

SENATE BILL NO. 264

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR FITZWATER.

0646S.02I

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 137.073 and 137.115, RSMo, and to enact in lieu thereof two new sections relating to personal property assessments.

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

Section A. Sections 137.073 and 137.115, RSMo, are
2 repealed and two new sections enacted in lieu thereof, to be
3 known as sections 137.073 and 137.115, to read as follows:

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

3 (1) "General reassessment", changes in value, entered
4 in the assessor's books, of a substantial portion of the
5 parcels of real property within a county resulting wholly or
6 partly from reappraisal of value or other actions of the
7 assessor or county equalization body or ordered by the state
8 tax commission or any court;

9 (2) "Tax rate", "rate", or "rate of levy", singular or
10 plural, includes the tax rate for each purpose of taxation
11 of property a taxing authority is authorized to levy without
12 a vote and any tax rate authorized by election, including
13 bond interest and sinking fund;

14 (3) "Tax rate ceiling", a tax rate as revised by the
15 taxing authority to comply with the provisions of this
16 section or when a court has determined the tax rate; except
17 that, other provisions of law to the contrary
18 notwithstanding, a school district may levy the operating

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

19 levy for school purposes required for the current year
20 pursuant to subsection 2 of section 163.021, less all
21 adjustments required pursuant to Article X, Section 22 of
22 the Missouri Constitution, if such tax rate does not exceed
23 the highest tax rate in effect subsequent to the 1980 tax
24 year. This is the maximum tax rate that may be levied,
25 unless a higher tax rate ceiling is approved by voters of
26 the political subdivision as provided in this section;

27 (4) "Tax revenue", when referring to the previous
28 year, means the actual receipts from ad valorem levies on
29 all classes of property, including state-assessed property,
30 in the immediately preceding fiscal year of the political
31 subdivision, plus an allowance for taxes billed but not
32 collected in the fiscal year and plus an additional
33 allowance for the revenue which would have been collected
34 from property which was annexed by such political
35 subdivision but which was not previously used in determining
36 tax revenue pursuant to this section. The term "tax
37 revenue" shall not include any receipts from ad valorem
38 levies on any property of a railroad corporation or a public
39 utility, as these terms are defined in section 386.020,
40 which were assessed by the assessor of a county or city in
41 the previous year but are assessed by the state tax
42 commission in the current year. All school districts and
43 those counties levying sales taxes pursuant to chapter 67
44 shall include in the calculation of tax revenue an amount
45 equivalent to that by which they reduced property tax levies
46 as a result of sales tax pursuant to section 67.505 and
47 section 164.013 [or as excess home dock city or county fees
48 as provided in subsection 4 of section 313.820] in the
49 immediately preceding fiscal year but not including any
50 amount calculated to adjust for prior years. For purposes

51 of political subdivisions which were authorized to levy a
52 tax in the prior year but which did not levy such tax or
53 levied a reduced rate, the term "tax revenue", as used in
54 relation to the revision of tax levies mandated by law,
55 shall mean the revenues equal to the amount that would have
56 been available if the voluntary rate reduction had not been
57 made.

58 2. Whenever changes in assessed valuation are entered
59 in the assessor's books for any personal property, in the
60 aggregate, or for any subclass of real property as such
61 subclasses are established in Section 4(b) of Article X of
62 the Missouri Constitution and defined in section 137.016,
63 the county clerk in all counties and the assessor of St.
64 Louis City shall notify each political subdivision wholly or
65 partially within the county or St. Louis City of the change
66 in valuation of each subclass of real property,
67 individually, and personal property, in the aggregate,
68 exclusive of new construction and improvements. All
69 political subdivisions shall immediately revise the
70 applicable rates of levy for each purpose for each subclass
71 of real property, individually, and personal property, in
72 the aggregate, for which taxes are levied to the extent
73 necessary to produce from all taxable property, exclusive of
74 new construction and improvements, substantially the same
75 amount of tax revenue as was produced in the previous year
76 for each subclass of real property, individually, and
77 personal property, in the aggregate, except that the rate
78 shall not exceed the greater of the most recent voter-
79 approved rate or the most recent voter-approved rate as
80 adjusted under subdivision (2) of subsection 5 of this
81 section. Any political subdivision that has received
82 approval from voters for a tax increase after August 27,

