used as a dwelling for part of
9 a year.

10 135.030. 1. As used in this section:

11 (1) The term "maximum upper limit" shall, for each calendar
12 year after December 31, 1997, but before calendar year 2008, be
13 the sum of twenty-five thousand dollars. For all calendar years
14 beginning on or after January 1, 2008, the maximum upper limit
15 shall be the sum of twenty-seven thousand five hundred dollars.
16 In the case of a homestead owned and occupied for the entire year
17 by the claimant, the maximum upper limit shall be the sum of
18 thirty thousand dollars;

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

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

1	If the income on the return is:	The percent is:
2	Not over the minimum base	0 percent with credit not
3		to exceed \$1,100 in
4		actual property tax [or
5		rent equivalent] paid [up
6		to \$750]
7	Over the minimum base but not	
8	over the maximum upper limit	1/16 percent accumulative
9		per \$300 from 0 percent
10		to 4 percent.
11		

12 The director of revenue shall prescribe a table based upon the
13 preceding sentences. The property tax shall be in increments of
14 twenty-five dollars and the income in increments of three hundred
15 dollars. The credit shall be the amount rounded to the nearest
16 whole dollar computed on the basis of the property tax and income
17 at the midpoints of each increment. As used in this subsection,
18 the term "accumulative" means an increase by continuous or
19 repeated application of the percent to the income increment at
20 each three hundred dollar level.

21 3. Notwithstanding subsection 4 of section 32.057, the
22 department of revenue or any duly authorized employee or agent
23 shall determine whether any taxpayer filing a report or return
24 with the department of revenue who has not applied for the credit
25 allowed pursuant to section 135.020 may qualify for the credit,
26 and shall notify any qualified claimant of the claimant's
27 potential eligibility, where the department determines such
28 potential eligibility exists."; and

29 Further amend the title and enacting clause accordingly.