

SECOND REGULAR SESSION

[PERFECTED]

SENATE SUBSTITUTE FOR

SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILLS NOS. 1410 & 853

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR CRAWFORD.

5988S.17P

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 137.016, 137.073, 137.079, 137.115, 137.180, 137.355, 137.490, 137.1050, 139.053, 140.010, and 164.151, RSMo, and to enact in lieu thereof sixteen new sections relating to property taxes, with a severability clause.

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

Section A. Sections 137.016, 137.073, 137.079, 137.115,
2 137.180, 137.355, 137.490, 137.1050, 139.053, 140.010, and
3 164.151, RSMo, are repealed and sixteen new sections enacted in
4 lieu thereof, to be known as sections 115.240, 137.016, 137.067,
5 137.073, 137.079, 137.115, 137.180, 137.355, 137.490, 137.1050,
6 137.1060, 139.053, 140.010, 164.151, 1, and 2, to read as
7 follows:

**115.240. The election authority for any political
2 subdivision or special district shall label ballot measures
3 relating to taxation that are submitted by such political
4 subdivision or special district to a vote of the people
5 numerically or alphabetically in the order in which they are
6 submitted. No such ballot measure shall be labeled in a
7 descriptive manner aside from its numerical or alphabetical
8 designation. Election authorities may coordinate with each
9 other, or with the secretary of state, to maintain a**

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

10 database or other record and to ensure that the same measure
11 shared on the ballot of multiple election authorities at the
12 same election will have the same numerical or alphabetical
13 assignment.

137.016. 1. As used in Section 4(b) of Article X of
2 the Missouri Constitution, the following terms mean:

3 (1) "Residential property" [,]:

4 (a) All real property improved by a structure which is
5 used or intended to be used for residential living by human
6 occupants [,];

7 (b) Vacant land in connection with an airport [,];

8 (c) Land used as a golf course [,];

9 (d) Manufactured home parks [,];

10 (e) Bed and breakfast inns in which the owner resides
11 and uses as a primary residence with six or fewer rooms for
12 rent [, and];

13 (f) Time-share units as defined in section 407.600,
14 except to the extent such units are actually rented and
15 subject to sales tax under subdivision (6) of subsection 1
16 of section 144.020 [, but]; and

17 (g) Any single family home owned by an individual or
18 business that is leased for a term of less than thirty
19 consecutive days, in whole or in part, subject to sales tax
20 under subdivision (6) of subsection 1 of section 144.020,
21 provided that the provisions of this paragraph may not apply
22 to such properties in excess of fifteen such properties
23 owned by the same individual or business. For the purposes
24 of this paragraph, the term "business" shall mean a sole
25 proprietor, partnership, or limited liability company. For
26 the purposes of this paragraph for determining the number of
27 single family homes leased for a term of less than thirty
28 consecutive days, in whole or in part, subject to sales tax

29 under subdivision (6) of subsection 1 of section 144.020
30 owned by an individual or business, all single family homes
31 that are such properties owned by the individual or
32 business, or owned by any business entity in which such
33 individual or business holds any ownership, membership, or
34 beneficial interest, direct or indirect, shall be counted.
35 The provisions of this paragraph shall not be construed to
36 authorize the classification of any real property owned by a
37 corporation as residential property;

38 Residential property shall not include other similar
39 facilities used primarily for transient housing. For the
40 purposes of this section, "transient housing" means all
41 rooms available for rent or lease for which the receipts
42 from the rent or lease of such rooms are subject to state
43 sales tax pursuant to subdivision (6) of subsection 1 of
44 section 144.020; **the leasing of a single family home, in
45 whole or in part, for a term of less than thirty consecutive
46 days does not, in itself, constitute "transient housing";**

47 (2) "Agricultural and horticultural property", all
48 real property used for agricultural purposes and devoted
49 primarily to the raising and harvesting of crops; to the
50 feeding, breeding and management of livestock which shall
51 include breeding, showing, and boarding of horses; to
52 dairying, or to any other combination thereof; and buildings
53 and structures customarily associated with farming,
54 agricultural, and horticultural uses. Agricultural and
55 horticultural property shall also include land devoted to
56 and qualifying for payments or other compensation under a
57 soil conservation or agricultural assistance program under
58 an agreement with an agency of the federal government.
59 Agricultural and horticultural property shall further

60 include any reliever airport. Real property classified as
61 forest croplands shall not be agricultural or horticultural
62 property so long as it is classified as forest croplands and
63 shall be taxed in accordance with the laws enacted to
64 implement Section 7 of Article X of the Missouri
65 Constitution. Agricultural and horticultural property shall
66 also include any sawmill or planing mill defined in the U.S.
67 Department of Labor's Standard Industrial Classification
68 (SIC) Manual under Industry Group 242 with the SIC number
69 2421. Agricultural and horticultural property shall also
70 include urban and community gardens. For the purposes of
71 this section, "urban and community gardens" shall include
72 real property cultivated by residents of a neighborhood or
73 community for the purposes of providing agricultural
74 products, as defined in section 262.900, for the use of
75 residents of the neighborhood or community, and shall not
76 include a garden intended for individual or personal use;

77 (3) "Utility, industrial, commercial, railroad and
78 other real property", all real property used directly or
79 indirectly for any commercial, mining, industrial,
80 manufacturing, trade, professional, business, or similar
81 purpose, including all property centrally assessed by the
82 state tax commission but shall not include floating docks,
83 portions of which are separately owned and the remainder of
84 which is designated for common ownership and in which no one
85 person or business entity owns more than five individual
86 units. All other real property not included in the property
87 listed in subclasses (1) and (2) of Section 4(b) of Article
88 X of the Missouri Constitution, as such property is defined
89 in this section, shall be deemed to be included in the term
90 "utility, industrial, commercial, railroad and other real
91 property".

92 2. Pursuant to Article X of the state Constitution,
93 any taxing district may adjust its operating levy to recoup
94 any loss of property tax revenue, except revenues from the
95 surtax imposed pursuant to Article X, Subsection 2 of
96 Section 6 of the Constitution, as the result of changing the
97 classification of structures intended to be used for
98 residential living by human occupants which contain five or
99 more dwelling units if such adjustment of the levy does not
100 exceed the highest tax rate in effect subsequent to the 1980
101 tax year. For purposes of this section, loss in revenue
102 shall include the difference between the revenue that would
103 have been collected on such property under its
104 classification prior to enactment of this section and the
105 amount to be collected under its classification under this
106 section. The county assessor of each county or city not
107 within a county shall provide information to each taxing
108 district within its boundaries regarding the difference in
109 assessed valuation of such property as the result of such
110 change in classification.