83 2008, may levy a rate to collect substantially the same
84 amount of tax revenue as the amount of revenue that would
85 have been derived by applying the voter-approved increased
86 tax rate ceiling to the total assessed valuation of the
87 political subdivision as most recently certified by the city
88 or county clerk on or before the date of the election in
89 which such increase is approved, increased by the percentage
90 increase in the consumer price index, as provided by law,
91 except that the rate shall not exceed the greater of the
92 most recent voter-approved rate or the most recent voter-
93 approved rate as adjusted under subdivision (2) of
94 subsection 5 of this section. Such tax revenue shall not
95 include any receipts from ad valorem levies on any real
96 property which was assessed by the assessor of a county or
97 city in such previous year but is assessed by the assessor
98 of a county or city in the current year in a different
99 subclass of real property. Where the taxing authority is a
100 school district for the purposes of revising the applicable
101 rates of levy for each subclass of real property, the tax
102 revenues from state-assessed railroad and utility property
103 shall be apportioned and attributed to each subclass of real
104 property based on the percentage of the total assessed
105 valuation of the county that each subclass of real property
106 represents in the current [taxable] tax year. As provided
107 in Section 22 of Article X of the constitution, a political
108 subdivision may also revise each levy to allow for
109 inflationary assessment growth occurring within the
110 political subdivision. The inflationary growth factor for
111 any such subclass of real property or personal property
112 shall be limited to the actual assessment growth in such
113 subclass or class, exclusive of new construction and
114 improvements, and exclusive of the assessed value on any

115 real property which was assessed by the assessor of a county
116 or city in the current year in a different subclass of real
117 property, but not to exceed the consumer price index or five
118 percent, whichever is lower. Should the tax revenue of a
119 political subdivision from the various tax rates determined
120 in this subsection be different than the tax revenue that
121 would have been determined from a single tax rate as
122 calculated pursuant to the method of calculation in this
123 subsection prior to January 1, 2003, then the political
124 subdivision shall revise the tax rates of those subclasses
125 of real property, individually, and/or personal property, in
126 the aggregate, in which there is a tax rate reduction,
127 pursuant to the provisions of this subsection. Such
128 revision shall yield an amount equal to such difference and
129 shall be apportioned among such subclasses of real property,
130 individually, and/or personal property, in the aggregate,
131 based on the relative assessed valuation of the class or
132 subclasses of property experiencing a tax rate reduction.
133 Such revision in the tax rates of each class or subclass
134 shall be made by computing the percentage of current year
135 adjusted assessed valuation of each class or subclass with a
136 tax rate reduction to the total current year adjusted
137 assessed valuation of the class or subclasses with a tax
138 rate reduction, multiplying the resulting percentages by the
139 revenue difference between the single rate calculation and
140 the calculations pursuant to this subsection and dividing by
141 the respective adjusted current year assessed valuation of
142 each class or subclass to determine the adjustment to the
143 rate to be levied upon each class or subclass of property.
144 The adjustment computed herein shall be multiplied by one
145 hundred, rounded to four decimals in the manner provided in
146 this subsection, and added to the initial rate computed for

147 each class or subclass of property. For school districts
148 that levy separate tax rates on each subclass of real
149 property and personal property in the aggregate, if voters
150 approved a ballot before January 1, 2011, that presented
151 separate stated tax rates to be applied to the different
152 subclasses of real property and personal property in the
153 aggregate, or increases the separate rates that may be
154 levied on the different subclasses of real property and
155 personal property in the aggregate by different amounts, the
156 tax rate that shall be used for the single tax rate
157 calculation shall be a blended rate, calculated in the
158 manner provided under subdivision (1) of subsection 6 of
159 this section. Notwithstanding any provision of this
160 subsection to the contrary, no revision to the rate of levy
161 for personal property shall cause such levy to increase over
162 the levy for personal property from the prior year.

163 3. (1) Where the taxing authority is a school
164 district, it shall be required to revise the rates of levy
165 to the extent necessary to produce from all taxable
166 property, including state-assessed railroad and utility
167 property, which shall be separately estimated in addition to
168 other data required in complying with section 164.011,
169 substantially the amount of tax revenue permitted in this
170 section. In the year following tax rate reduction, the tax
171 rate ceiling may be adjusted to offset such district's
172 reduction in the apportionment of state school moneys due to
173 its reduced tax rate. However, in the event any school
174 district, in calculating a tax rate ceiling pursuant to this
175 section, requiring the estimating of effects of state-
176 assessed railroad and utility valuation or loss of state
177 aid, discovers that the estimates used result in receipt of
178 excess revenues, which would have required a lower rate if

179 the actual information had been known, the school district
180 shall reduce the tax rate ceiling in the following year to
181 compensate for the excess receipts, and the recalculated
182 rate shall become the tax rate ceiling for purposes of this
183 section.

