

SECOND REGULAR SESSION

# SENATE BILL NO. 1202

## 103RD GENERAL ASSEMBLY

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INTRODUCED BY SENATOR HUDSON.

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KRISTINA MARTIN, Secretary

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### AN ACT

To repeal sections 137.010, 137.080, and 137.115, RSMo, and to enact in lieu thereof three new sections relating to the assessment of certain broadband communications equipment.

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

Section A. Sections 137.010, 137.080, and 137.115, RSMo,  
2 are repealed and three new sections enacted in lieu thereof, to  
3 be known as sections 137.010, 137.080, and 137.115, to read as  
4 follows:

137.010. The following words, terms and phrases when  
2 used in laws governing taxation and revenue in the state of  
3 Missouri shall have the meanings ascribed to them in this  
4 section, except when the context clearly indicates a  
5 different meaning:

(1) "Grain and other agricultural crops in an  
7 unmanufactured condition" shall mean grains and feeds  
8 including, but not limited to, soybeans, cow peas, wheat,  
9 corn, oats, barley, kafir, rye, flax, grain sorghums,  
10 cotton, and such other products as are usually stored in  
11 grain and other elevators and on farms; but excluding such  
12 grains and other agricultural crops after being processed  
13 into products of such processing, when packaged or sacked.  
14 The term "processing" shall not include hulling, cleaning,  
15 drying, grating, or polishing;

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



47 (5) "Reliever airport", any land and improvements,  
48 exclusive of structures, on privately owned airports that  
49 qualify as reliever airports under the National Plan of  
50 Integrated Airport Systems that may receive federal airport  
51 improvement project funds through the Federal Aviation  
52 Administration;

62                   **(a)** Solar panels, racking systems, inverters, and  
63 related solar equipment, components, materials, and supplies  
64 installed in connection with solar photovoltaic energy  
65 systems, as described in subdivision (46) of subsection 2 of  
66 section 144.030, that were constructed and producing solar  
67 energy prior to August 9, 2022; **and**

79 **equipment such as channel cards, frames, and cabinets, and**  
80 **any successor-technology items used to monitor, test,**  
81 **Maintain, enable, or facilitate qualifying equipment,**  
82 **Machinery, ancillary components, appurtenances, accessories,**  
83 **or other infrastructure used in whole or in part to provide**  
84 **broadband communications service.**

137.080. Real estate and tangible personal property  
2 shall be assessed annually at the assessment which commences  
3 on the first day of January. For purposes of assessing and  
4 taxing tangible personal property, all tangible personal  
5 property shall be divided into the following subclasses:

6 (1) Grain and other agricultural crops in an  
7 unmanufactured condition;

8 (2) Livestock;

9 (3) Farm machinery;

10 (4) Vehicles, including recreational vehicles, but not  
11 including manufactured homes, as defined in section 700.010,  
12 which are actually used as dwelling units;

13 (5) Manufactured homes, as defined in section 700.010,  
14 which are actually used as dwelling units;

15 (6) Motor vehicles which are eligible for registration  
16 and are registered as historic motor vehicles under section  
17 301.131;

18 (7) Solar panels, racking systems, inverters, and  
19 related solar equipment, components, materials, and supplies  
20 installed in connection with solar photovoltaic energy  
21 systems, as described in subdivision (46) of subsection 2 of  
22 section 144.030, that were constructed and producing solar  
23 energy prior to August 9, 2022; [and]

24 (8) **Machinery and equipment used to provide broadband**  
25 **communications service and that is placed in service prior**  
26 **to August 28, 2026; and**

27           **(9)** All taxable tangible personal property not  
28 included in [subclass (1), subclass (2), subclass (3),  
29 subclass (4), subclass (5), subclass (6), or subclass (7)]  
30 **subclasses (1) to (8).**

137.115. 1. All other laws to the contrary  
2 notwithstanding, the assessor or the assessor's deputies in  
3 all counties of this state including the City of St. Louis  
4 shall annually make a list of all real and tangible personal  
5 property taxable in the assessor's city, county, town or  
6 district. Except as otherwise provided in subsection 3 of  
7 this section and section 137.078, the assessor shall  
8 annually assess all personal property at thirty-three and  
9 one-third percent of its true value in money as of January  
10 first of each calendar year. The assessor shall annually  
11 assess all real property, including any new construction and  
12 improvements to real property, and possessory interests in  
13 real property at the percent of its true value in money set  
14 in subsection 5 of this section. The true value in money of  
15 any possessory interest in real property in subclass (3),  
16 where such real property is on or lies within the ultimate  
17 airport boundary as shown by a federal airport layout plan,  
18 as defined by 14 CFR 151.5, of a commercial airport having a  
19 FAR Part 139 certification and owned by a political  
20 subdivision, shall be the otherwise applicable true value in  
21 money of any such possessory interest in real property, less  
22 the total dollar amount of costs paid by a party, other than  
23 the political subdivision, towards any new construction or  
24 improvements on such real property completed after January  
25 1, 2008, and which are included in the above-mentioned  
26 possessory interest, regardless of the year in which such  
27 costs were incurred or whether such costs were considered in  
28 any prior year. The assessor shall annually assess all real

