

FIRST REGULAR SESSION

SENATE BILL NO. 8

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR EIGEL.

0301S.01H

KRISTINA MARTIN, Secretary

AN ACT

To repeal section 137.115, RSMo, and to enact in lieu thereof one new section relating to property taxes.

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Section A. Section 137.115, RSMo, is repealed and one new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. **Beginning January 1, 2024, all**
11 **personal property shall be annually assessed at a percent of**
12 **its true value in money as of January first of each calendar**
13 **year as follows:**

14 (1) A political subdivision shall annually reduce the
15 percentage of true value in money at which personal property
16 is assessed pursuant to this subsection such that the amount
17 by which the revenue generated by taxes levied on such
18 personal property is substantially equal to one hundred

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

19 percent of the growth in revenue generated by real property
20 assessment growth. Annual reductions shall be made pursuant
21 to this subdivision until December 31, 2073. Thereafter,
22 the percentage of true value in money at which personal
23 property is assessed shall be equal to the percentage in
24 effect on December 31, 2073.

25 (2) The provisions of subdivision (1) of this
26 subsection shall not be construed to relieve a political
27 subdivision from adjustments to property tax levies as
28 required by section 137.073.

29 (3) For the purposes of subdivision (1) of this
30 subsection, "real property assessment growth" shall mean the
31 growth in revenue from increases in the total assessed
32 valuation of all real property in a political subdivision
33 over the revenue generated from the assessed valuation of
34 such real property from the previous calendar year. Real
35 property assessment growth shall not include any revenue in
36 excess of the percent increase in the consumer price index,
37 as described in subsection 2 of section 137.073.

38 (4) Notwithstanding the provisions of subdivisions (1)
39 to (4) of this subsection to the contrary, for the purposes
40 of the tax levied pursuant to Article III, Section 38(b) of
41 the Missouri Constitution, all personal property shall be
42 assessed at thirty-three and one-third percent of its true
43 value in money as of January first of each calendar year.

44 (5) Subject to appropriations, a political subdivision
45 that receives total real and personal property tax revenues
46 below the allowable amount for such political subdivision in
47 such calendar year due to the provisions of subdivisions (1)
48 to (4) of this subsection shall be eligible to receive
49 reimbursement from the state in an amount equal to the
50 amount that such revenues are below the total allowable

51 **amount of property tax revenues for such political**
52 **subdivision in such calendar year.**

53 2. The assessor shall annually assess all real
54 property, including any new construction and improvements to
55 real property, and possessory interests in real property at
56 the percent of its true value in money set in subsection
57 [5]6 of this section. The true value in money of any
58 possessory interest in real property in subclass (3), where
59 such real property is on or lies within the ultimate airport
60 boundary as shown by a federal airport layout plan, as
61 defined by 14 CFR 151.5, of a commercial airport having a
62 FAR Part 139 certification and owned by a political
63 subdivision, shall be the otherwise applicable true value in
64 money of any such possessory interest in real property, less
65 the total dollar amount of costs paid by a party, other than
66 the political subdivision, towards any new construction or
67 improvements on such real property completed after January
68 1, 2008, and which are included in the above-mentioned
69 possessory interest, regardless of the year in which such
70 costs were incurred or whether such costs were considered in
71 any prior year. The assessor shall annually assess all real
72 property in the following manner: new assessed values shall
73 be determined as of January first of each odd-numbered year
74 and shall be entered in the assessor's books; those same
75 assessed values shall apply in the following even-numbered
76 year, except for new construction and property improvements
77 which shall be valued as though they had been completed as
78 of January first of the preceding odd-numbered year. The
79 assessor may call at the office, place of doing business, or
80 residence of each person required by this chapter to list
81 property, and require the person to make a correct statement
82 of all taxable tangible personal property owned by the