184 (2) For any political subdivision which experiences a
185 reduction in the amount of assessed valuation relating to a
186 prior year, due to decisions of the state tax commission or
187 a court pursuant to sections 138.430 to 138.433, or due to
188 clerical errors or corrections in the calculation or
189 recordation of any assessed valuation:

190 (a) Such political subdivision may revise the tax rate
191 ceiling for each purpose it levies taxes to compensate for
192 the reduction in assessed value occurring after the
193 political subdivision calculated the tax rate ceiling for
194 the particular subclass of real property or for personal
195 property, in the aggregate, in a prior year. Such revision
196 by the political subdivision shall be made at the time of
197 the next calculation of the tax rate for the particular
198 subclass of real property or for personal property, in the
199 aggregate, after the reduction in assessed valuation has
200 been determined and shall be calculated in a manner that
201 results in the revised tax rate ceiling being the same as it
202 would have been had the corrected or finalized assessment
203 been available at the time of the prior calculation;

204 (b) In addition, for up to three years following the
205 determination of the reduction in assessed valuation as a
206 result of circumstances defined in this subdivision, such
207 political subdivision may levy a tax rate for each purpose
208 it levies taxes above the revised tax rate ceiling provided
209 in paragraph (a) of this subdivision to recoup any revenues
210 it was entitled to receive had the corrected or finalized

211 assessment been available at the time of the prior
212 calculation.

213 4. (1) In order to implement the provisions of this
214 section and Section 22 of Article X of the Constitution of
215 Missouri, the term improvements shall apply to both real and
216 personal property. In order to determine the value of new
217 construction and improvements, each county assessor shall
218 maintain a record of real property valuations in such a
219 manner as to identify each year the increase in valuation
220 for each political subdivision in the county as a result of
221 new construction and improvements. The value of new
222 construction and improvements shall include the additional
223 assessed value of all improvements or additions to real
224 property which were begun after and were not part of the
225 prior year's assessment, except that the additional assessed
226 value of all improvements or additions to real property
227 which had been totally or partially exempt from ad valorem
228 taxes pursuant to sections 99.800 to 99.865, sections
229 135.200 to 135.255, and section 353.110 shall be included in
230 the value of new construction and improvements when the
231 property becomes totally or partially subject to assessment
232 and payment of all ad valorem taxes. The aggregate increase
233 in valuation of personal property for the current year over
234 that of the previous year is the equivalent of the new
235 construction and improvements factor for personal property.
236 **Beginning January 1, 2027, any increase in the aggregate**
237 **valuation of personal property for the current year over**
238 **that of the previous year shall not be counted as new**
239 **construction.** Notwithstanding any opt-out implemented
240 pursuant to subsection 14 of section 137.115, the assessor
241 shall certify the amount of new construction and
242 improvements and the amount of assessed value on any real

243 property which was assessed by the assessor of a county or
244 city in such previous year but is assessed by the assessor
245 of a county or city in the current year in a different
246 subclass of real property separately for each of the three
247 subclasses of real property for each political subdivision
248 to the county clerk in order that political subdivisions
249 shall have this information for the purpose of calculating
250 tax rates pursuant to this section and Section 22, Article
251 X, Constitution of Missouri. In addition, the state tax
252 commission shall certify each year to each county clerk the
253 increase in the general price level as measured by the
254 Consumer Price Index for All Urban Consumers for the United
255 States, or its successor publications, as defined and
256 officially reported by the United States Department of
257 Labor, or its successor agency. The state tax commission
258 shall certify the increase in such index on the latest
259 twelve-month basis available on February first of each year
260 over the immediately preceding prior twelve-month period in
261 order that political subdivisions shall have this
262 information available in setting their tax rates according
263 to law and Section 22 of Article X of the Constitution of
264 Missouri. For purposes of implementing the provisions of
265 this section and Section 22 of Article X of the Missouri
266 Constitution, the term "property" means all taxable
267 property, including state-assessed property.

268 (2) Each political subdivision required to revise
269 rates of levy pursuant to this section or Section 22 of
270 Article X of the Constitution of Missouri shall calculate
271 each tax rate it is authorized to levy and, in establishing
272 each tax rate, shall consider each provision for tax rate
273 revision provided in this section and Section 22 of Article
274 X of the Constitution of Missouri, separately and without

275 regard to annual tax rate reductions provided in section
276 67.505 and section 164.013. Each political subdivision
277 shall set each tax rate it is authorized to levy using the
278 calculation that produces the lowest tax rate ceiling. It
279 is further the intent of the general assembly, pursuant to
280 the authority of Section 10(c) of Article X of the
281 Constitution of Missouri, that the provisions of such
282 section be applicable to tax rate revisions mandated
283 pursuant to Section 22 of Article X of the Constitution of
284 Missouri as to reestablishing tax rates as revised in
285 subsequent years, enforcement provisions, and other
286 provisions not in conflict with Section 22 of Article X of
287 the Constitution of Missouri. Annual tax rate reductions
288 provided in section 67.505 and section 164.013 shall be
289 applied to the tax rate as established pursuant to this
290 section and Section 22 of Article X of the Constitution of
291 Missouri, unless otherwise provided by law.

