

SENATE SUBSTITUTE
FOR
SENATE COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 799
AN ACT

To repeal section 137.115, RSMo, and to enact in lieu thereof one new section relating to motor vehicle assessments.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 137.115, RSMo, is repealed and one new
2 section enacted in lieu thereof, to be known as section 137.115,
3 to read as follows:

137.115. 1. All other laws to the contrary
2 notwithstanding, the assessor or the assessor's deputies in
3 all counties of this state including the City of St. Louis
4 shall annually make a list of all real and tangible personal
5 property taxable in the assessor's city, county, town or
6 district. Except as otherwise provided in subsection 3 of
7 this section and section 137.078, the assessor shall
8 annually assess all personal property at thirty-three and
9 one-third percent of its true value in money as of January
10 first of each calendar year. The assessor shall annually
11 assess all real property, including any new construction and
12 improvements to real property, and possessory interests in
13 real property at the percent of its true value in money set
14 in subsection 5 of this section. The true value in money of
15 any possessory interest in real property in subclass (3),
16 where such real property is on or lies within the ultimate
17 airport boundary as shown by a federal airport layout plan,
18 as defined by 14 CFR 151.5, of a commercial airport having a
19 FAR Part 139 certification and owned by a political

20 subdivision, shall be the otherwise applicable true value in
21 money of any such possessory interest in real property, less
22 the total dollar amount of costs paid by a party, other than
23 the political subdivision, towards any new construction or
24 improvements on such real property completed after January
25 1, 2008, and which are included in the above-mentioned
26 possessory interest, regardless of the year in which such
27 costs were incurred or whether such costs were considered in
28 any prior year. The assessor shall annually assess all real
29 property in the following manner: new assessed values shall
30 be determined as of January first of each odd-numbered year
31 and shall be entered in the assessor's books; those same
32 assessed values shall apply in the following even-numbered
33 year, except for new construction and property improvements
34 which shall be valued as though they had been completed as
35 of January first of the preceding odd-numbered year. The
36 assessor may call at the office, place of doing business, or
37 residence of each person required by this chapter to list
38 property, and require the person to make a correct statement
39 of all taxable tangible personal property owned by the
40 person or under his or her care, charge or management,
41 taxable in the county. On or before January first of each
42 even-numbered year, the assessor shall prepare and submit a
43 two-year assessment maintenance plan to the county governing
44 body and the state tax commission for their respective
45 approval or modification. The county governing body shall
46 approve and forward such plan or its alternative to the plan
47 to the state tax commission by February first. If the
48 county governing body fails to forward the plan or its
49 alternative to the plan to the state tax commission by
50 February first, the assessor's plan shall be considered
51 approved by the county governing body. If the state tax
52 commission fails to approve a plan and if the state tax

53 commission and the assessor and the governing body of the
54 county involved are unable to resolve the differences, in
55 order to receive state cost-share funds outlined in section
56 137.750, the county or the assessor shall petition the
57 administrative hearing commission, by May first, to decide
58 all matters in dispute regarding the assessment maintenance
59 plan. Upon agreement of the parties, the matter may be
60 stayed while the parties proceed with mediation or
61 arbitration upon terms agreed to by the parties. The final
62 decision of the administrative hearing commission shall be
63 subject to judicial review in the circuit court of the
64 county involved. In the event a valuation of subclass (1)
65 real property within any county with a charter form of
66 government, or within a city not within a county, is made by
67 a computer, computer-assisted method or a computer program,
68 the burden of proof, supported by clear, convincing and
69 cogent evidence to sustain such valuation, shall be on the
70 assessor at any hearing or appeal. In any such county,
71 unless the assessor proves otherwise, there shall be a
72 presumption that the assessment was made by a computer,
73 computer-assisted method or a computer program. Such
74 evidence shall include, but shall not be limited to, the
75 following:

76 (1) The findings of the assessor based on an appraisal
77 of the property by generally accepted appraisal techniques;
78 and

79 (2) The purchase prices from sales of at least three
80 comparable properties and the address or location thereof.
81 As used in this subdivision, the word "comparable" means
82 that:

83 (a) Such sale was closed at a date relevant to the
84 property valuation; and

85 (b) Such properties are not more than one mile from
86 the site of the disputed property, except where no similar
87 properties exist within one mile of the disputed property,
88 the nearest comparable property shall be used. Such
89 property shall be within five hundred square feet in size of
90 the disputed property, and resemble the disputed property in
91 age, floor plan, number of rooms, and other relevant
92 characteristics.