83 person or under his or her care, charge or management,
84 taxable in the county. On or before January first of each
85 even-numbered year, the assessor shall prepare and submit a
86 two-year assessment maintenance plan to the county governing
87 body and the state tax commission for their respective
88 approval or modification. The county governing body shall
89 approve and forward such plan or its alternative to the plan
90 to the state tax commission by February first. If the
91 county governing body fails to forward the plan or its
92 alternative to the plan to the state tax commission by
93 February first, the assessor's plan shall be considered
94 approved by the county governing body. If the state tax
95 commission fails to approve a plan and if the state tax
96 commission and the assessor and the governing body of the
97 county involved are unable to resolve the differences, in
98 order to receive state cost-share funds outlined in section
99 137.750, the county or the assessor shall petition the
100 administrative hearing commission, by May first, to decide
101 all matters in dispute regarding the assessment maintenance
102 plan. Upon agreement of the parties, the matter may be
103 stayed while the parties proceed with mediation or
104 arbitration upon terms agreed to by the parties. The final
105 decision of the administrative hearing commission shall be
106 subject to judicial review in the circuit court of the
107 county involved. In the event a valuation of subclass (1)
108 real property within any county with a charter form of
109 government, or within a city not within a county, is made by
110 a computer, computer-assisted method or a computer program,
111 the burden of proof, supported by clear, convincing and
112 cogent evidence to sustain such valuation, shall be on the
113 assessor at any hearing or appeal. In any such county,
114 unless the assessor proves otherwise, there shall be a

115 presumption that the assessment was made by a computer,
116 computer-assisted method or a computer program. Such
117 evidence shall include, but shall not be limited to, the
118 following:

119 (1) The findings of the assessor based on an appraisal
120 of the property by generally accepted appraisal techniques;
121 and

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

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

128 (b) Such properties are not more than one mile from
129 the site of the disputed property, except where no similar
130 properties exist within one mile of the disputed property,
131 the nearest comparable property shall be used. Such
132 property shall be within five hundred square feet in size of
133 the disputed property, and resemble the disputed property in
134 age, floor plan, number of rooms, and other relevant
135 characteristics.

136 [2.]3. Assessors in each county of this state and the
137 City of St. Louis may send personal property assessment
138 forms through the mail.

139 [3.]4. The following items of personal property shall
140 each constitute separate subclasses of tangible personal
141 property and shall be assessed and valued for the purposes
142 of taxation at the following percentages of their true value
143 in money:

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

146 (2) Livestock, twelve percent;

147 (3) Farm machinery, twelve percent;
148 (4) Motor vehicles which are eligible for registration
149 as and are registered as historic motor vehicles pursuant to
150 section 301.131 and aircraft which are at least twenty-five
151 years old and which are used solely for noncommercial
152 purposes and are operated less than two hundred hours per
153 year or aircraft that are home built from a kit, five
154 percent;

155 (5) Poultry, twelve percent; and

156 (6) Tools and equipment used for pollution control and
157 tools and equipment used in retooling for the purpose of
158 introducing new product lines or used for making
159 improvements to existing products by any company which is
160 located in a state enterprise zone and which is identified
161 by any standard industrial classification number cited in
162 subdivision (7) of section 135.200, twenty-five percent.

163 [4.]5. The person listing the property shall enter a
164 true and correct statement of the property, in a printed
165 blank prepared for that purpose. The statement, after being
166 filled out, shall be signed and either affirmed or sworn to
167 as provided in section 137.155. The list shall then be
168 delivered to the assessor.

169 [5.]6. (1) All subclasses of real property, as such
170 subclasses are established in Section 4(b) of Article X of
171 the Missouri Constitution and defined in section 137.016,
172 shall be assessed at the following percentages of true value:

173 (a) For real property in subclass (1), nineteen
174 percent;

175 (b) For real property in subclass (2), twelve percent;
176 and

177 (c) For real property in subclass (3), thirty-two
178 percent.

