

SENATE SUBSTITUTE  
FOR  
HOUSE BILL NO. 2057  
AN ACT

To repeal sections 67.2677, 67.5122, 71.340, 137.010, 137.080, 137.115, 137.122, 143.121, 226.220, and 393.1506, RSMo, and to enact in lieu thereof twelve new sections relating to utility infrastructure.

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

Section A. Sections 67.2677, 67.5122, 71.340, 137.010, 2 137.080, 137.115, 137.122, 143.121, 226.220, and 393.1506, 3 RSMo, are repealed and twelve new sections enacted in lieu 4 thereof, to be known as sections 67.2677, 67.5122, 71.340, 5 137.010, 137.080, 137.115, 137.122, 143.121, 144.058, 144.812, 6 226.220, and 393.1506, to read as follows:

67.2677. [1.] For purposes of sections 67.2675 to 2 67.2714, the following terms mean:

- 3 (1) "Cable operator", as defined in 47 U.S.C. Section 4 522(5);
- 5 (2) "Cable system", as defined in 47 U.S.C. Section 6 522(7);
- 7 (3) "Franchise", an initial authorization, or renewal 8 of an authorization, issued by a franchising entity, 9 regardless of whether the authorization is designated as a 10 franchise, permit, license, resolution, contract, 11 certificate, agreement, or otherwise, that authorizes the 12 provision of video service and any affiliated or subsidiary 13 agreements related to such authorization;
- 14 (4) "Franchise area", the total geographic area 15 authorized to be served by an incumbent cable operator in a 16 political subdivision as of August 28, 2007, or, in the case 17 of an incumbent local exchange carrier, as such term is 18 defined in 47 U.S.C. Section 251(h), or affiliate thereof,

19 the area within such political subdivision in which such  
20 carrier provides telephone exchange service;

21 (5) "Franchise entity", a political subdivision that  
22 was entitled to require franchises and impose fees on cable  
23 operators on the day before the effective date of sections  
24 67.2675 to 67.2714, provided that only one political  
25 subdivision may be a franchise entity with regard to a  
26 geographic area;

27 (6) (a) "Gross revenues", limited to amounts billed  
28 to video service subscribers for the following:

- 29 a. Recurring charges for video service; and
- 30 b. Event-based charges for video service, including  
31 but not limited to pay-per-view and video-on-demand charges;

32 (b) "Gross revenues" do not include:

- 33 a. Discounts, refunds, and other price adjustments  
34 that reduce the amount of compensation received by an entity  
35 holding a video service authorization;

36 b. Uncollectibles;

37 c. Late payment fees;

38 d. Amounts billed to video service subscribers to  
39 recover taxes, fees, or surcharges imposed on video service  
40 subscribers or video service providers in connection with  
41 the provision of video services, including the video service  
42 provider fee authorized by this section;

43 e. Fees or other contributions for PEG or I-Net  
44 support;

45 f. Charges for services other than video service that  
46 are aggregated or bundled with amounts billed to video  
47 service subscribers, if the entity holding a video service  
48 authorization reasonably can identify such charges on books  
49 and records kept in the regular course of business or by  
50 other reasonable means;

51 g. Rental of set top boxes, modems, or other equipment  
52 used to provide or facilitate the provision of video service;

53 h. Service charges related to the provision of video  
54 service including, but not limited to, activation,  
55 installation, repair, and maintenance charges;

56 i. Administrative charges related to the provision of  
57 video service including, but not limited to, service order  
58 and service termination charges; or

59 j. A pro rata portion of all revenue derived from  
60 advertising, less refunds, rebates, or discounts;

61 (c) Except with respect to the exclusion of the video  
62 service provider fee, gross revenues shall be computed in  
63 accordance with generally accepted accounting principles;

64 (7) "Household", an apartment, a house, a mobile home,  
65 or any other structure or part of a structure intended for  
66 residential occupancy as separate living quarters;

67 (8) "Incumbent cable operator", the cable service  
68 provider serving cable subscribers in a particular franchise  
69 area on September 1, 2007;

70 (9) "Low-income household", a household with an  
71 average annual household income of less than thirty-five  
72 thousand dollars;

73 (10) "Person", an individual, partnership,  
74 association, organization, corporation, trust, or government  
75 entity;

76 (11) "Political subdivision", a city, town, village,  
77 county;

78 (12) "Public right-of-way", the area of real property  
79 in which a political subdivision has a dedicated or acquired  
80 right-of-way interest in the real property, including the  
81 area on, below, or above the present and future streets,  
82 alleys, avenues, roads, highways, parkways, or boulevards  
83 dedicated or acquired as right-of-way and utility easements

84 dedicated for compatible uses. The term does not include  
85 the airwaves above a right-of-way with regard to wireless  
86 telecommunications or other nonwire telecommunications or  
87 broadcast service;

88 (13) "Video programming", programming provided by, or  
89 generally considered comparable to programming provided by,  
90 a television broadcast station, as set forth in 47 U.S.C.  
91 Section 522(20);

92 (14) "Video service", the provision of video  
93 programming by a video service provider provided through  
94 wireline facilities located at least in part in the public  
95 right-of-way without regard to delivery technology,  
96 including internet protocol technology whether provided as  
97 part of a tier, on demand, or on a per-channel basis. This  
98 definition includes cable service as defined by 47 U.S.C.  
99 Section 522(6), but does not include any video programming  
100 provided by a commercial mobile service provider defined in  
101 47 U.S.C. Section 332(d), or any video programming [provided  
102 solely as part of and] accessed via a service that enables  
103 users to access content, information, electronic mail, or  
104 other services offered over the [public] internet, including  
105 streaming content;

106 (15) "Video service authorization", the right of a  
107 video service provider or an incumbent cable operator that  
108 secures permission from the public service commission  
109 pursuant to sections 67.2675 to 67.2714, to offer video  
110 service to subscribers in a political subdivision;

111 (16) "Video service network", wireline facilities, or  
112 any component thereof, located at least in part in the  
113 public right-of-way that deliver video service, without  
114 regard to delivery technology, including internet protocol  
115 technology or any successor technology. The term video  
116 service network shall include cable systems;

117 (17) "Video service provider", any person that  
118 distributes video service through a video service network  
119 pursuant to a video service authorization;

120 (18) "Video service provider fee", the fee imposed  
121 under section 67.2689.

122 [2. The repeal and reenactment of this section shall  
123 become effective August 28, 2023.]

67.5122. Sections 67.5110 to 67.5122 shall expire on  
2 [January 1, 2025] December 31, 2029, except that for small  
3 wireless facilities already permitted or collocated on  
4 authority poles prior to such date, the rate set forth in  
5 section 67.5116 for collocation of small wireless facilities  
6 on authority poles shall remain effective for the duration  
7 of the permit authorizing the collocation.