111 3. All reclassification of property as the result of
112 changing the classification of structures intended to be
113 used for residential living by human occupants which contain
114 five or more dwelling units shall apply to assessments made
115 after December 31, 1994.

116 4. Where real property is used or held for use for
117 more than one purpose and such uses result in different
118 classifications, the county assessor shall allocate to each
119 classification the percentage of the true value in money of
120 the property devoted to each use; except that, where
121 agricultural and horticultural property, as defined in this
122 section, also contains a dwelling unit or units, the farm
123 dwelling, appurtenant residential-related structures and up

124 to five acres immediately surrounding such farm dwelling
125 shall be residential property, as defined in this section,
126 provided that the portion of property used or held for use
127 as an urban and community garden shall not be residential
128 property. This subsection shall not apply to any reliever
129 airport.

130 5. All real property which is vacant, unused, or held
131 for future use; which is used for a private club, a not-for-
132 profit or other nonexempt lodge, club, business, trade,
133 service organization, or similar entity; or for which a
134 determination as to its classification cannot be made under
135 the definitions set out in subsection 1 of this section,
136 shall be classified according to its immediate most suitable
137 economic use, which use shall be determined after
138 consideration of:

139 (1) Immediate prior use, if any, of such property;

140 (2) Location of such property;

141 (3) Zoning classification of such property; except
142 that, such zoning classification shall not be considered
143 conclusive if, upon consideration of all factors, it is
144 determined that such zoning classification does not reflect
145 the immediate most suitable economic use of the property;

146 (4) Other legal restrictions on the use of such
147 property;

148 (5) Availability of water, electricity, gas, sewers,
149 street lighting, and other public services for such property;

150 (6) Size of such property;

151 (7) Access of such property to public thoroughfares;

152 and

153 (8) Any other factors relevant to a determination of
154 the immediate most suitable economic use of such property.

155 6. All lands classified as forest croplands shall not,
156 for taxation purposes, be classified as subclass (1),
157 subclass (2), or subclass (3) real property, as such classes
158 are prescribed in Section 4(b) of Article X of the Missouri
159 Constitution and defined in this section, but shall be taxed
160 in accordance with the laws enacted to implement Section 7
161 of Article X of the Missouri Constitution.

162 **7. An assessor shall not reclassify any real property**
163 **from one subclass of real property to another subclass of**
164 **real property without first providing written notice to the**
165 **owner of record of such property and offering an opportunity**
166 **for an in-person consultation with the owner of record.**

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 residential real property shall**
4 **express the effect of the proposed change within the ballot**
5 **language in terms of the change in real dollars owed per one**
6 **hundred 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
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. (1) Whenever changes in assessed valuation are
59 entered in the assessor's books for any personal property,
60 in the aggregate, or for any subclass of real property as
61 such subclasses are established in Section 4(b) of Article X
62 of 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 shall not exceed the greater of the most recent voter-
79 approved rate or the most recent voter-approved rate as
80 adjusted under subdivision (2) of subsection 5 of this
81 section.

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

103 **(3)** Where the taxing authority is a school district
104 for the purposes of revising the applicable rates of levy
105 for each subclass of real property, the tax revenues from
106 state-assessed railroad and utility property shall be
107 apportioned and attributed to each subclass of real property
108 based on the percentage of the total assessed valuation of

109 the county that each subclass of real property represents in
110 the current [taxable] tax year.

111 (4) As provided in Section 22 of Article X of the
112 constitution, a political subdivision may also revise each
113 levy to allow for inflationary assessment growth occurring
114 within the political subdivision. The inflationary growth
115 factor for any such subclass of real property or personal
116 property shall be limited to the actual assessment growth in
117 such subclass or class, exclusive of new construction and
118 improvements, and exclusive of the assessed value on any
119 real property which was assessed by the assessor of a county
120 or city in the current year in a different subclass of real
121 property, but not to exceed the consumer price index or five
122 percent, whichever is lower. Should the tax revenue of a
123 political subdivision from the various tax rates determined
124 in this subsection be different than the tax revenue that
125 would have been determined from a single tax rate as
126 calculated pursuant to the method of calculation in this
127 subsection prior to January 1, 2003, then the political
128 subdivision shall revise the tax rates of those subclasses
129 of real property, individually, and/or personal property, in
130 the aggregate, [in which there is a tax rate reduction,]
131 pursuant to the provisions of this subsection. Such
132 revision shall yield an amount equal to such difference and
133 shall be apportioned among such subclasses of real property,
134 individually, and/or personal property, in the aggregate,
135 based on the relative assessed valuation of the class or
136 subclasses of property experiencing a tax rate reduction.
137 Such revision in the tax rates of each class or subclass
138 shall be made by computing the percentage of current year
139 adjusted assessed valuation of each class or subclass with a
140 tax rate reduction to the total current year adjusted

141 assessed valuation of the class or subclasses with a tax
142 rate reduction, multiplying the resulting percentages by the
143 revenue difference between the single rate calculation and
144 the calculations pursuant to this subsection and dividing by
145 the respective adjusted current year assessed valuation of
146 each class or subclass to determine the adjustment to the
147 rate to be levied upon each class or subclass of property.
148 The adjustment computed herein shall be multiplied by one
149 hundred, rounded to four decimals in the manner provided in
150 this subsection, and added to the initial rate computed for
151 each class or subclass of property. For school districts
152 that levy separate tax rates on each subclass of real
153 property and personal property in the aggregate, if voters
154 approved a ballot before January 1, 2011, that presented
155 separate stated tax rates to be applied to the different
156 subclasses of real property and personal property in the
157 aggregate, or increases the separate rates that may be
158 levied on the different subclasses of real property and
159 personal property in the aggregate by different amounts, the
160 tax rate that shall be used for the single tax rate
161 calculation shall be a blended rate, calculated in the
162 manner provided under subdivision (1) of subsection 6 of
163 this section.

164 **(5)** Notwithstanding any provision of this subsection
165 to the contrary, no revision to the rate of levy for
166 personal property shall cause such levy to increase over the
167 levy for personal property from the prior year.

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

173 other data required in complying with section 164.011,
174 substantially the amount of tax revenue permitted in this
175 section. In the year following tax rate reduction, the tax
176 rate ceiling may be adjusted to offset such district's
177 reduction in the apportionment of state school moneys due to
178 its reduced tax rate. However, in the event any school
179 district, in calculating a tax rate ceiling pursuant to this
180 section, requiring the estimating of effects of state-
181 assessed railroad and utility valuation or loss of state
182 aid, discovers that the estimates used result in receipt of
183 excess revenues, which would have required a lower rate if
184 the actual information had been known, the school district
185 shall reduce the tax rate ceiling in the following year to
186 compensate for the excess receipts, and the recalculated
187 rate shall become the tax rate ceiling for purposes of this
188 section.

