

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend SS/SCS/HCS/House Bill No. 734, Page 1, Section 67.309, Line 12,

2 by inserting after all of said line the following:

3 "137.123. 1. Beginning January 1, 2022, for purposes
4 of assessing all real property, excluding land, or tangible
5 personal property associated with a project that uses wind
6 energy directly to generate electricity, the following
7 depreciation tables shall be used to determine the true
8 value in money of such property. The first year shown in
9 the table shall be the year immediately following the year
10 of construction of the property. The original costs shall
11 reflect either:

12 (1) The actual and documented original property cost
13 to the taxpayer, as shall be provided by the taxpayer to the
14 assessor; or

15 (2) In the absence of actual and documented original
16 property cost to the taxpayer, the estimated cost of the
17 property by the assessor, using an authoritative cost guide.

18 For purposes of this section, and to estimate the value of
19 all real property, excluding land, or tangible personal
20 property associated with a project that uses wind energy
21 directly to generate electricity, each assessor shall apply
22 the percentage shown to the original cost for the first year
23 following the year of construction of the property, and the
24 percentage shown for each succeeding year shall be the

25 percentage of the original cost used for January first of
 26 the respective succeeding year as follows:

27	<u>Year</u>	<u>Percentag</u>
28		<u>e</u>
29	<u>1</u>	<u>40%</u>
30	<u>2</u>	<u>40%</u>
31	<u>3</u>	<u>37%</u>
32	<u>4</u>	<u>37%</u>
33	<u>5</u>	<u>35%</u>

34 Any real property, excluding land, or tangible personal
 35 property associated with a project that uses wind energy
 36 directly to generate electricity shall continue in
 37 subsequent years to have the depreciation percentage last
 38 listed in the appropriate column in the table.

39 2. Nothing in this section shall be construed to
 40 prohibit a project from engaging in enhanced enterprise zone
 41 agreements under sections 135.950 to 135.973 or similar tax
 42 abatement agreements with state or local officials or to
 43 affect any existing enhanced enterprise zone agreements.

44 153.030. 1. All bridges over streams dividing this
 45 state from any other state owned, used, leased or otherwise
 46 controlled by any person, corporation, railroad company or
 47 joint stock company, and all bridges across or over
 48 navigable streams within this state, where the charge is
 49 made for crossing the same, which are now constructed, which
 50 are in the course of construction, or which shall hereafter
 51 be constructed, and all property, real and tangible
 52 personal, owned, used, leased or otherwise controlled by
 53 telegraph, telephone, electric power and light companies,
 54 electric transmission lines, pipeline companies and express
 55 companies shall be subject to taxation for state, county,

56 municipal and other local purposes to the same extent as the
57 property of private persons.

58 2. And taxes levied thereon shall be levied and
59 collected in the manner as is now or may hereafter be
60 provided by law for the taxation of railroad property in
61 this state, and county commissions, county boards of
62 equalization and the state tax commission are hereby
63 required to perform the same duties and are given the same
64 powers, including punitive powers, in assessing, equalizing
65 and adjusting the taxes on the property set forth in this
66 section as the county commissions and boards of equalization
67 and state tax commission have or may hereafter be empowered
68 with, in assessing, equalizing, and adjusting the taxes on
69 railroad property; and an authorized officer of any such
70 bridge, telegraph, telephone, electric power and light
71 companies, electric transmission lines, pipeline companies,
72 or express company or the owner of any such toll bridge, is
73 hereby required to render reports of the property of such
74 bridge, telegraph, telephone, electric power and light
75 companies, electric transmission lines, pipeline companies,
76 or express companies in like manner as the authorized
77 officer of the railroad company is now or may hereafter be
78 required to render for the taxation of railroad property.

79 3. On or before the fifteenth day of April in the year
80 1946 and each year thereafter an authorized officer of each
81 such company shall furnish the state tax commission and
82 county clerks a report, duly subscribed and sworn to by such
83 authorized officer, which is like in nature and purpose to
84 the reports required of railroads under chapter 151 showing
85 the full amount of all real and tangible personal property
86 owned, used, leased or otherwise controlled by each such
87 company on January first of the year in which the report is
88 due.

