

SECOND REGULAR SESSION

# SENATE BILL NO. 1139

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR CRAWFORD.

5558S.01I

ADRIANE D. CROUSE, Secretary

## AN ACT

To repeal section 137.115, RSMo, and to enact in lieu thereof one new section relating to the determination of assessed values of certain motor vehicles, with an emergency clause.

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

Section A. Section 137.115, RSMo, is repealed and one new  
2 section enacted in lieu thereof, to be known as section 137.115,  
3 to read as follows:

137.115. 1. All other laws to the contrary  
2 notwithstanding, the assessor or the assessor's deputies in  
3 all counties of this state including the City of St. Louis  
4 shall annually make a list of all real and tangible personal  
5 property taxable in the assessor's city, county, town or  
6 district. Except as otherwise provided in subsection 3 of  
7 this section and section 137.078, the assessor shall  
8 annually assess all personal property at thirty-three and  
9 one-third percent of its true value in money as of January  
10 first of each calendar year. 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

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

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.

120 4. The person listing the property shall enter a true  
121 and correct statement of the property, in a printed blank  
122 prepared for that purpose. The statement, after being  
123 filled out, shall be signed and either affirmed or sworn to  
124 as provided in section 137.155. The list shall then be  
125 delivered to the assessor.

126 5. (1) All subclasses of real property, as such  
127 subclasses are established in Section 4(b) of Article X of  
128 the Missouri Constitution and defined in section 137.016,  
129 shall be assessed at the following percentages of true value:

130 (a) For real property in subclass (1), nineteen  
131 percent;

132 (b) For real property in subclass (2), twelve percent;  
133 and

134 (c) For real property in subclass (3), thirty-two  
135 percent.

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

146           6. Manufactured homes, as defined in section 700.010,  
147 which are actually used as dwelling units shall be assessed  
148 at the same percentage of true value as residential real  
149 property for the purpose of taxation. The percentage of  
150 assessment of true value for such manufactured homes shall  
151 be the same as for residential real property. If the county  
152 collector cannot identify or find the manufactured home when  
153 attempting to attach the manufactured home for payment of  
154 taxes owed by the manufactured home owner, the county  
155 collector may request the county commission to have the  
156 manufactured home removed from the tax books, and such  
157 request shall be granted within thirty days after the  
158 request is made; however, the removal from the tax books  
159 does not remove the tax lien on the manufactured home if it  
160 is later identified or found. For purposes of this section,  
161 a manufactured home located in a manufactured home rental  
162 park, rental community or on real estate not owned by the  
163 manufactured home owner shall be considered personal  
164 property. For purposes of this section, a manufactured home  
165 located on real estate owned by the manufactured home owner  
166 may be considered real property.

167           7. Each manufactured home assessed shall be considered  
168 a parcel for the purpose of reimbursement pursuant to  
169 section 137.750, unless the manufactured home is deemed to  
170 be real estate as defined in subsection 7 of section 442.015  
171 and assessed as a realty improvement to the existing real  
172 estate parcel.

173           8. Any amount of tax due and owing based on the  
174 assessment of a manufactured home shall be included on the  
175 personal property tax statement of the manufactured home  
176 owner unless the manufactured home is deemed to be real  
177 estate as defined in subsection 7 of section 442.015, in

178 which case the amount of tax due and owing on the assessment  
179 of the manufactured home as a realty improvement to the  
180 existing real estate parcel shall be included on the real  
181 property tax statement of the real estate owner.

182 9. The assessor of each county and each city not  
183 within a county shall use the trade-in value published in  
184 the **current or two previous years** October issue of the  
185 National Automobile Dealers' Association Official Used Car  
186 Guide, or its successor publication, as the recommended  
187 guide of information for determining the **lowest** true value  
188 of motor vehicles described in such publication. The  
189 assessor shall not use a value that is greater than the  
190 average trade-in value in determining the true value of the  
191 motor vehicle without performing a physical inspection of  
192 the motor vehicle. For vehicles two years old or newer from  
193 a vehicle's model year, the assessor may use a value other  
194 than average without performing a physical inspection of the  
195 motor vehicle. **For the purposes of this section,** in the  
196 absence of a listing for a particular motor vehicle,  
197 **recreational vehicle, or agricultural equipment** in such  
198 publication, **excluding tangible personal property as**  
199 **described in sections 137.122 and 137.123, and chapters 151,**  
200 **153, and 155,** the assessor [shall] **may** use such information  
201 or publications which in the assessor's judgment will fairly  
202 estimate the **lowest** true value in money of the motor  
203 vehicle, **recreational vehicle, or agricultural equipment in**  
204 **the current year or two previous years.**

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.

Section B. Because of the importance of accurately  
2 valuing all real and tangible personal property, section A  
3 of this act is deemed necessary for the immediate  
4 preservation of the public health, welfare, peace, and  
5 safety, and is hereby declared to be an emergency act within  
6 the meaning of the constitution, and section A of this act  
7 shall be in full force and effect upon its passage and  
8 approval.

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