

SECOND REGULAR SESSION

SENATE JOINT RESOLUTION NO. 117

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR BROWN (26).

6873S.011

KRISTINA MARTIN, Secretary

JOINT RESOLUTION

Submitting to the qualified voters of Missouri, an amendment to article X of the Constitution of Missouri, by adding thereto one new section relating to state revenue.

Be it resolved by the Senate, the House of Representatives concurring therein:

That at the next general election to be held in the
2 state of Missouri, on Tuesday next following the first Monday
3 in November, 2026, or at a special election to be called by
4 the governor for that purpose, there is hereby submitted to
5 the qualified voters of this state, for adoption or
6 rejection, the following amendment to article X of the
7 Constitution of the state of Missouri:

Section A. Article X, Constitution of Missouri, is amended
2 by adding thereto one new section, to be known as section 20(a),
3 to read as follows:

**Section 20(a). 1. This section shall be known and may
2 be cited as the "Taxpayer Protection Act".**

**3 2. This section takes effect January 1, 2027, or as
4 stated. All provisions are self-executing, severable, and
5 supersede conflicting provisions of this Constitution,
6 general law, or other state or local provisions, but
7 otherwise, the provisions of this section shall be in
8 addition to the limits, requirements, and other provisions
9 of Sections 16 to 24 of this Article. Other limits on
10 district revenue, spending, and debt shall only be modified
11 by future voter approval. Individual or class action**

enforcement suits may be filed and shall have the highest civil priority of resolution. Successful plaintiffs are allowed costs and reasonable attorney's fees. A district shall not be allowed costs and reasonable attorney's fees unless a suit against it is ruled frivolous. Revenue collected, kept, or spent illegally since four full fiscal years before a suit is filed shall be refunded with ten percent annual simple interest from the initial conduct. Subject to judicial review, districts may use any reasonable method for refunds under this section, including temporary tax credits or rate reductions. Refunds need not be proportional when prior payments are impractical to identify or return. When annual district revenue is less than annual payments on general obligation bonds, pensions, and final court judgments, subdivision (1) of subsection 5 and subsection 8 of this section shall be suspended to provide for the deficiency.

3. As used in this section, the following terms mean:

(1) "Ballot issue", a nonrecall petition or referred measure in an election;

(2) "District", the state or any local government district but shall exclude enterprises;

(3) "Emergency", an extraordinary event or occurrence that could not have been reasonably foreseen or prevented and that requires immediate expenditure or appropriation of moneys to preserve the health, safety, and general welfare of the people, but excludes economic conditions, revenue shortfalls, and district salary or fringe benefit increases;

(4) "Enterprise", a government-owned business authorized to issue its own revenue bonds and receiving under ten percent of annual revenue in grants from all state and local governments combined;

44 (5) "Fiscal year spending", all district expenditures
45 and reserve increases except, as to both, those for refunds
46 made in the current or next fiscal year; those from gifts,
47 federal funds, collections for another government, pension
48 contributions by employees and pension fund earnings,
49 reserve transfers or expenditures, damage awards, or
50 property sales; those originally deposited into the general
51 revenue fund but designated by law for a specific
52 distribution or transfer to another state fund as reported
53 by the office of administration; or those revenues and
54 expenditures of such revenues excluded from the calculation
55 of total state revenues under Sections 17, 18, and 18(e) of
56 this Article and not included as an expense of state
57 government under Section 20 of this Article;

58 (6) "Inflation", the percentage change in the general
59 price level as such term is defined under Section 17 of this
60 Article;

61 (7) "Local government district", a county or other
62 political subdivision as such term is defined under Section
63 15 of this Article;

64 (8) "Local growth", for a nonschool district, a net
65 percentage change in actual value of all real property in a
66 district from construction of taxable real property
67 improvements, minus destruction of similar improvements, and
68 additions to, minus deletions from, taxable real property.
69 For a school district, it means the percentage change in its
70 student enrollment.

71 4. (1) Ballot issues brought under the requirements
72 of this section shall be decided in a regularly scheduled
73 state general election, general municipal election or other
74 general local district election, or on the first Tuesday
75 after the first Monday in November of odd-numbered years.

76 Except for petitions, bonded debt, or charter or
77 constitutional provisions, districts may consolidate ballot
78 issues and voters may approve a delay of up to four years in
79 voting on ballot issues. District actions taken during such
80 a delay shall not extend beyond that period.

81 (2) At least thirty days before a ballot issue
82 election brought under the requirements of this section,
83 districts shall mail at the least cost, and as a package
84 where districts with ballot issues overlap, a title notice
85 or set of notices addressed to "All Registered Voters" at
86 each address of one or more active registered electors. The
87 districts may coordinate the mailing required by this
88 subsection with the distribution of any other mailed ballot
89 information in order to save mailing costs. Titles shall
90 have this order of preference: "NOTICE OF ELECTION TO
91 INCREASE TAXES/TO INCREASE DEBT/ON A CITIZEN PETITION ON A
92 REFERRED MEASURE.". Except for district voter-approved
93 additions, and in addition to any other requirements for
94 ballot measures under this Constitution or by general law,
95 notices shall include only:

96 (a) The election date, hours, ballot title, text, and
97 local election office address and telephone number;

98 (b) For proposed district tax or bonded debt
99 increases, the estimated or actual total of district fiscal
100 year spending for the current year and each of the past four
101 years, and the overall percentage and dollar change;

102 (c) For the first full fiscal year of each proposed
103 district tax increase, district estimates of the maximum
104 dollar amount of each increase and of district fiscal year
105 spending without the increase;

106 (d) For proposed district bonded debt, its principal
107 amount and maximum annual and total district repayment cost,

108 and the principal balance of total current district bonded
109 debt and its maximum annual and remaining total district
110 repayment cost; and

111 (e) Two summaries, up to five hundred words each, one
112 for and one against the proposal, of written comments filed
113 with the election officer by forty-five days before the
114 election. No summary shall mention names of persons or
115 private groups, nor any endorsements of or resolutions
116 against the proposal. Petition representatives following
117 these rules shall write this summary for their petition.
118 The election officer shall maintain and accurately summarize
119 all other relevant written comments. The provisions of this
120 paragraph do not apply to a statewide ballot issue brought
121 under the provisions of this section.