71.340. 1. The mayor and city council of any city or  
2 the chairman and board of trustees of any incorporated town  
3 or village shall have the power to annually appropriate and  
4 pay out of the treasury of such city or incorporated town or  
5 village a sum of money, not to exceed ten percent of the  
6 annual general revenue thereof, for the purpose of  
7 constructing, building, repairing, working, grading or  
8 macadamizing any public road, street and highway and any  
9 bridge thereon leading to and from such city or incorporated  
10 town or village; and such appropriation shall be made by  
11 ordinance and the money so appropriated shall be applied  
12 under the supervision and direction of the engineers of such  
13 city or incorporated town or village, and of the county  
14 highway engineer of the county in which such city, town or  
15 village is located, or of some competent person selected by  
16 such city, town or village and approved by the county  
17 highway engineer, who shall make a report thereof, in  
18 writing, to the mayor and city council of such city, or to  
19 the chairman and board of trustees of such incorporated town

20 or village; but this privilege shall not extend to a greater  
21 distance than five miles from the corporate limits of such  
22 city, town or village, and shall not be construed so as to  
23 allow any obstruction to or interference with the free use  
24 of any such public road, street or highway by the public,  
25 except so far as may be necessary while such work is being  
26 done, and further shall not be construed to affect the  
27 liability of such city, town or village, which liability  
28 shall be the same as if such roads, streets and highways  
29 were inside the city limits.

30 2. A city, incorporated town, or village shall not  
31 perform any road maintenance or construction project (a  
32 "road project") unless it reimburses a nonrate regulated  
33 utility provider that incurs costs for facility relocation  
34 due to such road project. A city, incorporated town, or  
35 village shall be authorized to pay such facility relocation  
36 costs as a part of the cost of the road project.

37 3. For the purposes of this section and sections  
38 226.220 and 226.224, "nonrate regulated utility provider"  
39 shall mean:

40 (1) A telecommunications company as defined in  
41 subdivision (52) of section 386.020 whose telecommunications  
42 services are not subject to rate of return regulation by the  
43 public service commission pursuant to subsection 1 of  
44 section 392.240;

45 (2) A provider of broadband and other internet-  
46 protocol-enabled services as defined in subsection 2 of  
47 section 392.611;

48 (3) A video service provider as defined in subdivision  
49 (17) of subsection 1 of section 67.2677;

50 (4) A cable operator as defined in subdivision (1) of  
51 subsection 1 of section 67.2677; or

52           (5) A provider offering unlit fiberoptic lines or  
53 capacity on such lines, provided that such provider shall be  
54 considered a nonrate regulated utility provider solely with  
55 respect to such lines.

          137.010. The following words, terms and phrases when  
2 used in laws governing taxation and revenue in the state of  
3 Missouri shall have the meanings ascribed to them in this  
4 section, except when the context clearly indicates a  
5 different meaning:

6           (1) "Grain and other agricultural crops in an  
7 unmanufactured condition" shall mean grains and feeds  
8 including, but not limited to, soybeans, cow peas, wheat,  
9 corn, oats, barley, kafir, rye, flax, grain sorghums,  
10 cotton, and such other products as are usually stored in  
11 grain and other elevators and on farms; but excluding such  
12 grains and other agricultural crops after being processed  
13 into products of such processing, when packaged or sacked.  
14 The term "processing" shall not include hulling, cleaning,  
15 drying, grating, or polishing;

16           (2) "Hydroelectric power generating equipment", very-  
17 low-head turbine generators with a nameplate generating  
18 capacity of at least four hundred kilowatts but not more  
19 than six hundred kilowatts and machinery and equipment used  
20 directly in the production, generation, conversion, storage,  
21 or conveyance of hydroelectric power to land-based devices  
22 and appurtenances used in the transmission of electrical  
23 energy;

24           (3) "Intangible personal property", for the purpose of  
25 taxation, shall include all property other than real  
26 property and tangible personal property, as defined by this  
27 section;

28           (4) "Real property" includes land itself, whether laid  
29 out in town lots or otherwise, and all growing crops,

30 buildings, structures, improvements and fixtures of whatever  
31 kind thereon, hydroelectric power generating equipment, the  
32 installed poles used in the transmission or reception of  
33 electrical energy, audio signals, video signals or similar  
34 purposes, provided the owner of such installed poles is also  
35 an owner of a fee simple interest, possessor of an easement,  
36 holder of a license or franchise, or is the beneficiary of a  
37 right-of-way dedicated for public utility purposes for the  
38 underlying land; attached wires, transformers, amplifiers,  
39 substations, and other such devices and appurtenances used  
40 in the transmission or reception of electrical energy, audio  
41 signals, video signals or similar purposes when owned by the  
42 owner of the installed poles, otherwise such items are  
43 considered personal property; and stationary property used  
44 for transportation or storage of liquid and gaseous  
45 products, including, but not limited to, petroleum products,  
46 natural gas, propane or LP gas equipment, water, and sewage;

47 (5) "Reliever airport", any land and improvements,  
48 exclusive of structures, on privately owned airports that  
49 qualify as reliever airports under the National Plan of  
50 Integrated Airport Systems that may receive federal airport  
51 improvement project funds through the Federal Aviation  
52 Administration;

53 (6) "Tangible personal property" includes every  
54 tangible thing being the subject of ownership or part  
55 ownership whether animate or inanimate, other than money,  
56 and not forming part or parcel of real property as herein  
57 defined, but does not include household goods, furniture,  
58 wearing apparel and articles of personal use and adornment,  
59 as defined by the state tax commission, owned and used by a  
60 person in his home or dwelling place. "Tangible personal  
61 property" shall include solar panels, racking systems,  
62 inverters, and related solar equipment, components,

63 materials, and supplies installed at commercial solar  
64 photovoltaic energy systems, as described in subdivision  
65 (46) of subsection 2 of section 144.030, that were  
66 constructed and producing solar energy prior to August 9,  
67 2022.

137.080. Real estate and tangible personal property  
2 shall be assessed annually at the assessment which commences  
3 on the first day of January. For purposes of assessing and  
4 taxing tangible personal property, all tangible personal  
5 property shall be divided into the following subclasses:

6 (1) Grain and other agricultural crops in an  
7 unmanufactured condition;

8 (2) Livestock;

9 (3) Farm machinery;

10 (4) Vehicles, including recreational vehicles, but not  
11 including manufactured homes, as defined in section 700.010,  
12 which are actually used as dwelling units;

13 (5) Manufactured homes, as defined in section 700.010,  
14 which are actually used as dwelling units;

15 (6) Motor vehicles which are eligible for registration  
16 and are registered as historic motor vehicles under section  
17 301.131;

18 (7) Solar panels, racking systems, inverters, and  
19 related solar equipment, components, materials, and supplies  
20 installed at commercial solar photovoltaic energy systems,  
21 as described in subdivision (46) of subsection 2 of section  
22 144.030, that were constructed and producing solar energy  
23 prior to August 9, 2022; and

24 (8) All taxable tangible personal property not  
25 included in subclass (1), subclass (2), subclass (3),  
26 subclass (4), subclass (5), **[or]** subclass (6), or subclass  
27 (7).

