

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 591
96TH GENERAL ASSEMBLY

Reported from the Committee on Ways and Means and Fiscal Oversight, February 2, 2012, with recommendation that the Senate Committee Substitute do pass and be placed on the Consent Calendar.

4702S.02C

TERRY L. SPIELER, Secretary.

AN ACT

To repeal section 137.115, RSMo, and to enact in lieu thereof one new section relating to motor vehicle valuations.

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Section A. Section 137.115, RSMo, is repealed and one new section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

137.115. 1. All other laws to the contrary notwithstanding, the assessor
2 or the assessor's deputies in all counties of this state including the city of St.
3 Louis shall annually make a list of all real and tangible personal property taxable
4 in the assessor's city, county, town or district. Except as otherwise provided in
5 subsection 3 of this section and section 137.078, the assessor shall annually
6 assess all personal property at thirty-three and one-third percent of its true value
7 in money as of January first of each calendar year. The assessor shall annually
8 assess all real property, including any new construction and improvements to real
9 property, and possessory interests in real property at the percent of its true value
10 in money set in subsection 5 of this section. The true value in money of any
11 possessory interest in real property in subclass (3), where such real property is
12 on or lies within the ultimate airport boundary as shown by a federal airport
13 layout plan, as defined by 14 CFR 151.5, of a commercial airport having a FAR
14 Part 139 certification and owned by a political subdivision, shall be the otherwise
15 applicable true value in money of any such possessory interest in real property,
16 less the total dollar amount of costs paid by a party, other than the political
17 subdivision, towards any new construction or improvements on such real property
18 completed after January 1, 2008, and which are included in the above-mentioned

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

19 possessory interest, regardless of the year in which such costs were incurred or
20 whether such costs were considered in any prior year. The assessor shall
21 annually assess all real property in the following manner: new assessed values
22 shall be determined as of January first of each odd-numbered year and shall be
23 entered in the assessor's books; those same assessed values shall apply in the
24 following even-numbered year, except for new construction and property
25 improvements which shall be valued as though they had been completed as of
26 January first of the preceding odd-numbered year. The assessor may call at the
27 office, place of doing business, or residence of each person required by this
28 chapter to list property, and require the person to make a correct statement of all
29 taxable tangible personal property owned by the person or under his or her care,
30 charge or management, taxable in the county. On or before January first of each
31 even-numbered year, the assessor shall prepare and submit a two-year
32 assessment maintenance plan to the county governing body and the state tax
33 commission for their respective approval or modification. The county governing
34 body shall approve and forward such plan or its alternative to the plan to the
35 state tax commission by February first. If the county governing body fails to
36 forward the plan or its alternative to the plan to the state tax commission by
37 February first, the assessor's plan shall be considered approved by the county
38 governing body. If the state tax commission fails to approve a plan and if the
39 state tax commission and the assessor and the governing body of the county
40 involved are unable to resolve the differences, in order to receive state cost-share
41 funds outlined in section 137.750, the county or the assessor shall petition the
42 administrative hearing commission, by May first, to decide all matters in dispute
43 regarding the assessment maintenance plan. Upon agreement of the parties, the
44 matter may be stayed while the parties proceed with mediation or arbitration
45 upon terms agreed to by the parties. The final decision of the administrative
46 hearing commission shall be subject to judicial review in the circuit court of the
47 county involved. In the event a valuation of subclass (1) real property within any
48 county with a charter form of government, or within a city not within a county,
49 is made by a computer, computer-assisted method or a computer program, the
50 burden of proof, supported by clear, convincing and cogent evidence to sustain
51 such valuation, shall be on the assessor at any hearing or appeal. In any such
52 county, unless the assessor proves otherwise, there shall be a presumption that
53 the assessment was made by a computer, computer-assisted method or a
54 computer program. Such evidence shall include, but shall not be limited to, the

55 following:

56 (1) The findings of the assessor based on an appraisal of the property by
57 generally accepted appraisal techniques; and

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

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

62 (b) Such properties are not more than one mile from the site of the
63 disputed property, except where no similar properties exist within one mile of the
64 disputed property, the nearest comparable property shall be used. Such property
65 shall be within five hundred square feet in size of the disputed property, and
66 resemble the disputed property in age, floor plan, number of rooms, and other
67 relevant characteristics.

