

SENATE BILL NO. 1293

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR NICOLA.

5594S.011

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 137.073, 137.079, and 137.115, RSMo, and to enact in lieu thereof four new sections relating to property taxes.

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

Section A. Sections 137.073, 137.079, and 137.115, RSMo,
2 are repealed and four new sections enacted in lieu thereof, to
3 be known as sections 137.067, 137.073, 137.079, and 137.115, to
4 read as follows:

137.067. **Notwithstanding any other provision of law to**
2 **the contrary, any ballot measure seeking approval to add,**
3 **change, or modify a tax on real property shall express the**
4 **effect of the proposed change within the ballot language in**
5 **terms of the change in real dollars owed per one hundred**
6 **thousand dollars of a property's market valuation.**

137.073. 1. As used in this section, the following
2 terms mean:

- 3 (1) "General reassessment", changes in value, entered
4 in the assessor's books, of a substantial portion of the
5 parcels of real property within a county resulting wholly or
6 partly from reappraisal of value or other actions of the
7 assessor or county equalization body or ordered by the state
8 tax commission or any court;
- 9 (2) "Tax rate", "rate", or "rate of levy", singular or
10 plural, includes the tax rate for each purpose of taxation

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

11 of property a taxing authority is authorized to levy without
12 a vote and any tax rate authorized by election, including
13 bond interest and sinking fund;

14 (3) "Tax rate ceiling", a tax rate as revised by the
15 taxing authority to comply with the provisions of this
16 section or when a court has determined the tax rate; except
17 that, other provisions of law to the contrary
18 notwithstanding, a school district may levy the operating
19 levy for school purposes required for the current year
20 pursuant to subsection 2 of section 163.021, less all
21 adjustments required pursuant to Article X, Section 22 of
22 the Missouri Constitution, if such tax rate does not exceed
23 the highest tax rate in effect subsequent to the 1980 tax
24 year. This is the maximum tax rate that may be levied,
25 unless a higher tax rate ceiling is approved by voters of
26 the political subdivision as provided in this section;

27 (4) "Tax revenue", when referring to the previous
28 year, means the actual receipts from ad valorem levies on
29 all classes of property, including state-assessed property,
30 in the immediately preceding fiscal year of the political
31 subdivision, plus an allowance for taxes billed but not
32 collected in the fiscal year and plus an additional
33 allowance for the revenue which would have been collected
34 from property which was annexed by such political
35 subdivision but which was not previously used in determining
36 tax revenue pursuant to this section. The term "tax
37 revenue" shall not include any receipts from ad valorem
38 levies on any property of a railroad corporation or a public
39 utility, as these terms are defined in section 386.020,
40 which were assessed by the assessor of a county or city in
41 the previous year but are assessed by the state tax
42 commission in the current year. All school districts and

43 those counties levying sales taxes pursuant to chapter 67
44 shall include in the calculation of tax revenue an amount
45 equivalent to that by which they reduced property tax levies
46 as a result of sales tax pursuant to section 67.505 and
47 section 164.013 [or as excess home dock city or county fees
48 as provided in subsection 4 of section 313.820] in the
49 immediately preceding fiscal year but not including any
50 amount calculated to adjust for prior years. For purposes
51 of political subdivisions which were authorized to levy a
52 tax in the prior year but which did not levy such tax or
53 levied a reduced rate, the term "tax revenue", as used in
54 relation to the revision of tax levies mandated by law,
55 shall mean the revenues equal to the amount that would have
56 been available if the voluntary rate reduction had not been
57 made.