292 5. (1) In all political subdivisions, the tax rate
293 ceiling established pursuant to this section shall not be
294 increased unless approved by a vote of the people. Approval
295 of the higher tax rate shall be by at least a majority of
296 votes cast. When a proposed higher tax rate requires
297 approval by more than a simple majority pursuant to any
298 provision of law or the constitution, the tax rate increase
299 must receive approval by at least the majority required.

300 (2) When voters approve an increase in the tax rate,
301 the amount of the increase shall be added to the tax rate
302 ceiling as calculated pursuant to this section to the extent
303 the total rate does not exceed any maximum rate prescribed
304 by law. If a ballot question presents a stated tax rate for
305 approval rather than describing the amount of increase in
306 the question, the stated tax rate approved shall be adjusted

307 as provided in this section and, so adjusted, shall be the
308 current tax rate ceiling. The increased tax rate ceiling as
309 approved shall be adjusted such that when applied to the
310 current total assessed valuation of the political
311 subdivision, excluding new construction and improvements
312 since the date of the election approving such increase, the
313 revenue derived from the adjusted tax rate ceiling is equal
314 to the sum of: the amount of revenue which would have been
315 derived by applying the voter-approved increased tax rate
316 ceiling to total assessed valuation of the political
317 subdivision, as most recently certified by the city or
318 county clerk on or before the date of the election in which
319 such increase is approved, increased by the percentage
320 increase in the consumer price index, as provided by law.
321 Such adjusted tax rate ceiling may be applied to the total
322 assessed valuation of the political subdivision at the
323 setting of the next tax rate. If a ballot question presents
324 a phased-in tax rate increase, upon voter approval, each tax
325 rate increase shall be adjusted in the manner prescribed in
326 this section to yield the sum of: the amount of revenue
327 that would be derived by applying such voter-approved
328 increased rate to the total assessed valuation, as most
329 recently certified by the city or county clerk on or before
330 the date of the election in which such increase was
331 approved, increased by the percentage increase in the
332 consumer price index, as provided by law, from the date of
333 the election to the time of such increase and, so adjusted,
334 shall be the current tax rate ceiling.

335 (3) The governing body of any political subdivision
336 may levy a tax rate lower than its tax rate ceiling and may,
337 in a nonreassessment year, increase that lowered tax rate to
338 a level not exceeding the tax rate ceiling without voter

339 approval in the manner provided under subdivision (4) of
340 this subsection. Nothing in this section shall be construed
341 as prohibiting a political subdivision from voluntarily
342 levying a tax rate lower than that which is required under
343 the provisions of this section or from seeking voter
344 approval of a reduction to such political subdivision's tax
345 rate ceiling.

346 (4) In a year of general reassessment, a governing
347 body whose tax rate is lower than its tax rate ceiling shall
348 revise its tax rate pursuant to the provisions of subsection
349 4 of this section as if its tax rate was at the tax rate
350 ceiling. In a year following general reassessment, if such
351 governing body intends to increase its tax rate, the
352 governing body shall conduct a public hearing, and in a
353 public meeting it shall adopt an ordinance, resolution, or
354 policy statement justifying its action prior to setting and
355 certifying its tax rate. The provisions of this subdivision
356 shall not apply to any political subdivision which levies a
357 tax rate lower than its tax rate ceiling solely due to a
358 reduction required by law resulting from sales tax
359 collections. The provisions of this subdivision shall not
360 apply to any political subdivision which has received voter
361 approval for an increase to its tax rate ceiling subsequent
362 to setting its most recent tax rate.

363 6. (1) For the purposes of calculating state aid for
364 public schools pursuant to section 163.031, each taxing
365 authority which is a school district shall determine its
366 proposed tax rate as a blended rate of the classes or
367 subclasses of property. Such blended rate shall be
368 calculated by first determining the total tax revenue of the
369 property within the jurisdiction of the taxing authority,
370 which amount shall be equal to the sum of the products of

371 multiplying the assessed valuation of each class and
372 subclass of property by the corresponding tax rate for such
373 class or subclass, then dividing the total tax revenue by
374 the total assessed valuation of the same jurisdiction, and
375 then multiplying the resulting quotient by a factor of one
376 hundred. Where the taxing authority is a school district,
377 such blended rate shall also be used by such school district
378 for calculating revenue from state-assessed railroad and
379 utility property as defined in chapter 151 and for
380 apportioning the tax rate by purpose.