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. The  
36 assessor may call at the office, place of doing business, or  
37 residence of each person required by this chapter to list  
38 property, and require the person to make a correct statement  
39 of all taxable tangible personal property owned by the  
40 person or under his or her care, charge or management,  
41 taxable in the county. On or before January first of each  
42 even-numbered year, the assessor shall prepare and submit a  
43 two-year assessment maintenance plan to the county governing  
44 body and the state tax commission for their respective  
45 approval or modification. The county governing body shall  
46 approve and forward such plan or its alternative to the plan  
47 to the state tax commission by February first. If the  
48 county governing body fails to forward the plan or its  
49 alternative to the plan to the state tax commission by  
50 February first, the assessor's plan shall be considered  
51 approved by the county governing body. If the state tax  
52 commission fails to approve a plan and if the state tax  
53 commission and the assessor and the governing body of the  
54 county involved are unable to resolve the differences, in  
55 order to receive state cost-share funds outlined in section  
56 137.750, the county or the assessor shall petition the  
57 administrative hearing commission, by May first, to decide  
58 all matters in dispute regarding the assessment maintenance  
59 plan. Upon agreement of the parties, the matter may be  
60 stayed while the parties proceed with mediation or  
61 arbitration upon terms agreed to by the parties. The final  
62 decision of the administrative hearing commission shall be  
63 subject to judicial review in the circuit court of the  
64 county involved. In the event a valuation of subclass (1)  
65 real property within any county with a charter form of  
66 government, or within a city not within a county, is made by

67 a computer, computer-assisted method or a computer program,  
68 the burden of proof, supported by clear, convincing and  
69 cogent evidence to sustain such valuation, shall be on the  
70 assessor at any hearing or appeal. In any such county,  
71 unless the assessor proves otherwise, there shall be a  
72 presumption that the assessment was made by a computer,  
73 computer-assisted method or a computer program. Such  
74 evidence shall include, but shall not be limited to, the  
75 following:

76 (1) The findings of the assessor based on an appraisal  
77 of the property by generally accepted appraisal techniques;  
78 and

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

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

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

93 2. Assessors in each county of this state and the City  
94 of St. Louis may send personal property assessment forms  
95 through the mail.

96 3. The following items of personal property shall each  
97 constitute separate subclasses of tangible personal property  
98 and shall be assessed and valued for the purposes of

99 taxation at the following percentages of their true value in  
100 money:

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

103 (2) Livestock, twelve percent;

104 (3) Farm machinery, twelve percent;

105 (4) Motor vehicles which are eligible for registration  
106 as and are registered as historic motor vehicles pursuant to  
107 section 301.131 and aircraft which are at least twenty-five  
108 years old and which are used solely for noncommercial  
109 purposes and are operated less than two hundred hours per  
110 year or aircraft that are home built from a kit, five  
111 percent;

112 (5) Poultry, twelve percent; [and]

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

120 (7) Solar panels, racking systems, inverters, and  
121 related solar equipment, components, materials, and supplies  
122 installed at commercial solar photovoltaic energy systems,  
123 as described in subdivision (46) of subsection 2 of section  
124 144.030, that were constructed and producing solar energy  
125 prior to August 9, 2022, five percent.

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

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

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

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

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

142           (2) A taxpayer may apply to the county assessor, or,  
143 if not located within a county, then the assessor of such  
144 city, for the reclassification of such taxpayer's real  
145 property if the use or purpose of such real property is  
146 changed after such property is assessed under the provisions  
147 of this chapter. If the assessor determines that such  
148 property shall be reclassified, he or she shall determine  
149 the assessment under this subsection based on the percentage  
150 of the tax year that such property was classified in each  
151 subclassification.

152           6. Manufactured homes, as defined in section 700.010,  
153 which are actually used as dwelling units shall be assessed  
154 at the same percentage of true value as residential real  
155 property for the purpose of taxation. The percentage of  
156 assessment of true value for such manufactured homes shall  
157 be the same as for residential real property. If the county  
158 collector cannot identify or find the manufactured home when  
159 attempting to attach the manufactured home for payment of  
160 taxes owed by the manufactured home owner, the county  
161 collector may request the county commission to have the  
162 manufactured home removed from the tax books, and such  
163 request shall be granted within thirty days after the  
164 request is made; however, the removal from the tax books

165 does not remove the tax lien on the manufactured home if it  
166 is later identified or found. For purposes of this section,  
167 a manufactured home located in a manufactured home rental  
168 park, rental community or on real estate not owned by the  
169 manufactured home owner shall be considered personal  
170 property. For purposes of this section, a manufactured home  
171 located on real estate owned by the manufactured home owner  
172 may be considered real property.

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

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

188 9. The assessor of each county and each city not  
189 within a county shall use the trade-in value published in  
190 the October issue of the National Automobile Dealers'  
191 Association Official Used Car Guide, or its successor  
192 publication, as the recommended guide of information for  
193 determining the true value of motor vehicles described in  
194 such publication. The assessor shall not use a value that  
195 is greater than the average trade-in value in determining  
196 the true value of the motor vehicle without performing a  
197 physical inspection of the motor vehicle. For vehicles two

198 years old or newer from a vehicle's model year, the assessor  
199 may use a value other than average without performing a  
200 physical inspection of the motor vehicle. In the absence of  
201 a listing for a particular motor vehicle in such  
202 publication, the assessor shall use such information or  
203 publications which in the assessor's judgment will fairly  
204 estimate the true value in money of the motor vehicle.

205 10. Before the assessor may increase the assessed  
206 valuation of any parcel of subclass (1) real property by  
207 more than fifteen percent since the last assessment,  
208 excluding increases due to new construction or improvements,  
209 the assessor shall conduct a physical inspection of such  
210 property.

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

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

230 considered sufficient to constitute a physical inspection as  
231 required by this section.

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

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

263 such counties has opted out and at least one of such  
264 counties has not opted out shall calculate a single tax rate  
265 as in effect prior to the enactment of house bill no. 1150  
266 of the ninety-first general assembly, second regular  
267 session. A governing body of a city not within a county or  
268 a county that has opted out under the provisions of this  
269 subsection may choose to implement the provisions of this  
270 section and sections 137.073, 138.060, and 138.100 as  
271 enacted by house bill no. 1150 of the ninety-first general  
272 assembly, second regular session, and section 137.073 as  
273 modified by house committee substitute for senate substitute  
274 for senate committee substitute for senate bill no. 960,  
275 ninety-second general assembly, second regular session, for  
276 the next year of general reassessment, by an affirmative  
277 vote of the governing body prior to December thirty-first of  
278 any year.

