



WEEKLY REPORT

State Senator Gary Nodler
District 32



Room 433 - State Capitol Bldg. - Jefferson City, MO 65101 – Contact Barbara Mustoe Phone: (573) 751-2306

Week of March 12, 2007

Keeping the American Dream

While buying a home is often characterized as realizing the American dream, keeping a home often devolves into a nightmare for seniors and the disabled on limited or fixed incomes facing perennially rising property taxes. In 2004, my lawmaking colleague and I took action to alleviate the ever-increasing burden placed on those struggling to stay in their homes by establishing the Missouri Homestead Preservation Tax Credit Program. The program allows qualified senior citizens and disabled individuals 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 increase above these thresholds is the basis for the Homestead Preservation Credit, which appears on the following year's tax bill.

As the next tax credit application period begins April first, I wanted to give you some details on who can apply and how to go about the process.

First off, who qualifies?

Those who are single or married filing jointly and have a Federal Adjusted Gross Income of \$74,262 or less and who meet one of the following qualifications:

If married, one spouse is 65 years of age or older as of January 1, 2007, and the other spouse is at least 60 years of age as of January 1, 2007; or

If single, you are 65 years of age or older as of January 1, 2007; or

If you or your spouse are 100 percent disabled.

Next, what documentation is required?

If applicable, verification of (100 percent) disability.

Your 2004, 2005, and 2006 paid real estate tax receipts and/or paid personal property tax receipts for a mobile home.

If your property is larger than five acres, or a mobile home, “Form 948, Assessor’s Certification.”

If you did not file a 2006 Missouri individual income tax return, the first two pages of your Federal income tax return.

Here’s a timeline for what happens after this year’s application period closes on October 15:

December 15, 2007: Revenue department sends list of verified owners to county collectors.

January 31, 2008: Revenue department calculates program total and sends to House and Senate.

July 31, 2008: Credit limit is set based on available state funding.

August 31, 2008: Revenue department sends list of eligible owners and amount of credits to county collectors.

October 1, 2008: Funds are deposited with county collectors.

October/November, 2008: Tax credits are posted on approved applicants’ tax bill for 2008.

A tax credit application must be filed each year. For more information on the program, call the state’s revenue department at (573) 751-3505. Application forms are available at the department’s website, www.dor.mo.gov and can also be ordered by calling toll free (800) 877-6881.

A home truly is a person’s castle, and Homestead Preservation Tax Credits are helping extend the reign of Missouri’s home-owning “kings” and “queens.”

*Senator Gary Nodler represents the people of Newton, Jasper
and Dade counties in the Missouri Senate.*