58 2. Whenever changes in assessed valuation are entered
59 in the assessor's books for any personal property, in the
60 aggregate, or for any subclass of real property as such
61 subclasses are established in Section 4(b) of Article X of
62 the Missouri Constitution and defined in section 137.016,
63 the county clerk in all counties and the assessor of St.
64 Louis City shall notify each political subdivision wholly or
65 partially within the county or St. Louis City of the change
66 in valuation of each subclass of real property,
67 individually, and personal property, in the aggregate,
68 exclusive of new construction and improvements. All
69 political subdivisions shall immediately revise the
70 applicable rates of levy for each purpose for each subclass
71 of real property, individually, and personal property, in
72 the aggregate, for which taxes are levied to the extent
73 necessary to produce from all taxable property, exclusive of
74 new construction and improvements, substantially the same

75 amount of tax revenue as was produced in the previous year
76 for each subclass of real property, individually, and
77 personal property, in the aggregate, except that the [rate]
78 **rates of levy for each subclass of real property,**
79 **individually, and personal property, in the aggregate,** shall
80 not exceed the greater of the most recent voter-approved
81 rate or the most recent voter-approved rate as adjusted
82 under subdivision (2) of subsection 5 of this section. Any
83 political subdivision that has received approval from voters
84 for a tax increase after August 27, 2008, may levy a rate to
85 collect substantially the same amount of tax revenue as the
86 amount of revenue that would have been derived by applying
87 the voter-approved increased tax rate ceiling to the total
88 assessed valuation of the political subdivision as most
89 recently certified by the city or county clerk on or before
90 the date of the election in which such increase is approved,
91 increased by the percentage increase in the consumer price
92 index, as provided by law, except that the rate shall not
93 exceed the greater of the most recent voter-approved rate or
94 the most recent voter-approved rate as adjusted under
95 subdivision (2) of subsection 5 of this section. Such tax
96 revenue shall not include any receipts from ad valorem
97 levies on any real property which was assessed by the
98 assessor of a county or city in such previous year but is
99 assessed by the assessor of a county or city in the current
100 year in a different subclass of real property. Where the
101 taxing authority is a school district for the purposes of
102 revising the applicable rates of levy for each subclass of
103 real property, the tax revenues from state-assessed railroad
104 and utility property shall be apportioned and attributed to
105 each subclass of real property based on the percentage of
106 the total assessed valuation of the county that each

subclass of real property represents in the current
[taxable] tax year. As provided in Section 22 of Article X
of the constitution, a political subdivision may also revise
each levy to allow for inflationary assessment growth
occurring within the political subdivision. The
inflationary growth factor for any such subclass of real
property or personal property shall be limited to the actual
assessment growth in such subclass or class, exclusive of
new construction and improvements, and exclusive of the
assessed value on any real property which was assessed by
the assessor of a county or city in the current year in a
different subclass of real property, but not to exceed the
consumer price index or five percent, whichever is lower.

[Should the tax revenue of a political subdivision from the
various tax rates determined in this subsection be different
than the tax revenue that would have been determined from a
single tax rate as calculated pursuant to the method of
calculation in this subsection prior to January 1, 2003,
then the political subdivision shall revise the tax rates of
those subclasses of real property, individually, and/or
personal property, in the aggregate, in which there is a tax
rate reduction, pursuant to the provisions of this
subsection. Such revision shall yield an amount equal to
such difference and shall be apportioned among such
subclasses of real property, individually, and/or personal
property, in the aggregate, based on the relative assessed
valuation of the class or subclasses of property
experiencing a tax rate reduction. Such revision in the tax
rates of each class or subclass shall be made by computing
the percentage of current year adjusted assessed valuation
of each class or subclass with a tax rate reduction to the
total current year adjusted assessed valuation of the class

