

# SENATE BILL NO. 24

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR EIGEL.

0741S.03I

ADRIANE D. CROUSE, Secretary

## AN ACT

To repeal section 137.115, RSMo, and to enact in lieu thereof one new section relating to the assessment of personal property.

*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Section A. Section 137.115, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 137.115, to read as follows: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 or the assessor's deputies in all counties of this state including the City of St. Louis shall annually make a list of all real and tangible personal property taxable in the assessor's city, county, town or district. Except as otherwise provided in subsection [3] 4 of this section and section 137.078, the assessor shall annually assess all personal property at [thirty-three and one-third] a percent of its true value in money as of January first of each calendar year **as follows:**

- (1) **For all calendar years ending on or before December 31, 2021, thirty-three and one-third percent;**
- (2) **For the 2022 calendar year, twenty-five percent;**
- (3) **For the 2023 calendar year, nineteen percent;**
- (4) **For the 2024 calendar year, thirteen percent;**
- (5) **For the 2025 calendar year, seven percent;**
- (6) **For all calendar years beginning on or after January 1, 2026, one-thousandth of one percent.**

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

19           **2.** The assessor shall annually assess all real  
20 property, including any new construction and improvements to  
21 real property, and possessory interests in real property at  
22 the percent of its true value in money set in subsection [5]  
23 **6** of this section. The true value in money of any  
24 possessory interest in real property in subclass (3), where  
25 such real property is on or lies within the ultimate airport  
26 boundary as shown by a federal airport layout plan, as  
27 defined by 14 CFR 151.5, of a commercial airport having a  
28 FAR Part 139 certification and owned by a political  
29 subdivision, shall be the otherwise applicable true value in  
30 money of any such possessory interest in real property, less  
31 the total dollar amount of costs paid by a party, other than  
32 the political subdivision, towards any new construction or  
33 improvements on such real property completed after January  
34 1, 2008, and which are included in the above-mentioned  
35 possessory interest, regardless of the year in which such  
36 costs were incurred or whether such costs were considered in  
37 any prior year. The assessor shall annually assess all real  
38 property in the following manner: new assessed values shall  
39 be determined as of January first of each odd-numbered year  
40 and shall be entered in the assessor's books; those same  
41 assessed values shall apply in the following even-numbered  
42 year, except for new construction and property improvements  
43 which shall be valued as though they had been completed as  
44 of January first of the preceding odd-numbered year. The  
45 assessor may call at the office, place of doing business, or  
46 residence of each person required by this chapter to list  
47 property, and require the person to make a correct statement  
48 of all taxable tangible personal property owned by the  
49 person or under his or her care, charge or management,  
50 taxable in the county. On or before January first of each

51 even-numbered year, the assessor shall prepare and submit a  
52 two-year assessment maintenance plan to the county governing  
53 body and the state tax commission for their respective  
54 approval or modification. The county governing body shall  
55 approve and forward such plan or its alternative to the plan  
56 to the state tax commission by February first. If the  
57 county governing body fails to forward the plan or its  
58 alternative to the plan to the state tax commission by  
59 February first, the assessor's plan shall be considered  
60 approved by the county governing body. If the state tax  
61 commission fails to approve a plan and if the state tax  
62 commission and the assessor and the governing body of the  
63 county involved are unable to resolve the differences, in  
64 order to receive state cost-share funds outlined in section  
65 137.750, the county or the assessor shall petition the  
66 administrative hearing commission, by May first, to decide  
67 all matters in dispute regarding the assessment maintenance  
68 plan. Upon agreement of the parties, the matter may be  
69 stayed while the parties proceed with mediation or  
70 arbitration upon terms agreed to by the parties. The final  
71 decision of the administrative hearing commission shall be  
72 subject to judicial review in the circuit court of the  
73 county involved. In the event a valuation of subclass (1)  
74 real property within any county with a charter form of  
75 government, or within a city not within a county, is made by  
76 a computer, computer-assisted method or a computer program,  
77 the burden of proof, supported by clear, convincing and  
78 cogent evidence to sustain such valuation, shall be on the  
79 assessor at any hearing or appeal. In any such county,  
80 unless the assessor proves otherwise, there shall be a  
81 presumption that the assessment was made by a computer,  
82 computer-assisted method or a computer program. Such

83 evidence shall include, but shall not be limited to, the  
84 following:

85 (1) The findings of the assessor based on an appraisal  
86 of the property by generally accepted appraisal techniques;  
87 and

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

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

94 (b) Such properties are not more than one mile from  
95 the site of the disputed property, except where no similar  
96 properties exist within one mile of the disputed property,  
97 the nearest comparable property shall be used. Such  
98 property shall be within five hundred square feet in size of  
99 the disputed property, and resemble the disputed property in  
100 age, floor plan, number of rooms, and other relevant  
101 characteristics.

102 [2.] 3. Assessors in each county of this state and the  
103 City of St. Louis may send personal property assessment  
104 forms through the mail.