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

195 (a) Such political subdivision may revise the tax rate
196 ceiling for each purpose it levies taxes to compensate for
197 the reduction in assessed value occurring after the
198 political subdivision calculated the tax rate ceiling for
199 the particular subclass of real property or for personal
200 property, in the aggregate, in a prior year. Such revision
201 by the political subdivision shall be made at the time of
202 the next calculation of the tax rate for the particular
203 subclass of real property or for personal property, in the
204 aggregate, after the reduction in assessed valuation has

205 been determined and shall be calculated in a manner that
206 results in the revised tax rate ceiling being the same as it
207 would have been had the corrected or finalized assessment
208 been available at the time of the prior calculation;

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

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

237 and payment of all ad valorem taxes. The aggregate increase
238 in valuation of personal property for the current year over
239 that of the previous year is the equivalent of the new
240 construction and improvements factor for personal property.
241 Notwithstanding any opt-out implemented pursuant to
242 subsection 14 of section 137.115, the assessor shall certify
243 the amount of new construction and improvements and the
244 amount of assessed value on any real property which was
245 assessed by the assessor of a county or city in such
246 previous year but is assessed by the assessor of a county or
247 city in the current year in a different subclass of real
248 property separately for each of the three subclasses of real
249 property for each political subdivision to the county clerk
250 in order that political subdivisions shall have this
251 information for the purpose of calculating tax rates
252 pursuant to this section and Section 22, Article X,
253 Constitution of Missouri. In addition, the state tax
254 commission shall certify each year to each county clerk the
255 increase in the general price level as measured by the
256 Consumer Price Index for All Urban Consumers for the United
257 States, or its successor publications, as defined and
258 officially reported by the United States Department of
259 Labor, or its successor agency. The state tax commission
260 shall certify the increase in such index on the latest
261 twelve-month basis available on February first of each year
262 over the immediately preceding prior twelve-month period in
263 order that political subdivisions shall have this
264 information available in setting their tax rates according
265 to law and Section 22 of Article X of the Constitution of
266 Missouri. For purposes of implementing the provisions of
267 this section and Section 22 of Article X of the Missouri

268 Constitution, the term "property" means all taxable
269 property, including state-assessed property.

270 (2) Each political subdivision required to revise
271 rates of levy pursuant to this section or Section 22 of
272 Article X of the Constitution of Missouri shall calculate
273 each tax rate it is authorized to levy and, in establishing
274 each tax rate, shall consider each provision for tax rate
275 revision provided in this section and Section 22 of Article
276 X of the Constitution of Missouri, separately and without
277 regard to annual tax rate reductions provided in section
278 67.505 and section 164.013. Each political subdivision
279 shall set each tax rate it is authorized to levy using the
280 calculation that produces the lowest tax rate ceiling. It
281 is further the intent of the general assembly, pursuant to
282 the authority of Section 10(c) of Article X of the
283 Constitution of Missouri, that the provisions of such
284 section be applicable to tax rate revisions mandated
285 pursuant to Section 22 of Article X of the Constitution of
286 Missouri as to reestablishing tax rates as revised in
287 subsequent years, enforcement provisions, and other
288 provisions not in conflict with Section 22 of Article X of
289 the Constitution of Missouri. Annual tax rate reductions
290 provided in section 67.505 and section 164.013 shall be
291 applied to the tax rate as established pursuant to this
292 section and Section 22 of Article X of the Constitution of
293 Missouri, unless otherwise provided by law.

294 5. (1) In all political subdivisions, the tax rate
295 ceiling established pursuant to this section shall not be
296 increased unless approved by a vote of the people. Approval
297 of the higher tax rate shall be by at least a majority of
298 votes cast. When a proposed higher tax rate requires
299 approval by more than a simple majority pursuant to any

300 provision of law or the constitution, the tax rate increase
301 must receive approval by at least the majority required.

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

332 the date of the election in which such increase was
333 approved, increased by the percentage increase in the
334 consumer price index, as provided by law, from the date of
335 the election to the time of such increase and, so adjusted,
336 shall be the current tax rate ceiling.

337 **(3) The provisions of subdivision (2) of this**
338 **subsection notwithstanding, if, prior to the expiration of a**
339 **temporary levy increase, voters approve a subsequent levy**
340 **increase, the new tax rate ceiling shall remain in effect**
341 **only until such time as the temporary levy expires under the**
342 **terms originally approved by a vote of the people, at which**
343 **time the tax rate ceiling shall be decreased by the amount**
344 **of the temporary levy increase. If, prior to the expiration**
345 **of a temporary levy increase, voters of a political**
346 **subdivision are asked to approve an additional, permanent**
347 **increase to the political subdivision's tax rate ceiling,**
348 **voters shall be submitted ballot language that clearly**
349 **indicates that if the permanent levy increase is approved,**
350 **the temporary levy shall be made permanent.**

351 **(4)** The governing body of any political subdivision
352 may levy a tax rate lower than its tax rate ceiling and may,
353 in a nonreassessment year, increase that lowered tax rate to
354 a level not exceeding the tax rate ceiling without voter
355 approval in the manner provided under subdivision [(4)] **(5)**
356 of this subsection. Nothing in this section shall be
357 construed as prohibiting a political subdivision from
358 voluntarily levying a tax rate lower than that which is
359 required under the provisions of this section or from
360 seeking voter approval of a reduction to such political
361 subdivision's tax rate ceiling.

362 [(4)] **(5)** In a year of general reassessment, a
363 governing body whose tax rate is lower than its tax rate

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

379 **(6) (a) As used in this subdivision, the following**
380 **terms mean:**

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

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

385 **(b) Notwithstanding any other provision of law to the**
386 **contrary, when the required majority of voters in a**
387 **political subdivision passes an increase in the political**
388 **subdivision's tax rate, the political subdivision shall use**
389 **the current tax rate ceiling and the increase approved by**
390 **the voters in establishing the rates of levy for the tax**
391 **year immediately following the election.**

392 **(c) If the assessed valuation of real property in such**
393 **political subdivision is reduced in such tax year**
394 **immediately following the election, such political**
395 **subdivision may raise its rates of levy so that the revenue**

396 **received from its local real property tax rates equals the**
397 **amount the political subdivision would have received from**
398 **the increased rates of levy had there been no reduction in**
399 **the assessed valuation of real property in the political**
400 **subdivision.**

401 6. (1) For the purposes of calculating state aid for
402 public schools pursuant to section 163.031, each taxing
403 authority which is a school district shall determine its
404 proposed tax rate as a blended rate of the classes or
405 subclasses of property. Such blended rate shall be
406 calculated by first determining the total tax revenue of the
407 property within the jurisdiction of the taxing authority,
408 which amount shall be equal to the sum of the products of
409 multiplying the assessed valuation of each class and
410 subclass of property by the corresponding tax rate for such
411 class or subclass, then dividing the total tax revenue by
412 the total assessed valuation of the same jurisdiction, and
413 then multiplying the resulting quotient by a factor of one
414 hundred. Where the taxing authority is a school district,
415 such blended rate shall also be used by such school district
416 for calculating revenue from state-assessed railroad and
417 utility property as defined in chapter 151 and for
418 apportioning the tax rate by purpose.

