

# SENATE AMENDMENT NO. \_\_\_\_\_

Offered by \_\_\_\_\_ of \_\_\_\_\_

Amend SS/SCS/Senate Bill No. 594, Page 1, Section A, Line 3,

2 of said page, by inserting immediately after said line the  
3 following:

4 "135.010. As used in sections 135.010 to 135.030 the  
5 following words and terms mean:

6 (1) "Claimant"[, ]: a person or persons claiming a credit  
7 under sections 135.010 to 135.030. If the persons are eligible  
8 to file a joint federal income tax return and reside at the same  
9 address at any time during the taxable year, then the credit may  
10 only be allowed if claimed on a combined Missouri income tax  
11 return or a combined claim return reporting their combined  
12 incomes and property taxes. A claimant shall not be allowed a  
13 property tax credit unless the claimant or spouse:

14 (a) Has attained the age of sixty-five on or before the  
15 last day of the calendar year and the claimant or spouse was a  
16 resident of Missouri for the entire year[, or the claimant or  
17 spouse];

18 (b) Is a veteran of any branch of the Armed Forces of the  
19 United States or this state who became one hundred percent  
20 disabled as a result of such service[, or the claimant or  
21 spouse];

22 (c) Is disabled as defined in subdivision (2) of this  
23 section, and such claimant or spouse provides proof of such

1 disability in such form and manner, and at such times, as the  
2 director of revenue may require[,]; or

3 (d) If the claimant has reached the age of sixty on or  
4 before the last day of the calendar year and such claimant  
5 received surviving spouse Social Security benefits during the  
6 calendar year and the claimant provides proof, as required by the  
7 director of revenue, that the claimant received surviving spouse  
8 Social Security benefits during the calendar year for which the  
9 credit will be claimed.

10  
11 A claimant shall not be allowed a property tax credit if the  
12 claimant filed a valid claim for a credit under section 137.106  
13 in the year following the year for which the property tax credit  
14 is claimed. The residency requirement shall be deemed to have  
15 been fulfilled for the purpose of determining the eligibility of  
16 a surviving spouse for a property tax credit if a person of the  
17 age of sixty-five years or older who would have otherwise met the  
18 requirements for a property tax credit dies before the last day  
19 of the calendar year. The residency requirement shall also be  
20 deemed to have been fulfilled for the purpose of determining the  
21 eligibility of a claimant who would have otherwise met the  
22 requirements for a property tax credit but who dies before the  
23 last day of the calendar year;

24 (2) "Disabled", the inability to engage in any substantial  
25 gainful activity by reason of any medically determinable physical  
26 or mental impairment which can be expected to result in death or  
27 which has lasted or can be expected to last for a continuous  
28 period of not less than twelve months. A claimant shall not be  
29 required to be gainfully employed prior to such disability to

1 qualify for a property tax credit;

2 (3) ["Gross rent", amount paid by a claimant to a landlord  
3 for the rental, at arm's length, of a homestead during the  
4 calendar year, exclusive of charges for health and personal care  
5 services and food furnished as part of the rental agreement,  
6 whether or not expressly set out in the rental agreement. If the  
7 director of revenue determines that the landlord and tenant have  
8 not dealt at arm's length, and that the gross rent is excessive,  
9 then he shall determine the gross rent based upon a reasonable  
10 amount of rent. Gross rent shall be deemed to be paid only if  
11 actually paid prior to the date a return is filed. The director  
12 of revenue may prescribe regulations requiring a return of  
13 information by a landlord receiving rent, certifying for a  
14 calendar year the amount of gross rent received from a tenant  
15 claiming a property tax credit and shall, by regulation, provide  
16 a method for certification by the claimant of the amount of gross  
17 rent paid for any calendar year for which a claim is made. The  
18 regulations authorized by this subdivision may require a landlord  
19 or a tenant or both to provide data relating to health and  
20 personal care services and to food. Neither a landlord nor a  
21 tenant may be required to provide data relating to utilities,  
22 furniture, home furnishings or appliances;

23 (4) "Homestead", the dwelling in Missouri owned [or  
24 rented] by the claimant and not to exceed five acres of land  
25 surrounding it as is reasonably necessary for use of the dwelling  
26 as a home. It may consist of part of a multidwelling or  
27 multipurpose building and part of the land upon which it is  
28 built. "Owned" includes a vendee in possession under a land  
29 contract and one or more tenants by the entirety, joint

1 tenants, or tenants in common and includes a claimant actually in  
2 possession if he was the immediate former owner of record, if a  
3 lineal descendant is presently the owner of record, and if the  
4 claimant actually pays all taxes upon the property. It may  
5 include a mobile home;

6 [(5)] (4) "Income", Missouri adjusted gross income as  
7 defined in section 143.121 less two thousand dollars, or in the  
8 case of a homestead owned and occupied, for the entire year, by  
9 the claimant, less four thousand dollars as an exemption for the  
10 claimant's spouse residing at the same address, and increased,  
11 where necessary, to reflect the following:

12 (a) Social Security, railroad retirement, and veterans  
13 payments and benefits unless the claimant is a one hundred  
14 percent service-connected, disabled veteran or a spouse of a one  
15 hundred percent service-connected, disabled veteran. The one  
16 hundred percent service-connected disabled veteran shall not be  
17 required to list veterans payments and benefits;