122 (3) Except by later voter approval, if a tax increase
123 or fiscal year spending exceeds any estimate under paragraph
124 (c) of subdivision (2) of this subsection for the same
125 fiscal year, the tax increase is thereafter reduced up to
126 one hundred percent in proportion to the combined dollar
127 excess, and the combined excess revenue refunded in the next
128 fiscal year. District bonded debt shall not issue on terms
129 that could exceed its share of its maximum repayment costs
130 in paragraph (d) of subdivision (2) of this subsection.
131 Ballot titles for tax or bonded debt increases shall begin:

132 "Shall (district) taxes be increased (first, or
133 if phased in, final, fiscal year dollar
134 increase) annually...?" or "Shall (district)
135 debt be increased (principal amount), with a
136 repayment cost of (maximum total district cost),
137 ...?".

138 5. Beginning on and after the effective date of this
139 section, districts shall be required to have voter approval
140 in advance for:

141 (1) Unless subsection 2 or subsection 7 of this
142 section applies, any new tax, tax rate increase, mill levy
143 above the rate for the prior year, valuation for assessment
144 ratio increase for a property class, extension of an
145 expiring tax, or a tax policy change directly causing a net
146 tax revenue gain to any district; and

147 (2) Except for refinancing district bonded debt at a
148 lower interest rate or adding new employees to existing
149 district pension plans, creation of any multiple fiscal year
150 direct or indirect district debt or other financial
151 obligation whatsoever without adequate present cash reserves
152 pledged irrevocably and held for payments in all future
153 fiscal years.

154 6. To use only for declared emergencies, each district
155 shall reserve for fiscal year 2028 one percent or more, for
156 fiscal year 2029 two percent or more, and for all later
157 years three percent or more of its fiscal year spending
158 excluding bonded debt service. Unused reserves apply to the
159 next year's reserve.

160 7. This subsection grants no new taxing power.
161 Emergency property taxes are prohibited. Emergency tax
162 revenue is excluded for purposes of subdivision (3) of
163 subsection 4 and subsection 8 of this section, even if later
164 ratified by voters. Emergency taxes shall also meet all of
165 the following conditions:

166 (1) A two-thirds majority of the members of each
167 chamber of the general assembly or of a local district
168 governing body declares the emergency and imposes the tax by
169 separate recorded roll call votes;

170 (2) Emergency tax revenue shall be spent only after
171 emergency reserves are depleted, and shall be refunded
172 within one hundred eighty days after the emergency ends if
173 not spent on the emergency; and

174 (3) A tax not approved on the next election date sixty
175 days or more after the declaration shall end with that
176 election month.

177 8. (1) The maximum annual percentage change in state
178 fiscal year spending equals inflation plus the percentage
179 change in state population in the prior calendar year
180 adjusted for any revenue changes approved by voters after
181 the effective date of this section. Population shall be
182 determined by annual federal census estimates and such
183 number shall be adjusted every decade to match the federal
184 census.

185 (2) The maximum annual percentage change in each local
186 district's fiscal year spending equals inflation in the
187 prior calendar year plus annual local growth adjusted for
188 any revenue changes approved by voters after the effective
189 date of this section and reductions under subsections 8 and
190 9 of this section.

191 (3) The maximum annual percentage change in each local
192 district's property tax revenue equals inflation in the
193 prior calendar year plus annual local growth, adjusted for
194 property tax revenue changes approved by voters after the
195 effective date of this section and reductions under
196 subdivision (2) of subsection 9 and subsection 10 of this
197 section.

198 (4) If revenue from sources not excluded from fiscal
199 year spending exceeds these limits in dollars for that
200 fiscal year, the excess shall be refunded in the next fiscal
201 year unless voters approve a revenue change as an offset.

Initial district bases are current fiscal year spending and property tax collected for tax year 2025. Qualification or disqualification as an enterprise shall change district bases and future year limits. Future creation of district bonded debt shall increase, and retiring or refinancing district bonded debt shall lower fiscal year spending and property tax revenue by the annual debt service so funded. Debt service changes, reductions, refunds under subsection 2 and subdivision (3) of subsection 4 of this section, and voter-approved revenue changes are dollar amounts that are exceptions to, and not part of, any district base. Voter-approved revenue changes do not require a tax rate change.

9. (1) New or increased transfer tax rates on real property are prohibited. No new state real property tax or local district income tax shall be imposed. Neither an income tax rate increase nor a new state definition of taxable income shall apply before the next tax year.

(2) Each district may enact cumulative uniform exemptions and credits to reduce or end business personal property taxes.

(3) Regardless of reassessment frequency, valuation notices shall be mailed annually and may be appealed annually, with no presumption in favor of any pending valuation. Past or future sales by a lender or government shall also be considered as comparable market sales and their sales prices kept as public records. Actual value shall be stated on all property tax bills and valuation notices and, for residential real property, determined solely by the market approach to appraisal.

10. Except for public education through grade twelve or as required of a local district by federal law, a local district may reduce or end its subsidy to any program

234 delegated to it by the general assembly for administration.
235 For current programs, the state may require ninety days
236 notice and that the adjustment occur in a maximum of three
237 equal annual installments.

238 11. The general assembly may enact such laws as may be
239 necessary to implement the provisions of this section.

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