419 (2) Each taxing authority proposing to levy a tax rate
420 in any year shall notify the clerk of the county commission
421 in the county or counties where the tax rate applies of its
422 tax rate ceiling and its proposed tax rate. Each taxing
423 authority shall express its proposed tax rate in a fraction
424 equal to the nearest one-tenth of a cent, unless its
425 proposed tax rate is in excess of one dollar, then one/one-
426 hundredth of a cent. If a taxing authority shall round to
427 one/one-hundredth of a cent, it shall round up a fraction

428 greater than or equal to five/one-thousandth of one cent to
429 the next higher one/one-hundredth of a cent; if a taxing
430 authority shall round to one-tenth of a cent, it shall round
431 up a fraction greater than or equal to five/one-hundredths
432 of a cent to the next higher one-tenth of a cent. Any
433 taxing authority levying a property tax rate shall provide
434 data, in such form as shall be prescribed by the state
435 auditor by rule, substantiating such tax rate complies with
436 Missouri law. All forms for the calculation of rates
437 pursuant to this section shall be promulgated as a rule and
438 shall not be incorporated by reference. The state auditor
439 shall promulgate rules for any and all forms for the
440 calculation of rates pursuant to this section which do not
441 currently exist in rule form or that have been incorporated
442 by reference. In addition, each taxing authority proposing
443 to levy a tax rate for debt service shall provide data, in
444 such form as shall be prescribed by the state auditor by
445 rule, substantiating the tax rate for debt service complies
446 with Missouri law. A tax rate proposed for annual debt
447 service requirements will be prima facie valid if, after
448 making the payment for which the tax was levied, bonds
449 remain outstanding and the debt fund reserves do not exceed
450 the following year's payments. The county clerk shall keep
451 on file and available for public inspection all such
452 information for a period of three years. The clerk shall,
453 within three days of receipt, forward a copy of the notice
454 of a taxing authority's tax rate ceiling and proposed tax
455 rate and any substantiating data to the state auditor. The
456 state auditor shall, within fifteen days of the date of
457 receipt, examine such information and return to the county
458 clerk his or her findings as to compliance of the tax rate
459 ceiling with this section and as to compliance of any

460 proposed tax rate for debt service with Missouri law. If
461 the state auditor believes that a taxing authority's
462 proposed tax rate does not comply with Missouri law, then
463 the state auditor's findings shall include a recalculated
464 tax rate, and the state auditor may request a taxing
465 authority to submit documentation supporting such taxing
466 authority's proposed tax rate. The county clerk shall
467 immediately forward a copy of the auditor's findings to the
468 taxing authority and shall file a copy of the findings with
469 the information received from the taxing authority. The
470 taxing authority shall have fifteen days from the date of
471 receipt from the county clerk of the state auditor's
472 findings and any request for supporting documentation to
473 accept or reject in writing the rate change certified by the
474 state auditor and to submit all requested information to the
475 state auditor. A copy of the taxing authority's acceptance
476 or rejection and any information submitted to the state
477 auditor shall also be mailed to the county clerk. If a
478 taxing authority rejects a rate change certified by the
479 state auditor and the state auditor does not receive
480 supporting information which justifies the taxing
481 authority's original or any subsequent proposed tax rate,
482 then the state auditor shall refer the perceived violations
483 of such taxing authority to the attorney general's office
484 and the attorney general is authorized to obtain injunctive
485 relief to prevent the taxing authority from levying a
486 violative tax rate.

487 (3) **In addition to any reporting requirements provided**
488 **in subdivision (2) of this subsection, for any taxing**
489 **authority imposing a tax rate for debt service, in any year**
490 **in which such taxing authority is required to reduce its**
491 **rates of levy pursuant to this section or Section 22 of**

492 **Article X of the Constitution of Missouri, the taxing**
493 **authority shall separately report to the state auditor, on a**
494 **form to be provided by the auditor, any increase in the rate**
495 **of levy for debt service made during that same year. The**
496 **state auditor shall provide such data aggregated by taxing**
497 **authority in an easily accessible format on the state**
498 **auditor's website, and the state auditor may perform an**
499 **audit on any such taxing authority to ensure compliance with**
500 **the provisions of this section and Article X of the**
501 **Constitution of Missouri.**

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

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

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

524 of the representative parties are typical of the claims or
525 defenses of the class, and if the representative parties
526 will fairly and adequately protect the interests of the
527 class. In any class action maintained pursuant to this
528 section, the court may direct to the members of the class a
529 notice to be published at least once each week for four
530 consecutive weeks in a newspaper of general circulation
531 published in the county where the civil action is commenced
532 and in other counties within the jurisdiction of a taxing
533 authority. The notice shall advise each member that the
534 court will exclude him or her from the class if he or she so
535 requests by a specified date, that the judgment, whether
536 favorable or not, will include all members who do not
537 request exclusion, and that any member who does not request
538 exclusion may, if he or she desires, enter an appearance.
539 In any class action brought pursuant to this section, the
540 court, in addition to the relief requested, shall assess
541 against the taxing authority found to be in violation of
542 this section the reasonable costs of bringing the action,
543 including reasonable attorney's fees, provided no attorney's
544 fees shall be awarded any attorney or association of
545 attorneys who receive public funds from any source for their
546 services. Any action brought pursuant to this section shall
547 be set for hearing as soon as practicable after the cause is
548 at issue.

549 9. If in any action, including a class action, the
550 court issues an order requiring a taxing authority to revise
551 the tax rates as provided in this section or enjoins a
552 taxing authority from the collection of a tax because of its
553 failure to revise the rate of levy as provided in this
554 section, any taxpayer paying his or her taxes when an
555 improper rate is applied has erroneously paid his or her

556 taxes in part, whether or not the taxes are paid under
557 protest as provided in section 139.031 or otherwise
558 contested. The part of the taxes paid erroneously is the
559 difference in the amount produced by the original levy and
560 the amount produced by the revised levy. The township or
561 county collector of taxes or the collector of taxes in any
562 city shall refund the amount of the tax erroneously paid.
563 The taxing authority refusing to revise the rate of levy as
564 provided in this section shall make available to the
565 collector all funds necessary to make refunds pursuant to
566 this subsection. No taxpayer shall receive any interest on
567 any money erroneously paid by him or her pursuant to this
568 subsection. Effective in the 1994 tax year, nothing in this
569 section shall be construed to require a taxing authority to
570 refund any tax erroneously paid prior to or during the third
571 tax year preceding the current tax year.

