

SENATE BILL NO. 1212

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR NICOLA.

5244S.011

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 137.115 and 137.245, RSMo, and to enact in lieu thereof two new sections relating to property assessments, with penalty provisions.

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

Section A. Sections 137.115 and 137.245, RSMo, are
2 repealed and two new sections enacted in lieu thereof, to be
3 known as sections 137.115 and 137.245, to read as follows:

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, **for all calendar years**
8 **ending on or before December 31, 2026**, the assessor shall
9 annually assess all personal property at thirty-three and
10 one-third percent of its true value in money as of January
11 first of each calendar year. **Except as otherwise provided**
12 **in subsection 3 of this section and section 137.078, for all**
13 **calendar years beginning on or after January 1, 2027, the**
14 **assessor shall annually assess all personal property**
15 **pursuant to subsection 6 of this section.** The assessor
16 shall annually assess all real property, including any new
17 construction and improvements to real property, and

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

possessory interests in real property at the percent of its true value in money **as** set in subsection 5 of this section **for all calendar years ending on or before December 31, 2026, and as set in subsection 6 of this section for all calendar years beginning on or after January 1, 2027.** The true value in money of any possessory interest in real property in subclass (3), where such real property is on or lies within the ultimate airport boundary as shown by a federal airport layout plan, as defined by 14 CFR 151.5, of a commercial airport having a FAR Part 139 certification and owned by a political subdivision, shall be the otherwise applicable true value in money of any such possessory interest in real property, less the total dollar amount of costs paid by a party, other than the political subdivision, towards any new construction or improvements on such real property completed after January 1, 2008, and which are included in the above-mentioned possessory interest, regardless of the year in which such costs were incurred or whether such costs were considered in any prior year. The assessor shall annually assess all real property in the following manner: new assessed values shall be determined as of January first of each odd-numbered year and shall be entered in the assessor's books; those same assessed values shall apply in the following even-numbered year, except for new construction and property improvements which shall be valued as though they had been completed as of January first of the preceding odd-numbered year. The assessor may call at the office, place of doing business, or residence of each person required by this chapter to list property, and require the person to make a correct statement of all taxable tangible personal property owned by the person or under his or her care, charge or management, taxable in the

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

computer program. Such evidence shall include, but shall not be limited to, the following:

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

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

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

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

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

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

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

(2) Livestock, twelve percent;

(3) Farm machinery, twelve percent;

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

(5) Poultry, twelve percent;

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

(7) Solar panels, racking systems, inverters, and related solar equipment, components, materials, and supplies installed in connection with solar photovoltaic energy systems, as described in subdivision (46) of subsection 2 of section 144.030, that were constructed and producing solar energy prior to August 9, 2022, five percent.

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

5. (1) All subclasses of real property, as such subclasses are established in Section 4(b) of Article X of the Missouri Constitution and defined in section 137.016, shall be assessed at the following percentages of true value **for all calendar years ending on or before December 31,**

2026, and as provided in subsection 6 of this section for all calendar years beginning on or after January 1, 2027:

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

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

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

(2) A taxpayer may apply to the county assessor, or, if not located within a county, then the assessor of such city, for the reclassification of such taxpayer's real property if the use or purpose of such real property is changed after such property is assessed under the provisions of this chapter. If the assessor determines that such property shall be reclassified, he or she shall determine the assessment under this subsection based on the percentage of the tax year that such property was classified in each subclassification.