381 (2) Each taxing authority proposing to levy a tax rate
382 in any year shall notify the clerk of the county commission
383 in the county or counties where the tax rate applies of its
384 tax rate ceiling and its proposed tax rate. Each taxing
385 authority shall express its proposed tax rate in a fraction
386 equal to the nearest one-tenth of a cent, unless its
387 proposed tax rate is in excess of one dollar, then one/one-
388 hundredth of a cent. If a taxing authority shall round to
389 one/one-hundredth of a cent, it shall round up a fraction
390 greater than or equal to five/one-thousandth of one cent to
391 the next higher one/one-hundredth of a cent; if a taxing
392 authority shall round to one-tenth of a cent, it shall round
393 up a fraction greater than or equal to five/one-hundredths
394 of a cent to the next higher one-tenth of a cent. Any
395 taxing authority levying a property tax rate shall provide
396 data, in such form as shall be prescribed by the state
397 auditor by rule, substantiating such tax rate complies with
398 Missouri law. All forms for the calculation of rates
399 pursuant to this section shall be promulgated as a rule and
400 shall not be incorporated by reference. The state auditor
401 shall promulgate rules for any and all forms for the
402 calculation of rates pursuant to this section which do not

403 currently exist in rule form or that have been incorporated
404 by reference. In addition, each taxing authority proposing
405 to levy a tax rate for debt service shall provide data, in
406 such form as shall be prescribed by the state auditor by
407 rule, substantiating the tax rate for debt service complies
408 with Missouri law. A tax rate proposed for annual debt
409 service requirements will be prima facie valid if, after
410 making the payment for which the tax was levied, bonds
411 remain outstanding and the debt fund reserves do not exceed
412 the following year's payments. The county clerk shall keep
413 on file and available for public inspection all such
414 information for a period of three years. The clerk shall,
415 within three days of receipt, forward a copy of the notice
416 of a taxing authority's tax rate ceiling and proposed tax
417 rate and any substantiating data to the state auditor. The
418 state auditor shall, within fifteen days of the date of
419 receipt, examine such information and return to the county
420 clerk his or her findings as to compliance of the tax rate
421 ceiling with this section and as to compliance of any
422 proposed tax rate for debt service with Missouri law. If
423 the state auditor believes that a taxing authority's
424 proposed tax rate does not comply with Missouri law, then
425 the state auditor's findings shall include a recalculated
426 tax rate, and the state auditor may request a taxing
427 authority to submit documentation supporting such taxing
428 authority's proposed tax rate. The county clerk shall
429 immediately forward a copy of the auditor's findings to the
430 taxing authority and shall file a copy of the findings with
431 the information received from the taxing authority. The
432 taxing authority shall have fifteen days from the date of
433 receipt from the county clerk of the state auditor's
434 findings and any request for supporting documentation to

435 accept or reject in writing the rate change certified by the
436 state auditor and to submit all requested information to the
437 state auditor. A copy of the taxing authority's acceptance
438 or rejection and any information submitted to the state
439 auditor shall also be mailed to the county clerk. If a
440 taxing authority rejects a rate change certified by the
441 state auditor and the state auditor does not receive
442 supporting information which justifies the taxing
443 authority's original or any subsequent proposed tax rate,
444 then the state auditor shall refer the perceived violations
445 of such taxing authority to the attorney general's office
446 and the attorney general is authorized to obtain injunctive
447 relief to prevent the taxing authority from levying a
448 violative tax rate.

449 (3) In the event that the taxing authority incorrectly
450 completes the forms created and promulgated under
451 subdivision (2) of this subsection, or makes a clerical
452 error, the taxing authority may submit amended forms with an
453 explanation for the needed changes. If such amended forms
454 are filed under regulations prescribed by the state auditor,
455 the state auditor shall take into consideration such amended
456 forms for the purposes of this subsection.

457 7. No tax rate shall be extended on the tax rolls by
458 the county clerk unless the political subdivision has
459 complied with the foregoing provisions of this section.