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

290         16. Any portion of real property that is available as  
291 reserve for strip, surface, or coal mining for minerals for  
292 purposes of excavation for future use or sale to others that  
293 has not been bonded and permitted under chapter 444 shall be  
294 assessed based upon how the real property is currently being  
295 used. Any information provided to a county assessor, state

296 tax commission, state agency, or political subdivision  
297 responsible for the administration of tax policies shall, in  
298 the performance of its duties, make available all books,  
299 records, and information requested, except such books,  
300 records, and information as are by law declared confidential  
301 in nature, including individually identifiable information  
302 regarding a specific taxpayer or taxpayer's mine property.  
303 For purposes of this subsection, "mine property" shall mean  
304 all real property that is in use or readily available as a  
305 reserve for strip, surface, or coal mining for minerals for  
306 purposes of excavation for current or future use or sale to  
307 others that has been bonded and permitted under chapter 444.

137.122. 1. As used in this section, the following  
2 terms mean:

3 (1) "Business personal property", tangible personal  
4 property which is used in a trade or business or used for  
5 production of income and which has a determinable life of  
6 longer than one year except that supplies used by a business  
7 shall also be considered business personal property, but  
8 shall not include livestock, farm machinery, grain and other  
9 agricultural crops in an unmanufactured condition, property  
10 subject to the motor vehicle registration provisions of  
11 chapter 301, property assessed under section 137.078, the  
12 property of rural electric cooperatives under chapter 394,  
13 or property assessed by the state tax commission under  
14 chapters 151, 153, and 155, section 137.022, and sections  
15 137.1000 to 137.1030;

16 (2) "Class life", the class life of property as set  
17 out in the federal Modified Accelerated Cost Recovery System  
18 life tables or their successors under the Internal Revenue  
19 Code as amended;

20 (3) "Economic or functional obsolescence", a loss in  
21 value of personal property above and beyond physical

22 deterioration and age of the property. Such loss may be the  
23 result of economic or functional obsolescence or both;

24 (4) "Original cost", the price the current owner, the  
25 taxpayer, paid for the item without freight, installation,  
26 or sales or use tax. In the case of acquisition of items of  
27 personal property as part of an acquisition of an entity,  
28 the original cost shall be the historical cost of those  
29 assets remaining in place and in use and the placed-in-  
30 service date shall be the date of acquisition by the entity  
31 being acquired;

32 (5) "Placed in service", property is placed in service  
33 when it is ready and available for a specific use, whether  
34 in a business activity, an income-producing activity, a tax-  
35 exempt activity, or a personal activity. Even if the  
36 property is not being used, the property is in service when  
37 it is ready and available for its specific use;

38 (6) "Recovery period", the period over which the  
39 original cost of depreciable tangible personal property  
40 shall be depreciated for property tax purposes and shall be  
41 the same as the recovery period allowed for such property  
42 under the Internal Revenue Code.

43 2. To establish uniformity in the assessment of  
44 depreciable tangible personal property, each assessor shall  
45 use the standardized schedule of depreciation in this  
46 section to determine the assessed valuation of depreciable  
47 tangible personal property for the purpose of estimating the  
48 value of such property subject to taxation under this  
49 chapter.

50 3. For purposes of this section, and to estimate the  
51 value of depreciable tangible personal property for mass  
52 appraisal purposes, each assessor shall value depreciable  
53 tangible personal property by applying the class life and  
54 recovery period to the original cost of the property

55 according to the following depreciation schedule. The  
 56 percentage shown for the first year shall be the percentage  
 57 of the original cost used for January first of the year  
 58 following the year of acquisition of the property, and the  
 59 percentage shown for each succeeding year shall be the  
 60 percentage of the original cost used for January first of  
 61 the respective succeeding year as follows:

62	Year	Recovery Period in Years					
63		3	5	7	10	15	20
64	1	75.00	85.00	89.29	92.50	95.00	96.25
65	2	37.50	59.50	70.16	78.62	85.50	89.03
66	3	12.50	41.65	55.13	66.83	76.95	82.35
67	4	5.00	24.99	42.88	56.81	69.25	76.18
68	5		10.00	30.63	48.07	62.32	70.46
69	6			18.38	39.33	56.09	65.18
70	7			10.00	30.59	50.19	60.29
71	8				21.85	44.29	55.77
72	9				15.00	38.38	51.31
73	10					32.48	46.85
74	11					26.57	42.38
75	12					20.67	37.92
76	13					15.00	33.46
77	14						29.00
78	15						24.54
79	16						20.08
80	17						20.00

81 Depreciable tangible personal property in all recovery  
 82 periods shall continue in subsequent years to have the  
 83 depreciation factor last listed in the appropriate column so

84 long as it is owned or held by the taxpayer. The state tax  
85 commission shall study and analyze the values established by  
86 this method of assessment and in every odd-numbered year  
87 make recommendations to the joint committee on tax policy  
88 pertaining to any changes in this methodology, if any, that  
89 are warranted.

90 4. Such estimate of value determined under this  
91 section shall be presumed to be correct for the purpose of  
92 determining the true value in money of the depreciable  
93 tangible personal property, but such estimation may be  
94 disproved by a taxpayer by substantial and persuasive  
95 evidence of the true value in money under any method  
96 determined by the state tax commission to be correct,  
97 including, but not limited to, an appraisal of the tangible  
98 personal property specifically utilizing generally accepted  
99 appraisal techniques, and contained in a narrative appraisal  
100 report in accordance with the Uniform Standards of  
101 Professional Appraisal Practice or by proof of economic or  
102 functional obsolescence or evidence of excessive physical  
103 deterioration. For purposes of appeal of the provisions of  
104 this section, the salvage or scrap value of depreciable  
105 tangible personal property may only be considered if the  
106 property is not in use as of the assessment date.

107 5. This section shall not apply to business personal  
108 property placed in service before January 2, 2006. Nothing  
109 in this section shall create a presumption as to the proper  
110 method of determining the assessed valuation of business  
111 personal property placed in service before January 2, 2006.

112 6. The provisions of this section are not intended to  
113 modify the definition of tangible personal property as  
114 defined in section 137.010.

115 7. (1) As of January 1, 2025, this section shall  
116 apply to all real property, placed in service at any time,

117 that is stationary property used for transportation or  
118 storage of liquid and gaseous products including water,  
119 sewage, and natural gas that is not propane or LP gas, but  
120 not including petroleum products.

121 (2) To estimate the value of the real property  
122 described in this subsection, each assessor shall value such  
123 property by applying a twenty-year recovery period to the  
124 original cost of the property according to the twenty-year  
125 depreciation schedule set forth in subsection 3 of this  
126 section. Notwithstanding subsection 5 of this section, the  
127 presumption as to the proper method of determining the  
128 assessed value of such property shall apply regardless of  
129 when such property was placed in service.