6. (1) As used in this subsection, the following terms shall mean:

(a) "Allowable growth factor", the lesser of the percent increase in inflation or five percent;

(b) "Base year percentage", the percentage of true value at which the following items of personal and real property shall be assessed as of January first of a calendar year, as adjusted pursuant to subdivision (2) of this subsection:

a. All personal property, except as otherwise provided in subsection 3 of this section and section 137.078, thirty-three and one-third percent;

b. All subclass (1) real property, nineteen percent;

176 c. All subclass (2) real property as described in
177 subsection 1 of section 137.017, twelve percent;

178 d. All subclass (2) real property as described in
179 subsection 4 of section 137.017, twelve percent;

180 e. All subclass (3) real property, thirty-two percent;

181 (c) "Percent increase in inflation", the percentage,
182 if any, by which the general price level increases, as
183 measured by the Consumer Price Index for All Urban Consumers
184 for the United States, or its successor publications, as
185 defined and officially reported by the United States
186 Department of Labor, or its successor agency;

187 (d) "Total assessed value", the assessed value of a
188 subclass of real property, individually, or personal
189 property, in the aggregate, in this state as measured by
190 multiplying the true value in money of such property by the
191 base year percentage for such property.

192 (2) (a) For all calendar years beginning on or after
193 January 1, 2027, the state tax commission shall annually
194 calculate the total assessed value for each subclass of real
195 property, individually, and for personal property in the
196 aggregate. If the calculation for any class or subclass
197 exceeds the total assessed value for such class or subclass
198 from the previous year by more than the allowable growth
199 factor, the state tax commission shall adjust the base year
200 percentage for such class or subclass so that the total
201 assessed value for the class or subclass does not exceed the
202 total assessed value for such class or subclass from the
203 previous year by more than the allowable growth factor.

204 (b) All calculations and adjustments required by
205 paragraph (a) of this subdivision shall be completed and
206 submitted to each county assessor by no later than August
207 seventh of each year, and the assessor shall use such

adjusted base year percentages to assess property for that tax year.

(c) Notwithstanding the provisions of this subsection to the contrary, the state tax commission shall not adjust the base year percentage for any subclass (2) real property as described in subsection 1 of section 137.017.

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

[7.] 8. Each manufactured home assessed shall be considered a parcel for the purpose of reimbursement pursuant to section 137.750, unless the manufactured home is deemed to be real estate as defined in subsection 7 of

section 442.015 and assessed as a realty improvement to the existing real estate parcel.

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

[9.] 10. The assessor of each county and each city not within a county shall use a nationally recognized automotive trade publication such as the National Automobile Dealers' Association Official Used Car Guide, Kelley Blue Book, Edmunds, or other similar publication as the recommended guide of information for determining the true value of motor vehicles described in such publication. The state tax commission shall select and make available to all assessors which publication shall be used. The assessor of each county and each city not within a county shall use the trade-in value published in the current October issue of the publication selected by the state tax commission. The assessor shall not use a value that is greater than the average trade-in value in determining the true value of the motor vehicle without performing a physical inspection of the motor vehicle. For vehicles two years old or newer from a vehicle's model year, the assessor may use a value other than average without performing a physical inspection of the motor vehicle. In the absence of a listing for a particular motor vehicle in such publication, the assessor shall use such information or publications that, in the assessor's

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

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

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

[12.] 13. A physical inspection, as required by subsection [10] 11 of this section, shall include, but not be limited to, an on-site personal observation and review of all exterior portions of the land and any buildings and improvements to which the inspector has or may reasonably and lawfully gain external access, and shall include an observation and review of the interior of any buildings or improvements on the property upon the timely request of the owner pursuant to subsection [11] 12 of this section. Mere

303 observation of the property via a drive-by inspection or the
304 like shall not be considered sufficient to constitute a
305 physical inspection as required by this section.

306 [13.] 14. A county or city collector may accept credit
307 cards as proper form of payment of outstanding property tax
308 or license due. No county or city collector may charge
309 surcharge for payment by credit card which exceeds the fee
310 or surcharge charged by the credit card bank, processor, or
311 issuer for its service. A county or city collector may
312 accept payment by electronic transfers of funds in payment
313 of any tax or license and charge the person making such
314 payment a fee equal to the fee charged the county by the
315 bank, processor, or issuer of such electronic payment.