18 (b) The total amount of all other public and private  
19 pensions and annuities;

20 (c) Public relief, public assistance, and unemployment  
21 benefits received in cash, other than benefits received under  
22 this chapter;

23 (d) No deduction being allowed for losses not incurred in a  
24 trade or business;

25 (e) Interest on the obligations of the United States, any  
26 state, or any of their subdivisions and instrumentalities;

27 [(6)] (5) "Property taxes accrued", property taxes paid,  
28 exclusive of special assessments, penalties, interest, and  
29 charges for service levied on a claimant's homestead in any

1 calendar year. Property taxes shall qualify for the credit only  
2 if actually paid prior to the date a return is filed. The  
3 director of revenue shall require a tax receipt or other proof of  
4 property tax payment. If a homestead is owned only partially by  
5 claimant, then "property taxes accrued" is that part of property  
6 taxes levied on the homestead which was actually paid by the  
7 claimant. For purposes of this subdivision, property taxes are  
8 "levied" when the tax roll is delivered to the director of  
9 revenue for collection. If a claimant owns a homestead part of  
10 the preceding calendar year and rents it or a different homestead  
11 for part of the same year, "property taxes accrued" means only  
12 taxes levied on the homestead both owned and occupied by the  
13 claimant, multiplied by the percentage of twelve months that such  
14 property was owned and occupied as the homestead of the claimant  
15 during the year. When a claimant owns and occupies two or more  
16 different homesteads in the same calendar year, property taxes  
17 accrued shall be the sum of taxes allocable to those several  
18 properties occupied by the claimant as a homestead for the year.  
19 If a homestead is an integral part of a larger unit such as a  
20 farm, or multipurpose or multidwelling building, property taxes  
21 accrued shall be that percentage of the total property taxes  
22 accrued as the value of the homestead is of the total value. For  
23 purposes of this subdivision "unit" refers to the parcel of  
24 property covered by a single tax statement of which the homestead  
25 is a part[;

26 (7) "Rent constituting property taxes accrued", twenty  
27 percent of the gross rent paid by a claimant and spouse in the  
28 calendar year].

29 135.025. The property taxes accrued [and rent constituting

1 property taxes accrued] on each return shall be totaled. This  
2 total, up to [seven hundred fifty dollars in rent constituting  
3 property taxes actually paid or] eleven hundred dollars in actual  
4 property tax paid, shall be used in determining the property tax  
5 credit. The director of revenue shall prescribe regulations  
6 providing for allocations where part of a claimant's homestead is  
7 rented to another or used for nondwelling purposes or where a  
8 homestead is owned [or rented] or used as a dwelling for part of  
9 a year.

10 135.030. 1. As used in this section:

11 (1) The term "maximum upper limit" shall, for each calendar  
12 year after December 31, 1997, but before calendar year 2008, be  
13 the sum of twenty-five thousand dollars. For all calendar years  
14 beginning on or after January 1, 2008, the maximum upper limit  
15 shall be the sum of twenty-seven thousand five hundred dollars.  
16 In the case of a homestead owned and occupied for the entire year  
17 by the claimant, the maximum upper limit shall be the sum of  
18 thirty thousand dollars;

19 (2) The term "minimum base" shall, for each calendar year  
20 after December 31, 1997, but before calendar year 2008, be the  
21 sum of thirteen thousand dollars. For all calendar years  
22 beginning on or after January 1, 2008, the minimum base shall be  
23 the sum of fourteen thousand three hundred dollars.

24 2. If the income on a return is equal to or less than the  
25 maximum upper limit for the calendar year for which the return is  
26 filed, the property tax credit shall be determined from a table  
27 of credits based upon the amount by which the total property tax  
28 described in section 135.025 exceeds the percent of income in the  
29 following list:

1	If the income on the return is:	The percent is:
2	Not over the minimum base	0 percent with credit not
3		to exceed \$1,100 in
4		actual property tax [or
5		rent equivalent] paid [up
6		to \$750]
7	Over the minimum base but not	
8	over the maximum upper limit	1/16 percent accumulative
9		per \$300 from 0 percent
10		to 4 percent.
11		

12 The director of revenue shall prescribe a table based upon the  
13 preceding sentences. The property tax shall be in increments of  
14 twenty-five dollars and the income in increments of three hundred  
15 dollars. The credit shall be the amount rounded to the nearest  
16 whole dollar computed on the basis of the property tax and income  
17 at the midpoints of each increment. As used in this subsection,  
18 the term "accumulative" means an increase by continuous or  
19 repeated application of the percent to the income increment at  
20 each three hundred dollar level.

21 3. Notwithstanding subsection 4 of section 32.057, the  
22 department of revenue or any duly authorized employee or agent  
23 shall determine whether any taxpayer filing a report or return  
24 with the department of revenue who has not applied for the credit  
25 allowed pursuant to section 135.020 may qualify for the credit,  
26 and shall notify any qualified claimant of the claimant's  
27 potential eligibility, where the department determines such  
28 potential eligibility exists."; and

29 Further amend the title and enacting clause accordingly.