

SECOND REGULAR SESSION

# SENATE BILL NO. 787

91ST GENERAL ASSEMBLY

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INTRODUCED BY SENATOR YECKEL.

Pre-filed December 1, 2001, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

3039S.011

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## AN ACT

To amend chapter 139, RSMo, by adding thereto one new section relating to payment of real property taxes, with a nonseverability clause.

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

Section A. Chapter 139, RSMo, is amended by adding thereto one new section, to be known as section 139.054, to read as follows:

**139.054. 1. The governing body of any county may, by ordinance or order, provide for the advance payment of real property taxes at the option of the taxpayer, except where property tax is mortgaged and required by law or contract to pay taxes or hazard insurance on the subject property. The ordinance shall provide the method by which a taxpayer applies to pay property taxes in advance. The county collector shall submit to the governing body the procedures by which taxpayers will be notified of the advance payment option and the procedures which will govern the processing of such payments, consistent with this section and other applicable laws.**

**2. A taxpayer who complies with the application procedures shall make payments based upon an estimate of tax liability which is based upon the previous year's tax liability for the subject property. With the exception of those taxpayers who make a full advance payment of estimated taxes pursuant to subsection 6 of this section, installment payments shall be made according to the following schedule:**

**(1) The first payment of one-quarter of the total amount of**

**estimated taxes due shall be received by the collector no later than the thirty-first day of March of the year in which the taxes are assessed and will become due. A five percent discount shall be granted for such timely payment;**

**(2) The second payment of one-quarter of the total amount of estimated taxes due shall be received by the collector no later than the thirtieth day of June of the year in which the taxes are assessed and will become due. A four percent discount shall be granted for such timely payment;**

**(3) The third payment of one-quarter of the total amount of estimated taxes due shall be received by the collector no later than the thirtieth day of September of the year in which the taxes are assessed and will become due. A three percent discount shall be granted for such timely payment;**

**(4) The fourth payment of one-quarter of the total amount of estimated taxes due, plus or minus any adjustment made pursuant to a determination of actual tax liability, shall be received by the collector no later than the thirty-first day of December of the year in which the taxes are assessed and are due. No discount shall be granted for such timely payment.**

**3. In the event a taxpayer complies with the application procedures but fails to make full and timely payment of the first installment pursuant to subdivision (1) of subsection 2 of this section, the taxpayer shall not receive any discount for advance payments of property taxes pursuant to this section during the tax year in which the failure occurred.**

**4. In the event a taxpayer complies with the application procedures and makes full and timely payment of the first installment pursuant to subdivision (1) of subsection 2 of this section, but fails to make full and timely advance payment of estimated taxes pursuant to subdivision (2) of subsection 2 of this section, the taxpayer shall not receive any discount pursuant to subdivision (2) of subsection 2 of this section during the tax year in which the failure occurred. If such a taxpayer subsequently makes full and timely advance payment of estimated taxes pursuant to subdivision (3) of subsection 2 of this section and pays the amount due pursuant to subdivision (2) of subsection 2 of this section on or before the due date for the payment**

made pursuant to subdivision (3) of subsection 2 of this section, the taxpayer shall receive the discount pursuant to subdivision (3) of subsection 2 of this section on the amounts paid pursuant to subdivision (3) of subsection 2 of this section and subdivision (2) of subsection 2 of this section.

5. In the event a taxpayer complies with the application procedures and makes full and timely payment of the first installment pursuant to subdivision (1) of subsection 2 of this section, but fails to make full and timely advance payment of estimated taxes pursuant to subdivision (3) of subsection 2 of this section, the taxpayer shall not receive any discount pursuant to subdivision (3) of subsection 2 of this section during the tax year in which the failure occurred.

6. A taxpayer who complies with the application procedures may make a single advance payment of the full estimated tax liability in an amount equal to the previous year's taxes assessed for the subject property. In the event such a payment is received by the collector no later than the thirty-first day of March of the year in which the taxes are assessed and will become due, a five percent discount shall be granted for such payment. In the event such a payment is received by the collector no later than the thirtieth day of June of the year in which the taxes are assessed and will become due, a four percent discount shall be granted for such payment. In the event such a payment is received by the collector no later than the thirtieth day of September of the year in which the taxes are assessed and will become due, a three percent discount shall be granted for such payment.

7. Any amounts of actual tax due which remain unpaid as of the date of delinquency established for regular tax payments shall be subject to all the provisions of law applicable to delinquent taxes.

8. Nothing in this section shall be construed as modifying or intending to modify the terms of any mortgage contract, deed of trust or other agreement under which a person other than the property owner pays the taxes thereon. Nor shall any provision of this section be construed to impose any requirement upon any savings and loan, bank or other financial institution to prepay property taxes collected under any deed of trust, mortgage contract or other agreement. Nor shall any provision of this section apply to payment of real property taxes by financial institutions, as defined in section 381.410, RSMo, which pay tax

**obligations which they service from escrow accounts, as defined in Title 24, Part 3500, Section 17, Code of Federal Regulations.**

Section B. If any provision of section 139.054 or the application thereof to anyone or any circumstance is held invalid, the entirety of section 139.054 shall be held invalid as to such person or in such circumstance.

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