316 [14.] 15. Any county or city not within a county in
317 this state may, by an affirmative vote of the governing body
318 of such county, opt out of the provisions of this section
319 and sections 137.073, 138.060, and 138.100 as enacted by
320 house bill no. 1150 of the ninety-first general assembly,
321 second regular session and section 137.073 as modified by
322 house committee substitute for senate substitute for senate
323 committee substitute for senate bill no. 960, ninety-second
324 general assembly, second regular session, for the next year
325 of the general reassessment, prior to January first of any
326 year. No county or city not within a county shall exercise
327 this opt-out provision after implementing the provisions of
328 this section and sections 137.073, 138.060, and 138.100 as
329 enacted by house bill no. 1150 of the ninety-first general
330 assembly, second regular session and section 137.073 as
331 modified by house committee substitute for senate substitute
332 for senate committee substitute for senate bill no. 960,
333 ninety-second general assembly, second regular session, in a
334 year of general reassessment. For the purposes of applying

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

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

[16.] 17. Any portion of real property that is available as reserve for strip, surface, or coal mining for minerals for purposes of excavation for future use or sale

367 to others that has not been bonded and permitted under
368 chapter 444 shall be assessed based upon how the real
369 property is currently being used. Any information provided
370 to a county assessor, state tax commission, state agency, or
371 political subdivision responsible for the administration of
372 tax policies shall, in the performance of its duties, make
373 available all books, records, and information requested,
374 except such books, records, and information as are by law
375 declared confidential in nature, including individually
376 identifiable information regarding a specific taxpayer or
377 taxpayer's mine property. For purposes of this subsection,
378 "mine property" shall mean all real property that is in use
379 or readily available as a reserve for strip, surface, or
380 coal mining for minerals for purposes of excavation for
381 current or future use or sale to others that has been bonded
382 and permitted under chapter 444.

137.245. 1. The assessor shall make out and return to
2 the county governing body, on or before the first day of
3 **[July] June** in every year, the assessor's book, verified by
4 an affidavit annexed thereto, in the following words:

5 "_____ being duly sworn, makes oath and
6 says that such person has made diligent efforts
7 to ascertain all the taxable property being or
8 situate, on the first day of January last past,
9 in the county of which such person is assessor;
10 that, so far as such person has been able to
11 ascertain the same, it is correctly set forth in
12 the foregoing book, in the manner and the value
13 thereof stated therein, according to the mode
14 required by law".

15 2. The clerk of the county governing body shall
16 immediately make out an abstract of the assessment book,

17 showing aggregate footings of the different columns, so as
18 to set forth the aggregate amounts of the different kinds of
19 real and tangible personal property and the valuation
20 thereof, and forward the abstract to the state tax
21 commission. Failure of the clerk to make out and forward
22 the abstract to the state tax commission on or before the
23 twentieth day of [July] **June** is a misdemeanor.

24 3. The clerk of the county governing body in all
25 counties, and the assessor in St. Louis City, shall make out
26 an abstract of the assessment book showing the aggregate
27 amounts of different kinds of real, personal and other
28 tangible property and the valuations of each for each
29 political subdivision in the county entitled to levy ad
30 valorem taxes on property except for municipalities
31 maintaining their own tax or assessment books. The clerk of
32 each county, and the assessor in St. Louis City, shall
33 forward a copy of the aggregate valuation listed in the tax
34 book for each political subdivision, except counties and
35 municipalities maintaining their own tax or assessment
36 books, to the governing body of the subdivision by the
37 twentieth day of [July] **June** of each year. In any county
38 which contains a city with a population of one hundred
39 thousand or more inhabitants which is located within a
40 county of the first classification that adjoins no other
41 county of the first classification, the clerk of the county
42 shall provide the final revised assessed valuation listed in
43 the tax book for each school district within the county to
44 each such district on or before the fifteenth day of August
45 of each year. The clerk of any county of the first
46 classification with a charter form of government and with
47 more than six hundred thousand but less than seven hundred
48 thousand inhabitants shall forward a copy of the aggregate

49 valuation listed in the tax book for school districts within
50 the county to each such district by the fifteenth day of
51 July of each year.

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