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Taxpayers Support Legislation to Protect Missourians from Back Door Tax Increases

Sen. Gibbons Presents Bill Mandating Rollbacks, Closing Loopholes with Truth in Taxation, Predicting Increases and Expanding Relief

JEFFERSON CITY – Missouri taxpayers are one step closer to being protected in future reassessment years from back door tax increases under the veil of reassessment thanks to legislation presented by Senate Leader Mike Gibbons, R-Kirkwood. The property tax reform package, Senate Bill 711, will also close tax increase loopholes with truth in taxation, require advance notifications for more predictable assessments and tax bill increases, and expand tax relief for low-income seniors and the disabled.

"We must stop these back door tax increases," Gibbons told the Senate Ways and Means Committee. "Taxpayers are fed up with them and we must protect taxpayers from tax increases caused by reassessment."

The measure mandates that all taxing jurisdictions, regardless of whether they are operating at or below their tax rate ceiling, must roll back their tax rate to counter reassessment increases. Currently, only taxing jurisdictions operating at their tax rate ceiling are required by Missouri's Constitution to roll back to protect taxpayers, leaving taxing jurisdictions operating below their ceiling to approve back door tax increases with no legal recourse.

Sarah Haenni, a St. Louis County advocate with a property tax watchdog group said the measure would keep homeowners from being taxed out of their homes.

"This problem affects everyone and it's time for reform," she said. "Sen. Gibbons' bill puts teeth back into the Hancock Amendment to protect taxpayers."

The bill also closes a loophole that allows taxing districts to apply new voter approved levies to future and unknown assessments. Gibbons said the "truth in taxation" provision will protect taxpayers by preventing "a double whammy" on taxpayers. It also requires that taxpayers receive an estimated tax bill along with their reassessment notices. It also increases The Senior Citizen Property Tax credit award from \$750 to \$1100.

"We also must better protect our low income seniors and the disabled by expanding tax relief programs so they won't be taxed out of their homes," he said.

A summary as well as full text of the bill can be found by visiting www.senate.mo.gov and doing a keyword search for SB711.