

TAX CREDIT ANALYSIS

Program Name: Senior Citizen Property Tax Relief		
Department: Revenue	Contact Name & No.: Joel Allison, 751-0191	Date: October 2011
Program Category: Domestic and Social	Type: Tax Credit <input checked="" type="checkbox"/> Other (specify) _____	
Statutory Authority: Section 135.010 to Section 135.035 RSMo	Applicable Taxes:	

Program Description and Eligibility Requirements:
 Sections 135.010 - 135.035, RSMo, allow certain senior citizens who have lived in Missouri the entire year, are 65 years of age or older, or 100% disabled and meet the income levels to file a claim for a refund of a portion of their property taxes or rent paid on property subject to property tax. The maximum total household income upper limit for renters or if the home is not owned the entire year is \$27,500 for single individuals or married couples filing a separate return and \$29,500 for married couples filing a combined return. If they own their home the entire year, the maximum income is \$30,000 for single individuals or married couples filing separately and \$34,000 for married couples filing a combined return. The minimum base for tax year 2008 is \$14,300.

Explanation of How Award is Computed: Entitlement _____ Discretionary _____
 Sections 135.010 - 135.035, RSMo, allow certain senior citizens who have lived in Missouri the entire year, are 65 years of age or older, or 100% disabled and meet the income levels to file a claim for a refund of a portion of their property taxes or rent paid on property subject to property tax. If the income on a return is equal to or less than the maximum upper limit for calendar year for which the return is filed, the property tax credit shall be determined from a table of credits based upon the amount by which the total property tax described in Section 135.025, RSMo, exceeds the percent of income. The property tax shall be in increments of \$25 and the income in increments of \$300. The credit shall be the amount rounded to the nearest whole dollar computed on the basis of the property tax and income at the midpoints of each increment.

Program Cap: Cumulative \$ _____ (remainder of cumulative cap) \$ _____ Annual \$ _____ None _____
Explanation of cap: Section 135.030, RSMo, sets the cap at \$750 per claim for rent paid and \$1,100 for property taxes paid.

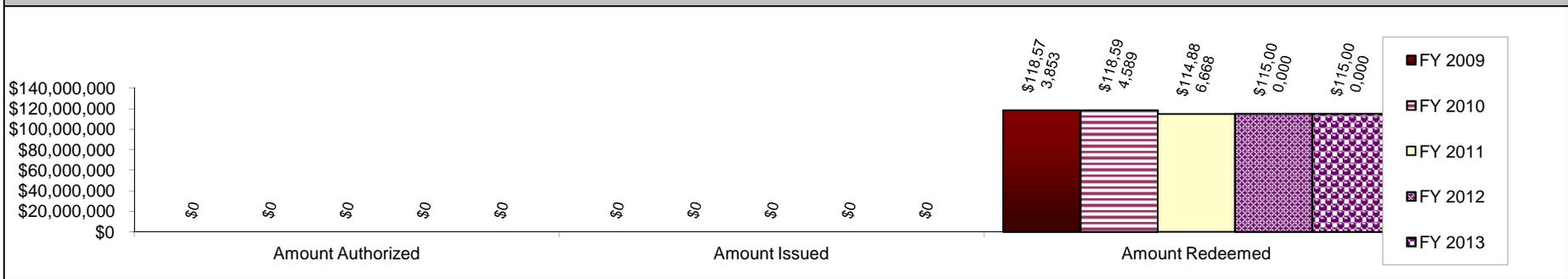
Explanation of Expiration of Authority:

Specific Provisions: (if applicable)
 Carry forward _____ years Carry Back _____ years Refundable Sellable/Assignable _____ Additional Federal Deductions Available _____

Comments on Specific Provisions:

	FY 2009 ACTUAL	FY 2010 ACTUAL	FY 2011 ACTUAL	FY 2012(current year)	FY 2013 (budget year)
Certificates Issued (#)	0	0	0	0	0
Projects (#)	0	0	0	0	0
Amount Authorized	\$0	\$0	\$0	\$0	\$0
Amount Issued	\$0	\$0	\$0	\$0	\$0
Amount Redeemed	\$118,573,853	\$118,594,589	\$114,886,668	\$115,000,000	\$115,000,000
EST. Amount Outstanding	N/A	N/A	\$0	N/A	N/A
EST. Amount Authorized but Unissued	N/A	N/A	\$0	N/A	N/A

HISTORICAL AND PROJECTED INFORMATION



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Comments on Historical and Projected Information:

BENEFIT: COST ANALYSIS (includes only state revenue impacts)

	FY 2011 ACTIVITY	Other Fiscal Period (indicated time period)	Derivation of Benefits:
BENEFITS			The Department of Revenue, with the assistance of the Missouri Department of Economic Development, used the Regional Economic Model, Inc. (REMI) model for generating cost-benefit analysis for tax credit programs as required under Section 33.282, RSMo. REMI 8.0.5 Model Assumptions: \$114,886,668 reduction in personal income tax in Fiscal Year 2011.
Direct Fiscal Benefits	\$0	\$0	
Indirect Fiscal Benefits	\$1,473,625	\$1,473,625	
Total	\$1,473,625	\$1,473,625	
COSTS			
Direct Fiscal Costs	\$114,886,668	\$114,886,668	
Indirect Fiscal Costs	\$0	\$0	
Total	\$114,886,668	\$114,886,668	
BENEFIT: COST	0.01	0.01	

Other Benefits:

In Fiscal Year 2011, every dollar of authorized program tax credits returns:

\$0.26 in new personal income totaling	\$29.95 million
\$0.51 in new value-added/GSP totaling	\$58.91 million
\$0.79 in new economic output totaling	\$90.83 million

Over five years, every dollar of authorized program tax credit returns:

\$0.26 in new personal income totaling	\$29.95 million
\$0.51 in new value-added/GSP totaling	\$58.91 million
\$0.79 in new economic output totaling	\$90.83 million

PERFORMANCE MEASURE(S)

Comments on Performance Measure: