

FIRST REGULAR SESSION

# SENATE BILL NO. 607

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR TRENT.

2327S.01H

KRISTINA MARTIN, Secretary

## AN ACT

To repeal section 153.030, RSMo, and to enact in lieu thereof two new sections relating to the assessment of solar property.

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

Section A. Section 153.030, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 137.077 and 153.030, to read as follows:

**137.077. 1. (1) Beginning January 1, 2024, for purposes of assessing all real property, excluding land, or tangible personal property associated with a project that uses solar energy directly to generate electricity, the assessor shall determine the true value in money of such property, provided that all solar energy property with a placard output value of one megawatt or less, and all solar energy property that was built, operating, and generating power prior to August 28, 2023, shall be considered to be de minimis in value. The assessor shall request any documentation necessary to determine the true value in money of such property.**

**(2) Notwithstanding the provisions of subdivision (1) of this section to the contrary, the tax liability actually owed for solar energy property with a placard output value of greater than one megawatt shall not exceed one thousand seven hundred fifty dollars per megawatt. For projects for which the land associated with such project is reclassified**

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

19 due to the project, the property tax liability incurred from  
20 such land shall be included in the limit established in this  
21 subdivision.

22 2. Nothing in this section shall be construed to  
23 prohibit an entity from engaging in a project which was  
24 originally constructed utilizing financing authorized  
25 pursuant to chapter 100 for construction, from engaging in  
26 enhanced enterprise zone agreements under sections 135.950  
27 to 135.973 or similar tax abatement agreements authorized  
28 pursuant to state law with state or local officials, or to  
29 affect any existing enhanced enterprise zone agreements.

153.030. 1. All bridges over streams dividing this  
2 state from any other state owned, used, leased or otherwise  
3 controlled by any person, corporation, railroad company or  
4 joint stock company, and all bridges across or over  
5 navigable streams within this state, where the charge is  
6 made for crossing the same, which are now constructed, which  
7 are in the course of construction, or which shall hereafter  
8 be constructed, and all property, real and tangible  
9 personal, owned, used, leased or otherwise controlled by  
10 telegraph, telephone, electric power and light companies,  
11 electric transmission lines, pipeline companies and express  
12 companies shall be subject to taxation for state, county,  
13 municipal and other local purposes to the same extent as the  
14 property of private persons.

15 2. And taxes levied thereon shall be levied and  
16 collected in the manner as is now or may hereafter be  
17 provided by law for the taxation of railroad property in  
18 this state, and county commissions, county boards of  
19 equalization and the state tax commission are hereby  
20 required to perform the same duties and are given the same  
21 powers, including punitive powers, in assessing, equalizing

22 and adjusting the taxes on the property set forth in this  
23 section as the county commissions and boards of equalization  
24 and state tax commission have or may hereafter be empowered  
25 with, in assessing, equalizing, and adjusting the taxes on  
26 railroad property; and an authorized officer of any such  
27 bridge, telegraph, telephone, electric power and light  
28 companies, electric transmission lines, pipeline companies,  
29 or express company or the owner of any such toll bridge, is  
30 hereby required to render reports of the property of such  
31 bridge, telegraph, telephone, electric power and light  
32 companies, electric transmission lines, pipeline companies,  
33 or express companies in like manner as the authorized  
34 officer of the railroad company is now or may hereafter be  
35 required to render for the taxation of railroad property.

36 3. On or before the fifteenth day of April in the year  
37 1946 and each year thereafter an authorized officer of each  
38 such company shall furnish the state tax commission and  
39 county clerks a report, duly subscribed and sworn to by such  
40 authorized officer, which is like in nature and purpose to  
41 the reports required of railroads under chapter 151 showing  
42 the full amount of all real and tangible personal property  
43 owned, used, leased or otherwise controlled by each such  
44 company on January first of the year in which the report is  
45 due.