29 property in the following manner: new assessed values shall  
30 be determined as of January first of each odd-numbered year  
31 and shall be entered in the assessor's books; those same  
32 assessed values shall apply in the following even-numbered  
33 year, except for new construction and property improvements  
34 which shall be valued as though they had been completed as  
35 of January first of the preceding odd-numbered year. The  
36 assessor may call at the office, place of doing business, or  
37 residence of each person required by this chapter to list  
38 property, and require the person to make a correct statement  
39 of all taxable tangible personal property owned by the  
40 person or under his or her care, charge or management,  
41 taxable in the county. On or before January first of each  
42 even-numbered year, the assessor shall prepare and submit a  
43 two-year assessment maintenance plan to the county governing  
44 body and the state tax commission for their respective  
45 approval or modification. The county governing body shall  
46 approve and forward such plan or its alternative to the plan  
47 to the state tax commission by February first. If the  
48 county governing body fails to forward the plan or its  
49 alternative to the plan to the state tax commission by  
50 February first, the assessor's plan shall be considered  
51 approved by the county governing body. If the state tax  
52 commission fails to approve a plan and if the state tax  
53 commission and the assessor and the governing body of the  
54 county involved are unable to resolve the differences, in  
55 order to receive state cost-share funds outlined in section  
56 137.750, the county or the assessor shall petition the  
57 administrative hearing commission, by May first, to decide  
58 all matters in dispute regarding the assessment maintenance  
59 plan. Upon agreement of the parties, the matter may be  
60 stayed while the parties proceed with mediation or

61 arbitration upon terms agreed to by the parties. The final  
62 decision of the administrative hearing commission shall be  
63 subject to judicial review in the circuit court of the  
64 county involved. In the event a valuation of subclass (1)  
65 real property within any county with a charter form of  
66 government, or within a city not within a county, is made by  
67 a computer, computer-assisted method or a computer program,  
68 the burden of proof, supported by clear, convincing and  
69 cogent evidence to sustain such valuation, shall be on the  
70 assessor at any hearing or appeal. In any such county,  
71 unless the assessor proves otherwise, there shall be a  
72 presumption that the assessment was made by a computer,  
73 computer-assisted method or a computer program. Such  
74 evidence shall include, but shall not be limited to, the  
75 following:

76 (1) The findings of the assessor based on an appraisal  
77 of the property by generally accepted appraisal techniques;  
78 and

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

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

85 (b) Such properties are not more than one mile from  
86 the site of the disputed property, except where no similar  
87 properties exist within one mile of the disputed property,  
88 the nearest comparable property shall be used. Such  
89 property shall be within five hundred square feet in size of  
90 the disputed property, and resemble the disputed property in  
91 age, floor plan, number of rooms, and other relevant  
92 characteristics.

93       2. Assessors in each county of this state and the City  
94       of St. Louis may send personal property assessment forms  
95       through the mail.

96       3. The following items of personal property shall each  
97       constitute separate subclasses of tangible personal property  
98       and shall be assessed and valued for the purposes of  
99       taxation at the following percentages of their true value in  
100      money:

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

103       (2) Livestock, twelve percent;

104       (3) Farm machinery, twelve percent;

105       (4) Motor vehicles which are eligible for registration  
106       as and are registered as historic motor vehicles pursuant to  
107       section 301.131 and aircraft which are at least twenty-five  
108       years old and which are used solely for noncommercial  
109       purposes and are operated less than two hundred hours per  
110       year or aircraft that are home built from a kit, five  
111       percent;

112       (5) Poultry, twelve percent;

113       (6) Tools and equipment used for pollution control and  
114       tools and equipment used in retooling for the purpose of  
115       introducing new product lines or used for making  
116       improvements to existing products by any company which is  
117       located in a state enterprise zone and which is identified  
118       by any standard industrial classification number cited in  
119       subdivision (7) of section 135.200, twenty-five percent;

120       [and]

