

FIRST REGULAR SESSION

SENATE BILL NO. 190

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR LUETKEMEYER.

0058S.01I

KRISTINA MARTIN, Secretary

AN ACT

To repeal section 137.115, RSMo, and to enact in lieu thereof one new section relating to property tax 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Section A. Section 137.115, RSMo, is repealed and one new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,
36 **provided that no real residential property shall be assessed**
37 **at a value that exceeds the previous assessed value for such**
38 **property, exclusive of new construction and improvements, by**
39 **more than the percentage increase in the consumer price**
40 **index or ten percent, whichever is greater.** The assessor
41 may call at the office, place of doing business, or
42 residence of each person required by this chapter to list
43 property, and require the person to make a correct statement
44 of all taxable tangible personal property owned by the
45 person or under his or her care, charge or management,
46 taxable in the county. On or before January first of each
47 even-numbered year, the assessor shall prepare and submit a
48 two-year assessment maintenance plan to the county governing
49 body and the state tax commission for their respective
50 approval or modification. The county governing body shall

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

81 (1) The findings of the assessor based on an appraisal
82 of the property by generally accepted appraisal techniques;
83 and

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

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

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

98 2. Assessors in each county of this state and the City
99 of St. Louis may send personal property assessment forms
100 through the mail.

101 3. The following items of personal property shall each
102 constitute separate subclasses of tangible personal property
103 and shall be assessed and valued for the purposes of
104 taxation at the following percentages of their true value in
105 money:

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

108 (2) Livestock, twelve percent;

109 (3) Farm machinery, twelve percent;

110 (4) Motor vehicles which are eligible for registration
111 as and are registered as historic motor vehicles pursuant to
112 section 301.131 and aircraft which are at least twenty-five

113 years old and which are used solely for noncommercial
114 purposes and are operated less than two hundred hours per
115 year or aircraft that are home built from a kit, five
116 percent;

117 (5) Poultry, twelve percent; and

118 (6) Tools and equipment used for pollution control and
119 tools and equipment used in retooling for the purpose of
120 introducing new product lines or used for making
121 improvements to existing products by any company which is
122 located in a state enterprise zone and which is identified
123 by any standard industrial classification number cited in
124 subdivision (7) of section 135.200, twenty-five percent.

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

131 5. (1) All subclasses of real property, as such
132 subclasses are established in Section 4(b) of Article X of
133 the Missouri Constitution and defined in section 137.016,
134 shall be assessed at the following percentages of true value:

135 (a) For real property in subclass (1), nineteen
136 percent;

137 (b) For real property in subclass (2), twelve percent;
138 and

139 (c) For real property in subclass (3), thirty-two
140 percent.

141 (2) A taxpayer may apply to the county assessor, or,
142 if not located within a county, then the assessor of such
143 city, for the reclassification of such taxpayer's real
144 property if the use or purpose of such real property is

145 changed after such property is assessed under the provisions
146 of this chapter. If the assessor determines that such
147 property shall be reclassified, he or she shall determine
148 the assessment under this subsection based on the percentage
149 of the tax year that such property was classified in each
150 subclassification.

151 6. Manufactured homes, as defined in section 700.010,
152 which are actually used as dwelling units shall be assessed
153 at the same percentage of true value as residential real
154 property for the purpose of taxation. The percentage of
155 assessment of true value for such manufactured homes shall
156 be the same as for residential real property. If the county
157 collector cannot identify or find the manufactured home when
158 attempting to attach the manufactured home for payment of
159 taxes owed by the manufactured home owner, the county
160 collector may request the county commission to have the
161 manufactured home removed from the tax books, and such
162 request shall be granted within thirty days after the
163 request is made; however, the removal from the tax books
164 does not remove the tax lien on the manufactured home if it
165 is later identified or found. For purposes of this section,
166 a manufactured home located in a manufactured home rental
167 park, rental community or on real estate not owned by the
168 manufactured home owner shall be considered personal
169 property. For purposes of this section, a manufactured home
170 located on real estate owned by the manufactured home owner
171 may be considered real property.

172 7. Each manufactured home assessed shall be considered
173 a parcel for the purpose of reimbursement pursuant to
174 section 137.750, unless the manufactured home is deemed to
175 be real estate as defined in subsection 7 of section 442.015

176 and assessed as a realty improvement to the existing real
177 estate parcel.

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

187 9. The assessor of each county and each city not
188 within a county shall use the trade-in value published in
189 the October issue of the National Automobile Dealers'
190 Association Official Used Car Guide, or its successor
191 publication, as the recommended guide of information for
192 determining the true value of motor vehicles described in
193 such publication. The assessor shall not use a value that
194 is greater than the average trade-in value in determining
195 the true value of the motor vehicle without performing a
196 physical inspection of the motor vehicle. For vehicles two
197 years old or newer from a vehicle's model year, the assessor
198 may use a value other than average without performing a
199 physical inspection of the motor vehicle. In the absence of
200 a listing for a particular motor vehicle in such
201 publication, the assessor shall use such information or
202 publications which in the assessor's judgment will fairly
203 estimate the true value in money of the motor vehicle.

