

SECOND REGULAR SESSION

SENATE JOINT RESOLUTION NO. 26

93RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR RIDGEWAY.

Pre-filed December 1, 2005, and ordered printed.

TERRY L. SPIELER, Secretary.

3420S.011

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 taxation of veterans' organizations.

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

That at the next general election to be held in the state of Missouri, on
2 Tuesday next following the first Monday in November, 2006, or at a special
3 election to be called by the governor for that purpose, there is hereby submitted
4 to the qualified voters of this state, for adoption or rejection, the following
5 amendment to article X of the Constitution of the state of Missouri:

Section A. Section 6, article X, Constitution of Missouri, is repealed and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

Section 6. 1. All property, real and personal, of the state, counties and
2 other political subdivisions, and nonprofit cemeteries, shall be exempt from
3 taxation; all personal property held as industrial inventories, including raw
4 materials, work in progress and finished work on hand, by manufacturers and
5 refiners, and all personal property held as goods, wares, merchandise, stock in
6 trade or inventory for resale by distributors, wholesalers, or retail merchants or
7 establishments shall be exempt from taxation; and all property, real and
8 personal, not held for private or corporate profit and used exclusively for religious
9 worship, for schools and colleges, for purposes purely charitable, [or] for
10 agricultural and horticultural societies, **or for veterans' organizations** may
11 be exempted from taxation by general law. In addition to the above, household
12 goods, furniture, wearing apparel and articles of personal use and adornment

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

13 owned and used by a person in his home or dwelling place may be exempt from
14 taxation by general law but any such law may provide for approximate restitution
15 to the respective political subdivisions of revenues lost by reason of the
16 exemption. All laws exempting from taxation property other than the property
17 enumerated in this article, shall be void. The provisions of this section exempting
18 certain personal property of manufacturers, refiners, distributors, wholesalers,
19 and retail merchants and establishments from taxation shall become effective,
20 unless otherwise provided by law, in each county on January 1 of the year in
21 which that county completes its first general reassessment as defined by law.

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

44 3. Any increase in the tax rate imposed pursuant to subsection 2 of this
45 section shall be decreased if such decrease is approved by a majority of the voters
46 of the county voting on such decrease. A decrease in the increased tax rate
47 imposed under subsection 2 of this section may be submitted to the voters of a
48 county by the governing body thereof upon its own order, ordinance, or resolution

49 and shall be submitted upon the petition of at least eight percent of the qualified
50 voters who voted in the immediately preceding gubernatorial election.

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

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Bill

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