89 4. If any telephone company assessed pursuant to
90 chapter 153 has a microwave relay station or stations in a
91 county in which it has no wire mileage but has wire mileage
92 in another county, then, for purposes of apportioning the
93 assessed value of the distributable property of such
94 companies, the straight line distance between such microwave
95 relay stations shall constitute miles of wire. In the event
96 that any public utility company assessed pursuant to this
97 chapter has no distributable property which physically
98 traverses the counties in which it operates, then the
99 assessed value of the distributable property of such company
100 shall be apportioned to the physical location of the
101 distributable property.

102 5. (1) Notwithstanding any provision of law to the
103 contrary, beginning January 1, 2019, a telephone company
104 shall make a one-time election within the tax year to be
105 assessed:

106 (a) Using the methodology for property tax purposes as
107 provided under this section; or

108 (b) Using the methodology for property tax purposes as
109 provided under this section for property consisting of land
110 and buildings and be assessed for all other property
111 exclusively using the methodology utilized under section
112 137.122.

113 If a telephone company begins operations, including a merger
114 of multiple telephone companies, after August 28, 2018, it
115 shall make its one-time election to be assessed using the
116 methodology for property tax purposes as described under
117 paragraph (b) of subdivision (1) of this subsection within
118 the year in which the telephone company begins its
119 operations. A telephone company that fails to make a timely
120 election shall be deemed to have elected to be assessed

121 using the methodology for property tax purposes as provided
122 under subsections 1 to 4 of this section.

123 (2) The provisions of this subsection shall not be
124 construed to change the original assessment jurisdiction of
125 the state tax commission.

126 (3) Nothing in subdivision (1) of this subsection
127 shall be construed as applying to any other utility.

128 (4) (a) The provisions of this subdivision shall
129 ensure that school districts may avoid any fiscal impact as
130 a result of a telephone company being assessed under the
131 provisions of paragraph (b) of subdivision (1) of this
132 subsection. If a school district's current operating levy
133 is below the greater of its most recent voter-approved tax
134 rate or the most recent voter-approved tax rate as adjusted
135 under subdivision (2) of subsection 5 of section 137.073, it
136 shall comply with section 137.073.

137 (b) Beginning January 1, 2019, any school district
138 currently operating at a tax rate equal to the greater of
139 the most recent voter-approved tax rate or the most recent
140 voter-approved tax rate as adjusted under subdivision (2) of
141 subsection 5 of section 137.073 that receives less tax
142 revenue from a specific telephone company under this
143 subsection, on or before January thirty-first of the year
144 following the tax year in which the school district received
145 less revenue from a specific telephone company, may by
146 resolution of the school board impose a fee, as determined
147 under this subsection, in order to obtain such revenue. The
148 resolution shall include all facts that support the
149 imposition of the fee. If the school district receives
150 voter approval to raise its tax rate, the district shall no
151 longer impose the fee authorized in this paragraph.

152 (c) Any fee imposed under paragraph (b) of this
153 subdivision shall be determined by taking the difference

154 between the tax revenue the telephone company paid in the
155 tax year in question and the tax revenue the telephone
156 company would have paid in such year had it not made an
157 election under subdivision (1) of this subsection, which
158 shall be calculated by taking the telephone company
159 valuations in the tax year in question, as determined by the
160 state tax commission under paragraph (d) of this
161 subdivision, and applying such valuations to the
162 apportionment process in subsection 2 of section 151.150.
163 The school district shall issue a billing, as provided in
164 this subdivision, to any such telephone company. A
165 telephone company shall have forty-five days after receipt
166 of a billing to remit its payment of its portion of the fees
167 to the school district. Notwithstanding any other provision
168 of law, the issuance or receipt of such fee shall not be
169 used:

- 170 a. In determining the amount of state aid that a
171 school district receives under section 163.031;
- 172 b. In determining the amount that may be collected
173 under a property tax levy by such district; or
- 174 c. For any other purpose.

175 For the purposes of accounting, a telephone company that
176 issues a payment to a school district under this subsection
177 shall treat such payment as a tax.

178 (d) When establishing the valuation of a telephone
179 company assessed under paragraph (b) of subdivision (1) of
180 this subsection, the state tax commission shall also
181 determine the difference between the assessed value of a
182 telephone company if:

- 183 a. Assessed under paragraph (b) of subdivision (1) of
184 this subsection; and
- 185 b. Assessed exclusively under subsections 1 to 4 of
186 this section.