139 or subclasses with a tax rate reduction, multiplying the
140 resulting percentages by the revenue difference between the
141 single rate calculation and the calculations pursuant to
142 this subsection and dividing by the respective adjusted
143 current year assessed valuation of each class or subclass to
144 determine the adjustment to the rate to be levied upon each
145 class or subclass of property. The adjustment computed
146 herein shall be multiplied by one hundred, rounded to four
147 decimals in the manner provided in this subsection, and
148 added to the initial rate computed for each class or
149 subclass of property. For school districts that levy
150 separate tax rates on each subclass of real property and
151 personal property in the aggregate, if voters approved a
152 ballot before January 1, 2011, that presented separate
153 stated tax rates to be applied to the different subclasses
154 of real property and personal property in the aggregate, or
155 increases the separate rates that may be levied on the
156 different subclasses of real property and personal property
157 in the aggregate by different amounts, the tax rate that
158 shall be used for the single tax rate calculation shall be a
159 blended rate, calculated in the manner provided under
160 subdivision (1) of subsection 6 of this section.
161 Notwithstanding any provision of this subsection to the
162 contrary, no revision to the rate of levy for personal
163 property shall cause such levy to increase over the levy for
164 personal property from the prior year.】

165 3. (1) Where the taxing authority is a school
166 district, it shall be required to revise the rates of levy
167 to the extent necessary to produce from all taxable
168 property, including state-assessed railroad and utility
169 property, which shall be separately estimated in addition to
170 other data required in complying with section 164.011,

substantially the amount of tax revenue permitted in this section. In the year following tax rate reduction, the tax rate ceiling may be adjusted to offset such district's reduction in the apportionment of state school moneys due to its reduced tax rate. However, in the event any school district, in calculating a tax rate ceiling pursuant to this section, requiring the estimating of effects of state-assessed railroad and utility valuation or loss of state aid, discovers that the estimates used result in receipt of excess revenues, which would have required a lower rate if the actual information had been known, the school district shall reduce the tax rate ceiling in the following year to compensate for the excess receipts, and the recalculated rate shall become the tax rate ceiling for purposes of this section.

(2) For any political subdivision which experiences a reduction in the amount of assessed valuation relating to a prior year, due to decisions of the state tax commission or a court pursuant to sections 138.430 to 138.433, or due to clerical errors or corrections in the calculation or recordation of any assessed valuation:

(a) Such political subdivision may revise the tax rate ceiling for each purpose it levies taxes to compensate for the reduction in assessed value occurring after the political subdivision calculated the tax rate ceiling for the particular subclass of real property or for personal property, in the aggregate, in a prior year. Such revision by the political subdivision shall be made at the time of the next calculation of the tax rate for the particular subclass of real property or for personal property, in the aggregate, after the reduction in assessed valuation has been determined and shall be calculated in a manner that

203 results in the revised tax rate ceiling being the same as it
204 would have been had the corrected or finalized assessment
205 been available at the time of the prior calculation;

206 (b) In addition, for up to three years following the
207 determination of the reduction in assessed valuation as a
208 result of circumstances defined in this subdivision, such
209 political subdivision may levy a tax rate for each purpose
210 it levies taxes above the revised tax rate ceiling provided
211 in paragraph (a) of this subdivision to recoup any revenues
212 it was entitled to receive had the corrected or finalized
213 assessment been available at the time of the prior
214 calculation.

215 4. (1) In order to implement the provisions of this
216 section and Section 22 of Article X of the Constitution of
217 Missouri, the term improvements shall apply to [both] real
218 [and personal] property. In order to determine the value of
219 new construction and improvements, each county assessor
220 shall maintain a record of real property valuations in such
221 a manner as to identify each year the increase in valuation
222 for each political subdivision in the county as a result of
223 new construction and improvements. The value of new
224 construction and improvements shall include the additional
225 assessed value of all improvements or additions to real
226 property which were begun after and were not part of the
227 prior year's assessment, except that the additional assessed
228 value of all improvements or additions to real property
229 which had been totally or partially exempt from ad valorem
230 taxes pursuant to sections 99.800 to 99.865, sections
231 135.200 to 135.255, and section 353.110 shall be included in
232 the value of new construction and improvements when the
233 property becomes totally or partially subject to assessment
234 and payment of all ad valorem taxes. [The aggregate