572 10. Any rule or portion of a rule, as that term is
573 defined in section 536.010, that is created under the
574 authority delegated in this section shall become effective
575 only if it complies with and is subject to all of the
576 provisions of chapter 536 and, if applicable, section
577 536.028. This section and chapter 536 are nonseverable and
578 if any of the powers vested with the general assembly
579 pursuant to chapter 536 to review, to delay the effective
580 date, or to disapprove and annul a rule are subsequently
581 held unconstitutional, then the grant of rulemaking
582 authority and any rule proposed or adopted after August 28,
583 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] **tax** year, but shall adjust its
25 rate or rates due to such payment in the next rate setting
26 cycle to offset the payment in the next [taxable] **tax** year.
27 For the purposes of this section, the term "business
28 personal property" means tangible personal property which is
29 used in a trade or business or used for production of income
30 and which has a determinable life of longer than one year
31 except that supplies used by a business shall also be
32 considered business personal property, but shall not include
33 livestock, farm machinery, property subject to the motor
34 vehicle registration provisions of chapter 301, property
35 subject to the tables provided in section 137.078, the
36 property of rural electric cooperatives under chapter 394,

37 or property assessed by the state tax commission under
38 chapters 151, 153, and 155, section 137.022, and sections
39 137.1000 to 137.1030.

137.115. 1. **(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.

7 **(2)** Except as otherwise provided in subsection 3 of
8 this section and section 137.078, 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.

12 **(3)** The assessor shall annually assess all real
13 property, including any new construction and improvements to
14 real property, and possessory interests in real property at
15 the percent of its true value in money set in subsection 5
16 of this section. The true value in money of any possessory
17 interest in real property in subclass (3), where such real
18 property is on or lies within the ultimate airport boundary
19 as shown by a federal airport layout plan, as defined by 14
20 CFR 151.5, of a commercial airport having a FAR Part 139
21 certification and owned by a political subdivision, shall be
22 the otherwise applicable true value in money of any such
23 possessory interest in real property, less the total dollar
24 amount of costs paid by a party, other than the political
25 subdivision, towards any new construction or improvements on
26 such real property completed after January 1, 2008, and
27 which are included in the above-mentioned possessory
28 interest, regardless of the year in which such costs were
29 incurred or whether such costs were considered in any prior

30 year. The assessor shall annually assess all real property
31 in the following manner: new assessed values shall be
32 determined as of January first of each odd-numbered year and
33 shall be entered in the assessor's books; those same
34 assessed values shall apply in the following even-numbered
35 year, except for new construction and property improvements
36 which shall be valued as though they had been completed as
37 of January first of the preceding odd-numbered year. The
38 assessor may call at the office, place of doing business, or
39 residence of each person required by this chapter to list
40 property, and require the person to make a correct statement
41 of all taxable tangible personal property owned by the
42 person or under his or her care, charge or management,
43 taxable in the county.

44 **(4)** On or before January first of each even-numbered
45 year, the assessor shall prepare and submit a two-year
46 assessment maintenance plan to the county governing body and
47 the state tax commission for their respective approval or
48 modification. The county governing body shall approve and
49 forward such plan or its alternative to the plan to the
50 state tax commission by February first. If the county
51 governing body fails to forward the plan or its alternative
52 to the plan to the state tax commission by February first,
53 the assessor's plan shall be considered approved by the
54 county governing body. If the state tax commission fails to
55 approve a plan and if the state tax commission and the
56 assessor and the governing body of the county involved are
57 unable to resolve the differences, in order to receive state
58 cost-share funds outlined in section 137.750, the county or
59 the assessor shall petition the administrative hearing
60 commission, by May first, to decide all matters in dispute
61 regarding the assessment maintenance plan. Upon agreement

62 of the parties, the matter may be stayed while the parties
63 proceed with mediation or arbitration upon terms agreed to
64 by the parties. The final decision of the administrative
65 hearing commission shall be subject to judicial review in
66 the circuit court of the county involved.

67 (5) In the event a valuation of subclass (1) real
68 property **or subclass (3) real property** within any county
69 with a charter form of government, or within a city not
70 within a county, is made by a computer, computer-assisted
71 method or a computer program, the burden of proof, supported
72 by clear, convincing and cogent evidence to sustain such
73 valuation, shall be on the assessor at any hearing or
74 appeal. In any such county, unless the assessor proves
75 otherwise, there shall be a presumption that the assessment
76 was made by a computer, computer-assisted method or a
77 computer program. Such evidence shall include, but shall
78 not be limited to, the following, **to the extent available:**

79 [(1)] (a) The findings of the assessor based on an
80 appraisal of the property by generally accepted appraisal
81 techniques; and

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

86 [(a)] a. Such sale was closed at a date relevant to
87 the property valuation; and

88 [(b)] b. Such properties are not more than one mile
89 from the site of the disputed property, except where no
90 similar properties exist within one mile of the disputed
91 property, the nearest comparable property shall be used.
92 Such property shall be within five hundred square feet in
93 size of the disputed property, and resemble the disputed

94 property in age, floor plan, number of rooms, and other
95 relevant characteristics.

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

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

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

106 (2) Livestock, twelve percent;

107 (3) Farm machinery, twelve percent;

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

115 (5) Poultry, twelve percent;

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

123 (7) Solar panels, racking systems, inverters, and
124 related solar equipment, components, materials, and supplies
125 installed in connection with solar photovoltaic energy

126 systems, as described in subdivision (46) of subsection 2 of
127 section 144.030, that were constructed and producing solar
128 energy prior to August 9, 2022, five percent.

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

135 5. (1) All subclasses of real property, as such
136 subclasses are established in Section 4(b) of Article X of
137 the Missouri Constitution and defined in section 137.016,
138 shall be assessed at the following percentages of true value:

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

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

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

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

155 6. Manufactured homes, as defined in section 700.010,
156 which are actually used as dwelling units shall be assessed
157 at the same percentage of true value as residential real

158 property for the purpose of taxation. The percentage of
159 assessment of true value for such manufactured homes shall
160 be the same as for residential real property. If the county
161 collector cannot identify or find the manufactured home when
162 attempting to attach the manufactured home for payment of
163 taxes owed by the manufactured home owner, the county
164 collector may request the county commission to have the
165 manufactured home removed from the tax books, and such
166 request shall be granted within thirty days after the
167 request is made; however, the removal from the tax books
168 does not remove the tax lien on the manufactured home if it
169 is later identified or found. For purposes of this section,
170 a manufactured home located in a manufactured home rental
171 park, rental community or on real estate not owned by the
172 manufactured home owner shall be considered personal
173 property. For purposes of this section, a manufactured home
174 located on real estate owned by the manufactured home owner
175 may be considered real property.