93 2. Assessors in each county of this state and the City
94 of St. Louis may send personal property assessment forms
95 through the mail.

96 3. The following items of personal property shall each
97 constitute separate subclasses of tangible personal property
98 and shall be assessed and valued for the purposes of
99 taxation at the following percentages of their true value in
100 money:

101 (1) Grain and other agricultural crops in an
102 unmanufactured condition, one-half of one percent;

103 (2) Livestock, twelve percent;

104 (3) Farm machinery, twelve percent;

105 (4) Motor vehicles which are eligible for registration
106 as and are registered as historic motor vehicles pursuant to
107 section 301.131 and aircraft which are at least twenty-five
108 years old and which are used solely for noncommercial
109 purposes and are operated less than two hundred hours per
110 year or aircraft that are home built from a kit, five
111 percent;

112 (5) Poultry, twelve percent; and

113 (6) Tools and equipment used for pollution control and
114 tools and equipment used in retooling for the purpose of
115 introducing new product lines or used for making
116 improvements to existing products by any company which is
117 located in a state enterprise zone and which is identified

118 by any standard industrial classification number cited in
119 subdivision (7) of section 135.200, twenty-five percent.

120 4. The person listing the property shall enter a true
121 and correct statement of the property, in a printed blank
122 prepared for that purpose. The statement, after being
123 filled out, shall be signed and either affirmed or sworn to
124 as provided in section 137.155. The list shall then be
125 delivered to the assessor.

126 5. (1) All subclasses of real property, as such
127 subclasses are established in Section 4(b) of Article X of
128 the Missouri Constitution and defined in section 137.016,
129 shall be assessed at the following percentages of true value:

130 (a) For real property in subclass (1), nineteen
131 percent;

132 (b) For real property in subclass (2), twelve percent;
133 and

134 (c) For real property in subclass (3), thirty-two
135 percent.

136 (2) A taxpayer may apply to the county assessor, or,
137 if not located within a county, then the assessor of such
138 city, for the reclassification of such taxpayer's real
139 property if the use or purpose of such real property is
140 changed after such property is assessed under the provisions
141 of this chapter. If the assessor determines that such
142 property shall be reclassified, he or she shall determine
143 the assessment under this subsection based on the percentage
144 of the tax year that such property was classified in each
145 subclassification.

146 6. Manufactured homes, as defined in section 700.010,
147 which are actually used as dwelling units shall be assessed
148 at the same percentage of true value as residential real
149 property for the purpose of taxation. The percentage of
150 assessment of true value for such manufactured homes shall

151 be the same as for residential real property. If the county
152 collector cannot identify or find the manufactured home when
153 attempting to attach the manufactured home for payment of
154 taxes owed by the manufactured home owner, the county
155 collector may request the county commission to have the
156 manufactured home removed from the tax books, and such
157 request shall be granted within thirty days after the
158 request is made; however, the removal from the tax books
159 does not remove the tax lien on the manufactured home if it
160 is later identified or found. For purposes of this section,
161 a manufactured home located in a manufactured home rental
162 park, rental community or on real estate not owned by the
163 manufactured home owner shall be considered personal
164 property. For purposes of this section, a manufactured home
165 located on real estate owned by the manufactured home owner
166 may be considered real property.

167 7. Each manufactured home assessed shall be considered
168 a parcel for the purpose of reimbursement pursuant to
169 section 137.750, unless the manufactured home is deemed to
170 be real estate as defined in subsection 7 of section 442.015
171 and assessed as a realty improvement to the existing real
172 estate parcel.

173 8. Any amount of tax due and owing based on the
174 assessment of a manufactured home shall be included on the
175 personal property tax statement of the manufactured home
176 owner unless the manufactured home is deemed to be real
177 estate as defined in subsection 7 of section 442.015, in
178 which case the amount of tax due and owing on the assessment
179 of the manufactured home as a realty improvement to the
180 existing real estate parcel shall be included on the real
181 property tax statement of the real estate owner.

182 9. For the tax year ending on or before December 31,
183 2024, the assessor of each county and each city not within a

184 county shall use [the trade-in value published in the
185 October issue of] a nationally recognized automotive trade
186 publication such as the National Automobile Dealers'
187 Association Official Used Car Guide, [or its successor
188 publication] Kelley Blue Book, Edmunds, or other similar
189 publication as the recommended guide of information for
190 determining the true value of motor vehicles described in
191 such publication. The state tax commission shall determine
192 which publication shall be used. The assessor of each
193 county and each city not within a county shall use the trade-
194 in value published in the current or any of the three
195 immediately previous years' October issue of the publication
196 selected by the state tax commission. The assessor shall
197 not use a value that is greater than the average trade-in
198 value in determining the true value of the motor vehicle
199 without performing a physical inspection of the motor
200 vehicle. For vehicles two years old or newer from a
201 vehicle's model year, the assessor may use a value other
202 than average without performing a physical inspection of the
203 motor vehicle.