increase in valuation of personal property for the current year over that of the previous year is the equivalent of the new construction and improvements factor for personal property. Notwithstanding any opt-out implemented pursuant to subsection 14 of section 137.115,] the assessor shall certify the amount of new construction and improvements and the amount of assessed value on any real property which was assessed by the assessor of a county or city in such previous year but is assessed by the assessor of a county or city in the current year in a different subclass of real property separately for each of the three subclasses of real property for each political subdivision to the county clerk in order that political subdivisions shall have this information for the purpose of calculating tax rates pursuant to this section and Section 22, Article X, Constitution of Missouri. In addition, the state tax commission shall certify each year to each county clerk the increase in the general price level as measured by the Consumer Price Index for All Urban Consumers for the United States, or its successor publications, as defined and officially reported by the United States Department of Labor, or its successor agency. The state tax commission shall certify the increase in such index on the latest twelve-month basis available on February first of each year over the immediately preceding prior twelve-month period in order that political subdivisions shall have this information available in setting their tax rates according to law and Section 22 of Article X of the Constitution of Missouri. For purposes of implementing the provisions of this section and Section 22 of Article X of the Missouri Constitution, the term "property" means all taxable property, including state-assessed property.

(2) Each political subdivision required to revise rates of levy pursuant to this section or Section 22 of Article X of the Constitution of Missouri shall calculate each tax rate it is authorized to levy and, in establishing each tax rate, shall consider each provision for tax rate revision provided in this section and Section 22 of Article X of the Constitution of Missouri, separately and without regard to annual tax rate reductions provided in section 67.505 and section 164.013. Each political subdivision shall set each tax rate it is authorized to levy using the calculation that produces the lowest tax rate ceiling. It is further the intent of the general assembly, pursuant to the authority of Section 10(c) of Article X of the Constitution of Missouri, that the provisions of such section be applicable to tax rate revisions mandated pursuant to Section 22 of Article X of the Constitution of Missouri as to reestablishing tax rates as revised in subsequent years, enforcement provisions, and other provisions not in conflict with Section 22 of Article X of the Constitution of Missouri. Annual tax rate reductions provided in section 67.505 and section 164.013 shall be applied to the tax rate as established pursuant to this section and Section 22 of Article X of the Constitution of Missouri, unless otherwise provided by law.

5. (1) In all political subdivisions, the tax rate ceiling established pursuant to this section shall not be increased unless approved by a vote of the people. Approval of the higher tax rate shall be by at least a majority of votes cast. When a proposed higher tax rate requires approval by more than a simple majority pursuant to any provision of law or the constitution, the tax rate increase must receive approval by at least the majority required.

299 **Notwithstanding any other provision of law to the contrary,**
300 **all tax levy increases applied to any real and personal**
301 **property shall be applied to each subclass of property**
302 **equally.**

303 (2) When voters approve an increase in the tax rate,
304 the amount of the increase shall be added to the tax rate
305 ceiling as calculated pursuant to this section to the extent
306 the total rate does not exceed any maximum rate prescribed
307 by law. If a ballot question presents a stated tax rate for
308 approval rather than describing the amount of increase in
309 the question, the stated tax rate approved shall be adjusted
310 as provided in this section and, so adjusted, shall be the
311 current tax rate ceiling. The increased tax rate ceiling as
312 approved shall be adjusted such that when applied to the
313 current total assessed valuation of the political
314 subdivision, excluding new construction and improvements
315 since the date of the election approving such increase, the
316 revenue derived from the adjusted tax rate ceiling is equal
317 to the sum of: the amount of revenue which would have been
318 derived by applying the voter-approved increased tax rate
319 ceiling to total assessed valuation of the political
320 subdivision, as most recently certified by the city or
321 county clerk on or before the date of the election in which
322 such increase is approved, increased by the percentage
323 increase in the consumer price index, as provided by law.
324 Such adjusted tax rate ceiling may be applied to the total
325 assessed valuation of the political subdivision at the
326 setting of the next tax rate. If a ballot question presents
327 a phased-in tax rate increase, upon voter approval, each tax
328 rate increase shall be adjusted in the manner prescribed in
329 this section to yield the sum of: the amount of revenue
330 that would be derived by applying such voter-approved

increased rate to the total assessed valuation, as most recently certified by the city or county clerk on or before the date of the election in which such increase was approved, increased by the percentage increase in the consumer price index, as provided by law, from the date of the election to the time of such increase and, so adjusted, shall be the current tax rate ceiling.