121       (7) Solar panels, racking systems, inverters, and  
122       related solar equipment, components, materials, and supplies  
123       installed in connection with solar photovoltaic energy  
124       systems, as described in subdivision (46) of subsection 2 of

125 section 144.030, that were constructed and producing solar  
126 energy prior to August 9, 2022, five percent; **and**

127       **(8) (a) Machinery and equipment that is used to**  
128 **provide broadband communications service and that is placed**  
129 **in service on or after August 28, 2026, twelve percent for**  
130 **all calendar years beginning on or after January 1, 2027,**  
131 **and ending on or before December 31, 2033;**

132       **(b) Machinery and equipment that is used to provide**  
133 **broadband communications service and that is placed in**  
134 **service on or after August 28, 2026, thirty-three and one-**  
135 **third percent for all calendar years beginning on or after**  
136 **January 1, 2034.**

137       4. The person listing the property shall enter a true  
138 and correct statement of the property, in a printed blank  
139 prepared for that purpose. The statement, after being  
140 filled out, shall be signed and either affirmed or sworn to  
141 as provided in section 137.155. The list shall then be  
142 delivered to the assessor.

143       5. (1) All subclasses of real property, as such  
144 subclasses are established in Section 4(b) of Article X of  
145 the Missouri Constitution and defined in section 137.016,  
146 shall be assessed at the following percentages of true value:

147           (a) For real property in subclass (1), nineteen  
148 percent;

149           (b) For real property in subclass (2), twelve percent;  
150 and

151           (c) For real property in subclass (3), thirty-two  
152 percent.

153       (2) A taxpayer may apply to the county assessor, or,  
154 if not located within a county, then the assessor of such  
155 city, for the reclassification of such taxpayer's real  
156 property if the use or purpose of such real property is

157 changed after such property is assessed under the provisions  
158 of this chapter. If the assessor determines that such  
159 property shall be reclassified, he or she shall determine  
160 the assessment under this subsection based on the percentage  
161 of the tax year that such property was classified in each  
162 subclassification.

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

184 7. Each manufactured home assessed shall be considered  
185 a parcel for the purpose of reimbursement pursuant to  
186 section 137.750, unless the manufactured home is deemed to  
187 be real estate as defined in subsection 7 of section 442.015

188 and assessed as a realty improvement to the existing real  
189 estate parcel.

190 8. Any amount of tax due and owing based on the  
191 assessment of a manufactured home shall be included on the  
192 personal property tax statement of the manufactured home  
193 owner unless the manufactured home is deemed to be real  
194 estate as defined in subsection 7 of section 442.015, in  
195 which case the amount of tax due and owing on the assessment  
196 of the manufactured home as a realty improvement to the  
197 existing real estate parcel shall be included on the real  
198 property tax statement of the real estate owner.

199 9. The assessor of each county and each city not  
200 within a county shall use a nationally recognized automotive  
201 trade publication such as the National Automobile Dealers'  
202 Association Official Used Car Guide, Kelley Blue Book,  
203 Edmunds, or other similar publication as the recommended  
204 guide of information for determining the true value of motor  
205 vehicles described in such publication. The state tax  
206 commission shall select and make available to all assessors  
207 which publication shall be used. The assessor of each  
208 county and each city not within a county shall use the trade-  
209 in value published in the current October issue of the  
210 publication selected by the state tax commission. The  
211 assessor shall not use a value that is greater than the  
212 average trade-in value in determining the true value of the  
213 motor vehicle without performing a physical inspection of  
214 the motor vehicle. For vehicles two years old or newer from  
215 a vehicle's model year, the assessor may use a value other  
216 than average without performing a physical inspection of the  
217 motor vehicle. In the absence of a listing for a particular  
218 motor vehicle in such publication, the assessor shall use  
219 such information or publications that, in the assessor's

220 judgment, will fairly estimate the true value in money of  
221 the motor vehicle. For motor vehicles with a true value of  
222 less than fifty thousand dollars as of January 1, 2025, the  
223 assessor shall not assess such motor vehicle for an amount  
224 greater than such motor vehicle was assessed in the previous  
225 year, provided that such motor vehicle was properly assessed  
226 in the previous year.

227 10. Before the assessor may increase the assessed  
228 valuation of any parcel of subclass (1) real property by  
229 more than fifteen percent since the last assessment,  
230 excluding increases due to new construction or improvements,  
231 the assessor shall conduct a physical inspection of such  
232 property.

233 11. If a physical inspection is required, pursuant to  
234 subsection 10 of this section, the assessor shall notify the  
235 property owner of that fact in writing and shall provide the  
236 owner clear written notice of the owner's rights relating to  
237 the physical inspection. If a physical inspection is  
238 required, the property owner may request that an interior  
239 inspection be performed during the physical inspection. The  
240 owner shall have no less than thirty days to notify the  
241 assessor of a request for an interior physical inspection.