460 8. Whenever a taxpayer has cause to believe that a
461 taxing authority has not complied with the provisions of
462 this section, the taxpayer may make a formal complaint with
463 the prosecuting attorney of the county. Where the
464 prosecuting attorney fails to bring an action within ten
465 days of the filing of the complaint, the taxpayer may bring
466 a civil action pursuant to this section and institute an

467 action as representative of a class of all taxpayers within
468 a taxing authority if the class is so numerous that joinder
469 of all members is impracticable, if there are questions of
470 law or fact common to the class, if the claims or defenses
471 of the representative parties are typical of the claims or
472 defenses of the class, and if the representative parties
473 will fairly and adequately protect the interests of the
474 class. In any class action maintained pursuant to this
475 section, the court may direct to the members of the class a
476 notice to be published at least once each week for four
477 consecutive weeks in a newspaper of general circulation
478 published in the county where the civil action is commenced
479 and in other counties within the jurisdiction of a taxing
480 authority. The notice shall advise each member that the
481 court will exclude him or her from the class if he or she so
482 requests by a specified date, that the judgment, whether
483 favorable or not, will include all members who do not
484 request exclusion, and that any member who does not request
485 exclusion may, if he or she desires, enter an appearance.
486 In any class action brought pursuant to this section, the
487 court, in addition to the relief requested, shall assess
488 against the taxing authority found to be in violation of
489 this section the reasonable costs of bringing the action,
490 including reasonable attorney's fees, provided no attorney's
491 fees shall be awarded any attorney or association of
492 attorneys who receive public funds from any source for their
493 services. Any action brought pursuant to this section shall
494 be set for hearing as soon as practicable after the cause is
495 at issue.

496 9. If in any action, including a class action, the
497 court issues an order requiring a taxing authority to revise
498 the tax rates as provided in this section or enjoins a

499 taxing authority from the collection of a tax because of its
500 failure to revise the rate of levy as provided in this
501 section, any taxpayer paying his or her taxes when an
502 improper rate is applied has erroneously paid his or her
503 taxes in part, whether or not the taxes are paid under
504 protest as provided in section 139.031 or otherwise
505 contested. The part of the taxes paid erroneously is the
506 difference in the amount produced by the original levy and
507 the amount produced by the revised levy. The township or
508 county collector of taxes or the collector of taxes in any
509 city shall refund the amount of the tax erroneously paid.
510 The taxing authority refusing to revise the rate of levy as
511 provided in this section shall make available to the
512 collector all funds necessary to make refunds pursuant to
513 this subsection. No taxpayer shall receive any interest on
514 any money erroneously paid by him or her pursuant to this
515 subsection. Effective in the 1994 tax year, nothing in this
516 section shall be construed to require a taxing authority to
517 refund any tax erroneously paid prior to or during the third
518 tax year preceding the current tax year.

519 10. Any rule or portion of a rule, as that term is
520 defined in section 536.010, that is created under the
521 authority delegated in this section shall become effective
522 only if it complies with and is subject to all of the
523 provisions of chapter 536 and, if applicable, section
524 536.028. This section and chapter 536 are nonseverable and
525 if any of the powers vested with the general assembly
526 pursuant to chapter 536 to review, to delay the effective
527 date, or to disapprove and annul a rule are subsequently
528 held unconstitutional, then the grant of rulemaking
529 authority and any rule proposed or adopted after August 28,
530 2004, shall be invalid and void.

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, **for all calendar years**
8 **ending on or before December 31, 2025**, the assessor shall
9 annually assess all personal property at thirty-three and
10 one-third percent of its true value in money as of January
11 first of each calendar year. **Except as otherwise provided**
12 **in subsection 3 of this section and section 137.078, for all**
13 **calendar years beginning on or after January 1, 2026, the**
14 **assessor shall annually assess all personal property at**
15 **thirty percent of its true value in money as of January**
16 **first of each calendar year.** The assessor shall annually
17 assess all real property, including any new construction and
18 improvements to real property, and possessory interests in
19 real property at the percent of its true value in money set
20 in subsection 5 of this section. The true value in money of
21 any possessory interest in real property in subclass (3),
22 where such real property is on or lies within the ultimate
23 airport boundary as shown by a federal airport layout plan,
24 as defined by 14 CFR 151.5, of a commercial airport having a
25 FAR Part 139 certification and owned by a political
26 subdivision, shall be the otherwise applicable true value in
27 money of any such possessory interest in real property, less
28 the total dollar amount of costs paid by a party, other than
29 the political subdivision, towards any new construction or
30 improvements on such real property completed after January
31 1, 2008, and which are included in the above-mentioned
32 possessory interest, regardless of the year in which such

