



MISSOURI SENATE
JEFFERSON CITY

*Nothing is politically right
that is morally wrong.*

*Free and fair discussion
is the firmest friend of truth.*

FOR IMMEDIATE RELEASE

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Senate Leader: Taxpayers Protected
***Sen. Gibbons' Bill Mandates Rollbacks, Closes Loopholes,
Informs Taxpayers and Expands Relief***

JEFFERSON CITY –A Senate bill that protects Missouri taxpayers from tax increases caused by reassessment was signed into law yesterday (7/1) by Gov. Matt Blunt. Senate Leader Mike Gibbons, R-Kirkwood, sponsored the property tax reform legislation that also closes tax increase loopholes, requires earlier notice and more information, and expands tax relief for seniors and the disabled.

"The days of taxpayers getting hit with tax increases because of reassessment are over," Gibbons said. "I appreciate the governor's support as well as the support of all senators and nearly all representatives who joined me to protect taxpayers."

The measure, Senate Bill 711, 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.

"Taxing boards must now roll back their tax rates," he said. "We also ended the practice of applying voter approved increases to new reassessments, stopping double whammies on taxpayers."

The new law 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.

It also requires that taxpayers receive a projected tax liability statement along with their reassessment notices. Gibbons said charter counties and the City of St. Louis will provide these in 2009, with all other counties participating by 2011. It also increases The Senior Citizen Property Tax Credit award from \$750 to \$1100 for homeowners and expands eligibility for homeowners, not renters, up to an income of \$30,000 for singles and \$34,000 for married couples, a tax credit program expansion representing approximately \$5.8 million. Plus, another change means those who qualify for assistance through the Homestead Preservation Tax Credit with increases over 5 percent in their property tax costs will now be guaranteed some level of help, even if appropriations for the program are lower than needed to cover all costs.

"These changes protect taxpayers, while the early notice and extra assistance will help everyone better prepare for the taxes they owe come December," Gibbons said.

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