(3) Notwithstanding the provisions of subdivision (2) of this subsection to the contrary, if prior to the expiration of a temporary levy increase, voters approve a subsequent levy increase, the new tax rate ceiling shall remain in effect only until such time as the temporary levy expires under the terms originally approved by a vote of the people, at which time the tax rate ceiling shall be decreased by the amount of the temporary levy increase. If, prior to the expiration of a temporary levy increase, voters of a political subdivision are asked to approve an additional, permanent increase to the political subdivision's tax rate ceiling, voters shall be submitted ballot language that clearly indicates that if the permanent levy increase is approved, the temporary levy shall be made permanent.

(4) The governing body of any political subdivision may levy a tax rate lower than its tax rate ceiling [and]. Such reduction to the tax rate ceiling in a nonreassessment year shall be applied in the immediately following year of general reassessment. The governing body of any political subdivision may, in a nonreassessment year, increase that previously lowered tax rate to a level not exceeding the tax rate ceiling without voter approval in the manner provided under subdivision [(4)] (5) of this subsection. Such increase to the tax rate ceiling in a nonreassessment year

363 **shall be applied in the immediately following year of**
364 **general reassessment.** Nothing in this section shall be
365 construed as prohibiting a political subdivision from
366 voluntarily levying a tax rate lower than that which is
367 required under the provisions of this section or from
368 seeking voter approval of a reduction to such political
369 subdivision's tax rate ceiling.

370 **[(4)] (5)** In a year of general reassessment, a
371 governing body whose tax rate is lower than its tax rate
372 ceiling shall revise its tax rate pursuant to the provisions
373 of subsection 4 of this section as if its tax rate was at
374 the tax rate ceiling. In a year following general
375 reassessment, if such governing body intends to increase its
376 tax rate, the governing body shall conduct a public hearing,
377 and in a public meeting it shall adopt an ordinance,
378 resolution, or policy statement justifying its action prior
379 to setting and certifying its tax rate. The provisions of
380 this subdivision shall not apply to any political
381 subdivision which levies a tax rate lower than its tax rate
382 ceiling solely due to a reduction required by law resulting
383 from sales tax collections. The provisions of this
384 subdivision shall not apply to any political subdivision
385 which has received voter approval for an increase to its tax
386 rate ceiling subsequent to setting its most recent tax rate.

387 **(6) (a) As used in this subdivision, the following**
388 **terms shall mean:**

389 **a. "Current tax rate ceiling", the tax rate ceiling in**
390 **effect before the voters approve a higher tax rate;**

391 **b. "Increased tax rate ceiling", the new tax rate**
392 **ceiling in effect after the voters approve a higher tax rate.**

393 **(b) Notwithstanding any other provision of law to the**
394 **contrary, when the required majority of voters in a**

395 political subdivision approves an increase in the political
396 subdivision's tax rate, the political subdivision shall use
397 the current tax rate ceiling and the increase approved by
398 the voters in establishing the rates of levy for the tax
399 year immediately following the election.

400 (c) If the assessed valuation of real property in such
401 political subdivision is reduced in such tax year
402 immediately following the election, such political
403 subdivision may raise its rates of levy so that the revenue
404 received from its local real property tax rates equals the
405 amount the political subdivision would have received from
406 the increased rates of levy had there been no reduction in
407 the assessed valuation of real property in the political
408 subdivision.

409 (d) Using the increased tax rate ceiling shall be
410 revenue neutral as required in Article X, Section 22 of the
411 Constitution of Missouri.