204 10. For all tax years beginning on or after January 1,
205 2025, the assessor of each county and each city not within a
206 county shall use the manufacturer's suggested retail price
207 for all manufactured motor vehicles as acquired by the state
208 tax commission for the original value in money of all motor
209 vehicle assessment valuations. For the purposes of this
210 subsection, the term "original value in money" means the
211 manufacturer's suggested retail price. For the purposes of
212 this subsection, the term "motor vehicles" means trucks,
213 automobiles, motorcycles, boats, trailers, and other motor
214 vehicles required to be registered and titled pursuant to
215 the provisions of the motor vehicle registration laws of
216 this state. The following twelve-year depreciation schedule

217 shall be applied to each manufacturer's suggested retail
 218 price to develop the annual and historical valuation guide
 219 for all motor vehicles. The values shall be delivered to
 220 each software vendor not later than November fifteenth
 221 annually and vendors shall have the values in place by
 222 December fifteenth annually for use in the next assessment
 223 year. In the absence of a listing for a particular motor
 224 vehicle in such publication, the assessor shall use such
 225 information or publications which in the assessor's judgment
 226 will fairly estimate the [true] original value in money of
 227 the motor vehicle[.] and the assessor shall apply the
 228 appropriate depreciation from the table as follows:

229	<u>Year</u>	<u>Percent Depreciation</u>
230	<u>Current</u>	<u>15</u>
231	<u>1</u>	<u>22</u>
232	<u>2</u>	<u>29</u>
233	<u>3</u>	<u>36</u>
234	<u>4</u>	<u>43</u>
235	<u>5</u>	<u>50</u>
236	<u>6</u>	<u>57</u>
237	<u>7</u>	<u>64</u>
238	<u>8</u>	<u>71</u>
239	<u>9</u>	<u>78</u>
240	<u>10</u>	<u>85</u>
241	<u>11</u>	<u>92</u>
242	<u>Greater than 12</u>	<u>99.9 or a minimum value</u>
243		<u>of \$300, whichever is</u>
244		<u>greater</u>

245 To implement the new schedule without large variations from
 246 the current method, the assessor shall assume that the last

247 valuation tables prior to October 1, 2025, are fair
248 valuations and these valuations shall be depreciated from
249 the above table until the end of their useful life. The
250 state tax commission shall, with the assistance of the
251 Missouri state assessor's association, develop the bid
252 specifications to secure the original manufacturer's
253 suggested retail price from a nationally recognized
254 service. The bid shall be for a period of three years, and
255 the state tax commission shall secure an appropriation from
256 the general assembly for the guide and the programming
257 necessary to allow valuation by vehicle identification
258 number in all certified mass appraisal software systems used
259 in the state. The state tax commission or the state of
260 Missouri shall be the registered user of the value guide
261 with rights to allow all assessors access to the guide and
262 to an online site. The state tax commission or state shall
263 be responsible for renewals and annual software cost for
264 preparing the data in a usable format for approved personal
265 property software vendors in the state. If a county creates
266 its own software, it shall meet the same standards as the
267 approved vendors. The data shall be available to all
268 vendors by November fifteenth annually. All vendors shall
269 have the data available for use in their client counties by
270 December fifteenth prior to the January first assessment
271 date. When the manufacturer's suggested retail price data
272 is not available from the approved source or the assessor
273 deems it not appropriate for the vehicle value he or she is
274 valuing, the assessor may obtain a manufacturer's suggested
275 retail price from a source he or she deems reliable and
276 apply the depreciation schedule set out above.

277 [10.] 11. Before the assessor may increase the
278 assessed valuation of any parcel of subclass (1) real
279 property by more than fifteen percent since the last

280 assessment, excluding increases due to new construction or
281 improvements, the assessor shall conduct a physical
282 inspection of such property.

283 [11.] 12. If a physical inspection is required,
284 pursuant to subsection [10] 11 of this section, the assessor
285 shall notify the property owner of that fact in writing and
286 shall provide the owner clear written notice of the owner's
287 rights relating to the physical inspection. If a physical
288 inspection is required, the property owner may request that
289 an interior inspection be performed during the physical
290 inspection. The owner shall have no less than thirty days
291 to notify the assessor of a request for an interior physical
292 inspection.

