



# SENATOR MATT BARTLE

**District 8 – Capitol Building, Room 431 Jefferson City, MO 65101**

**Column for Week of:  
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**Contact: Todd Scott  
(573) 751-1464 / (888) 711-9278**

## **Homestead Tax Credit Offers Relief to Missourians**

The Missouri Homestead Tax Credit provides much-needed tax relief to Missourians. The program allows qualified senior citizens and disabled individuals to apply for property tax credits and is designed to protect citizens from sharp increases in property taxes due to reassessment.

Enacted by Senate legislation adopted in 2004, the Missouri Homestead Preservation Act allows individuals to receive a credit on their real estate property tax if those taxes increase at least 2.5 percent in a non-reassessment (even-numbered) year or at least 5 percent in a reassessment (odd-numbered) year. The actual credit appears on the following year's tax bill.

To qualify for the program:

- Applicants must be 65 or older (by Jan. 1, 2006), or 100 percent disabled. If married, one spouse must be 65 or older, and the other must be at least 60.
- Maximum gross household income cannot exceed \$72,380 per application.
- All real estate taxes must have been paid for the current year and the previous two years.
- The property (home and up to five acres) must be owned and occupied by the tax-credit applicant.
- Applicants cannot file for the Missouri Property Tax Credit (MO-PTC "Circuit Breaker" program) for the same tax period.

Important dates for the Missouri Homestead Tax Credit:

- April 1 to October 2: Period applications must be postmarked between.
- December 15: Revenue department sends list of verified owners to county collectors.

- January 31: Revenue department calculates appropriation and sends to House and Senate.
- July 31: Credit limit is set based on funding.
- August 31: Revenue department sends list of eligible owners and amount of credit to county collectors.
- October: Funds are deposited by the state with county collectors.
- October/November: Credit reflected on approved applicants' tax bills.

The Missouri Homestead Tax Credit has proven such a success that it has been expanded. A new provision opens eligibility to taxpayers who have their homes titled in a trust. Improvements increasing a home's value by more than 5 percent no longer prohibit program enrollment if those improvements were made to accommodate the needs of a disabled resident.

Further, the program's application process has been simplified by moving back the credit calculation period by one year, in turn eliminating the need for the county assessor's involvement. Starting in 2006, taxpayers will simply attach copies of their paid property tax bills to the application and mail them directly to the state's revenue department.

The Homestead credit is an important program to lighten the tax burden on Missourians.

If you have comments or questions about this week's column or any other matter involving state government, please do not hesitate to contact me. You can reach my office by e-mail at [matt\\_bartle@senate.mo.gov](mailto:matt_bartle@senate.mo.gov) or by phone at (888) 711-9278.

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