

SECOND REGULAR SESSION

# SENATE JOINT RESOLUTION NO. 35

98TH GENERAL ASSEMBLY

---

---

INTRODUCED BY SENATOR KRAUS.

Read 1st time January 11, 2016, and ordered printed.

ADRIANE D. CROUSE, Secretary.

5689S.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 property taxation.

---

---

*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, 2016, 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Section A. Section 6, article X, Constitution of Missouri, is repealed and  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, [and] all real property used  
3 as a homestead as defined by law of any citizen of this state who is a former  
4 prisoner of war, as defined by law, and who has a total service-connected  
5 disability, **and all personal property of any citizen who is at least**  
6 **seventy-two years old** shall be exempt from taxation; **real property used as**  
7 **a homestead as defined by law of any citizen of this state who is at least**  
8 **seventy-two years old shall be exempt from any portion of taxation**  
9 **dedicated to the local school district;** all personal property held as industrial  
10 inventories, including raw materials, work in progress and finished work on hand,  
11 by manufacturers and refiners, and all personal property held as goods, wares,  
12 merchandise, stock in trade or inventory for resale by distributors, wholesalers,

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

13 or retail merchants or establishments shall be exempt from taxation; and all  
14 property, real and personal, not held for private or corporate profit and used  
15 exclusively for religious worship, for schools and colleges, for purposes purely  
16 charitable, for agricultural and horticultural societies, or for veterans'  
17 organizations may be exempted from taxation by general law. In addition to the  
18 above, household goods, furniture, wearing apparel and articles of personal use  
19 and adornment owned and used by a person in his home or dwelling place may  
20 be exempt from taxation by general law but any such law may provide for  
21 approximate restitution to the respective political subdivisions of revenues lost  
22 by reason of the exemption. All laws exempting from taxation property other  
23 than the property enumerated in this article, shall be void. The provisions of this  
24 section exempting certain personal property of manufacturers, refiners,  
25 distributors, wholesalers, and retail merchants and establishments from taxation  
26 shall become effective, unless otherwise provided by law, in each county on  
27 January 1 of the year in which that county completes its first general  
28 reassessment as defined by law.

29         2. All revenues lost because of the exemption of certain personal property  
30 of manufacturers, refiners, distributors, wholesalers, and retail merchants and  
31 establishments shall be replaced to each taxing authority within a county from  
32 a countywide tax hereby imposed on all property in subclass 3 of class 1 in each  
33 county. For the year in which the exemption becomes effective, the county clerk  
34 shall calculate the total revenue lost by all taxing authorities in the county and  
35 extend upon all property in subclass 3 of class 1 within the county, a tax at the  
36 rate necessary to produce that amount. The rate of tax levied in each county  
37 according to this subsection shall not be increased above the rate first imposed  
38 and will stand levied at that rate unless later reduced according to the provisions  
39 of subsection 3. The county collector shall disburse the proceeds according to the  
40 revenue lost by each taxing authority because of the exemption of such property  
41 in that county. Restitution of the revenues lost by any taxing district contained  
42 in more than one county shall be from the several counties according to the  
43 revenue lost because of the exemption of property in each county. Each year after  
44 the first year the replacement tax is imposed, the amount distributed to each  
45 taxing authority in a county shall be increased or decreased by an amount equal  
46 to the amount resulting from the change in that district's total assessed value of  
47 property in subclass 3 of class 1 at the countywide replacement tax rate. In order  
48 to implement the provisions of this subsection, the limits set in section 11(b) of

49 this article may be exceeded, without voter approval, if necessary to allow each  
50 county listed in section 11(b) to comply with this subsection.

51         3. Any increase in the tax rate imposed pursuant to subsection 2 of this  
52 section shall be decreased if such decrease is approved by a majority of the voters  
53 of the county voting on such decrease. A decrease in the increased tax rate  
54 imposed under subsection 2 of this section may be submitted to the voters of a  
55 county by the governing body thereof upon its own order, ordinance, or resolution  
56 and shall be submitted upon the petition of at least eight percent of the qualified  
57 voters who voted in the immediately preceding gubernatorial election.

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

✓

Copy