242 12. A physical inspection, as required by subsection  
243 10 of this section, shall include, but not be limited to, an  
244 on-site personal observation and review of all exterior  
245 portions of the land and any buildings and improvements to  
246 which the inspector has or may reasonably and lawfully gain  
247 external access, and shall include an observation and review  
248 of the interior of any buildings or improvements on the  
249 property upon the timely request of the owner pursuant to  
250 subsection 11 of this section. Mere observation of the  
251 property via a drive-by inspection or the like shall not be

252 considered sufficient to constitute a physical inspection as  
253 required by this section.

254 13. A county or city collector may accept credit cards  
255 as proper form of payment of outstanding property tax or  
256 license due. No county or city collector may charge  
257 surcharge for payment by credit card which exceeds the fee  
258 or surcharge charged by the credit card bank, processor, or  
259 issuer for its service. A county or city collector may  
260 accept payment by electronic transfers of funds in payment  
261 of any tax or license and charge the person making such  
262 payment a fee equal to the fee charged the county by the  
263 bank, processor, or issuer of such electronic payment.

264 14. Any county or city not within a county in this  
265 state may, by an affirmative vote of the governing body of  
266 such county, opt out of the provisions of this section and  
267 sections 137.073, 138.060, and 138.100 as enacted by house  
268 bill no. 1150 of the ninety-first general assembly, second  
269 regular session and section 137.073 as modified by house  
270 committee substitute for senate substitute for senate  
271 committee substitute for senate bill no. 960, ninety-second  
272 general assembly, second regular session, for the next year  
273 of the general reassessment, prior to January first of any  
274 year. No county or city not within a county shall exercise  
275 this opt-out provision after implementing the provisions of  
276 this section and sections 137.073, 138.060, and 138.100 as  
277 enacted by house bill no. 1150 of the ninety-first general  
278 assembly, second regular session and section 137.073 as  
279 modified by house committee substitute for senate substitute  
280 for senate committee substitute for senate bill no. 960,  
281 ninety-second general assembly, second regular session, in a  
282 year of general reassessment. For the purposes of applying  
283 the provisions of this subsection, a political subdivision

284 contained within two or more counties where at least one of  
285 such counties has opted out and at least one of such  
286 counties has not opted out shall calculate a single tax rate  
287 as in effect prior to the enactment of house bill no. 1150  
288 of the ninety-first general assembly, second regular  
289 session. A governing body of a city not within a county or  
290 a county that has opted out under the provisions of this  
291 subsection may choose to implement the provisions of this  
292 section and sections 137.073, 138.060, and 138.100 as  
293 enacted by house bill no. 1150 of the ninety-first general  
294 assembly, second regular session, and section 137.073 as  
295 modified by house committee substitute for senate substitute  
296 for senate committee substitute for senate bill no. 960,  
297 ninety-second general assembly, second regular session, for  
298 the next year of general reassessment, by an affirmative  
299 vote of the governing body prior to December thirty-first of  
300 any year.

301 15. The governing body of any city of the third  
302 classification with more than twenty-six thousand three  
303 hundred but fewer than twenty-six thousand seven hundred  
304 inhabitants located in any county that has exercised its  
305 authority to opt out under subsection 14 of this section may  
306 levy separate and differing tax rates for real and personal  
307 property only if such city bills and collects its own  
308 property taxes or satisfies the entire cost of the billing  
309 and collection of such separate and differing tax rates.  
310 Such separate and differing rates shall not exceed such  
311 city's tax rate ceiling.

312 16. Any portion of real property that is available as  
313 reserve for strip, surface, or coal mining for minerals for  
314 purposes of excavation for future use or sale to others that  
315 has not been bonded and permitted under chapter 444 shall be

316 assessed based upon how the real property is currently being  
317 used. Any information provided to a county assessor, state  
318 tax commission, state agency, or political subdivision  
319 responsible for the administration of tax policies shall, in  
320 the performance of its duties, make available all books,  
321 records, and information requested, except such books,  
322 records, and information as are by law declared confidential  
323 in nature, including individually identifiable information  
324 regarding a specific taxpayer or taxpayer's mine property.  
325 For purposes of this subsection, "mine property" shall mean  
326 all real property that is in use or readily available as a  
327 reserve for strip, surface, or coal mining for minerals for  
328 purposes of excavation for current or future use or sale to  
329 others that has been bonded and permitted under chapter 444.

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