176 7. Each manufactured home assessed shall be considered
177 a parcel for the purpose of reimbursement pursuant to
178 section 137.750, unless the manufactured home is deemed to
179 be real estate as defined in subsection 7 of section 442.015
180 and assessed as a realty improvement to the existing real
181 estate parcel.

182 8. Any amount of tax due and owing based on the
183 assessment of a manufactured home shall be included on the
184 personal property tax statement of the manufactured home
185 owner unless the manufactured home is deemed to be real
186 estate as defined in subsection 7 of section 442.015, in
187 which case the amount of tax due and owing on the assessment
188 of the manufactured home as a realty improvement to the

189 existing real estate parcel shall be included on the real
190 property tax statement of the real estate owner.

191 9. The assessor of each county and each city not
192 within a county shall use a nationally recognized automotive
193 trade publication such as the National Automobile Dealers'
194 Association Official Used Car Guide, Kelley Blue Book,
195 Edmunds, or other similar publication as the recommended
196 guide of information for determining the true value of motor
197 vehicles described in such publication. The state tax
198 commission shall [select and make available to all assessors
199 which publication shall be used], **with the assistance of the**
200 **Missouri State Assessors' Association, develop the bid**
201 **specifications to select and secure such publication. The**
202 **state tax commission shall secure an annual appropriation**
203 **from the general assembly for the publication, and the state**
204 **tax commission or the state of Missouri shall be the**
205 **registered user of the publication with rights to allow all**
206 **assessors access to the publication and to an online site.**
207 The assessor of each county and each city not within a
208 county shall use the trade-in value published in the current
209 October issue of the publication selected by the state tax
210 commission. The assessor shall not use a value that is
211 greater than the average trade-in value in determining the
212 true value of the motor vehicle without performing a
213 physical inspection of the motor vehicle. For vehicles two
214 years old or newer from a vehicle's model year, the assessor
215 may use a value other than average without performing a
216 physical inspection of the motor vehicle. In the absence of
217 a listing for a particular motor vehicle in such
218 publication, the assessor shall use such information or
219 publications that, in the assessor's judgment, will fairly
220 estimate the true value in money of the motor vehicle. For

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

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

233 **(2) The property owner of any parcel of subclass (3)**
234 **real property may request the assessor to conduct a physical**
235 **inspection of such property if the assessed valuation of**
236 **such property has increased by more than fifteen percent**
237 **since the last assessment, excluding increases due to new**
238 **construction or improvements. Such physical inspection**
239 **shall comply with the provisions of subsection 12 of this**
240 **section.**

241 11. If a physical inspection is required[,] pursuant
242 to **subdivision (1) of** subsection 10 of this section, the
243 assessor shall notify the property owner of that fact in
244 writing and shall provide the owner clear written notice of
245 the owner's rights relating to the physical inspection. If
246 a physical inspection is required, the property owner may
247 request that an interior inspection be performed during the
248 physical inspection. The owner shall have no less than
249 thirty days to notify the assessor of a request for an
250 interior physical inspection.

251 12. A physical inspection[, as required by subsection
252 10 of this section,] **conducted pursuant to subsection 10 of**

253 **this section** shall include, but not be limited to, an on-
254 site personal observation and review of all exterior
255 portions of the land and any buildings and improvements to
256 which the inspector has or may reasonably and lawfully gain
257 external access, and shall include an observation and review
258 of the interior of any buildings or improvements on the
259 property upon the timely request of the owner pursuant to
260 subsection 11 of this section. Mere observation of the
261 property via a drive-by inspection or the like shall not be
262 considered sufficient to constitute a physical inspection as
263 required by this section.

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

274 14. Any county or city not within a county in this
275 state may, by an affirmative vote of the governing body of
276 such county, opt out of the provisions of this section and
277 sections 137.073, 138.060, and 138.100 as enacted by house
278 bill no. 1150 of the ninety-first general assembly, second
279 regular session and section 137.073 as modified by house
280 committee substitute for senate substitute for senate
281 committee substitute for senate bill no. 960, ninety-second
282 general assembly, second regular session, for the next year
283 of the general reassessment, prior to January first of any
284 year. No county or city not within a county shall exercise

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

311 15. The governing body of any city of the third
312 classification with more than twenty-six thousand three
313 hundred but fewer than twenty-six thousand seven hundred
314 inhabitants located in any county that has exercised its
315 authority to opt out under subsection 14 of this section may
316 levy separate and differing tax rates for real and personal

317 property only if such city bills and collects its own
318 property taxes or satisfies the entire cost of the billing
319 and collection of such separate and differing tax rates.
320 Such separate and differing rates shall not exceed such
321 city's tax rate ceiling.

322 **16. For all tax years beginning on or after January 1,**
323 **2027, each county and city not within a county shall**
324 **determine the assessed valuation, set and revise rates of**
325 **levy, and make adjustments to current levies required under**
326 **Article X, Section 22 of the Constitution of Missouri for**
327 **each subclass of real property, individually, and personal**
328 **property, in the aggregate.**

329 **[16.] 17.** Any portion of real property that is
330 available as reserve for strip, surface, or coal mining for
331 minerals for purposes of excavation for future use or sale
332 to others that has not been bonded and permitted under
333 chapter 444 shall be assessed based upon how the real
334 property is currently being used. Any information provided
335 to a county assessor, state tax commission, state agency, or
336 political subdivision responsible for the administration of
337 tax policies shall, in the performance of its duties, make
338 available all books, records, and information requested,
339 except such books, records, and information as are by law
340 declared confidential in nature, including individually
341 identifiable information regarding a specific taxpayer or
342 taxpayer's mine property. For purposes of this subsection,
343 "mine property" shall mean all real property that is in use
344 or readily available as a reserve for strip, surface, or
345 coal mining for minerals for purposes of excavation for
346 current or future use or sale to others that has been bonded
347 and permitted under chapter 444.

137.180. 1. Whenever any assessor shall increase the
2 valuation of any real property he shall forthwith notify the
3 record owner of such increase, either in person, or by mail
4 directed to the last known address; every such increase in
5 assessed valuation made by the assessor shall be subject to
6 review by the county board of equalization whereat the
7 landowner shall be entitled to be heard, and the notice to
8 the landowner shall so state.