130 (3) Each taxpayer owning real property described in  
131 this subsection shall provide to an assessor, no later than  
132 May first of the applicable tax year, the original cost and  
133 year placed in service of such property summarized in a  
134 format that is substantially similar to the real property  
135 reporting and valuation forms contained in section 7.4 of  
136 the state tax commission assessor manual (revision date  
137 March 23, 2016, or any revision adopted by the state tax  
138 commission thereafter). Upon the written request of the  
139 assessor, such information shall be provided for each taxing  
140 district within the assessor's jurisdiction. If requested  
141 by the taxpayer, the assessor shall provide to the taxpayer  
142 geographic information system maps in readable layers on  
143 which a taxpayer may provide the information in this  
144 subsection. The taxpayer shall certify under penalty of  
145 perjury that the information provided to the assessor  
146 pursuant to this subsection is accurate to the best of its  
147 knowledge. All information provided to an assessor pursuant  
148 to this subsection shall be considered proprietary

149 information and shall be accessible only to the assessor and  
150 the assessor's staff for internal use only.

143.121. 1. The Missouri adjusted gross income of a  
2 resident individual shall be the taxpayer's federal adjusted  
3 gross income subject to the modifications in this section.

4 2. There shall be added to the taxpayer's federal  
5 adjusted gross income:

6 (1) The amount of any federal income tax refund  
7 received for a prior year which resulted in a Missouri  
8 income tax benefit. The amount added pursuant to this  
9 subdivision shall not include any amount of a federal income  
10 tax refund attributable to a tax credit reducing a  
11 taxpayer's federal tax liability pursuant to Public Law 116-  
12 136 or 116-260, enacted by the 116th United States Congress,  
13 for the tax year beginning on or after January 1, 2020, and  
14 ending on or before December 31, 2020, and deducted from  
15 Missouri adjusted gross income pursuant to section 143.171.  
16 The amount added under this subdivision shall also not  
17 include any amount of a federal income tax refund  
18 attributable to a tax credit reducing a taxpayer's federal  
19 tax liability under any other federal law that provides  
20 direct economic impact payments to taxpayers to mitigate  
21 financial challenges related to the COVID-19 pandemic, and  
22 deducted from Missouri adjusted gross income under section  
23 143.171;

24 (2) Interest on certain governmental obligations  
25 excluded from federal gross income by 26 U.S.C. Section 103  
26 of the Internal Revenue Code, as amended. The previous  
27 sentence shall not apply to interest on obligations of the  
28 state of Missouri or any of its political subdivisions or  
29 authorities and shall not apply to the interest described in  
30 subdivision (1) of subsection 3 of this section. The amount  
31 added pursuant to this subdivision shall be reduced by the

32 amounts applicable to such interest that would have been  
33 deductible in computing the taxable income of the taxpayer  
34 except only for the application of 26 U.S.C. Section 265 of  
35 the Internal Revenue Code, as amended. The reduction shall  
36 only be made if it is at least five hundred dollars;

37 (3) The amount of any deduction that is included in  
38 the computation of federal taxable income pursuant to 26  
39 U.S.C. Section 168 of the Internal Revenue Code as amended  
40 by the Job Creation and Worker Assistance Act of 2002 to the  
41 extent the amount deducted relates to property purchased on  
42 or after July 1, 2002, but before July 1, 2003, and to the  
43 extent the amount deducted exceeds the amount that would  
44 have been deductible pursuant to 26 U.S.C. Section 168 of  
45 the Internal Revenue Code of 1986 as in effect on January 1,  
46 2002;

47 (4) The amount of any deduction that is included in  
48 the computation of federal taxable income for net operating  
49 loss allowed by 26 U.S.C. Section 172 of the Internal  
50 Revenue Code of 1986, as amended, other than the deduction  
51 allowed by 26 U.S.C. Section 172(b)(1)(G) and 26 U.S.C.  
52 Section 172(i) of the Internal Revenue Code of 1986, as  
53 amended, for a net operating loss the taxpayer claims in the  
54 tax year in which the net operating loss occurred or carries  
55 forward for a period of more than twenty years and carries  
56 backward for more than two years. Any amount of net  
57 operating loss taken against federal taxable income but  
58 disallowed for Missouri income tax purposes pursuant to this  
59 subdivision after June 18, 2002, may be carried forward and  
60 taken against any income on the Missouri income tax return  
61 for a period of not more than twenty years from the year of  
62 the initial loss; and

63 (5) For nonresident individuals in all taxable years  
64 ending on or after December 31, 2006, the amount of any

65 property taxes paid to another state or a political  
66 subdivision of another state for which a deduction was  
67 allowed on such nonresident's federal return in the taxable  
68 year unless such state, political subdivision of a state, or  
69 the District of Columbia allows a subtraction from income  
70 for property taxes paid to this state for purposes of  
71 calculating income for the income tax for such state,  
72 political subdivision of a state, or the District of  
73 Columbia;

74 (6) For all tax years beginning on or after January 1,  
75 2018, any interest expense paid or accrued in a previous  
76 taxable year, but allowed as a deduction under 26 U.S.C.  
77 Section 163, as amended, in the current taxable year by  
78 reason of the carryforward of disallowed business interest  
79 provisions of 26 U.S.C. Section 163(j), as amended. For the  
80 purposes of this subdivision, an interest expense is  
81 considered paid or accrued only in the first taxable year  
82 the deduction would have been allowable under 26 U.S.C.  
83 Section 163, as amended, if the limitation under 26 U.S.C.  
84 Section 163(j), as amended, did not exist.

85 3. There shall be subtracted from the taxpayer's  
86 federal adjusted gross income the following amounts to the  
87 extent included in federal adjusted gross income:

88 (1) Interest received on deposits held at a federal  
89 reserve bank or interest or dividends on obligations of the  
90 United States and its territories and possessions or of any  
91 authority, commission or instrumentality of the United  
92 States to the extent exempt from Missouri income taxes  
93 pursuant to the laws of the United States. The amount  
94 subtracted pursuant to this subdivision shall be reduced by  
95 any interest on indebtedness incurred to carry the described  
96 obligations or securities and by any expenses incurred in  
97 the production of interest or dividend income described in

98 this subdivision. The reduction in the previous sentence  
99 shall only apply to the extent that such expenses including  
100 amortizable bond premiums are deducted in determining the  
101 taxpayer's federal adjusted gross income or included in the  
102 taxpayer's Missouri itemized deduction. The reduction shall  
103 only be made if the expenses total at least five hundred  
104 dollars;

105 (2) The portion of any gain, from the sale or other  
106 disposition of property having a higher adjusted basis to  
107 the taxpayer for Missouri income tax purposes than for  
108 federal income tax purposes on December 31, 1972, that does  
109 not exceed such difference in basis. If a gain is  
110 considered a long-term capital gain for federal income tax  
111 purposes, the modification shall be limited to one-half of  
112 such portion of the gain;

113 (3) The amount necessary to prevent the taxation  
114 pursuant to this chapter of any annuity or other amount of  
115 income or gain which was properly included in income or gain  
116 and was taxed pursuant to the laws of Missouri for a taxable  
117 year prior to January 1, 1973, to the taxpayer, or to a  
118 decedent by reason of whose death the taxpayer acquired the  
119 right to receive the income or gain, or to a trust or estate  
120 from which the taxpayer received the income or gain;

121 (4) Accumulation distributions received by a taxpayer  
122 as a beneficiary of a trust to the extent that the same are  
123 included in federal adjusted gross income;

