

SECOND REGULAR SESSION

# HOUSE JOINT RESOLUTION NO. 95

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE GRAY.

3699H.011

DANA RADEMAN MILLER, Chief Clerk

## JOINT RESOLUTION

Submitting to the qualified voters of Missouri an amendment repealing Section 6 of Article X of the Constitution of Missouri, and adopting one new section in lieu thereof relating to property tax.

*Be it resolved by the House of Representatives, the Senate concurring therein:*

That at the next general election to be held in the state of Missouri, on Tuesday next following the first Monday in November, 2024, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for adoption or rejection, the following amendment to Article X of the Constitution of the state of Missouri:

Section A. Section 6, Article X, Constitution of Missouri, is repealed and one new section adopted in lieu thereof, to be known as Section 6, to read as follows:

Section 6. 1. All property, real and personal, of the state, counties and other political subdivisions, and nonprofit cemeteries, and all real property used as a homestead as defined by law of any citizen of this state who is a former prisoner of war, as defined by law, ~~and who has a total service-connected disability,~~ shall be exempt from taxation; all personal property held as industrial inventories, including raw materials, work in progress and finished work on hand, by manufacturers and refiners, and all personal property held as goods, wares, merchandise, stock in trade or inventory for resale by distributors, wholesalers, or retail merchants or establishments shall be exempt from taxation; and all property, real and personal, not held for private or corporate profit and used exclusively for religious worship,

EXPLANATION — Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

10 for schools and colleges, for purposes purely charitable, for agricultural and horticultural  
11 societies, or for veterans' organizations may be exempted from taxation by general law. In  
12 addition to the above, household goods, furniture, wearing apparel and articles of personal use  
13 and adornment owned and used by a person in his home or dwelling place may be exempt  
14 from taxation by general law but any such law may provide for approximate restitution to the  
15 respective political subdivisions of revenues lost by reason of the exemption. All laws  
16 exempting from taxation property other than the property enumerated in this article, shall be  
17 void. The provisions of this section exempting certain personal property of manufacturers,  
18 refiners, distributors, wholesalers, and retail merchants and establishments from taxation shall  
19 become effective, unless otherwise provided by law, in each county on January 1 of the year  
20 in which that county completes its first general reassessment as defined by law.

21         2. All revenues lost because of the exemption of certain personal property of  
22 manufacturers, refiners, distributors, wholesalers, and retail merchants and establishments  
23 shall be replaced to each taxing authority within a county from a countywide tax hereby  
24 imposed on all property in subclass 3 of class 1 in each county. For the year in which the  
25 exemption becomes effective, the county clerk shall calculate the total revenue lost by all  
26 taxing authorities in the county and extend upon all property in subclass 3 of class 1 within  
27 the county, a tax at the rate necessary to produce that amount. The rate of tax levied in each  
28 county according to this subsection shall not be increased above the rate first imposed and  
29 will stand levied at that rate unless later reduced according to the provisions of subsection 3.  
30 The county collector shall disburse the proceeds according to the revenue lost by each taxing  
31 authority because of the exemption of such property in that county. Restitution of the  
32 revenues lost by any taxing district contained in more than one county shall be from the  
33 several counties according to the revenue lost because of the exemption of property in each  
34 county. Each year after the first year the replacement tax is imposed, the amount distributed  
35 to each taxing authority in a county shall be increased or decreased by an amount equal to the  
36 amount resulting from the change in that district's total assessed value of property in subclass  
37 3 of class 1 at the countywide replacement tax rate. In order to implement the provisions of  
38 this subsection, the limits set in section 11(b) of this article may be exceeded, without voter  
39 approval, if necessary to allow each county listed in section 11(b) to comply with this  
40 subsection.

41         3. Any increase in the tax rate imposed pursuant to subsection 2 of this section shall  
42 be decreased if such decrease is approved by a majority of the voters of the county voting on  
43 such decrease. A decrease in the increased tax rate imposed under subsection 2 of this section  
44 may be submitted to the voters of a county by the governing body thereof upon its own order,  
45 ordinance, or resolution and shall be submitted upon the petition of at least eight percent of  
46 the qualified voters who voted in the immediately preceding gubernatorial election.

47 4. As used in this section, the terms "revenues lost" and "lost revenues" shall mean  
 48 that revenue which each taxing authority received from the imposition of a tangible personal  
 49 property tax on all personal property held as industrial inventories, including raw materials,  
 50 work in progress and finished work on hand, by manufacturers and refiners, and all personal  
 51 property held as goods, wares, merchandise, stock in trade or inventory for resale by  
 52 distributors, wholesalers, or retail merchants or establishments in the last full tax year  
 53 immediately preceding the effective date of the exemption from taxation granted for such  
 54 property under subsection 1 of this section, and which was no longer received after such  
 55 exemption became effective.

56 5. (1) As used in this subsection, the following terms mean:

57 (a) "Disabled veteran", a Missouri resident who has served as a member of the  
 58 United States Armed Forces on active duty or state active duty, a member of the  
 59 Missouri National Guard, or a member of the United States Reserve forces and who has  
 60 received an honorable discharge and who:

61 a. Has a service-connected disability as certified by the United States  
 62 Department of Veterans Affairs;

63 b. Is liable for paying property taxes on a homestead; and

64 c. Is an owner of record of a homestead that is occupied as his or her principal  
 65 residence and for which he or she is liable for the payment of property taxes;

66 (b) "Homestead", real property actually used and occupied as a primary  
 67 residence by an individual for at least one hundred eighty-three days out of a calendar  
 68 year.

69 (2) Effective January 1, 2025, all assessed real property used as a homestead of a  
 70 disabled veteran who has been assigned a disability rating of at least fifty percent by the  
 71 United States Department of Veterans Affairs shall be exempt from taxation, according  
 72 to the following schedule:

Assigned Disability Rating	Dollar Amount (of the Total Assessed Property Valuation) Exempt from Taxation
30% to 49%	\$2,500 beginning January first, four years after the exemption authorized under this subsection became effective.
50% to 69%	\$5,000 beginning January first, two years after the exemption authorized under this subsection became effective.

81	<b>70% to 100%</b>	<b>The value of all assessed real property used</b>
82		<b>as a homestead is exempt from taxation.</b>

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