187 The state tax commission shall then apportion such amount to
188 each county and provide such information to any school
189 district making a request for such information.

190 (e) This subsection shall expire when no school
191 district is eligible for a fee.

192 6. (1) If any public utility company assessed
193 pursuant to this chapter has ownership of any real or
194 personal property associated with a project which uses wind
195 energy directly to generate electricity, such wind energy
196 project property shall be valued and taxed by any local
197 authorities having jurisdiction under the provisions of
198 chapter 137 and other relevant provisions of the law.

199 (2) Notwithstanding any provision of law to the
200 contrary, beginning January 1, 2020, for any public utility
201 company assessed pursuant to this chapter which has a wind
202 energy project, such wind energy project shall be assessed
203 using the methodology for real and personal property as
204 provided in this subsection:

205 (a) Any wind energy property of such company shall be
206 assessed upon the county assessor's local tax rolls;

207 (b) ~~Any~~ property consisting of land and buildings
208 related to the wind energy project shall be assessed under
209 chapter 137; and

210 (c) ~~All other~~ ~~business~~ real property, excluding
211 land, or personal property related to the wind energy
212 project shall be assessed using the methodology provided
213 under section ~~[137.122]~~ 137.123.

214 7. (1) If any public utility company assessed
215 pursuant to this chapter has ownership of any real or
216 personal property associated with a generation project which
217 was originally constructed utilizing financing authorized
218 pursuant to chapter 100 for construction, upon the transfer
219 of ownership of such property to the public utility company

220 such property shall be valued and taxed by any local
221 authorities having jurisdiction under the provisions of
222 chapter 137 and other relevant provisions of law.

223 (2) Notwithstanding any provision of law to the
224 contrary, beginning January 1, 2022, for any public utility
225 company assessed pursuant to this chapter which has
226 ownership of any real or personal property associated with a
227 generation project which was originally constructed
228 utilizing financing authorized pursuant to chapter 100 for
229 construction, upon the transfer of ownership of such
230 property to the public utility company such property shall
231 be assessed as follows:

232 (a) Any property associated with a generation project
233 which was originally constructed utilizing financing
234 authorized pursuant to chapter 100 for construction shall be
235 assessed upon the county assessor's local tax rolls. The
236 assessor shall rely on the public utility company for cost
237 information of the generation portion of the property as
238 found in the public utility company's Federal Energy
239 Regulatory Commission Financial Report Form Number One at
240 the time of transfer of ownership, and depreciate the costs
241 provided in a manner similar to other commercial and
242 industrial property.

243 (b) Any property consisting of land and buildings
244 related to the generation property associated with a
245 generation project which was originally constructed
246 utilizing financing pursuant to chapter 100 for construction
247 shall be assessed under chapter 137; and

248 (c) All other business or personal property related to
249 a generation project which was originally constructed
250 utilizing financing pursuant to chapter 100 for construction
251 shall be assessed using the methodology provided under
252 section 137.122.

253 153.034. 1. The term "distributable property" of an
254 electric company shall include all the real or tangible
255 personal property which is used directly in the generation
256 and distribution of electric power, but not property used as
257 a collateral facility nor property held for purposes other
258 than generation and distribution of electricity. Such
259 distributable property includes, but is not limited to:

260 (1) Boiler plant equipment, turbogenerator units and
261 generators;

262 (2) Station equipment;

263 (3) Towers, fixtures, poles, conductors, conduit
264 transformers, services and meters;

265 (4) Substation equipment and fences;

266 (5) Rights-of-way;

267 (6) Reactor, reactor plant equipment, and cooling
268 towers;

269 (7) Communication equipment used for control of
270 generation and distribution of power;

271 (8) Land associated with such distributable property.

