



Office of
Jason Crowell State Senator
The Crowell Connection

Senator Jason Crowell – Serving Bollinger, Cape Girardeau, Madison, Mississippi, Perry, and Scott Counties.

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Sen. Crowell Successful in Cutting Taxes for Missouri Retirees

Missouri Senate cuts income taxes on Social Security and Pension Benefits for Firemen, Police Officers, Railroad Workers, Teachers, Federal Employees and Veterans

When President Roosevelt signed the Social Security Act in 1935, he did so in order to insure that getting older did not mean facing poverty. Over the years, the original meaning of that program has been lost in Missouri due to an unfair income tax on retirement benefits. This week, the Missouri Senate passed House Bill 444, a bill that will end taxation on Social Security, disability, and certain non-private retirement benefits. For years, Missouri had a policy that allowed the state to tax some of its citizens twice. We are now taking the steps to stop the government from reaching into seniors' pockets.

House Bill 444 will phase out the state income tax on Social Security benefits. It will begin at 20 percent for 2007, eventually becoming a complete 100 percent exemption by 2012. The tax relief act also exempts Social Security disability and non-private retirement benefits from being taxed by the state. The qualifying non-



private retirement benefits are plans for firemen and police officers, railroad workers, teachers, as well as veterans and certain federal employees. These pensions, for public employees who aren't eligible for Social Security, will be exempt from state taxes up to \$32,500 by 2012. Seniors 62 or over and all disabled residents will be eligible for the exemptions. An income threshold of \$85,000 for an individual or \$100,000 for a couple applies.



Senator Crowell presents a resolution to Ruth Illers of Jackson recognizing her as the Southeast Missouri's Outstanding Older Worker for 2007.

Currently Missouri is one of only 15 states in the U.S. that still taxes Social Security benefits. Retirees in this state should have the same advantages as they do in other parts of the country. Take the example of a retired firefighter who contacted me earlier this year. He and his wife moved to Cape Girardeau in order to be closer to family, and were frustrated to learn that the pension he received for his service to his community would be taxed in Missouri even though it has not been taxed in his home state of Illinois. He also told me he might be forced to move back away from his family, so that he could support himself and his wife without unfair taxation. This story is too familiar; our

current policy of taxing Social Security doesn't make sense. Seniors have been taxed their entire working careers to fill Social Security coffers; they should not have to pay a second time when collecting the benefits they deserve and depend on.

Seniors in this state depend on their pensions in order to afford necessities such as medication, food, and utilities. This tax cut is fair and deserved. After receiving final approval from the Legislature, this bill will move on to the governor's desk for his signature.

Contact Me

As always, I appreciate hearing your comments, opinions and concerns. Please feel free to contact me in Jefferson City at (573) 751-2459. You may write to me at Jason Crowell; Missouri Senate; State Capitol; Jefferson City, MO 65101, or email me at: jcrowell@senate.mo.gov or visit me on the web at <http://www.jasoncrowell.com>.

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