68 2. Assessors in each county of this state and the city of St. Louis may send
69 personal property assessment forms through the mail.

70 3. The following items of personal property shall each constitute separate
71 subclasses of tangible personal property and shall be assessed and valued for the
72 purposes of taxation at the following percentages of their true value in money:

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

75 (2) Livestock, twelve percent;

76 (3) Farm machinery, twelve percent;

77 (4) Motor vehicles which are eligible for registration as and are registered
78 as historic motor vehicles pursuant to section 301.131 and aircraft which are at
79 least twenty-five years old and which are used solely for noncommercial purposes
80 and are operated less than fifty hours per year or aircraft that are home built
81 from a kit, five percent;

82 (5) Poultry, twelve percent; and

83 (6) Tools and equipment used for pollution control and tools and
84 equipment used in retooling for the purpose of introducing new product lines or
85 used for making improvements to existing products by any company which is
86 located in a state enterprise zone and which is identified by any standard
87 industrial classification number cited in subdivision [(6)] (5) of section 135.200,
88 twenty-five percent.

89 4. The person listing the property shall enter a true and correct statement
90 of the property, in a printed blank prepared for that purpose. The statement,

91 after being filled out, shall be signed and either affirmed or sworn to as provided
92 in section 137.155. The list shall then be delivered to the assessor.

93 5. All subclasses of real property, as such subclasses are established in
94 section 4(b) of article X of the Missouri Constitution and defined in section
95 137.016, shall be assessed at the following percentages of true value:

96 (1) For real property in subclass (1), nineteen percent;

97 (2) For real property in subclass (2), twelve percent; and

98 (3) For real property in subclass (3), thirty-two percent.

99 6. Manufactured homes, as defined in section 700.010, which are actually
100 used as dwelling units shall be assessed at the same percentage of true value as
101 residential real property for the purpose of taxation. The percentage of
102 assessment of true value for such manufactured homes shall be the same as for
103 residential real property. If the county collector cannot identify or find the
104 manufactured home when attempting to attach the manufactured home for
105 payment of taxes owed by the manufactured home owner, the county collector
106 may request the county commission to have the manufactured home removed from
107 the tax books, and such request shall be granted within thirty days after the
108 request is made; however, the removal from the tax books does not remove the tax
109 lien on the manufactured home if it is later identified or found. For purposes of
110 this section, a manufactured home located in a manufactured home rental park,
111 rental community or on real estate not owned by the manufactured home owner
112 shall be considered personal property. For purposes of this section, a
113 manufactured home located on real estate owned by the manufactured home
114 owner may be considered real property.

115 7. Each manufactured home assessed shall be considered a parcel for the
116 purpose of reimbursement pursuant to section 137.750, unless the manufactured
117 home is **deemed to be** real estate [as defined in] **under** subsection 7 of section
118 442.015 and assessed as a realty improvement to the existing real estate parcel.

119 8. Any amount of tax due and owing based on the assessment of a
120 manufactured home shall be included on the personal property tax statement of
121 the manufactured home owner unless the manufactured home is **deemed to be**
122 real estate [as defined in] **under** subsection 7 of section 442.015, in which case
123 the amount of tax due and owing on the assessment of the manufactured home
124 as a realty improvement to the existing real estate parcel shall be included on the
125 real property tax statement of the real estate owner.

126 9. The assessor of each county and each city not within a county shall use

127 the trade-in value published in [the October issue of the National Automobile
128 Dealers' Association Official Used Car Guide, or its successor publication,] **any**
129 **value guide publication used for establishing the value of motor**
130 **vehicles as approved by the state tax commission** as the recommended
131 guide of information for determining the true value of motor vehicles described
132 in such publication. In the absence of a listing for a particular motor vehicle in
133 such publication, the assessor shall use such information or publications which
134 in the assessor's judgment will fairly estimate the true value in money of the
135 motor vehicle.

