

SECOND REGULAR SESSION

SENATE BILL NO. 936

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR EIGEL.

Read 1st time January 18, 2018, and ordered printed.

ADRIANE D. CROUSE, Secretary.

5886S.011

AN ACT

To repeal sections 99.848 and 353.110, RSMo, and to enact in lieu thereof two new sections relating to tax increment financing.

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

Section A. Sections 99.848 and 353.110, RSMo, are repealed and two new
2 sections enacted in lieu thereof, to be known as sections 99.848 and 353.110, to
3 read as follows:

99.848. 1. Notwithstanding subsection 1 of section [99.847] **99.845**, any
2 district providing emergency services pursuant to chapter 190 or 321 shall be
3 entitled to reimbursement from the special allocation fund in the amount of at
4 least fifty percent [nor] **but not** more than one hundred percent of the district's
5 tax increment. This section shall not apply to tax increment financing projects
6 or districts approved prior to August 28, 2004.

7 **2. Beginning August 28, 2018, an ambulance district board**
8 **operating under chapter 190, or a fire protection district board**
9 **operating under chapter 321, shall annually set the reimbursement rate**
10 **under subsection 1 of this section prior to the time the assessment is**
11 **paid into the special allocation fund. If the redevelopment plan, area,**
12 **or project is amended by ordinance or by other means after August 28,**
13 **2018, the ambulance or fire protection district board shall have the**
14 **right to recalculate the reimbursement rate under this section.**

353.110. 1. Once the requirements of this section have been complied
2 with, the real property of urban redevelopment corporations acquired pursuant
3 to this chapter shall not be subject to assessment or payment of general ad
4 valorem taxes imposed by the cities affected by this law, or by the state or any

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

5 political subdivision thereof, for a period not in excess of ten years after the date
6 upon which such corporations become owners of such real property, except to such
7 extent and in such amount as may be imposed upon such real property during
8 such period measured solely by the amount of the assessed valuation of the land,
9 exclusive of improvements, acquired pursuant to this chapter and owned by such
10 urban redevelopment corporation, as was determined by the assessor of the
11 county in which such real property is located, or, if not located within a county,
12 then by the assessor of such city, for taxes due and payable thereon during the
13 calendar year preceding the calendar year during which the corporation acquired
14 title to such real property. The amounts of such tax assessments shall not be
15 increased during such period so long as the real property is owned by an urban
16 redevelopment corporation and used in accordance with a development plan
17 authorized by the legislative authority of such cities, **except as provided**
18 **under subsection 4 of this section.**

19 2. In the event, however, that any such real property was tax exempt
20 immediately prior to ownership by any urban redevelopment corporation, such
21 assessor or assessors shall, upon acquisition of title thereto by the urban
22 redevelopment corporation, promptly assess such land, exclusive of improvements,
23 at such valuation as shall conform to but not exceed the assessed valuation made
24 during the preceding calendar year of other land, exclusive of improvements,
25 adjacent thereto or in the same general neighborhood, and the amount of such
26 assessed valuation shall not be increased during the period set pursuant to
27 subsection 1 of this section so long as the real property is owned by an urban
28 redevelopment corporation and used in accordance with a development plan
29 authorized by the legislative authority of such cities. For the next ensuing period
30 not in excess of fifteen years, ad valorem taxes upon such real property shall be
31 measured by the assessed valuation thereof as determined by such assessor or
32 assessors upon the basis of not to exceed fifty percent of the true value of such
33 real property, including any improvements thereon, nor shall such valuations be
34 increased above fifty percent of the true value of such real property from year to
35 year during such next ensuing period so long as the real property is owned by an
36 urban redevelopment corporation and used in accordance with an authorized
37 development plan. After a period totaling not more than twenty-five years, such
38 real property shall be subject to assessment and payment of all ad valorem taxes,
39 based on the full true value of the real property; provided, that after the
40 completion of the redevelopment project, as authorized by law or ordinance

41 whenever any urban redevelopment corporation shall elect to pay full taxes, or
42 at the expiration of the period, such real property shall be owned and operated
43 free from any of the conditions, restrictions or provisions of this chapter, and of
44 any ordinance, rule or regulation adopted pursuant thereto, any other law
45 limiting the right of domestic and foreign insurance companies to own and
46 operate real estate to the contrary notwithstanding.