105 [3.] 4. The following items of personal property shall  
106 each constitute separate subclasses of tangible personal  
107 property and shall be assessed and valued for the purposes  
108 of taxation at the following percentages of their true value  
109 in money:

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

112 (2) Livestock, twelve percent;

113 (3) Farm machinery, twelve percent;

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

120 (5) Poultry, twelve percent; and

121 (6) Tools and equipment used for pollution control and  
122 tools and equipment used in retooling for the purpose of  
123 introducing new product lines or used for making  
124 improvements to existing products by any company which is  
125 located in a state enterprise zone and which is identified  
126 by any standard industrial classification number cited in  
127 subdivision (7) of section 135.200, twenty-five percent.

128 [4.] 5. The person listing the property shall enter a  
129 true and correct statement of the property, in a printed  
130 blank prepared for that purpose. The statement, after being  
131 filled out, shall be signed and either affirmed or sworn to  
132 as provided in section 137.155. The list shall then be  
133 delivered to the assessor.

134 [5.] 6. (1) All subclasses of real property, as such  
135 subclasses are established in Section 4(b) of Article X of  
136 the Missouri Constitution and defined in section 137.016,  
137 shall be assessed at the following percentages of true value:

138 (a) For real property in subclass (1), nineteen  
139 percent;

140 (b) For real property in subclass (2), twelve percent;  
141 and

142 (c) For real property in subclass (3), thirty-two  
143 percent.

144 (2) A taxpayer may apply to the county assessor, or,  
145 if not located within a county, then the assessor of such

146 city, for the reclassification of such taxpayer's real  
147 property if the use or purpose of such real property is  
148 changed after such property is assessed under the provisions  
149 of this chapter. If the assessor determines that such  
150 property shall be reclassified, he or she shall determine  
151 the assessment under this subsection based on the percentage  
152 of the tax year that such property was classified in each  
153 subclassification.

154 [6.] 7. Manufactured homes, as defined in section  
155 700.010, which are actually used as dwelling units shall be  
156 assessed at the same percentage of true value as residential  
157 real property for the purpose of taxation. The percentage  
158 of assessment of true value for such manufactured homes  
159 shall be the same as for residential real property. If the  
160 county collector cannot identify or find the manufactured  
161 home when attempting to attach the manufactured home for  
162 payment of taxes owed by the manufactured home owner, the  
163 county collector may request the county commission to have  
164 the manufactured home removed from the tax books, and such  
165 request shall be granted within thirty days after the  
166 request is made; however, the removal from the tax books  
167 does not remove the tax lien on the manufactured home if it  
168 is later identified or found. For purposes of this section,  
169 a manufactured home located in a manufactured home rental  
170 park, rental community or on real estate not owned by the  
171 manufactured home owner shall be considered personal  
172 property. For purposes of this section, a manufactured home  
173 located on real estate owned by the manufactured home owner  
174 may be considered real property.

175 [7.] 8. Each manufactured home assessed shall be  
176 considered a parcel for the purpose of reimbursement  
177 pursuant to section 137.750, unless the manufactured home is

178 real estate as defined in subsection 7 of section 442.015  
179 and assessed as a realty improvement to the existing real  
180 estate parcel.

181 [8.] 9. Any amount of tax due and owing based on the  
182 assessment of a manufactured home shall be included on the  
183 personal property tax statement of the manufactured home  
184 owner unless the manufactured home is real estate as defined  
185 in subsection 7 of section 442.015, in which case the amount  
186 of tax due and owing on the assessment of the manufactured  
187 home as a realty improvement to the existing real estate  
188 parcel shall be included on the real property tax statement  
189 of the real estate owner.

190 [9.] 10. The assessor of each county and each city not  
191 within a county shall use the trade-in value published in  
192 the October issue of the National Automobile Dealers'  
193 Association Official Used Car Guide, or its successor  
194 publication, as the recommended guide of information for  
195 determining the true value of motor vehicles described in  
196 such publication. The assessor shall not use a value that  
197 is greater than the average trade-in value in determining  
198 the true value of the motor vehicle without performing a  
199 physical inspection of the motor vehicle. For vehicles two  
200 years old or newer from a vehicle's model year, the assessor  
201 may use a value other than average without performing a  
202 physical inspection of the motor vehicle. In the absence of  
203 a listing for a particular motor vehicle in such  
204 publication, the assessor shall use such information or  
205 publications which in the assessor's judgment will fairly  
206 estimate the true value in money of the motor vehicle.

207 [10.] 11. Before the assessor may increase the  
208 assessed valuation of any parcel of subclass (1) real  
209 property by more than fifteen percent since the last

210 assessment, excluding increases due to new construction or  
211 improvements, the assessor shall conduct a physical  
212 inspection of such property.