179 (2) A taxpayer may apply to the county assessor, or,
180 if not located within a county, then the assessor of such
181 city, for the reclassification of such taxpayer's real
182 property if the use or purpose of such real property is
183 changed after such property is assessed under the provisions
184 of this chapter. If the assessor determines that such
185 property shall be reclassified, he or she shall determine
186 the assessment under this subsection based on the percentage
187 of the tax year that such property was classified in each
188 subclassification.

189 [6.]7. Manufactured homes, as defined in section
190 700.010, which are actually used as dwelling units shall be
191 assessed at the same percentage of true value as residential
192 real property for the purpose of taxation. The percentage
193 of assessment of true value for such manufactured homes
194 shall be the same as for residential real property. If the
195 county collector cannot identify or find the manufactured
196 home when attempting to attach the manufactured home for
197 payment of taxes owed by the manufactured home owner, the
198 county collector may request the county commission to have
199 the manufactured home removed from the tax books, and such
200 request shall be granted within thirty days after the
201 request is made; however, the removal from the tax books
202 does not remove the tax lien on the manufactured home if it
203 is later identified or found. For purposes of this section,
204 a manufactured home located in a manufactured home rental
205 park, rental community or on real estate not owned by the
206 manufactured home owner shall be considered personal
207 property. For purposes of this section, a manufactured home
208 located on real estate owned by the manufactured home owner
209 may be considered real property.

210 [7.]8. Each manufactured home assessed shall be
211 considered a parcel for the purpose of reimbursement
212 pursuant to section 137.750, unless the manufactured home is
213 deemed to be real estate as defined in subsection 7 of
214 section 442.015 and assessed as a realty improvement to the
215 existing real estate parcel.

216 [8.]9. Any amount of tax due and owing based on the
217 assessment of a manufactured home shall be included on the
218 personal property tax statement of the manufactured home
219 owner unless the manufactured home is deemed to be real
220 estate as defined in subsection 7 of section 442.015, in
221 which case the amount of tax due and owing on the assessment
222 of the manufactured home as a realty improvement to the
223 existing real estate parcel shall be included on the real
224 property tax statement of the real estate owner.

225 [9.]10. The assessor of each county and each city not
226 within a county shall use the trade-in value published in
227 the October issue of the National Automobile Dealers'
228 Association Official Used Car Guide, or its successor
229 publication, as the recommended guide of information for
230 determining the true value of motor vehicles described in
231 such publication. The assessor shall not use a value that
232 is greater than the average trade-in value in determining
233 the true value of the motor vehicle without performing a
234 physical inspection of the motor vehicle. For vehicles two
235 years old or newer from a vehicle's model year, the assessor
236 may use a value other than average without performing a
237 physical inspection of the motor vehicle. In the absence of
238 a listing for a particular motor vehicle in such
239 publication, the assessor shall use such information or
240 publications which in the assessor's judgment will fairly
241 estimate the true value in money of the motor vehicle.

242 [10.]11. Before the assessor may increase the assessed
243 valuation of any parcel of subclass (1) real property by
244 more than fifteen percent since the last assessment,
245 excluding increases due to new construction or improvements,
246 the assessor shall conduct a physical inspection of such
247 property.

248 [11.]12. If a physical inspection is required,
249 pursuant to subsection [10]11 of this section, the assessor
250 shall notify the property owner of that fact in writing and
251 shall provide the owner clear written notice of the owner's
252 rights relating to the physical inspection. If a physical
253 inspection is required, the property owner may request that
254 an interior inspection be performed during the physical
255 inspection. The owner shall have no less than thirty days
256 to notify the assessor of a request for an interior physical
257 inspection.

258 [12.]13. A physical inspection, as required by
259 subsection [10]11 of this section, shall include, but not be
260 limited to, an on-site personal observation and review of
261 all exterior portions of the land and any buildings and
262 improvements to which the inspector has or may reasonably
263 and lawfully gain external access, and shall include an
264 observation and review of the interior of any buildings or
265 improvements on the property upon the timely request of the
266 owner pursuant to subsection [11]12 of this section. Mere
267 observation of the property via a drive-by inspection or the
268 like shall not be considered sufficient to constitute a
269 physical inspection as required by this section.

