



*Nothing is politically right
that is morally wrong.*

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Legislation Protecting Missourians from Back Door Tax Increases Passed by Committee *Unanimous Vote Advances Bill Mandating Rollbacks, Closing Loopholes, Predicting Increases and Expanding Relief*

JEFFERSON CITY – Missouri taxpayers moved closer to being protected from tax increases caused by reassessment when a Senate committee voted unanimously to advance a property tax reform bill. Senate Leader Mike Gibbons, R-Kirkwood, presented the bill to the committee last week. The measure, Senate Bill 711, will also close tax increase loopholes, require earlier notice and more information, and expand tax relief for low-income seniors and the disabled.

"Taxpayers told the committee of these harmful tax increases caused by reassessment that are taxing them out of their homes," Gibbons said. "The committee heard them and acted quickly."

The bill 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.

"I believe these taxing boards have a moral obligation to roll back," he said. "They've put their budget above protecting taxpayers and that's why there is so much support for mandating that they roll back."

The bill also closes a loophole that allows taxing districts to apply new voter approved levies to future and unknown assessments. The Attorney General's office issued an [opinion](#) in 2003(107-2003) stating that taxing jurisdictions can take a tax increase approved by the voters, for example in 2006, and then apply that new tax rate to the higher reassessed value in 2007.

"When taxing jurisdictions do this, it's a double whammy on taxpayers," Gibbons said. "Voters approve a tax increase based on what they know at the time of the vote, not their future, unknown assessed valuation."

It also requires that taxpayers receive a projected tax liability along with their reassessment notices as well as increases The Senior Citizen Property Tax credit award from \$750 to \$1100.

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. The bill will next move to the Senate calendar for debate by the full chamber. Nine senators have co-sponsored this measure.

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