213       [11.] **12.** If a physical inspection is required,  
214 pursuant to subsection [10] **11** of this section, the assessor  
215 shall notify the property owner of that fact in writing and  
216 shall provide the owner clear written notice of the owner's  
217 rights relating to the physical inspection. If a physical  
218 inspection is required, the property owner may request that  
219 an interior inspection be performed during the physical  
220 inspection. The owner shall have no less than thirty days  
221 to notify the assessor of a request for an interior physical  
222 inspection.

223       [12.] **13.** A physical inspection, as required by  
224 subsection [10] **11** of this section, shall include, but not  
225 be limited to, an on-site personal observation and review of  
226 all exterior portions of the land and any buildings and  
227 improvements to which the inspector has or may reasonably  
228 and lawfully gain external access, and shall include an  
229 observation and review of the interior of any buildings or  
230 improvements on the property upon the timely request of the  
231 owner pursuant to subsection [11] **12** of this section. Mere  
232 observation of the property via a drive-by inspection or the  
233 like shall not be considered sufficient to constitute a  
234 physical inspection as required by this section.

235       [13.] **14.** A county or city collector may accept credit  
236 cards as proper form of payment of outstanding property tax  
237 or license due. No county or city collector may charge  
238 surcharge for payment by credit card which exceeds the fee  
239 or surcharge charged by the credit card bank, processor, or  
240 issuer for its service. A county or city collector may  
241 accept payment by electronic transfers of funds in payment



242 of any tax or license and charge the person making such  
243 payment a fee equal to the fee charged the county by the  
244 bank, processor, or issuer of such electronic payment.

245 [14.] 15. Any county or city not within a county in  
246 this state may, by an affirmative vote of the governing body  
247 of such county, opt out of the provisions of this section  
248 and sections 137.073, 138.060, and 138.100 as enacted by  
249 house bill no. 1150 of the ninety-first general assembly,  
250 second regular session and section 137.073 as modified by  
251 house committee substitute for senate substitute for senate  
252 committee substitute for senate bill no. 960, ninety-second  
253 general assembly, second regular session, for the next year  
254 of the general reassessment, prior to January first of any  
255 year. No county or city not within a county shall exercise  
256 this opt-out provision after implementing the provisions of  
257 this section and sections 137.073, 138.060, and 138.100 as  
258 enacted by house bill no. 1150 of the ninety-first general  
259 assembly, second regular session and section 137.073 as  
260 modified by house committee substitute for senate substitute  
261 for senate committee substitute for senate bill no. 960,  
262 ninety-second general assembly, second regular session, in a  
263 year of general reassessment. For the purposes of applying  
264 the provisions of this subsection, a political subdivision  
265 contained within two or more counties where at least one of  
266 such counties has opted out and at least one of such  
267 counties has not opted out shall calculate a single tax rate  
268 as in effect prior to the enactment of house bill no. 1150  
269 of the ninety-first general assembly, second regular  
270 session. A governing body of a city not within a county or  
271 a county that has opted out under the provisions of this  
272 subsection may choose to implement the provisions of this  
273 section and sections 137.073, 138.060, and 138.100 as

274 enacted by house bill no. 1150 of the ninety-first general  
275 assembly, second regular session, and section 137.073 as  
276 modified by house committee substitute for senate substitute  
277 for senate committee substitute for senate bill no. 960,  
278 ninety-second general assembly, second regular session, for  
279 the next year of general reassessment, by an affirmative  
280 vote of the governing body prior to December thirty-first of  
281 any year.

282       **[15.] 16.** The governing body of any city of the third  
283 classification with more than twenty-six thousand three  
284 hundred but fewer than twenty-six thousand seven hundred  
285 inhabitants located in any county that has exercised its  
286 authority to opt out under subsection **[14] 15** of this  
287 section may levy separate and differing tax rates for real  
288 and personal property only if such city bills and collects  
289 its own property taxes or satisfies the entire cost of the  
290 billing and collection of such separate and differing tax  
291 rates. Such separate and differing rates shall not exceed  
292 such city's tax rate ceiling.

293       **[16.] 17.** Any portion of real property that is  
294 available as reserve for strip, surface, or coal mining for  
295 minerals for purposes of excavation for future use or sale  
296 to others that has not been bonded and permitted under  
297 chapter 444 shall be assessed based upon how the real  
298 property is currently being used. Any information provided  
299 to a county assessor, state tax commission, state agency, or  
300 political subdivision responsible for the administration of  
301 tax policies shall, in the performance of its duties, make  
302 available all books, records, and information requested,  
303 except such books, records, and information as are by law  
304 declared confidential in nature, including individually  
305 identifiable information regarding a specific taxpayer or

306 taxpayer's mine property. For purposes of this subsection,  
307 "mine property" shall mean all real property that is in use  
308 or readily available as a reserve for strip, surface, or  
309 coal mining for minerals for purposes of excavation for  
310 current or future use or sale to others that has been bonded  
311 and permitted under chapter 444.

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