

S.F. No. 271 – Homestead Credit Refund; Increasing Maximum Refunds and Expanding Eligibility (as proposed to be amended by A-2)

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Section 1. Income. Increases by half the subtraction allowed for claimants aged 65 or older or those with a disability. For taxable year 2023, the subtraction will increase from \$4,800 to \$7,200. Effective beginning with claims based on rent paid in 2023 and property taxes payable in 2024.

Section 2. Homeowners; homestead credit refund. Expands the range of incomes eligible for the homeowner's homestead credit and increases, by \$500, the maximum refund allowed for all income ranges. This section also increases, to \$165,001, the maximum income allowed to qualify for the credit refund and sets the maximum refund range for these claimants at \$350 to \$850. Effective for claims based on property taxes payable in 2024.

Section 3. Inflation adjustment. Sets the statutory year for the homestead credit refund at 2023. The statutory year sets the first year after which CPI-U adjustments will be made. Effective for claims based on property taxes payable in 2025.