33 costs were incurred or whether such costs were considered in
34 any prior year. The assessor shall annually assess all real
35 property in the following manner: new assessed values shall
36 be determined as of January first of each odd-numbered year
37 and shall be entered in the assessor's books; those same
38 assessed values shall apply in the following even-numbered
39 year, except for new construction and property improvements
40 which shall be valued as though they had been completed as
41 of January first of the preceding odd-numbered year. The
42 assessor may call at the office, place of doing business, or
43 residence of each person required by this chapter to list
44 property, and require the person to make a correct statement
45 of all taxable tangible personal property owned by the
46 person or under his or her care, charge or management,
47 taxable in the county. On or before January first of each
48 even-numbered year, the assessor shall prepare and submit a
49 two-year assessment maintenance plan to the county governing
50 body and the state tax commission for their respective
51 approval or modification. The county governing body shall
52 approve and forward such plan or its alternative to the plan
53 to the state tax commission by February first. If the
54 county governing body fails to forward the plan or its
55 alternative to the plan to the state tax commission by
56 February first, the assessor's plan shall be considered
57 approved by the county governing body. If the state tax
58 commission fails to approve a plan and if the state tax
59 commission and the assessor and the governing body of the
60 county involved are unable to resolve the differences, in
61 order to receive state cost-share funds outlined in section
62 137.750, the county or the assessor shall petition the
63 administrative hearing commission, by May first, to decide
64 all matters in dispute regarding the assessment maintenance

65 plan. Upon agreement of the parties, the matter may be
66 stayed while the parties proceed with mediation or
67 arbitration upon terms agreed to by the parties. The final
68 decision of the administrative hearing commission shall be
69 subject to judicial review in the circuit court of the
70 county involved. In the event a valuation of subclass (1)
71 real property within any county with a charter form of
72 government, or within a city not within a county, is made by
73 a computer, computer-assisted method or a computer program,
74 the burden of proof, supported by clear, convincing and
75 cogent evidence to sustain such valuation, shall be on the
76 assessor at any hearing or appeal. In any such county,
77 unless the assessor proves otherwise, there shall be a
78 presumption that the assessment was made by a computer,
79 computer-assisted method or a computer program. Such
80 evidence shall include, but shall not be limited to, the
81 following:

82 (1) The findings of the assessor based on an appraisal
83 of the property by generally accepted appraisal techniques;
84 and

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

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

91 (b) Such properties are not more than one mile from
92 the site of the disputed property, except where no similar
93 properties exist within one mile of the disputed property,
94 the nearest comparable property shall be used. Such
95 property shall be within five hundred square feet in size of
96 the disputed property, and resemble the disputed property in

97 age, floor plan, number of rooms, and other relevant
98 characteristics.

99 2. Assessors in each county of this state and the City
100 of St. Louis may send personal property assessment forms
101 through the mail.

102 3. The following items of personal property shall each
103 constitute separate subclasses of tangible personal property
104 and shall be assessed and valued for the purposes of
105 taxation at the following percentages of their true value in
106 money:

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

109 (2) Livestock, twelve percent;

110 (3) Farm machinery, twelve percent;

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

118 (5) Poultry, twelve percent; and

119 (6) Tools and equipment used for pollution control and
120 tools and equipment used in retooling for the purpose of
121 introducing new product lines or used for making
122 improvements to existing products by any company which is
123 located in a state enterprise zone and which is identified
124 by any standard industrial classification number cited in
125 subdivision (7) of section 135.200, twenty-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] **a nationally recognized automotive**
191 **trade publication such as** the National Automobile Dealers'
192 Association Official Used Car Guide, [or its successor

193 **publication] Kelley Blue Book, Edmunds, or other similar**
194 **publication** as the recommended guide of information for
195 determining the true value of motor vehicles described in
196 such publication. **The state tax commission shall determine**
197 **which publication shall be used. The assessor of each**
198 **county and each city not within a county shall use the trade-**
199 **in value published in the current or any of the three**
200 **immediately previous years' October issue of the publication**
201 **selected by the state tax commission.** The assessor shall
202 not use a value that is greater than the average trade-in
203 value in determining the true value of the motor vehicle
204 without performing a physical inspection of the motor
205 vehicle. For vehicles two years old or newer from a
206 vehicle's model year, the assessor may use a value other
207 than average without performing a physical inspection of the
208 motor vehicle. In the absence of a listing for a particular
209 motor vehicle in such publication, the assessor shall use
210 such information or publications which in the assessor's
211 judgment will fairly estimate the true value in money of the
212 motor vehicle.

213 10. Before the assessor may increase the assessed
214 valuation of any parcel of subclass (1) real property by
215 more than fifteen percent since the last assessment,
216 excluding increases due to new construction or improvements,
217 the assessor shall conduct a physical inspection of such
218 property.