204 10. Before the assessor may increase the assessed
205 valuation of any parcel of subclass (1) real property by
206 more than fifteen percent since the last assessment,
207 excluding increases due to new construction or improvements,

208 the assessor shall conduct a physical inspection of such
209 property.

210 11. If a physical inspection is required, pursuant to
211 subsection 10 of this section, the assessor shall notify the
212 property owner of that fact in writing and shall provide the
213 owner clear written notice of the owner's rights relating to
214 the physical inspection. If a physical inspection is
215 required, the property owner may request that an interior
216 inspection be performed during the physical inspection. The
217 owner shall have no less than thirty days to notify the
218 assessor of a request for an interior physical inspection.

219 12. A physical inspection, as required by subsection
220 10 of this section, shall include, but not be limited to, an
221 on-site personal observation and review of all exterior
222 portions of the land and any buildings and improvements to
223 which the inspector has or may reasonably and lawfully gain
224 external access, and shall include an observation and review
225 of the interior of any buildings or improvements on the
226 property upon the timely request of the owner pursuant to
227 subsection 11 of this section. Mere observation of the
228 property via a drive-by inspection or the like shall not be
229 considered sufficient to constitute a physical inspection as
230 required by this section.

231 13. A county or city collector may accept credit cards
232 as proper form of payment of outstanding property tax or
233 license due. No county or city collector may charge
234 surcharge for payment by credit card which exceeds the fee
235 or surcharge charged by the credit card bank, processor, or
236 issuer for its service. A county or city collector may
237 accept payment by electronic transfers of funds in payment
238 of any tax or license and charge the person making such

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

241 14. Any county or city not within a county in this
242 state may, by an affirmative vote of the governing body of
243 such county, opt out of the provisions of this section and
244 sections 137.073, 138.060, and 138.100 as enacted by house
245 bill no. 1150 of the ninety-first general assembly, second
246 regular session and section 137.073 as modified by house
247 committee substitute for senate substitute for senate
248 committee substitute for senate bill no. 960, ninety-second
249 general assembly, second regular session, for the next year
250 of the general reassessment, prior to January first of any
251 year. No county or city not within a county shall exercise
252 this opt-out provision after implementing the provisions of
253 this section and sections 137.073, 138.060, and 138.100 as
254 enacted by house bill no. 1150 of the ninety-first general
255 assembly, second regular session and section 137.073 as
256 modified by house committee substitute for senate substitute
257 for senate committee substitute for senate bill no. 960,
258 ninety-second general assembly, second regular session, in a
259 year of general reassessment. For the purposes of applying
260 the provisions of this subsection, a political subdivision
261 contained within two or more counties where at least one of
262 such counties has opted out and at least one of such
263 counties has not opted out shall calculate a single tax rate
264 as in effect prior to the enactment of house bill no. 1150
265 of the ninety-first general assembly, second regular
266 session. A governing body of a city not within a county or
267 a county that has opted out under the provisions of this
268 subsection may choose to implement the provisions of this
269 section and sections 137.073, 138.060, and 138.100 as
270 enacted by house bill no. 1150 of the ninety-first general

271 assembly, second regular session, and section 137.073 as
272 modified by house committee substitute for senate substitute
273 for senate committee substitute for senate bill no. 960,
274 ninety-second general assembly, second regular session, for
275 the next year of general reassessment, by an affirmative
276 vote of the governing body prior to December thirty-first of
277 any year.

278 15. The governing body of any city of the third
279 classification with more than twenty-six thousand three
280 hundred but fewer than twenty-six thousand seven hundred
281 inhabitants located in any county that has exercised its
282 authority to opt out under subsection 14 of this section may
283 levy separate and differing tax rates for real and personal
284 property only if such city bills and collects its own
285 property taxes or satisfies the entire cost of the billing
286 and collection of such separate and differing tax rates.
287 Such separate and differing rates shall not exceed such
288 city's tax rate ceiling.

289 16. Any portion of real property that is available as
290 reserve for strip, surface, or coal mining for minerals for
291 purposes of excavation for future use or sale to others that
292 has not been bonded and permitted under chapter 444 shall be
293 assessed based upon how the real property is currently being
294 used. Any information provided to a county assessor, state
295 tax commission, state agency, or political subdivision
296 responsible for the administration of tax policies shall, in
297 the performance of its duties, make available all books,
298 records, and information requested, except such books,
299 records, and information as are by law declared confidential
300 in nature, including individually identifiable information
301 regarding a specific taxpayer or taxpayer's mine property.
302 For purposes of this subsection, "mine property" shall mean

303 all real property that is in use or readily available as a
304 reserve for strip, surface, or coal mining for minerals for
305 purposes of excavation for current or future use or sale to
306 others that has been bonded and permitted under chapter 444.

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