

SENATE SUBSTITUTE
FOR
SENATE BILL NO. 543

AN ACT

To repeal section 137.021, RSMo, and to enact in lieu thereof one new section relating to agricultural land values.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,
AS FOLLOWS:

1 Section A. Section 137.021, RSMo, is repealed and one new
2 section enacted in lieu thereof, to be known as section 137.021,
3 to read as follows:

4 137.021. 1. The assessor, in grading land which is devoted
5 primarily to the raising and harvesting of crops, to the feeding,
6 breeding and management of livestock, to dairying, or to any
7 combination thereof, as defined in section 137.016, pursuant to
8 the provisions of sections 137.017 to 137.021, shall in addition
9 to the assessor's personal knowledge, judgment and experience,
10 consider soil surveys, decreases in land valuation due to natural
11 disasters, level of flood protection, governmental regulations
12 limiting the use of such land, the estate held in such land, and
13 other relevant information. On or before December thirty-first
14 of each odd-numbered year, the state tax commission shall
15 promulgate by regulation and publish a value based on productive
16 capability for each of the several grades of agricultural and
17 horticultural land. If such rules are not disapproved by the
18 general assembly in the manner set out below, they shall take

1 effect on January first of the next odd-numbered year. Such
2 values shall be based upon soil surveys, soil productivity
3 indexes, production costs, crop yields, appropriate
4 capitalization rates and any other pertinent factors, all of
5 which may be provided by the college of agriculture of the
6 University of Missouri, and shall be used by all county assessors
7 in conjunction with their land grades in determining assessed
8 values. Any regulation promulgated pursuant to this subsection
9 shall be deemed to be beyond the scope and authority provided in
10 this subsection if the general assembly, within the first sixty
11 calendar days of the regular session immediately following the
12 promulgation of such regulation, by concurrent resolution, shall
13 disapprove the values contained in such regulation. If the
14 general assembly so disapproves any regulation promulgated
15 pursuant to this subsection, the state tax commission shall
16 continue to use values set forth in the most recent preceding
17 regulation promulgated pursuant to this subsection.

18 2. When land that is agricultural and horticultural
19 property, as defined in section 137.016, and is being valued and
20 assessed for general property tax purposes pursuant to the
21 provisions of sections 137.017 to 137.021 becomes property other
22 than agricultural and horticultural property, as defined in
23 section 137.016, it shall be reassessed as of the following
24 January first.

25 3. Separation or split-off of a part of the land which is
26 being valued and assessed for general property tax purposes
27 pursuant to the provisions of sections 137.017 to 137.021, either
28 by conveyance or other action of the owner of the land, so that

1 such land is no longer agricultural and horticultural property,
2 as defined in section 137.016, shall subject the land so
3 separated to reassessment as of the following January first.
4 This shall not impair the right of the remaining land to
5 continuance of valuation and assessment for general property tax
6 purposes pursuant to the provisions of sections 137.017 to
7 137.021.

8 4. The state tax commission shall not promulgate a rule
9 increasing agricultural land productive values more than five
10 percent above the values in effect prior to the rule promulgation
11 or fifteen percent above the lowest value in effect in any of the
12 ten years prior to the rule promulgation. No agricultural land
13 shall have its productive values increased if the land is located
14 in a county that has been affected by a natural disaster as
15 declared by the United States Department of Agriculture within
16 the previous two years.

17 5. The state tax commission shall not promulgate a rule
18 increasing agricultural land productive values if there has been
19 a substantial decrease in global agricultural product prices in
20 the previous two years. The determination of the occurrence of a
21 substantial decrease in global agricultural product prices shall
22 be by a concurrence of a majority of the following persons: the
23 director of the department of agriculture, the chairman of the
24 house of representatives committee on agribusiness or its
25 successor committee, the chairman of the house of representatives
26 committee on agriculture policy or its successor committee, and
27 the chairman of the senate committee on agriculture, food
28 production, and outdoor resources or its successor committee.