9 2. Effective January 1, 2009, for all counties with a
10 charter form of government, other than any county adopting a
11 charter form of government after January 1, 2008, whenever
12 any assessor shall increase the valuation of any real
13 property, he or she shall forthwith notify the record owner
14 on or before June [fifteenth] **first** of such increase and, in
15 a year of general reassessment, the county shall notify the
16 record owner of the projected tax liability likely to result
17 from such an increase, either in person, or by mail directed
18 to the last known address; every such increase in assessed
19 valuation made by the assessor shall be subject to review by
20 the county board of equalization whereat the landowner shall
21 be entitled to be heard, and the notice to the landowner
22 shall so state. Notice of the projected tax liability from
23 the county shall accompany the notice of increased valuation
24 from the assessor.

25 3. For all calendar years prior to the first day of
26 January of the year following receipt of software necessary
27 for the implementation of the requirements provided under
28 subsections 4 and 5 of this section from the state tax
29 commission, for any county not subject to the provisions of
30 subsection 2 of this section or subsection 2 of section
31 137.355, whenever any assessor shall increase the valuation
32 of any real property, he or she shall forthwith notify the

33 record owner on or before June [fifteenth] **first** of the
34 previous assessed value and such increase either in person,
35 or by mail directed to the last known address and include in
36 such notice a statement indicating that the change in
37 assessed value may impact the record owner's tax liability
38 and provide all processes and deadlines for appealing
39 determinations of the assessed value of such property. Such
40 notice shall be provided in a font and format sufficient to
41 alert a record owner of the potential impact upon tax
42 liability and the appellate processes available.

43 4. Effective January first of the year following
44 receipt of software necessary for the implementation of the
45 requirements provided under this subsection and subsection 5
46 of this section from the state tax commission, for all
47 counties not subject to the provisions of subsection 2 of
48 this section or subsection 2 of section 137.355, whenever
49 any assessor shall increase the valuation of any real
50 property, he or she shall forthwith notify the record owner
51 on or before June [fifteenth] **first** of such increase and, in
52 a year of general reassessment, the county shall notify the
53 record owner of the projected tax liability likely to result
54 from such an increase, either in person, or by mail directed
55 to the last known address; every such increase in assessed
56 valuation made by the assessor shall be subject to review by
57 the county board of equalization whereat the landowner shall
58 be entitled to be heard, and the notice to the landowner
59 shall so state. Notice of the projected tax liability from
60 the county shall accompany the notice of increased valuation
61 from the assessor.

62 5. The notice of projected tax liability, required
63 under subsections 2 and 4 of this section, from the county
64 shall include:

- 65 (1) The record owner's name, address, and the parcel
66 number of the property;
- 67 (2) A list of all political subdivisions levying a tax
68 upon the property of the record owner;
- 69 (3) The projected tax rate for each political
70 subdivision levying a tax upon the property of the record
71 owner, and the purpose for each levy of such political
72 subdivisions;
- 73 (4) The previous year's tax rates for each individual
74 tax levy imposed by each political subdivision levying a tax
75 upon the property of the record owner;
- 76 (5) The tax rate ceiling for each levy imposed by each
77 political subdivision levying a tax upon the property of the
78 record owner;
- 79 (6) The contact information for each political
80 subdivision levying a tax upon the property of the record
81 owner;
- 82 (7) A statement identifying any projected tax rates
83 for political subdivisions levying a tax upon the property
84 of the record owner, which were not calculated and provided
85 by the political subdivision levying the tax; and
- 86 (8) The total projected property tax liability of the
87 taxpayer.
- 88 6. In addition to the requirements provided under
89 subsections 1, 2, and 5 of this section, effective January
90 1, 2011, in any county with a charter form of government and
91 with more than one million inhabitants, whenever any
92 assessor shall notify a record owner of any change in
93 assessed value, such assessor shall provide notice that
94 information regarding the assessment method and computation
95 of value for such property is available on the assessor's
96 website and provide the exact website address at which such

97 information may be accessed. Such notification shall
98 provide the assessor's contact information to enable
99 taxpayers without internet access to request and receive
100 information regarding the assessment method and computation
101 of value for such property.

137.355. 1. If an assessor increases the valuation of
2 any tangible personal property as estimated in the itemized
3 list furnished to the assessor, and if an assessor increases
4 the valuation of any real property, he shall forthwith
5 notify the record owner of the increase either in person or
6 by mail directed to the last known address, and if the
7 address of the owner is unknown notice shall be given by
8 publication in two newspapers published in the county.

9 2. For all calendar years prior to the first day of
10 January of the year following receipt of software necessary
11 for the implementation of the requirements provided under
12 subsections 3 and 4 of this section from the state tax
13 commission, whenever any assessor shall increase the
14 valuation of any real property, he or she shall forthwith
15 notify the record owner on or before June [fifteenth] **first**
16 of the previous assessed value and such increase either in
17 person, or by mail directed to the last known address and
18 include on the face of such notice, in no less than twelve-
19 point font, the following statement:

20 NOTICE TO TAXPAYER: IF YOUR ASSESSED VALUE
21 HAS INCREASED, IT MAY INCREASE YOUR REAL
22 PROPERTY TAXES WHICH ARE DUE DECEMBER THIRTY-
23 FIRST. IF YOU DO NOT AGREE THAT THE VALUE OF
24 YOUR PROPERTY HAS INCREASED, YOU MUST CHALLENGE
25 THE VALUE ON OR BEFORE _____ (INSERT DATE BY
26 WHICH APPEAL MUST BE FILED) BY CONTACTING YOUR
27 COUNTY ASSESSOR.

28 3. Effective January first of the year following
29 receipt of software necessary for the implementation of the
30 requirements provided under this subsection and subsection 4
31 of this section from the state tax commission, if an
32 assessor increases the valuation of any real property, the
33 assessor, on or before June [fifteenth] **first**, shall notify
34 the record owner of the increase and, in a year of general
35 reassessment, the county shall notify the record owner of
36 the projected tax liability likely to result from such an
37 increase either in person or by mail directed to the last
38 known address, and, if the address of the owner is unknown,
39 notice shall be given by publication in two newspapers
40 published in the county. Notice of the projected tax
41 liability from the county shall accompany the notice of
42 increased valuation from the assessor.