272 2. The term "local property" of an electric company
273 shall include all real and tangible personal property owned,
274 used, leased or otherwise controlled by the electric company
275 not used directly in the generation and distribution of
276 power and not defined in subsection 1 of this section as
277 distributable property. Such local property includes, but
278 is not limited to:

279 (1) Motor vehicles;

280 (2) Construction work in progress;

281 (3) Materials and supplies;

282 (4) Office furniture, office equipment, and office
283 fixtures;

284 (5) Coal piles and nuclear fuel;

285 (6) Land held for future use;

286 (7) Workshops, warehouses, office buildings and
287 generating plant structures;

288 (8) Communication equipment not used for control of
289 generation and distribution of power;

290 (9) Roads, railroads, and bridges;

291 (10) Reservoirs, dams, and waterways;

292 (11) Land associated with other locally assessed
293 property and all generating plant land.

294 3. (1) Any real or tangible personal property
295 associated with a project which uses wind energy directly to
296 generate electricity shall be valued and taxed by local
297 authorities having jurisdiction under the provisions of
298 chapter 137 and any other relevant provisions of law. The
299 method of taxation prescribed in subsection 2 of section
300 153.030 and subsection 1 of this section shall not apply to
301 such property.

302 (2) The real or tangible personal property referenced
303 in subdivision (1) of this subsection shall include all
304 equipment whose sole purpose is to support the integration
305 of a wind generation asset into an existing system.
306 Examples of such property may include, but are not limited
307 to, wind chargers, windmills, wind turbines, wind towers,
308 and associated electrical equipment such as inverters, pad
309 mount transformers, power lines, storage equipment directly
310 associated with wind generation assets, and substations.

311 4. For any real or tangible personal property
312 associated with a generation project which was originally
313 constructed utilizing financing authorized under chapter 100
314 for construction, upon the transfer of ownership of such
315 property to a public utility, such property shall be valued
316 and taxed by local authorities having jurisdiction under the
317 provisions of chapter 137 and any other relevant provisions
318 of law. The method of taxation prescribed in subsection 2

319 of section 153.030 and subsection 1 of this section shall
320 not apply to such property."; and

321 Further amend said bill, page 67, Section 400.9-109,
322 line 102, by inserting after all of said line the following:

323 "[393.1073. 1. There is hereby
324 established the "Task Force on Wind Energy",
325 which shall be composed of the following members:

326 (1) Three members of the house of
327 representatives, with two appointed by the
328 speaker of the house of representatives and one
329 appointed by the minority floor leader of the
330 house of representatives;

331 (2) Three members of the senate, with two
332 appointed by the president pro tempore of the
333 senate and one appointed by the minority floor
334 leader of the senate; and

335 (3) Two representatives from Missouri
336 county governments with experience in wind
337 energy valuations, with one being a currently
338 elected county assessor to be appointed by the
339 speaker of the house of representatives, and one
340 being a currently elected county clerk to be
341 appointed by the president pro tempore of the
342 senate.

343 2. The task force shall conduct public
344 hearings and research, and shall compile a
345 report for delivery to the general assembly by
346 no later than December 31, 2019. Such report
347 shall include information on the following:

348 (1) The economic benefits and drawbacks of
349 wind turbines to local communities and the state;

350 (2) The fair, uniform, and standardized
351 assessment and taxation of wind turbines and
352 their connected equipment owned by a public
353 utility company at the county level in all
354 counties;

355 (3) Compliance with existing federal and
356 state programs and regulations; and

357 (4) Potential legislation that will
358 provide a uniform assessment and taxation
359 methodology for wind turbines and their
360 connected equipment owned by a public utility
361 company that will be used in every county of
362 Missouri.

363 3. The task force shall meet within thirty
364 days after its creation and shall organize by
365 selecting a chairperson and vice chairperson,
366 one of whom shall be a member of the senate and
367 the other a member of the house of
368 representatives. Thereafter, the task force may
369 meet as often as necessary in order to
370 accomplish the tasks assigned to it. A majority

371 of the task force shall constitute a quorum, and
372 a majority vote of such quorum shall be required
373 for any action.

374 4. The staff of house research and senate
375 research shall provide necessary clerical,
376 research, fiscal, and legal services to the task
377 force, as the task force may request.

378 5. The members of the task force shall
379 serve without compensation, but any actual and
380 necessary expenses incurred in the performance
381 of the task force's official duties by the task
382 force, its members, and any staff assigned to
383 the task force shall be paid from the joint
384 contingent fund.

385 6. This section shall expire on December
386 31, 2019.]" ; and

387 Further amend the title and enacting clause accordingly.