124 (5) The amount of any state income tax refund for a  
125 prior year which was included in the federal adjusted gross  
126 income;

127 (6) The portion of capital gain specified in section  
128 135.357 that would otherwise be included in federal adjusted  
129 gross income;

130           (7) The amount that would have been deducted in the  
131 computation of federal taxable income pursuant to 26 U.S.C.  
132 Section 168 of the Internal Revenue Code as in effect on  
133 January 1, 2002, to the extent that amount relates to  
134 property purchased on or after July 1, 2002, but before July  
135 1, 2003, and to the extent that amount exceeds the amount  
136 actually deducted pursuant to 26 U.S.C. Section 168 of the  
137 Internal Revenue Code as amended by the Job Creation and  
138 Worker Assistance Act of 2002;

139           (8) For all tax years beginning on or after January 1,  
140 2005, the amount of any income received for military service  
141 while the taxpayer serves in a combat zone which is included  
142 in federal adjusted gross income and not otherwise excluded  
143 therefrom. As used in this section, "combat zone" means any  
144 area which the President of the United States by Executive  
145 Order designates as an area in which Armed Forces of the  
146 United States are or have engaged in combat. Service is  
147 performed in a combat zone only if performed on or after the  
148 date designated by the President by Executive Order as the  
149 date of the commencing of combat activities in such zone,  
150 and on or before the date designated by the President by  
151 Executive Order as the date of the termination of combatant  
152 activities in such zone;

153           (9) For all tax years ending on or after July 1, 2002,  
154 with respect to qualified property that is sold or otherwise  
155 disposed of during a taxable year by a taxpayer and for  
156 which an additional modification was made under subdivision  
157 (3) of subsection 2 of this section, the amount by which  
158 additional modification made under subdivision (3) of  
159 subsection 2 of this section on qualified property has not  
160 been recovered through the additional subtractions provided  
161 in subdivision (7) of this subsection;

162 (10) For all tax years beginning on or after January  
163 1, 2014, the amount of any income received as payment from  
164 any program which provides compensation to agricultural  
165 producers who have suffered a loss as the result of a  
166 disaster or emergency, including the:

- 167 (a) Livestock Forage Disaster Program;
- 168 (b) Livestock Indemnity Program;
- 169 (c) Emergency Assistance for Livestock, Honeybees, and  
170 Farm-Raised Fish;
- 171 (d) Emergency Conservation Program;
- 172 (e) Noninsured Crop Disaster Assistance Program;
- 173 (f) Pasture, Rangeland, Forage Pilot Insurance Program;
- 174 (g) Annual Forage Pilot Program;
- 175 (h) Livestock Risk Protection Insurance Plan;
- 176 (i) Livestock Gross Margin Insurance Plan;

177 (11) For all tax years beginning on or after January  
178 1, 2018, any interest expense paid or accrued in the current  
179 taxable year, but not deducted as a result of the limitation  
180 imposed under 26 U.S.C. Section 163(j), as amended. For the  
181 purposes of this subdivision, an interest expense is  
182 considered paid or accrued only in the first taxable year  
183 the deduction would have been allowable under 26 U.S.C.  
184 Section 163, as amended, if the limitation under 26 U.S.C.  
185 Section 163(j), as amended, did not exist;

186 (12) One hundred percent of any retirement benefits  
187 received by any taxpayer as a result of the taxpayer's  
188 service in the Armed Forces of the United States, including  
189 reserve components and the National Guard of this state, as  
190 defined in 32 U.S.C. Sections 101(3) and 109, and any other  
191 military force organized under the laws of this state; and

192 (13) For all tax years beginning on or after January  
193 1, 2022, one hundred percent of any federal, state, or local  
194 grant moneys received [for the purpose of providing or

195 expanding access to broadband internet to areas of the state  
196 deemed to be lacking such access] by the taxpayer if the  
197 grant money was disbursed for the express purpose of  
198 providing or expanding access to broadband internet to areas  
199 of the state deemed to be lacking such access.

200 4. There shall be added to or subtracted from the  
201 taxpayer's federal adjusted gross income the taxpayer's  
202 share of the Missouri fiduciary adjustment provided in  
203 section 143.351.

204 5. There shall be added to or subtracted from the  
205 taxpayer's federal adjusted gross income the modifications  
206 provided in section 143.411.

207 6. In addition to the modifications to a taxpayer's  
208 federal adjusted gross income in this section, to calculate  
209 Missouri adjusted gross income there shall be subtracted  
210 from the taxpayer's federal adjusted gross income any gain  
211 recognized pursuant to 26 U.S.C. Section 1033 of the  
212 Internal Revenue Code of 1986, as amended, arising from  
213 compulsory or involuntary conversion of property as a result  
214 of condemnation or the imminence thereof.

215 7. (1) As used in this subsection, "qualified health  
216 insurance premium" means the amount paid during the tax year  
217 by such taxpayer for any insurance policy primarily  
218 providing health care coverage for the taxpayer, the  
219 taxpayer's spouse, or the taxpayer's dependents.

220 (2) In addition to the subtractions in subsection 3 of  
221 this section, one hundred percent of the amount of qualified  
222 health insurance premiums shall be subtracted from the  
223 taxpayer's federal adjusted gross income to the extent the  
224 amount paid for such premiums is included in federal taxable  
225 income. The taxpayer shall provide the department of  
226 revenue with proof of the amount of qualified health  
227 insurance premiums paid.

228           8. (1) Beginning January 1, 2014, in addition to the  
229       subtractions provided in this section, one hundred percent  
230       of the cost incurred by a taxpayer for a home energy audit  
231       conducted by an entity certified by the department of  
232       natural resources under section 640.153 or the  
233       implementation of any energy efficiency recommendations made  
234       in such an audit shall be subtracted from the taxpayer's  
235       federal adjusted gross income to the extent the amount paid  
236       for any such activity is included in federal taxable  
237       income. The taxpayer shall provide the department of  
238       revenue with a summary of any recommendations made in a  
239       qualified home energy audit, the name and certification  
240       number of the qualified home energy auditor who conducted  
241       the audit, and proof of the amount paid for any activities  
242       under this subsection for which a deduction is claimed. The  
243       taxpayer shall also provide a copy of the summary of any  
244       recommendations made in a qualified home energy audit to the  
245       department of natural resources.

246           (2) At no time shall a deduction claimed under this  
247       subsection by an individual taxpayer or taxpayers filing  
248       combined returns exceed one thousand dollars per year for  
249       individual taxpayers or cumulatively exceed two thousand  
250       dollars per year for taxpayers filing combined returns.

251           (3) Any deduction claimed under this subsection shall  
252       be claimed for the tax year in which the qualified home  
253       energy audit was conducted or in which the implementation of  
254       the energy efficiency recommendations occurred. If  
255       implementation of the energy efficiency recommendations  
256       occurred during more than one year, the deduction may be  
257       claimed in more than one year, subject to the limitations  
258       provided under subdivision (2) of this subsection.

