

SECOND REGULAR SESSION

SENATE BILL NO. 1475

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR NICOLA.

6248S.01I

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 137.085, 140.110, 140.160, 140.850, and 141.260, RSMo, and to enact in lieu thereof five new sections relating to delinquent property taxes, with an emergency clause.

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

Section A. Sections 137.085, 140.110, 140.160, 140.850, and 141.260, RSMo, are repealed and five new sections enacted in lieu thereof, to be known as sections 137.085, 140.110, 140.160, 140.850, and 141.260, to read as follows:

137.085. 1. Government lands entered or located on prior to the first day of January shall be taxable for that year and every year thereafter; school and swamp land and lots shall become taxable whenever the county sells, conveys or agrees to convey its title.

2. (1) Real property shall in all cases be liable for the taxes thereon, and a lien is hereby vested in favor of the state on all real property for all taxes thereon, which lien shall accrue and become a fixed encumbrance as soon as the amount of the taxes is determined by assessment and levy, and said lien shall be enforced as provided by law; said lien shall continue to be enforced until all taxes, forfeitures, back taxes and costs shall be fully paid or the land sold or released as provided by law.

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

140.110. 1. The collectors of the respective counties
shall collect the taxes contained in the back tax book. Any
person interested in or the owner of any tract of land or
lot contained in the back tax book may redeem the tract of
land or town lot, or any part thereof, from the state's lien
thereon, by paying to the proper collector the amount of the
original taxes, as charged against the tract of land or town
lot described in the back tax book together with interest
from the day upon which the tax first became delinquent at
the rate specified in section 140.100.

11 2. Any payment for personal property taxes received by
12 the county collector shall **be accepted and** first be applied
13 to the oldest of any back delinquent personal taxes on the
14 back tax book before a county collector accepts any payment
15 for all or any part of personal property taxes due and
16 assessed on the current tax book.

17 3. Any payment for real property taxes received by the
18 county collector shall **be accepted and** first be applied to
19 the oldest of any back delinquent taxes on the same
20 individual parcel of real estate on the back tax book before
21 a county collector accepts payment for real property taxes
22 due and assessed on the current tax book.

23 4. Subsection 3 of this section shall not apply to
24 payment for real property taxes by financial institutions,
25 as defined in section 381.410, who pay tax obligations which
26 they service from escrow accounts, as defined in Title 24,
27 Part 3500, Section 17, Code of Federal Regulations.

140.160. 1. (1) No proceedings for the sale of land
2 and lots for delinquent taxes or unpaid special assessments
3 pursuant to this chapter, relating to the collection of
4 delinquent and back taxes and unpaid special assessments and
5 providing for foreclosure sale and redemption of land and
6 lots therefor, shall be commenced until the expiration of a
7 seven year period beginning on the date such taxes and
8 special assessments become delinquent. Notwithstanding any
9 provision of law to the contrary, no additional penalties or
10 interest shall be assessed against such lands or lots during
11 such seven year period.

12 (2) The provisions of this subsection shall not apply
13 to any delinquent property with an assessed value that is
14 less than the amount of the lien of the state as of the most
15 recent reassessment, and the sale of such delinquent
16 property may commence pursuant to this chapter without
17 regard for the seven year period provided in subdivision (1)
18 of this subsection.

19 2. No proceedings for the sale of land and lots for
20 delinquent taxes pursuant to this chapter or unpaid special
21 assessments, relating to the collection of delinquent and
22 back taxes and unpaid special assessments and providing for
23 foreclosure sale and redemption of land and lots therefor,
24 shall be valid unless initial proceedings therefor shall be
25 commenced within three years after [delinquency of such
26 taxes and unpaid special assessments] the expiration of the
27 seven year period provided for in subsection 1 of this
28 section, and any sale held pursuant to initial proceedings
29 commenced within such period of three years shall be deemed
30 to have been in compliance with the provisions of said law
31 insofar as the time at which such sales are to be had is
32 specified therein; provided further, that in suits or

33 actions to collect delinquent drainage and/or levee
34 assessments on real estate such suits or actions shall be
35 commenced within three years after [delinquency] **the**
36 **expiration of the seven year period provided for in**
37 **subsection 1 of this section**, otherwise no suit or action
38 therefor shall be commenced, had or maintained, except that
39 the three-year limitation described in this subsection shall
40 not be applicable if any written instrument conveys any real
41 estate having a tax-exempt status, if such instrument causes
42 such real estate to again become taxable real property and
43 if such instrument has not been recorded in the office of
44 the recorder in the county in which the real estate has been
45 situated. Such three-year limitation shall only be
46 applicable once the recording of the title has occurred.

47 **[2.] 3.** The county auditor in all counties having a
48 county auditor shall annually audit collections, deposits,
49 and supporting reports of the collector and provide a copy
50 of such audit to the county collector and to the governing
51 body of the county. A copy of the audit may be provided to
52 all applicable taxing entities within the county at the
53 discretion of the county collector.

140.850. **1.** For all taxes administered by the
2 department of revenue, the director may enter into contracts
3 with private attorneys or professional collection agencies
4 for the collection of delinquent taxes owed by residents or
5 nonresidents of the state of Missouri; except that, any
6 contract let pursuant to this section shall be awarded in
7 the manner prescribed by chapter 34 and shall be subject to
8 appropriation made therefor. Any contract entered into
9 pursuant to this section shall not provide for a collection
10 fee in excess of twenty-five percent of the amount collected.

11 **2. Neither the director of revenue nor any other state**
12 **or county official shall enter into any contract with a**
13 **private attorney or professional collection agency for the**
14 **collection of delinquent property taxes owed by residents or**
15 **nonresidents of the state of Missouri.**

141.260. 1. Whenever it shall appear that a tax bill
2 has been due and unpaid for a period of at least [two] **seven**
3 years after the date on which, if a general tax bill, it
4 became delinquent, or, if a special tax bill, such bill or
5 any installment thereof became due, the tax lien,
6 represented by such tax bill, and the tax liens of other
7 delinquent tax bills, shall be summarily foreclosed in the
8 manner provided in sections 141.210 to 141.810.

9 2. Ownership of a tax bill, or of a tax sale
10 certificate, or certificate of purchase, or tax deed, or any
11 other instrument or record of a tax bill not bearing
12 evidence of cancellation or payment, by the tax district or
13 taxing authority issuing the same, or by any other owner
14 thereof, shall be *prima facie* evidence of the fact that the
15 tax bill or tax lien represented thereby has not been paid
16 to the tax district or to the owner of the tax bill or tax
17 lien.

18 3. The holders of tax sale certificates, certificates
19 of purchase, or tax deeds, issued by any municipality, shall
20 be on a parity as to priority of liens and shall have the
21 same rights as the taxing authorities holding or owning
22 general tax bills for the same tax year, and may in like
23 manner foreclose their liens under sections 141.210 to
24 141.810.

Section B. Because of the importance of protecting
2 property rights in this state, section A of this act is
3 deemed necessary for the immediate preservation of the

4 public health, welfare, peace, and safety, and is hereby
5 declared to be an emergency act within the meaning of the
6 constitution, and section A of this act shall be in full
7 force and effect upon its passage and approval.

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