46 4. If any telephone company assessed pursuant to  
47 chapter 153 has a microwave relay station or stations in a  
48 county in which it has no wire mileage but has wire mileage  
49 in another county, then, for purposes of apportioning the  
50 assessed value of the distributable property of such  
51 companies, the straight line distance between such microwave  
52 relay stations shall constitute miles of wire. In the event  
53 that any public utility company assessed pursuant to this

54 chapter has no distributable property which physically  
55 traverses the counties in which it operates, then the  
56 assessed value of the distributable property of such company  
57 shall be apportioned to the physical location of the  
58 distributable property.

59 5. (1) Notwithstanding any provision of law to the  
60 contrary, beginning January 1, 2019, a telephone company  
61 shall make a one-time election within the tax year to be  
62 assessed:

63 (a) Using the methodology for property tax purposes as  
64 provided under this section; or

65 (b) Using the methodology for property tax purposes as  
66 provided under this section for property consisting of land  
67 and buildings and be assessed for all other property  
68 exclusively using the methodology utilized under section  
69 137.122.

70 If a telephone company begins operations, including a merger  
71 of multiple telephone companies, after August 28, 2018, it  
72 shall make its one-time election to be assessed using the  
73 methodology for property tax purposes as described under  
74 paragraph (b) of subdivision (1) of this subsection within  
75 the year in which the telephone company begins its  
76 operations. A telephone company that fails to make a timely  
77 election shall be deemed to have elected to be assessed  
78 using the methodology for property tax purposes as provided  
79 under subsections 1 to 4 of this section.

80 (2) The provisions of this subsection shall not be  
81 construed to change the original assessment jurisdiction of  
82 the state tax commission.

83 (3) Nothing in subdivision (1) of this subsection  
84 shall be construed as applying to any other utility.

85           (4) (a) The provisions of this subdivision shall  
86 ensure that school districts may avoid any fiscal impact as  
87 a result of a telephone company being assessed under the  
88 provisions of paragraph (b) of subdivision (1) of this  
89 subsection. If a school district's current operating levy  
90 is below the greater of its most recent voter-approved tax  
91 rate or the most recent voter-approved tax rate as adjusted  
92 under subdivision (2) of subsection 5 of section 137.073, it  
93 shall comply with section 137.073.

94           (b) Beginning January 1, 2019, any school district  
95 currently operating at a tax rate equal to the greater of  
96 the most recent voter-approved tax rate or the most recent  
97 voter-approved tax rate as adjusted under subdivision (2) of  
98 subsection 5 of section 137.073 that receives less tax  
99 revenue from a specific telephone company under this  
100 subsection, on or before January thirty-first of the year  
101 following the tax year in which the school district received  
102 less revenue from a specific telephone company, may by  
103 resolution of the school board impose a fee, as determined  
104 under this subsection, in order to obtain such revenue. The  
105 resolution shall include all facts that support the  
106 imposition of the fee. If the school district receives  
107 voter approval to raise its tax rate, the district shall no  
108 longer impose the fee authorized in this paragraph.

109           (c) Any fee imposed under paragraph (b) of this  
110 subdivision shall be determined by taking the difference  
111 between the tax revenue the telephone company paid in the  
112 tax year in question and the tax revenue the telephone  
113 company would have paid in such year had it not made an  
114 election under subdivision (1) of this subsection, which  
115 shall be calculated by taking the telephone company  
116 valuations in the tax year in question, as determined by the

117 state tax commission under paragraph (d) of this  
118 subdivision, and applying such valuations to the  
119 apportionment process in subsection 2 of section 151.150.  
120 The school district shall issue a billing, as provided in  
121 this subdivision, to any such telephone company. A  
122 telephone company shall have forty-five days after receipt  
123 of a billing to remit its payment of its portion of the fees  
124 to the school district. Notwithstanding any other provision  
125 of law, the issuance or receipt of such fee shall not be  
126 used:

- 127       a. In determining the amount of state aid that a  
128 school district receives under section 163.031;  
129       b. In determining the amount that may be collected  
130 under a property tax levy by such district; or  
131       c. For any other purpose.

