

# SENATE BILL NO. 95

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR KOENIG.

0766S.01I

KRISTINA MARTIN, Secretary

## AN ACT

To repeal section 139.031, RSMo, and to enact in lieu thereof two new sections relating to property taxes.

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

Section A. Section 139.031, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 137.132 and 139.031, to read as follows:

**137.132. 1. For the purposes of this section, and in any appeal alleging a violation thereof, the following terms shall mean:**

(1) "Individual level of assessment", the ratio of an assessor's assessed value for an individual parcel of real property, as verified pursuant to section 137.245, to the actual true value in money of such real property, expressed as a percentage;

(2) "Overall level of assessment", the ratio of the total of the assessor's assessed values for all real property in a subclass, as verified pursuant to section 137.245, to the total of actual true values in money of the same real property, expressed as a percentage, and measured by an assessment ratio study.

2. The level of assessment of all real property in subclass (1) or subclass (3), as provided in section 137.115, shall be uniform and equal throughout each subclass. If the overall level of assessment in either

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

19 subclass is lower than the individual level of assessment of  
20 any parcel in the same subclass, the individual level of  
21 assessment of such parcel shall be lowered to the overall  
22 level of assessment for the subclass upon appeal by the  
23 property owner to the local board of equalization, state tax  
24 commission, or circuit court.

139.031. 1. Any taxpayer may protest all or any part  
2 of any current taxes assessed against the taxpayer, except  
3 taxes collected by the director of revenue of Missouri. Any  
4 such taxpayer desiring to pay any current taxes under  
5 protest or while paying taxes based upon a disputed  
6 assessment shall[, at the time of paying such taxes,] make  
7 full payment of the current tax bill before the delinquency  
8 date and file with the collector a written statement setting  
9 forth the grounds on which the protest is based. The  
10 statement shall include the true value in money claimed by  
11 the taxpayer if disputed. An appeal before the state tax  
12 commission shall not be dismissed on the grounds that a  
13 taxpayer failed to file a written statement when paying  
14 taxes based upon a disputed assessment.

2. Upon receiving [payment of current taxes under]  
16 **written notice of** protest under subsection 1 of this section  
17 or upon receiving from the state tax commission or the  
18 circuit court notice of an appeal from the state tax  
19 commission or the circuit court under section 138.430,  
20 [along with] **and** full payment of the current tax bill before  
21 the delinquency date, the collector shall disburse to the  
22 proper official all portions of taxes not protested or not  
23 disputed by the taxpayer and shall impound in a separate  
24 fund all portions of such taxes which are protested or in  
25 dispute. Every taxpayer protesting the payment of current  
26 taxes under subsection 1 of this section shall, within

27 ninety days after filing his protest, commence an action  
28 against the collector by filing a petition for the recovery  
29 of the amount protested in the circuit court of the county  
30 in which the collector maintains his office. If any  
31 taxpayer so protesting his taxes under subsection 1 of this  
32 section shall fail to commence an action in the circuit  
33 court for the recovery of the taxes protested within the  
34 time prescribed in this subsection, such protest shall  
35 become null and void and of no effect, and the collector  
36 shall then disburse to the proper official the taxes  
37 impounded, and any interest earned thereon, as provided  
38 above in this subsection.

39 3. No action against the collector shall be commenced  
40 by any taxpayer who has, effective for the current tax year,  
41 filed with the state tax commission or the circuit court a  
42 timely and proper appeal of the assessment of the taxpayer's  
43 property. The portion of taxes in dispute from an appeal of  
44 an assessment shall be impounded in a separate fund and the  
45 commission in its decision and order issued under chapter  
46 138 or the circuit court in its judgment may order all or  
47 any part of such taxes refunded to the taxpayer, or may  
48 authorize the collector to release and disburse all or any  
49 part of such taxes.

50 4. Trial of the action for recovery of taxes protested  
51 under subsection 1 of this section in the circuit court  
52 shall be in the manner prescribed for nonjury civil  
53 proceedings, and, after determination of the issues, the  
54 court shall make such orders as may be just and equitable to  
55 refund to the taxpayer all or any part of the current taxes  
56 paid under protest, together with any interest earned  
57 thereon, or to authorize the collector to release and  
58 disburse all or any part of the impounded taxes, and any

59 interest earned thereon, to the appropriate officials of the  
60 taxing authorities. Either party to the proceedings may  
61 appeal the determination of the circuit court.