259           (4) A deduction shall not be claimed for any otherwise  
260       eligible activity under this subsection if such activity

261 qualified for and received any rebate or other incentive  
262 through a state-sponsored energy program or through an  
263 electric corporation, gas corporation, electric cooperative,  
264 or municipally owned utility.

265 9. The provisions of subsection 8 of this section  
266 shall expire on December 31, 2020.

267 10. (1) As used in this subsection, the following  
268 terms mean:

269 (a) "Beginning farmer", a taxpayer who:

270 a. Has filed at least one but not more than ten  
271 Internal Revenue Service Schedule F (Form 1040) Profit or  
272 Loss From Farming forms since turning eighteen years of age;

273 b. Is approved for a beginning farmer loan through the  
274 USDA Farm Service Agency Beginning Farmer direct or  
275 guaranteed loan program;

276 c. Has a farming operation that is determined by the  
277 department of agriculture to be new production agriculture  
278 but is the principal operator of a farm and has substantial  
279 farming knowledge; or

280 d. Has been determined by the department of  
281 agriculture to be a qualified family member;

282 (b) "Farm owner", an individual who owns farmland and  
283 disposes of or relinquishes use of all or some portion of  
284 such farmland as follows:

285 a. A sale to a beginning farmer;

286 b. A lease or rental agreement not exceeding ten years  
287 with a beginning farmer; or

288 c. A crop-share arrangement not exceeding ten years  
289 with a beginning farmer;

290 (c) "Qualified family member", an individual who is  
291 related to a farm owner within the fourth degree by blood,  
292 marriage, or adoption and who is purchasing or leasing or is

293 in a crop-share arrangement for land from all or a portion  
294 of such farm owner's farming operation.

295 (2) (a) In addition to all other subtractions  
296 authorized in this section, a taxpayer who is a farm owner  
297 who sells all or a portion of such farmland to a beginning  
298 farmer may subtract from such taxpayer's Missouri adjusted  
299 gross income an amount to the extent included in federal  
300 adjusted gross income as provided in this subdivision.

301 (b) Subject to the limitations in paragraph (c) of  
302 this subdivision, the amount that may be subtracted shall be  
303 equal to the portion of capital gains received from the sale  
304 of such farmland that such taxpayer receives in the tax year  
305 for which such taxpayer subtracts such capital gain.

306 (c) A taxpayer may subtract the following amounts and  
307 percentages per tax year in total capital gains received  
308 from the sale of such farmland under this subdivision:

309 a. For the first two million dollars received, one  
310 hundred percent;

311 b. For the next one million dollars received, eighty  
312 percent;

313 c. For the next one million dollars received, sixty  
314 percent;

315 d. For the next one million dollars received, forty  
316 percent; and

317 e. For the next one million dollars received, twenty  
318 percent.

319 (d) The department of revenue shall prepare an annual  
320 report reviewing the costs and benefits and containing  
321 statistical information regarding the subtraction of capital  
322 gains authorized under this subdivision for the previous tax  
323 year including, but not limited to, the total amount of all  
324 capital gains subtracted and the number of taxpayers  
325 subtracting such capital gains. Such report shall be

326 submitted before February first of each year to the  
327 committee on agriculture policy of the Missouri house of  
328 representatives and the committee on agriculture, food  
329 production and outdoor resources of the Missouri senate, or  
330 the successor committees.

331 (3) (a) In addition to all other subtractions  
332 authorized in this section, a taxpayer who is a farm owner  
333 who enters a lease or rental agreement for all or a portion  
334 of such farmland with a beginning farmer may subtract from  
335 such taxpayer's Missouri adjusted gross income an amount to  
336 the extent included in federal adjusted gross income as  
337 provided in this subdivision.

338 (b) Subject to the limitation in paragraph (c) of this  
339 subdivision, the amount that may be subtracted shall be  
340 equal to the portion of cash rent income received from the  
341 lease or rental of such farmland that such taxpayer receives  
342 in the tax year for which such taxpayer subtracts such  
343 income.

344 (c) No taxpayer shall subtract more than twenty-five  
345 thousand dollars per tax year in total cash rent income  
346 received from the lease or rental of such farmland under  
347 this subdivision.

348 (4) (a) In addition to all other subtractions  
349 authorized in this section, a taxpayer who is a farm owner  
350 who enters a crop-share arrangement on all or a portion of  
351 such farmland with a beginning farmer may subtract from such  
352 taxpayer's Missouri adjusted gross income an amount to the  
353 extent included in federal adjusted gross income as provided  
354 in this subdivision.

355 (b) Subject to the limitation in paragraph (c) of this  
356 subdivision, the amount that may be subtracted shall be  
357 equal to the portion of income received from the crop-share

358 arrangement on such farmland that such taxpayer receives in  
359 the tax year for which such taxpayer subtracts such income.

360 (c) No taxpayer shall subtract more than twenty-five  
361 thousand dollars per tax year in total income received from  
362 the lease or rental of such farmland under this subdivision.

363 (5) The department of agriculture shall, by rule,  
364 establish a process to verify that a taxpayer is a beginning  
365 farmer for purposes of this section and shall provide  
366 verification to the beginning farmer and farm seller of such  
367 farmer's and seller's certification and qualification for  
368 the exemption provided in this subsection.

144.058. In addition to the other exemptions granted  
2 pursuant to this chapter, there is hereby specifically  
3 exempted from the provisions of and the computation of the  
4 tax levied, assessed, or payable pursuant to this chapter  
5 and the local sales tax law as defined in section 32.085,  
6 electrical energy and gas, whether natural, artificial, or  
7 propane; water, coal, and energy sources; chemicals,  
8 machinery, equipment, parts, and material used or consumed  
9 in connection with or to facilitate the generation,  
10 transmission, distribution, sale, or furnishing of  
11 electricity for light, heat, or power; and any conduits,  
12 ducts, or other devices, materials, apparatus, or property  
13 for containing, holding, or carrying conductors used or to  
14 be used for the transmission of electricity for light, heat,  
15 or power service to consumers. The provisions of this  
16 section shall be in addition to any other sales or use tax  
17 exemption provided by law. Any public utility, as such term  
18 is defined in section 386.020, that realizes any savings as  
19 a result of the sales tax exemption provided in this section  
20 shall provide the public service commission information on  
21 the amount of savings realized in such public utility's next  
22 general rate proceeding and shall include a statement that

23 such savings will be passed through to the public utility's  
24 rate revenue requirement determined in the public utility's  
25 next general rate proceeding. As used in this section,  
26 savings realized shall be calculated as the difference  
27 between sales tax incurred and sales tax expense included in  
28 current rates.