132 For the purposes of accounting, a telephone company that  
133 issues a payment to a school district under this subsection  
134 shall treat such payment as a tax.

135       (d) When establishing the valuation of a telephone  
136 company assessed under paragraph (b) of subdivision (1) of  
137 this subsection, the state tax commission shall also  
138 determine the difference between the assessed value of a  
139 telephone company if:

- 140       a. Assessed under paragraph (b) of subdivision (1) of  
141 this subsection; and  
142       b. Assessed exclusively under subsections 1 to 4 of  
143 this section.

144 The state tax commission shall then apportion such amount to  
145 each county and provide such information to any school  
146 district making a request for such information.

147 (e) This subsection shall expire when no school  
148 district is eligible for a fee.

149 6. (1) If any public utility company assessed  
150 pursuant to this chapter has ownership of any real or  
151 personal property associated with a project which uses wind  
152 **or solar** energy directly to generate electricity, such wind  
153 **or solar** energy project property shall be valued and taxed  
154 by any local authorities having jurisdiction under the  
155 provisions of chapter 137 and other relevant provisions of  
156 the law.

157 (2) Notwithstanding any provision of law to the  
158 contrary, beginning January 1, 2020, for any public utility  
159 company assessed pursuant to this chapter which has a wind  
160 energy project, such wind energy project shall be assessed  
161 using the methodology for real and personal property as  
162 provided in this [subsection] **subdivision:**

163 (a) Any wind energy property of such company shall be  
164 assessed upon the county assessor's local tax rolls; and

165 (b) All other real property, excluding land, or  
166 personal property related to the wind energy project shall  
167 be assessed using the methodology provided under section  
168 137.123.

169 (3) **Notwithstanding any provision of law to the**  
170 **contrary, beginning January 1, 2024, for any public utility**  
171 **company assessed pursuant to this chapter which has a solar**  
172 **energy project, such solar energy project shall be assessed**  
173 **using the methodology for real and personal property as**  
174 **provided in this subdivision:**

175 (a) **Any solar energy property of such company shall be**  
176 **assessed upon the county assessor's local tax rolls; and**

177 (b) **All other real property, excluding land, or**  
178 **personal property related to the solar energy project shall**

179 **be assessed using the methodology provided under section**  
180 **137.077.**

181         7. (1) If any public utility company assessed  
182 pursuant to this chapter has ownership of any real or  
183 personal property associated with a generation project which  
184 was originally constructed utilizing financing authorized  
185 pursuant to chapter 100 for construction, upon the transfer  
186 of ownership of such property to the public utility company  
187 such property shall be valued and taxed by any local  
188 authorities having jurisdiction under the provisions of  
189 chapter 137 and other relevant provisions of law.

190         (2) Notwithstanding any provision of law to the  
191 contrary, beginning January 1, 2022, for any public utility  
192 company assessed pursuant to this chapter which has  
193 ownership of any real or personal property associated with a  
194 generation project which was originally constructed  
195 utilizing financing authorized pursuant to chapter 100 for  
196 construction, upon the transfer of ownership of such  
197 property to the public utility company such property shall  
198 be assessed as follows:

199         (a) Any property associated with a generation project  
200 which was originally constructed utilizing financing  
201 authorized pursuant to chapter 100 for construction shall be  
202 assessed upon the county assessor's local tax rolls. The  
203 assessor shall rely on the public utility company for cost  
204 information of the generation portion of the property as  
205 found in the public utility company's Federal Energy  
206 Regulatory Commission Financial Report Form Number One at  
207 the time of transfer of ownership, and depreciate the costs  
208 provided in a manner similar to other commercial and  
209 industrial property;

210           (b) Any property consisting of land and buildings  
211 related to the generation property associated with a  
212 generation project which was originally constructed  
213 utilizing financing pursuant to chapter 100 for construction  
214 shall be assessed under chapter 137; and

215           (c) All other business or personal property related to  
216 a generation project which was originally constructed  
217 utilizing financing pursuant to chapter 100 for construction  
218 shall be assessed using the methodology provided under  
219 section 137.122.

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