412 6. (1) For the purposes of calculating state aid for
413 public schools pursuant to section 163.031, each taxing
414 authority which is a school district shall determine its
415 proposed tax rate as a blended rate of the classes or
416 subclasses of property. Such blended rate shall be
417 calculated by first determining the total tax revenue of the
418 property within the jurisdiction of the taxing authority,
419 which amount shall be equal to the sum of the products of
420 multiplying the assessed valuation of each class and
421 subclass of property by the corresponding tax rate for such
422 class or subclass, then dividing the total tax revenue by
423 the total assessed valuation of the same jurisdiction, and
424 then multiplying the resulting quotient by a factor of one
425 hundred. Where the taxing authority is a school district,
426 such blended rate shall also be used by such school district

for calculating revenue from state-assessed railroad and utility property as defined in chapter 151 and for apportioning the tax rate by purpose.

(2) Each taxing authority proposing to levy a tax rate in any year shall notify the clerk of the county commission in the county or counties where the tax rate applies of its tax rate ceiling and its proposed tax rate. Each taxing authority shall express its proposed tax rate in a fraction equal to the nearest one-tenth of a cent, unless its proposed tax rate is in excess of one dollar, then one/one-hundredth of a cent. If a taxing authority shall round to one/one-hundredth of a cent, it shall round up a fraction greater than or equal to five/one-thousandth of one cent to the next higher one/one-hundredth of a cent; if a taxing authority shall round to one-tenth of a cent, it shall round up a fraction greater than or equal to five/one-hundredths of a cent to the next higher one-tenth of a cent. Any taxing authority levying a property tax rate shall provide data, in such form as shall be prescribed by the state auditor by rule, substantiating such tax rate complies with Missouri law. All forms for the calculation of rates pursuant to this section shall be promulgated as a rule and shall not be incorporated by reference. The state auditor shall promulgate rules for any and all forms for the calculation of rates pursuant to this section which do not currently exist in rule form or that have been incorporated by reference. In addition, each taxing authority proposing to levy a tax rate for debt service shall provide data, in such form as shall be prescribed by the state auditor by rule, substantiating the tax rate for debt service complies with Missouri law. A tax rate proposed for annual debt service requirements will be prima facie valid if, after

making the payment for which the tax was levied, bonds remain outstanding and the debt fund reserves do not exceed the following year's payments. The county clerk shall keep on file and available for public inspection all such information for a period of three years. The clerk shall, within three days of receipt, forward a copy of the notice of a taxing authority's tax rate ceiling and proposed tax rate and any substantiating data to the state auditor. The state auditor shall, within fifteen days of the date of receipt, examine such information and return to the county clerk his or her findings as to compliance of the tax rate ceiling with this section and as to compliance of any proposed tax rate for debt service with Missouri law. If the state auditor believes that a taxing authority's proposed tax rate does not comply with Missouri law, then the state auditor's findings shall include a recalculated tax rate, and the state auditor may request a taxing authority to submit documentation supporting such taxing authority's proposed tax rate. The county clerk shall immediately forward a copy of the auditor's findings to the taxing authority and shall file a copy of the findings with the information received from the taxing authority. The taxing authority shall have fifteen days from the date of receipt from the county clerk of the state auditor's findings and any request for supporting documentation to accept or reject in writing the rate change certified by the state auditor and to submit all requested information to the state auditor. A copy of the taxing authority's acceptance or rejection and any information submitted to the state auditor shall also be mailed to the county clerk. If a taxing authority rejects a rate change certified by the state auditor and the state auditor does not receive

491 supporting information which justifies the taxing
492 authority's original or any subsequent proposed tax rate,
493 then the state auditor shall refer the perceived violations
494 of such taxing authority to the attorney general's office
495 and the attorney general is authorized to obtain injunctive
496 relief to prevent the taxing authority from levying a
497 violative tax rate.