144.812. 1. For purposes of this section, the  
2 following terms shall mean:

3 (1) "Broadband communications service", Internet  
4 access service, as defined in 47 U.S.C. 151 note,  
5 telecommunications service, video programming service, or  
6 any combination thereof;

7 (2) "Broadband communications service provider", a  
8 person engaged in the provision of broadband communications  
9 service or an affiliate of such person;

10 (3) "Machinery and equipment used to provide broadband  
11 communications service", includes, but is not limited to,  
12 wires, cables, fiber, conduits, antennas, poles, switches,  
13 routers, amplifiers, rectifiers, repeaters, receivers,  
14 multiplexers, duplexers, transmitters, circuit cards,  
15 insulating and protective materials and cases, power  
16 equipment, backup power equipment, diagnostic equipment,  
17 storage devices, customer premise equipment, modems,  
18 software, cable modem termination system components and Wi-  
19 Fi equipment, and other general central office or headend  
20 and hub equipment, such as channel cards, frames, and  
21 cabinets, or equipment used in successor technologies,  
22 including items used to monitor, test, maintain, enable, or  
23 facilitate qualifying equipment, machinery, ancillary  
24 components, appurtenances, accessories, or other  
25 infrastructure that is used in whole or in part to provide  
26 broadband communications service;

27 (4) "Person", the same meaning as such term is defined  
28 under section 144.010.

29 2. For all tax years beginning on or after January 1,  
30 2025, in addition to the exemptions granted under the  
31 provisions of section 144.030, there shall also be  
32 specifically exempted from the provisions of sections  
33 144.010 to 144.525, sections 144.600 to 144.746, and section  
34 238.235; the provisions of any local sales tax law, as  
35 defined in section 32.085; the computation of the tax  
36 levied, assessed, or payable under sections 144.010 to  
37 144.525, sections 144.600 to 144.746, and section 238.235;  
38 and the provisions of any local sales tax law, as defined in  
39 section 32.085, all sales, purchases, or use of machinery  
40 and equipment used to provide broadband communications  
41 service by a broadband communications service provider.

42 3. To qualify for the exemption provided under this  
43 section, the broadband communications service provider shall  
44 furnish to the seller a certificate in writing to the effect  
45 that an exemption under this section is applicable to the  
46 machinery and equipment used to provide broadband  
47 communications service so purchased or used. The director  
48 of revenue shall permit any such broadband communications  
49 service provider to enter into a direct pay agreement with  
50 the department of revenue, pursuant to which such provider  
51 may pay directly to the department of revenue any applicable  
52 sales and use taxes on such equipment.

226.220. 1. There is hereby created and set up the  
2 "State Road Fund" which shall receive all moneys and credits  
3 from:

- 4 (1) The sale of state road bonds;
- 5 (2) The United States government and intended for  
6 highway purposes;

7           (3) The state road bond and interest sinking fund as  
8 provided in section 226.210; and

9           (4) Any other source if they are held for expenditure  
10 by or under the department of transportation or the state  
11 highways and transportation commission and if they are not  
12 required by section 226.200 to be transferred to the state  
13 highway department fund.

14           2. The costs and expenses withdrawn from the state  
15 treasury:

16           (1) For locating, relocating, establishing, acquiring,  
17 reimbursing for, constructing, improving and maintaining  
18 state highways in the systems specified in Article IV,  
19 Section 30(b), of the Constitution;

20           (2) For reimbursing nonrate regulated utility  
21 providers, as defined in subsection 3 of section 71.340, for  
22 any costs incurred in facility relocation that is required  
23 due to road maintenance or construction;

24           (3) For acquiring materials, equipment and buildings;  
25 and

26           ~~[(3)]~~ (4) For other purposes and contingencies  
27 relating and appertaining to the construction and  
28 maintenance of said highways shall be paid from the state  
29 road fund upon warrants drawn by the state auditor, based  
30 upon bills of particulars and vouchers preapproved and  
31 certified for payment by the commissioner of administration  
32 and by the state highways and transportation commission  
33 acting through such of their employees as may be designated  
34 by them.

35           3. No payments or transfers shall ever be made from  
36 the state road fund except for an expenditure made

37           (1) Under the supervision and direction of the state  
38 highways and transportation commission; and

39           (2) For a purpose set out in Subparagraph (1), (2),  
40           (3), (4), or (5) of Section 30(b), Article IV, of the  
41           Constitution.

          393.1506. 1. Notwithstanding any provisions of  
2           chapter 386 and this chapter to the contrary, a water or  
3           sewer corporation that provides water [or sewer] service to  
4           more than eight thousand customer connections, sewer service  
5           to more than eight thousand customer connections, or a  
6           combination of either to more than eight thousand customer  
7           connections may file a petition and proposed rate schedules  
8           with the commission to establish or change a WSIRA that will  
9           provide for the recovery of the appropriate pretax revenues  
10          associated with the eligible infrastructure system projects,  
11          less the appropriate pretax revenues associated with any  
12          retired utility plant that is being replaced by the eligible  
13          infrastructure system projects. The WSIRA shall not produce  
14          revenues in excess of fifteen percent of the water or sewer  
15          corporation's base revenue requirement approved by the  
16          commission in the water or sewer corporation's most recent  
17          general rate proceeding; provided, however, that neither  
18          WSIRA revenues attributable to replacement of customer-owned  
19          lead service lines, nor any reconciliation amounts described  
20          in subdivision (2) of subsection 5 of section 393.1509,  
21          shall count toward the program cap. The WSIRA and any  
22          future changes thereto shall be calculated and implemented  
23          in accordance with the provisions of sections 393.1503 to  
24          393.1509. WSIRA revenues shall be subject to refund based  
25          upon a finding and order of the commission, to the extent  
26          provided in subsections 5 and 8 of section 393.1509.

27          2. The commission shall not approve a WSIRA for a  
28          water or sewer corporation that has not had a general rate  
29          proceeding decided or dismissed by issuance of a commission  
30          order within the past three years of the filing of a

31 petition pursuant to this section unless the water or sewer  
32 corporation has filed for or is the subject of a new general  
33 rate proceeding.

34         3. In no event shall a water or sewer corporation  
35 collect a WSIRA for a period exceeding three years unless  
36 the water or sewer corporation has filed for or is the  
37 subject of a pending general rate proceeding; provided that  
38 the WSIRA may be collected until the effective date of new  
39 rate schedules established as a result of the new general  
40 rate proceeding or until the subject general rate proceeding  
41 is otherwise decided or dismissed by issuance of a  
42 commission order without new rates being established.

43         4. Except as provided in this subsection, in no event  
44 shall a water or sewer corporation collect a WSIRA if also  
45 collecting revenues from a commission approved  
46 infrastructure system replacement surcharge as provided in  
47 sections 393.1000 to 393.1006. In no event shall a customer  
48 be charged both an infrastructure system replacement  
49 surcharge as provided in sections 393.1000 to 393.1006 and a  
50 WSIRA. In the event a water or sewer corporation is  
51 collecting infrastructure system replacement surcharge  
52 revenues under sections 393.1000 to 393.1006, that was  
53 approved prior to August 28, 2021, when the initial WSIRA is  
54 filed, the approved infrastructure system replacement  
55 surcharge revenues shall be included in the new WSIRA filing.