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Senate Protects Critical Tax Credit for More than 105,000 Low-Income Missourians

The Missouri Senate has rejected a provision that would eliminate more than 105,000 Missouri seniors, veterans and people with disabilities from eligibility for a modest tax credit that is critical to keeping them in their homes. The provision, which was included in a wide-ranging tax bill, was unnecessary to pay for new tax incentives included in that bill. By approving an amendment by Senator Schaaf to remove this needless provision, the Senate helped ensure that the low income individuals eligible for the credit can secure accessible housing and remain independent.

“The circuit breaker tax credit is critical in helping Missourians stay in their homes and weather financial challenges that would otherwise upend their lives,” said Amy Blouin, Executive Director of the Missouri Budget Project. “We’re pleased that the Senate protected the credit for their constituents, and thank Senator Schaaf and the sixteen additional Senators who voted for his amendment for their leadership on this issue.”

The circuit breaker property tax credit is a cost-effective tool that helps certain low income individuals secure accessible housing and remain independent. Missouri seniors, veterans, and people living with disabilities can qualify for the credit if their annual incomes are below \$27,500 if single, and \$29,500 if married. The proposal rejected by the Senate would have eliminated those eligible for the credit if they rent their homes.

“Although the credit is modest, it’s sometimes the only thing that keeps people in their homes, or in their jobs,” continued Blouin.

Maintaining the circuit breaker credit for renters has consequences beyond the direct human impact. The individuals eligible for the circuit breaker spend the money from the credit, circulating it through the economy. The proposal would have unnecessarily removed millions from local economies throughout the state.

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*The Mission of the Missouri Budget Project is: To advance public policies that improve economic opportunities for all Missourians – particularly low and middle-income families – by providing reliable and objective research, public education and advocacy.
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