498 (3) In the event that the taxing authority incorrectly
499 completes the forms created and promulgated under
500 subdivision (2) of this subsection, or makes a clerical
501 error, the taxing authority may submit amended forms with an
502 explanation for the needed changes. If such amended forms
503 are filed under regulations prescribed by the state auditor,
504 the state auditor shall take into consideration such amended
505 forms for the purposes of this subsection.

506 7. No tax rate shall be extended on the tax rolls by
507 the county clerk unless the political subdivision has
508 complied with the foregoing provisions of this section.

509 8. Whenever a taxpayer has cause to believe that a
510 taxing authority has not complied with the provisions of
511 this section, the taxpayer may make a formal complaint with
512 the prosecuting attorney of the county. Where the
513 prosecuting attorney fails to bring an action within ten
514 days of the filing of the complaint, the taxpayer may bring
515 a civil action pursuant to this section and institute an
516 action as representative of a class of all taxpayers within
517 a taxing authority if the class is so numerous that joinder
518 of all members is impracticable, if there are questions of
519 law or fact common to the class, if the claims or defenses
520 of the representative parties are typical of the claims or
521 defenses of the class, and if the representative parties
522 will fairly and adequately protect the interests of the

class. In any class action maintained pursuant to this section, the court may direct to the members of the class a notice to be published at least once each week for four consecutive weeks in a newspaper of general circulation published in the county where the civil action is commenced and in other counties within the jurisdiction of a taxing authority. The notice shall advise each member that the court will exclude him or her from the class if he or she so requests by a specified date, that the judgment, whether favorable or not, will include all members who do not request exclusion, and that any member who does not request exclusion may, if he or she desires, enter an appearance. In any class action brought pursuant to this section, the court, in addition to the relief requested, shall assess against the taxing authority found to be in violation of this section the reasonable costs of bringing the action, including reasonable attorney's fees, provided no attorney's fees shall be awarded any attorney or association of attorneys who receive public funds from any source for their services. Any action brought pursuant to this section shall be set for hearing as soon as practicable after the cause is at issue.

9. If in any action, including a class action, the court issues an order requiring a taxing authority to revise the tax rates as provided in this section or enjoins a taxing authority from the collection of a tax because of its failure to revise the rate of levy as provided in this section, any taxpayer paying his or her taxes when an improper rate is applied has erroneously paid his or her taxes in part, whether or not the taxes are paid under protest as provided in section 139.031 or otherwise contested. The part of the taxes paid erroneously is the

555 difference in the amount produced by the original levy and
556 the amount produced by the revised levy. The township or
557 county collector of taxes or the collector of taxes in any
558 city shall refund the amount of the tax erroneously paid.
559 The taxing authority refusing to revise the rate of levy as
560 provided in this section shall make available to the
561 collector all funds necessary to make refunds pursuant to
562 this subsection. No taxpayer shall receive any interest on
563 any money erroneously paid by him or her pursuant to this
564 subsection. Effective in the 1994 tax year, nothing in this
565 section shall be construed to require a taxing authority to
566 refund any tax erroneously paid prior to or during the third
567 tax year preceding the current tax year.

568 10. Any rule or portion of a rule, as that term is
569 defined in section 536.010, that is created under the
570 authority delegated in this section shall become effective
571 only if it complies with and is subject to all of the
572 provisions of chapter 536 and, if applicable, section
573 536.028. This section and chapter 536 are nonseverable and
574 if any of the powers vested with the general assembly
575 pursuant to chapter 536 to review, to delay the effective
576 date, or to disapprove and annul a rule are subsequently
577 held unconstitutional, then the grant of rulemaking
578 authority and any rule proposed or adopted after August 28,
579 2004, shall be invalid and void.

