

FIRST REGULAR SESSION

SENATE JOINT RESOLUTION NO. 27

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATORS RIDGEWAY AND LOUDON.

Read 1st time March 1, 2007, and ordered printed.

TERRY L. SPIELER, Secretary.

2578S.011

JOINT RESOLUTION

Submitting to the qualified voters of Missouri, an amendment repealing section 6 of article X of the Constitution of Missouri, and adopting one new section in lieu thereof relating to a property tax exemption for business personal property.

Be it resolved by the Senate, the House of Representatives concurring therein:

That at the next general election to be held in the state of Missouri, on
2 Tuesday next following the first Monday in November, 2008, or at a special
3 election to be called by the governor for that purpose, there is hereby submitted
4 to the qualified voters of this state, for adoption or rejection, the following
5 amendment to article X of the Constitution of the state of Missouri:

Section A. Section 6, article X, Constitution of Missouri, is repealed and
2 one new section adopted in lieu thereof, to be known as section 6, to read as
3 follows:

Section 6. 1. All property, real and personal, of the state, counties and
2 other political subdivisions, and nonprofit cemeteries, shall be exempt from
3 taxation; all personal property held as industrial inventories, including raw
4 materials, work in progress and finished work on hand, [by manufacturers and
5 refiners, and all personal property held as] goods, wares, merchandise, stock in
6 trade or inventory for resale [by distributors, wholesalers, or retail merchants or
7 establishments], **supplies, machinery, tools, electronics, or any other form**
8 **of tangible personal property held, owned, or controlled by a business**
9 **for business purposes** shall be exempt from taxation; and all property, real and
10 personal, not held for private or corporate profit and used exclusively for religious
11 worship, for schools and colleges, for purposes purely charitable, for agricultural
12 and horticultural societies, or for veterans' organizations may be exempted from

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

13 taxation by general law. In addition to the above, household goods, furniture,
14 wearing apparel and articles of personal use and adornment owned and used by
15 a person in his home or dwelling place may be exempt from taxation by general
16 law but any such law may provide for approximate restitution to the respective
17 political subdivisions of revenues lost by reason of the exemption. All laws
18 exempting from taxation property other than the property enumerated in this
19 article, shall be void. The provisions of this section exempting [certain] personal
20 property of [manufacturers, refiners, distributors, wholesalers, and retail
21 merchants and establishments] **businesses** from taxation shall become effective,
22 unless otherwise provided by law, in each county on January 1 of the year in
23 which that county completes its first general reassessment as defined by law.

24 2. All revenues lost because of the exemption of [certain] personal
25 property of [manufacturers, refiners, distributors, wholesalers, and retail
26 merchants and establishments] **businesses** shall be replaced to each taxing
27 authority within a county from a countywide tax hereby imposed on all property
28 in subclass 3 of class 1 in each county. For the year in which the exemption
29 becomes effective, the county clerk shall calculate the total revenue lost by all
30 taxing authorities in the county and extend upon all property in subclass 3 of
31 class 1 within the county, a tax at the rate necessary to produce that
32 amount. The rate of tax levied in each county according to this subsection shall
33 not be increased above the rate first imposed and will stand levied at that rate
34 unless later reduced according to the provisions of subsection 3. The county
35 collector shall disburse the proceeds according to the revenue lost by each taxing
36 authority because of the exemption of such property in that county. Restitution
37 of the revenues lost by any taxing district contained in more than one county
38 shall be from the several counties according to the revenue lost because of the
39 exemption of property in each county. Each year after the first year the
40 replacement tax is imposed, the amount distributed to each taxing authority in
41 a county shall be increased or decreased by an amount equal to the amount
42 resulting from the change in that district's total assessed value of property in
43 subclass 3 of class 1 at the countywide replacement tax rate. In order to
44 implement the provisions of this subsection, the limits set in section 11(b) of this
45 article may be exceeded, without voter approval, if necessary to allow each county
46 listed in section 11(b) to comply with this subsection.

47 3. Any increase in the tax rate imposed pursuant to subsection 2 of this
48 section shall be decreased if such decrease is approved by a majority of the voters

49 of the county voting on such decrease. A decrease in the increased tax rate
50 imposed under subsection 2 of this section may be submitted to the voters of a
51 county by the governing body thereof upon its own order, ordinance, or resolution
52 and shall be submitted upon the petition of at least eight percent of the qualified
53 voters who voted in the immediately preceding gubernatorial election.

54 4. As used in this section, the terms "revenues lost" and "lost revenues"
55 shall mean that revenue which each taxing authority received from the imposition
56 of a tangible personal property tax on all personal property [held as industrial
57 inventories, including raw materials, work in progress and finished work on hand,
58 by manufacturers and refiners, and all personal property held as goods, wares,
59 merchandise, stock in trade or inventory for resale by distributors, wholesalers,
60 or retail merchants or establishments] **of businesses** in the last full tax year
61 immediately preceding the effective date of the exemption from taxation granted
62 for such property under subsection 1 of this section, and which was no longer
63 received after such exemption became effective.

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Bill

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