62 5. All the county collectors of taxes, and the  
63 collector of taxes in any city not within a county, shall,  
64 upon written application of a taxpayer, refund or credit  
65 against the taxpayer's tax liability in the following  
66 taxable year and subsequent consecutive taxable years until  
67 the taxpayer has received credit in full for any real or  
68 personal property tax mistakenly or erroneously levied  
69 against the taxpayer and collected in whole or in part by  
70 the collector. Such application shall be filed within three  
71 years after the tax is mistakenly or erroneously paid. The  
72 governing body, or other appropriate body or official of the  
73 county or city not within a county, shall make available to  
74 the collector funds necessary to make refunds under this  
75 subsection by issuing warrants upon the fund to which the  
76 mistaken or erroneous payment has been credited, or  
77 otherwise.

78 6. No taxpayer shall receive any interest on any money  
79 paid in by the taxpayer erroneously.

80 7. All protested taxes impounded under protest under  
81 subsection 1 of this section and all disputed taxes  
82 impounded under notice as required by section 138.430 shall  
83 be invested by the collector in the same manner as assets  
84 specified in section 30.260 for investment of state moneys.  
85 A taxpayer who is entitled to a refund of protested or  
86 disputed taxes shall also receive the interest earned on the  
87 investment thereof. If the collector is ordered to release  
88 and disburse all or part of the taxes paid under protest or  
89 dispute to the proper official, such taxes shall be  
90 disbursed along with the proportional amount of interest

91 earned on the investment of the taxes due the particular  
92 taxing authority.

93       8. Any taxing authority may request to be notified by  
94 the county collector of current taxes paid under protest.  
95 Such request shall be in writing and submitted on or before  
96 February first next following the delinquent date of current  
97 taxes paid under protest or disputed, and the county  
98 collector shall provide such information on or before March  
99 first of the same year to the requesting taxing authority of  
100 the taxes paid under protest and disputed taxes which would  
101 be received by such taxing authority if the funds were not  
102 the subject of a protest or dispute. Any taxing authority  
103 may apply to the circuit court of the county or city not  
104 within a county in which a collector has impounded protested  
105 or disputed taxes under this section and, upon a  
106 satisfactory showing that such taxing authority would  
107 receive such impounded tax funds if they were not the  
108 subject of a protest or dispute and that such taxing  
109 authority has the financial ability and legal capacity to  
110 repay such impounded tax funds in the event a decision  
111 ordering a refund to the taxpayer is subsequently made, the  
112 circuit court shall order, pendente lite, the disbursal of  
113 all or any part of such impounded tax funds to such taxing  
114 authority. The circuit court issuing an order under this  
115 subsection shall retain jurisdiction of such matter for  
116 further proceedings, if any, to compel restitution of such  
117 tax funds to the taxpayer. In the event that any protested  
118 or disputed tax funds refunded to a taxpayer were disbursed  
119 to a taxing authority under this subsection instead of being  
120 held and invested by the collector under subsection 7 of  
121 this section, the taxpayer shall be entitled to interest on  
122 all refunded tax funds, **from the date that the disputed**

123 **taxes were distributed to a taxing authority through the**  
124 **date of the refund,** at the [annual rate] **rates** calculated by  
125 the state treasurer and applied by the director of revenue  
126 under section 32.068. This measure of interest shall only  
127 apply to protested or disputed tax funds actually  
128 distributed to a taxing authority pursuant to this  
129 subsection. In the event of a refund of protested or  
130 disputed tax funds which remain impounded by the collector,  
131 the taxpayer shall instead be entitled to the interest  
132 actually earned on those refunded impounded tax funds under  
133 subsection 7 of this section. Any sovereign or official  
134 immunity otherwise applicable to the taxing authorities is  
135 hereby waived for all purposes related to this subsection,  
136 and the taxpayer is expressly authorized to seek an order  
137 enforcing this provision from the circuit court that  
138 originally ordered the distribution of the protested or  
139 disputed funds, or directly from the state tax commission,  
140 if the tax appeal that resulted in the refund was heard and  
141 determined by the state tax commission.

142 9. No appeal filed from the circuit court's or state  
143 tax commission's determination pertaining to the amount of  
144 refund shall stay any order of refund, but the decision  
145 filed by any court of last review modifying that  
146 determination shall be binding on the parties, and the  
147 decision rendered shall be complied with by the party  
148 affected by any modification within ninety days of the date  
149 of such decision. No taxpayer shall receive any interest on  
150 any additional award of refund, and the collector shall not  
151 receive any interest on any ordered return of refund in  
152 whole or in part. **In the event that a taxpayer is entitled**  
153 **to a refund, the collector shall issue the refund to the**  
154 **taxpayer within fifteen days of the date that the circuit**

155 court's or state tax commission's determination establishing  
156 the amount of the refund becomes final, and if the collector  
157 does not issue the refund within fifteen days, the taxpayer  
158 shall be entitled to interest on the refund at the rate  
159 established by the director of revenue under section 32.065  
160 for the period of time after the expiration of the fifteen  
161 days and until the refund is issued, in addition to all  
162 other interest due to the taxpayer under this section.

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