47 3. No tax abatement or exemption authorized by this section shall become
48 effective unless and until the governing body of the city:

49 (1) Furnishes each political subdivision whose boundaries for ad valorem
50 taxation purposes include any portion of the real property to be affected by such
51 tax abatement or exemption with a written statement of the impact on ad valorem
52 taxes such tax abatement or exemption will have on such political subdivisions
53 and written notice of the hearing to be held in accordance with subdivision (2) of
54 this subsection. The written statement and notice required by this subdivision
55 shall be furnished as provided by local ordinance before the hearing and shall
56 include, but need not be limited to, an estimate of the amount of ad valorem tax
57 revenues of each political subdivision which will be affected by the proposed tax
58 abatement or exemption, based on the estimated assessed valuation of the real
59 property involved as such property would exist before and after it is redeveloped;

60 (2) Conducts a public hearing regarding such tax abatement or exemption,
61 at which hearing all political subdivisions described in subdivision (1) of this
62 subsection shall have the right to be heard on such grant of tax abatement or
63 exemption;

64 (3) Enacts an ordinance which provides for expiration of development
65 rights, including the rights of eminent domain and tax abatement, in the event
66 of failure of the urban redevelopment corporation to acquire ownership of
67 property within the area of the development plan. Such ordinance shall provide
68 for a duration of time within which such property must be acquired, and may
69 allow for acquisition of property under the plan in phases.

70 4. (1) Notwithstanding any other provision of law to the contrary,
71 payments in lieu of taxes may be imposed by contract between a city and an
72 urban redevelopment corporation which receives tax abatement or exemption on
73 property pursuant to this section. Such payments shall be made to the collector
74 of revenue of the county or city not within a county by December thirty-first of
75 each year payments are due. The governing body of the city shall furnish the
76 collector a copy of any such contract requiring payment in lieu of taxes. The

77 collector shall allocate all revenues received from such payment in lieu of taxes
78 among all taxing authorities whose property tax revenues are affected by the
79 exemption or abatement on the same pro rata basis and in the same manner as
80 the ad valorem property tax revenues received by each taxing authority from such
81 property in the year such payments are due.

82 **(2) (a) The provisions of subsection 1 of this section and**
83 **subdivision (1) of this subsection notwithstanding, beginning August 28,**
84 **2018, any district providing emergency services under chapter 190 or**
85 **321 shall be entitled to be reimbursed in an amount that is at least fifty**
86 **percent but not more than one hundred percent of the amount of ad**
87 **valorem property tax revenues that the district would have received in**
88 **the absence of the tax abatement or exemption provided under this**
89 **section.**

90 **(b) An ambulance district board operating under chapter 190, or**
91 **a fire protection district board operating under chapter 321, shall**
92 **annually set the reimbursement rate under paragraph (a) of this**
93 **subdivision prior to the time the assessment is determined by the**
94 **assessor of the county in which such district is located, or, if not**
95 **located within a county, then the assessor of such city. If the**
96 **development plan or redevelopment project is amended by ordinance**
97 **or by any other means after August 28, 2018, the ambulance or fire**
98 **protection district board shall have the right to recalculate the**
99 **reimbursement rate under this subdivision.**

100 5. The provisions of subsection 3 of this section shall not apply to any
101 amendment or future amendment to a phased development plan approved by the
102 governing body of the city prior to the effective date of the provisions of
103 subsection 3 of this section and upon which construction has been in progress
104 pursuant to such phased plan.

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