270 [13.]14. A county or city collector may accept credit
271 cards as proper form of payment of outstanding property tax
272 or license due. No county or city collector may charge
273 surcharge for payment by credit card which exceeds the fee

274 or surcharge charged by the credit card bank, processor, or
275 issuer for its service. A county or city collector may
276 accept payment by electronic transfers of funds in payment
277 of any tax or license and charge the person making such
278 payment a fee equal to the fee charged the county by the
279 bank, processor, or issuer of such electronic payment.

280 [14.]15. Any county or city not within a county in
281 this state may, by an affirmative vote of the governing body
282 of such county, opt out of the provisions of this section
283 and sections 137.073, 138.060, and 138.100 as enacted by
284 house bill no. 1150 of the ninety-first general assembly,
285 second regular session and section 137.073 as modified by
286 house committee substitute for senate substitute for senate
287 committee substitute for senate bill no. 960, ninety-second
288 general assembly, second regular session, for the next year
289 of the general reassessment, prior to January first of any
290 year. No county or city not within a county shall exercise
291 this opt-out provision after implementing the provisions of
292 this section and sections 137.073, 138.060, and 138.100 as
293 enacted by house bill no. 1150 of the ninety-first general
294 assembly, second regular session and section 137.073 as
295 modified by house committee substitute for senate substitute
296 for senate committee substitute for senate bill no. 960,
297 ninety-second general assembly, second regular session, in a
298 year of general reassessment. For the purposes of applying
299 the provisions of this subsection, a political subdivision
300 contained within two or more counties where at least one of
301 such counties has opted out and at least one of such
302 counties has not opted out shall calculate a single tax rate
303 as in effect prior to the enactment of house bill no. 1150
304 of the ninety-first general assembly, second regular
305 session. A governing body of a city not within a county or

306 a county that has opted out under the provisions of this
307 subsection may choose to implement the provisions of this
308 section and sections 137.073, 138.060, and 138.100 as
309 enacted by house bill no. 1150 of the ninety-first general
310 assembly, second regular session, and section 137.073 as
311 modified by house committee substitute for senate substitute
312 for senate committee substitute for senate bill no. 960,
313 ninety-second general assembly, second regular session, for
314 the next year of general reassessment, by an affirmative
315 vote of the governing body prior to December thirty-first of
316 any year.

317 [15.]16. The governing body of any city of the third
318 classification with more than twenty-six thousand three
319 hundred but fewer than twenty-six thousand seven hundred
320 inhabitants located in any county that has exercised its
321 authority to opt out under subsection [14]15 of this section
322 may levy separate and differing tax rates for real and
323 personal property only if such city bills and collects its
324 own property taxes or satisfies the entire cost of the
325 billing and collection of such separate and differing tax
326 rates. Such separate and differing rates shall not exceed
327 such city's tax rate ceiling.

328 [16.]17. Any portion of real property that is
329 available as reserve for strip, surface, or coal mining for
330 minerals for purposes of excavation for future use or sale
331 to others that has not been bonded and permitted under
332 chapter 444 shall be assessed based upon how the real
333 property is currently being used. Any information provided
334 to a county assessor, state tax commission, state agency, or
335 political subdivision responsible for the administration of
336 tax policies shall, in the performance of its duties, make
337 available all books, records, and information requested,

338 except such books, records, and information as are by law
339 declared confidential in nature, including individually
340 identifiable information regarding a specific taxpayer or
341 taxpayer's mine property. For purposes of this subsection,
342 "mine property" shall mean all real property that is in use
343 or readily available as a reserve for strip, surface, or
344 coal mining for minerals for purposes of excavation for
345 current or future use or sale to others that has been bonded
346 and permitted under chapter 444.

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