

FIRST REGULAR SESSION

# SENATE BILL NO. 426

99TH GENERAL ASSEMBLY

---

INTRODUCED BY SENATOR WASSON.

---

Read 1st time February 15, 2017, and ordered printed.

ADRIANE D. CROUSE, Secretary.

1714S.01I

---

## AN ACT

To repeal section 135.963, RSMo, and to enact in lieu thereof one new section relating to enhanced enterprise zones.

---

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

Section A. Section 135.963, RSMo, is repealed and one new section  
2 enacted in lieu thereof, to be known as section 135.963, to read as follows:

135.963. 1. Improvements made to real property as such term is defined  
2 in section 137.010 which are made in an enhanced enterprise zone subsequent to  
3 the date such zone or expansion thereto was designated may, upon approval of  
4 an authorizing resolution or ordinance by the governing authority having  
5 jurisdiction of the area in which the improvements are made, be exempt, in whole  
6 or in part, from assessment and payment of ad valorem taxes of one or more  
7 affected political subdivisions. Improvements made to real property, as such term  
8 is defined in section 137.010, which are locally assessed and in a renewable  
9 energy generation zone designated as an enhanced enterprise zone, subsequent  
10 to the date such enhanced enterprise zone or expansion thereto was designated,  
11 may, upon approval of an authorizing resolution or ordinance by the governing  
12 authority having jurisdiction of the area in which the improvements are made,  
13 be exempt, in whole or in part, from assessment and payment of ad valorem taxes  
14 of one or more affected political subdivisions. In addition to enhanced business  
15 enterprises, a speculative industrial or warehouse building constructed by a  
16 public entity or a private entity if the land is leased by a public entity may be  
17 subject to such exemption.

18 2. Such authorizing resolution shall specify the percent of the exemption  
19 to be granted, the duration of the exemption to be granted, and the political  
20 subdivisions to which such exemption is to apply and any other terms, conditions,

21 or stipulations otherwise required. A copy of the resolution shall be provided to  
22 the director within thirty calendar days following adoption of the resolution by  
23 the governing authority.

24 3. No exemption shall be granted until the governing authority holds a  
25 public hearing for the purpose of obtaining the opinions and suggestions of  
26 residents of political subdivisions to be affected by the exemption from property  
27 taxes. The governing authority shall send, by certified mail, a notice of such  
28 hearing to each political subdivision in the area to be affected and shall publish  
29 notice of such hearing in a newspaper of general circulation in the area to be  
30 affected by the exemption at least twenty days prior to the hearing but not more  
31 than thirty days prior to the hearing. Such notice shall state the time, location,  
32 date, and purpose of the hearing.

33 4. Notwithstanding subsection 1 of this section, at least one-half of the ad  
34 valorem taxes otherwise imposed on subsequent improvements to real property  
35 located in an enhanced enterprise zone of enhanced business enterprises or  
36 speculative industrial or warehouse buildings as indicated in subsection 1 of this  
37 section shall become and remain exempt from assessment and payment of ad  
38 valorem taxes of any political subdivision of this state or municipality thereof, if  
39 said political subdivision or municipality levies ad valorem taxes, for a period of  
40 not less than ten years following the date such improvements were assessed,  
41 provided the improved properties are used for enhanced business  
42 enterprises. The exemption for speculative buildings is subject to the approval  
43 of the governing authority for a period not to exceed two years if the building is  
44 owned by a private entity and five years if the building is owned or ground leased  
45 by a public entity. This shall not preclude the building receiving an exemption  
46 for the remaining time period established by the governing authority if it was  
47 occupied by an enhanced business enterprise. The two- and five-year time  
48 periods indicated for speculative buildings shall not be an addition to the local  
49 abatement time period for such facility.

50 5. No exemption shall be granted for a period more than twenty-five years  
51 following the date on which the original enhanced enterprise zone was designated  
52 by the department. **For any enhanced enterprise zone within any home**  
53 **rule city with more than one hundred fifty-five thousand but fewer**  
54 **than two hundred thousand inhabitants, an exemption shall not be**  
55 **granted for a period longer than twenty-five years from the date on**  
56 **which the exemption was granted.**

57           6. The provisions of subsection 1 of this section shall not apply to  
58 improvements made to real property begun prior to August 28, 2004.

59           7. The abatement referred to in this section shall not relieve the assessor  
60 or other responsible official from ascertaining the amount of the equalized  
61 assessed value of all taxable property annually as required by section 99.855,  
62 99.957, or 99.1042 and shall not have the effect of reducing the payments in lieu  
63 of taxes referred to in subdivision (2) of subsection 1 of section 99.845, subdivision  
64 (2) of subsection 3 of section 99.957, or subdivision (2) of subsection 3 of section  
65 99.1042 unless such reduction is set forth in the plan approved by the governing  
66 body of the municipality pursuant to subdivision (1) of subsection 1 of section  
67 99.820, section 99.942, or section 99.1027.

✓

Bill

Copy