219 11. If a physical inspection is required, pursuant to
220 subsection 10 of this section, the assessor shall notify the
221 property owner of that fact in writing and shall provide the
222 owner clear written notice of the owner's rights relating to
223 the physical inspection. If a physical inspection is
224 required, the property owner may request that an interior

225 inspection be performed during the physical inspection. The
226 owner shall have no less than thirty days to notify the
227 assessor of a request for an interior physical inspection.

228 12. A physical inspection, as required by subsection
229 10 of this section, shall include, but not be limited to, an
230 on-site personal observation and review of all exterior
231 portions of the land and any buildings and improvements to
232 which the inspector has or may reasonably and lawfully gain
233 external access, and shall include an observation and review
234 of the interior of any buildings or improvements on the
235 property upon the timely request of the owner pursuant to
236 subsection 11 of this section. Mere observation of the
237 property via a drive-by inspection or the like shall not be
238 considered sufficient to constitute a physical inspection as
239 required by this section.

240 13. A county or city collector may accept credit cards
241 as proper form of payment of outstanding property tax or
242 license due. No county or city collector may charge
243 surcharge for payment by credit card which exceeds the fee
244 or surcharge charged by the credit card bank, processor, or
245 issuer for its service. A county or city collector may
246 accept payment by electronic transfers of funds in payment
247 of any tax or license and charge the person making such
248 payment a fee equal to the fee charged the county by the
249 bank, processor, or issuer of such electronic payment.

250 14. Any county or city not within a county in this
251 state may, by an affirmative vote of the governing body of
252 such county, opt out of the provisions of this section and
253 sections 137.073, 138.060, and 138.100 as enacted by house
254 bill no. 1150 of the ninety-first general assembly, second
255 regular session and section 137.073 as modified by house
256 committee substitute for senate substitute for senate

257 committee substitute for senate bill no. 960, ninety-second
258 general assembly, second regular session, for the next year
259 of the general reassessment, prior to January first of any
260 year. No county or city not within a county shall exercise
261 this opt-out provision after implementing the provisions of
262 this section and sections 137.073, 138.060, and 138.100 as
263 enacted by house bill no. 1150 of the ninety-first general
264 assembly, second regular session and section 137.073 as
265 modified by house committee substitute for senate substitute
266 for senate committee substitute for senate bill no. 960,
267 ninety-second general assembly, second regular session, in a
268 year of general reassessment. For the purposes of applying
269 the provisions of this subsection, a political subdivision
270 contained within two or more counties where at least one of
271 such counties has opted out and at least one of such
272 counties has not opted out shall calculate a single tax rate
273 as in effect prior to the enactment of house bill no. 1150
274 of the ninety-first general assembly, second regular
275 session. A governing body of a city not within a county or
276 a county that has opted out under the provisions of this
277 subsection may choose to implement the provisions of this
278 section and sections 137.073, 138.060, and 138.100 as
279 enacted by house bill no. 1150 of the ninety-first general
280 assembly, second regular session, and section 137.073 as
281 modified by house committee substitute for senate substitute
282 for senate committee substitute for senate bill no. 960,
283 ninety-second general assembly, second regular session, for
284 the next year of general reassessment, by an affirmative
285 vote of the governing body prior to December thirty-first of
286 any year.

287 15. The governing body of any city of the third
288 classification with more than twenty-six thousand three

289 hundred but fewer than twenty-six thousand seven hundred
290 inhabitants located in any county that has exercised its
291 authority to opt out under subsection 14 of this section may
292 levy separate and differing tax rates for real and personal
293 property only if such city bills and collects its own
294 property taxes or satisfies the entire cost of the billing
295 and collection of such separate and differing tax rates.
296 Such separate and differing rates shall not exceed such
297 city's tax rate ceiling.

298 16. Any portion of real property that is available as
299 reserve for strip, surface, or coal mining for minerals for
300 purposes of excavation for future use or sale to others that
301 has not been bonded and permitted under chapter 444 shall be
302 assessed based upon how the real property is currently being
303 used. Any information provided to a county assessor, state
304 tax commission, state agency, or political subdivision
305 responsible for the administration of tax policies shall, in
306 the performance of its duties, make available all books,
307 records, and information requested, except such books,
308 records, and information as are by law declared confidential
309 in nature, including individually identifiable information
310 regarding a specific taxpayer or taxpayer's mine property.
311 For purposes of this subsection, "mine property" shall mean
312 all real property that is in use or readily available as a
313 reserve for strip, surface, or coal mining for minerals for
314 purposes of excavation for current or future use or sale to
315 others that has been bonded and permitted under chapter 444.

✓