



SENATOR MATT BARTLE

District 8 – Capitol Building, Room 319 Jefferson City, MO 65101

**Column for Week of:
June 2, 2008**

**Contact: Todd Scott
(573) 751-1464 / (888) 711-9278**

Property Tax Relief on Its Way to Missourians

Every day it seems we are constantly barraged by bad news about the real estate market — property values are down, houses aren't selling, foreclosures are on the rise, and sky-high property taxes are forcing people out of their homes. Altogether, a gloomy scenario. But for Missourians, the cloud has a silver lining. Some relief from skyrocketing property taxes is now a possibility after legislation was recently passed by the General Assembly to protect Missourians from property tax increases caused by reassessment.

The major component of SB 711 requires all taxing entities (libraries, cities, counties, etc.) to lower, or "roll back," their tax rate to counter reassessment increases. When property values are reassessed every other year, many Missourians are hit with tremendous property tax increases. Some, especially our seniors who are often on fixed incomes, cannot afford to pay their property taxes. Currently, only those entities operating at their tax rate ceiling, which is set by local voters, are required by the Missouri Constitution to roll back their rate to protect taxpayers. This allows taxing entities that are operating below their ceiling to stay at their current rate and keep the extra tax dollars they collect as property values increase. Senate Bill 711 offsets the increased property assessment values and maintains neutrality in collected revenue. Furthermore, the bill closes a loophole that currently allows taxing entities to apply voter-approved levies to future assessments.

We need to protect our senior homeowners, who are often hit the hardest when property taxes rise. The bill expands the Property Tax Credit program (Circuit Breaker) for elderly and disabled homeowners who struggle to pay their property taxes by increasing the assistance amount from its current \$750 to \$1,100 and expanding the income eligibility threshold to \$30,000 for singles and \$34,000 for married couples. Also, those who qualify for assistance through the Homestead Preservation Tax Credit and who have over a 5 percent increase in their property taxes will now be guaranteed some level of help, regardless of the funding appropriated to the program by lawmakers.

Finally, the bill requires that by 2011, all Missouri counties provide an early projected tax liability statement to taxpayers along with their reassessment notices. By giving Missourians advanced notice, we can better prepare them for their tax bill in December.

Senate Bill 711 received overwhelming bipartisan support as legislators worked together to revise the current property tax system that is not serving the residents of Missouri very well. This bill will become law pending the governor's signature.

If you have any 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 or by phone at (888) 711-9278. My web address is <http://www.senate.mo.gov/bartle>.