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

140 11. If a physical inspection is required, pursuant to subsection 10 of this
141 section, the assessor shall notify the property owner of that fact in writing and
142 shall provide the owner clear written notice of the owner's rights relating to the
143 physical inspection. If a physical inspection is required, the property owner may
144 request that an interior inspection be performed during the physical
145 inspection. The owner shall have no less than thirty days to notify the assessor
146 of a request for an interior physical inspection.

147 12. A physical inspection, as required by subsection 10 of this section,
148 shall include, but not be limited to, an on-site personal observation and review
149 of all exterior portions of the land and any buildings and improvements to which
150 the inspector has or may reasonably and lawfully gain external access, and shall
151 include an observation and review of the interior of any buildings or
152 improvements on the property upon the timely request of the owner pursuant to
153 subsection 11 of this section. Mere observation of the property via a drive-by
154 inspection or the like shall not be considered sufficient to constitute a physical
155 inspection as required by this section.

156 13. The provisions of subsections 11 and 12 of this section shall only apply
157 in any county with a charter form of government with more than one million
158 inhabitants.

159 14. A county or city collector may accept credit cards as proper form of
160 payment of outstanding property tax or license due. No county or city collector
161 may charge surcharge for payment by credit card which exceeds the fee or
162 surcharge charged by the credit card bank, processor, or issuer for its service. A

163 county or city collector may accept payment by electronic transfers of funds in
164 payment of any tax or license and charge the person making such payment a fee
165 equal to the fee charged the county by the bank, processor, or issuer of such
166 electronic payment.

167 15. Any county or city not within a county in this state may, by an
168 affirmative vote of the governing body of such county, opt out of the provisions of
169 this section and sections 137.073, 138.060, and 138.100 as enacted by house bill
170 no. 1150 of the ninety-first general assembly, second regular session and section
171 137.073 as modified by house committee substitute for senate substitute for
172 senate committee substitute for senate bill no. 960, ninety-second general
173 assembly, second regular session, for the next year of the general reassessment,
174 prior to January first of any year. No county or city not within a county shall
175 exercise this opt-out provision after implementing the provisions of this section
176 and sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of
177 the ninety-first general assembly, second regular session and section 137.073 as
178 modified by house committee substitute for senate substitute for senate
179 committee substitute for senate bill no. 960, ninety-second general assembly,
180 second regular session, in a year of general reassessment. For the purposes of
181 applying the provisions of this subsection, a political subdivision contained within
182 two or more counties where at least one of such counties has opted out and at
183 least one of such counties has not opted out shall calculate a single tax rate as
184 in effect prior to the enactment of house bill no. 1150 of the ninety-first general
185 assembly, second regular session. A governing body of a city not within a county
186 or a county that has opted out under the provisions of this subsection may choose
187 to implement the provisions of this section and sections 137.073, 138.060, and
188 138.100 as enacted by house bill no. 1150 of the ninety-first general assembly,
189 second regular session, and section 137.073 as modified by house committee
190 substitute for senate substitute for senate committee substitute for senate bill no.
191 960, ninety-second general assembly, second regular session, for the next year of
192 general reassessment, by an affirmative vote of the governing body prior to
193 December thirty-first of any year.

194 16. The governing body of any city of the third classification with more
195 than twenty-six thousand three hundred but fewer than twenty-six thousand
196 seven hundred inhabitants located in any county that has exercised its authority
197 to opt out under subsection 15 of this section may levy separate and differing tax
198 rates for real and personal property only if such city bills and collects its own

199 property taxes or satisfies the entire cost of the billing and collection of such
200 separate and differing tax rates. Such separate and differing rates shall not
201 exceed such city's tax rate ceiling.

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Bill

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