137.079. Prior to setting its [rate or] rates as
2 required by section 137.073, each taxing authority shall
3 exclude from its total assessed valuation seventy-two
4 percent of the total amount of assessed value of business
5 personal property that is the subject of an appeal at the
6 state tax commission or in a court of competent jurisdiction
7 in this state. This exclusion shall only apply to the

8 portion of the assessed value of business personal property
9 that is disputed in the appeal, and shall not exclude any
10 portion of the same property that is not disputed. [If the
11 taxing authority uses a multirate approach] **For the purpose**
12 **of setting rates** as provided in section 137.073, this
13 exclusion shall be made from the personal property class.
14 The state tax commission shall provide each taxing authority
15 with the total assessed value of business personal property
16 within the jurisdiction of such taxing authority for which
17 an appeal is pending no later than August twentieth of each
18 year. Whenever any appeal is resolved, whether by final
19 adjudication or settlement, and the result of the appeal
20 causes money to be paid to the taxing authority, the taxing
21 authority shall not be required to make an additional
22 adjustment to its rate or rates due to such payment once the
23 deadline for setting its rates, as provided by this chapter,
24 has passed in a taxable year, but shall adjust its rate or
25 rates due to such payment in the next rate setting cycle to
26 offset the payment in the next taxable year. For the
27 purposes of this section, the term "business personal
28 property" means tangible personal property which is used in
29 a trade or business or used for production of income and
30 which has a determinable life of longer than one year except
31 that supplies used by a business shall also be considered
32 business personal property, but shall not include livestock,
33 farm machinery, property subject to the motor vehicle
34 registration provisions of chapter 301, property subject to
35 the tables provided in section 137.078, the property of
36 rural electric cooperatives under chapter 394, or property
37 assessed by the state tax commission under chapters 151,
38 153, and 155, section 137.022, and sections 137.1000 to
39 137.1030.

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

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 county. On or before January first of each even-numbered year, the assessor shall prepare and submit a two-year assessment maintenance plan to the county governing body and the state tax commission for their respective approval or modification. The county governing body shall approve and forward such plan or its alternative to the plan to the state tax commission by February first. If the county governing body fails to forward the plan or its alternative to the plan to the state tax commission by February first, the assessor's plan shall be considered approved by the county governing body. If the state tax commission fails to approve a plan and if the state tax commission and the assessor and the governing body of the county involved are unable to resolve the differences, in order to receive state cost-share funds outlined in section 137.750, the county or the assessor shall petition the administrative hearing commission, by May first, to decide all matters in dispute regarding the assessment maintenance plan. Upon agreement of the parties, the matter may be stayed while the parties proceed with mediation or arbitration upon terms agreed to by the parties. The final decision of the administrative hearing commission shall be subject to judicial review in the circuit court of the 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.

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:

(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. 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. 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. 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. 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. 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. If a physical inspection is required, pursuant to subsection 10 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. A physical inspection, as required by subsection 10 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 of this section. Mere observation of the property via a drive-by inspection or the like shall not be considered sufficient to constitute a physical inspection as required by this section.

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

14. [Any county or city not within a county in this state may, by an affirmative vote of the governing body of such county, opt out of 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 the general reassessment, prior to January first of any year. No county or city not within a county shall exercise this opt-out provision after implementing 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, in a 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

288 vote of the governing body prior to December thirty-first of
289 any year.

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

301 16.] Any portion of real property that is available as
302 reserve for strip, surface, or coal mining for minerals for
303 purposes of excavation for future use or sale to others that
304 has not been bonded and permitted under chapter 444 shall be
305 assessed based upon how the real property is currently being
306 used. Any information provided to a county assessor, state
307 tax commission, state agency, or political subdivision
308 responsible for the administration of tax policies shall, in
309 the performance of its duties, make available all books,
310 records, and information requested, except such books,
311 records, and information as are by law declared confidential
312 in nature, including individually identifiable information
313 regarding a specific taxpayer or taxpayer's mine property.
314 For purposes of this subsection, "mine property" shall mean
315 all real property that is in use or readily available as a
316 reserve for strip, surface, or coal mining for minerals for
317 purposes of excavation for current or future use or sale to
318 others that has been bonded and permitted under chapter 444.

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