293 [12.] 13. A physical inspection, as required by
294 subsection [10] 11 of this section, shall include, but not
295 be limited to, an on-site personal observation and review of
296 all exterior portions of the land and any buildings and
297 improvements to which the inspector has or may reasonably
298 and lawfully gain external access, and shall include an
299 observation and review of the interior of any buildings or
300 improvements on the property upon the timely request of the
301 owner pursuant to subsection [11] 12 of this section. Mere
302 observation of the property via a drive-by inspection or the
303 like shall not be considered sufficient to constitute a
304 physical inspection as required by this section.

305 [13.] 14. A county or city collector may accept credit
306 cards as proper form of payment of outstanding property tax
307 or license due. No county or city collector may charge
308 surcharge for payment by credit card which exceeds the fee
309 or surcharge charged by the credit card bank, processor, or
310 issuer for its service. A county or city collector may
311 accept payment by electronic transfers of funds in payment
312 of any tax or license and charge the person making such

313 payment a fee equal to the fee charged the county by the
314 bank, processor, or issuer of such electronic payment.

315 [14.] 15. Any county or city not within a county in
316 this state may, by an affirmative vote of the governing body
317 of such county, opt out of the provisions of this section
318 and sections 137.073, 138.060, and 138.100 as enacted by
319 house bill no. 1150 of the ninety-first general assembly,
320 second regular session and section 137.073 as modified by
321 house committee substitute for senate substitute for senate
322 committee substitute for senate bill no. 960, ninety-second
323 general assembly, second regular session, for the next year
324 of the general reassessment, prior to January first of any
325 year. No county or city not within a county shall exercise
326 this opt-out provision after implementing the provisions of
327 this section and sections 137.073, 138.060, and 138.100 as
328 enacted by house bill no. 1150 of the ninety-first general
329 assembly, second regular session and section 137.073 as
330 modified by house committee substitute for senate substitute
331 for senate committee substitute for senate bill no. 960,
332 ninety-second general assembly, second regular session, in a
333 year of general reassessment. For the purposes of applying
334 the provisions of this subsection, a political subdivision
335 contained within two or more counties where at least one of
336 such counties has opted out and at least one of such
337 counties has not opted out shall calculate a single tax rate
338 as in effect prior to the enactment of house bill no. 1150
339 of the ninety-first general assembly, second regular
340 session. A governing body of a city not within a county or
341 a county that has opted out under the provisions of this
342 subsection may choose to implement the provisions of this
343 section and sections 137.073, 138.060, and 138.100 as
344 enacted by house bill no. 1150 of the ninety-first general
345 assembly, second regular session, and section 137.073 as

346 modified by house committee substitute for senate substitute
347 for senate committee substitute for senate bill no. 960,
348 ninety-second general assembly, second regular session, for
349 the next year of general reassessment, by an affirmative
350 vote of the governing body prior to December thirty-first of
351 any year.

352 [15.] 16. The governing body of any city of the third
353 classification with more than twenty-six thousand three
354 hundred but fewer than twenty-six thousand seven hundred
355 inhabitants located in any county that has exercised its
356 authority to opt out under subsection [14] 15 of this
357 section may levy separate and differing tax rates for real
358 and personal property only if such city bills and collects
359 its own property taxes or satisfies the entire cost of the
360 billing and collection of such separate and differing tax
361 rates. Such separate and differing rates shall not exceed
362 such city's tax rate ceiling.

363 [16.] 17. Any portion of real property that is
364 available as reserve for strip, surface, or coal mining for
365 minerals for purposes of excavation for future use or sale
366 to others that has not been bonded and permitted under
367 chapter 444 shall be assessed based upon how the real
368 property is currently being used. Any information provided
369 to a county assessor, state tax commission, state agency, or
370 political subdivision responsible for the administration of
371 tax policies shall, in the performance of its duties, make
372 available all books, records, and information requested,
373 except such books, records, and information as are by law
374 declared confidential in nature, including individually
375 identifiable information regarding a specific taxpayer or
376 taxpayer's mine property. For purposes of this subsection,
377 "mine property" shall mean all real property that is in use
378 or readily available as a reserve for strip, surface, or

379 coal mining for minerals for purposes of excavation for
380 current or future use or sale to others that has been bonded
381 and permitted under chapter 444.