43 4. The notice of projected tax liability, required
44 under subsection 3 of this section, from the county shall
45 include:

- 46 (1) Record owner's name, address, and the parcel
47 number of the property;
- 48 (2) A list of all political subdivisions levying a tax
49 upon the property of the record owner;
- 50 (3) The projected tax rate for each political
51 subdivision levying a tax upon the property of the record
52 owner, and the purpose for each levy of such political
53 subdivisions;
- 54 (4) The previous year's tax rates for each individual
55 tax levy imposed by each political subdivision levying a tax
56 upon the property of the record owner;
- 57 (5) The tax rate ceiling for each levy imposed by each
58 political subdivision levying a tax upon the property of the
59 record owner;

60 (6) The contact information for each political
61 subdivision levying a tax upon the property of the record
62 owner;

63 (7) A statement identifying any projected tax rates
64 for political subdivisions levying a tax upon the property
65 of the record owner, which were not calculated and provided
66 by the political subdivision levying the tax; and

67 (8) The total projected property tax liability of the
68 taxpayer.

137.490. 1. The assessor, or his deputies under his
2 direction, shall assess all the taxable real property within
3 the city and all tangible personal property taxable by the
4 city under the laws of this state in the manner provided in
5 sections 137.485 to 137.550 and as otherwise provided by
6 law, and for that purpose the assessor may divide and assign
7 the work or any of it among them. They shall commence their
8 assessment on the first day of January in each year and
9 complete the assessment, and the deputies make their final
10 reports thereof to the assessor, on or before the first day
11 of July next following. The assessor shall see that the
12 assessment is made uniform and equal throughout the city.
13 If the assessor proposes to increase any assessment of real
14 property, he shall give notice of the fact to the person
15 owning the property affected, his agent or representative,
16 by personal notice, or by mail directed to the last known
17 address.

18 2. Effective January 1, 2009, the assessor, or his or
19 her deputies under his or her direction, shall commence
20 their assessment on the first day of January in each year
21 and complete the assessment, and the deputies make their
22 final reports thereof to the assessor, on or before the
23 first day of March next following. The assessor shall see

24 that the assessment is made uniform and equal throughout the
25 city. If the assessor proposes to increase any assessment
26 of real property, the assessor shall, on or before the
27 [fifteenth] **first** day of June, give notice of the fact and,
28 in a year of general reassessment, the city shall provide
29 notice of the projected tax liability likely to result from
30 such an increase to the person owning the property affected,
31 his or her agent or representative, by personal notice, or
32 by mail directed to the last known address. Notice of the
33 projected tax liability from the city shall accompany the
34 notice of increased valuation from the assessor.

35 3. The notice of projected tax liability, required
36 under subsection 2 of this section, from the city shall
37 include:

38 (1) Record owner's name, address, and the parcel
39 number of the property;

40 (2) A list of all political subdivisions levying a tax
41 upon the property of the record owner;

42 (3) The projected tax rate for each political
43 subdivision levying a tax upon the property of the record
44 owner, and the purpose for each levy of such political
45 subdivisions;

46 (4) The previous year's tax rates for each individual
47 tax levy imposed by each political subdivision levying a tax
48 upon the property of the record owner;

49 (5) The tax rate ceiling for each levy imposed by each
50 political subdivision levying a tax upon the property of the
51 record owner;

52 (6) The contact information for each political
53 subdivision levying a tax upon the property of the record
54 owner;

55 (7) A statement identifying any projected tax rates
56 for political subdivisions levying a tax upon the property
57 of the record owner, which were not calculated and provided
58 by the political subdivision levying the tax; and

59 (8) The total projected property tax liability of the
60 taxpayer.

137.1050. 1. For the purposes of this section, the
2 following terms shall mean:

3 (1) "Eligible credit amount", the difference between
4 an eligible taxpayer's real property tax liability on such
5 taxpayer's homestead for a given tax year, minus the real
6 property tax liability on such homestead in the eligible
7 taxpayer's initial credit year;

8 (2) "Eligible taxpayer", a Missouri resident who:

9 (a) Is sixty-two years of age or older;

10 (b) Is an owner of record of a homestead or has a
11 legal or equitable interest in such property as evidenced by
12 a written instrument; and

13 (c) Is liable for the payment of real property taxes
14 on such homestead;

15 (3) "Homestead", real property actually occupied by an
16 eligible taxpayer as the primary residence. An eligible
17 taxpayer shall not claim more than one primary residence;

18 (4) "Initial credit year":

19 (a) In the case of a taxpayer that meets all
20 requirements of subdivision (2) of this subsection prior to
21 the year in which a credit is authorized pursuant to
22 subsection 2 of this section, the year in which such credit
23 is authorized;

24 (b) For all other taxpayers, the year in which the
25 taxpayer meets all requirements of subdivision (2) of this
26 subsection.

27 If in any tax year subsequent to the eligible taxpayer's
28 initial credit year the eligible taxpayer's real property
29 tax liability is lower than such liability in the initial
30 credit year, such tax year shall be considered the eligible
31 taxpayer's initial credit year for all subsequent tax
32 years. This provision shall not apply if an eligible
33 taxpayer's real property tax liability is lower than such
34 liability in the taxpayer's initial credit year solely due
35 to a reduction in a property tax levy made pursuant to
36 section 321.554.

37 2. (1) Any county authorized to impose a property tax
38 may grant a property tax credit to eligible taxpayers
39 residing in such county in an amount equal to the taxpayer's
40 eligible credit amount, provided that:

41 (a) Such county adopts an ordinance authorizing such
42 credit; or

43 (b) a. A petition in support of a referendum on such
44 a credit is signed by at least five percent of the
45 registered voters of such county voting in the last
46 gubernatorial election and the petition is delivered to the
47 governing body of the county, which shall subsequently hold
48 a referendum on such credit.

49 b. The ballot of submission for the question submitted
50 to the voters pursuant to paragraph (b) of this subdivision
51 shall be in substantially the following form:

52 Shall the County of _____ exempt senior
53 citizens aged 62 and older from increases in
54 the property tax liability due on such senior
55 citizens' primary residence?

56

YES

NO

57 If a majority of the votes cast on the proposal by the
58 qualified voters voting thereon are in favor of the
59 proposal, then the credit shall be in effect.

60 (2) An ordinance adopted pursuant to paragraph (a) of
61 subdivision (1) of this subsection shall not preclude such
62 ordinance from being amended or superseded by a petition
63 subsequently adopted pursuant to paragraph (b) of
64 subdivision (1) of this subsection.

65 3. (1) A county granting credit pursuant to this
66 section shall apply such credit when calculating the
67 eligible taxpayer's property tax liability for the tax
68 year. The amount of the credit shall be noted on the
69 statement of tax due sent to the eligible taxpayer by the
70 county collector. The county governing body may adopt
71 reasonable procedures in order to carry out the purposes and
72 intent of this section, provided that the county shall not
73 adopt any procedure that limits the definition or scope of
74 eligible credit amount or eligible taxpayer as defined in
75 this section.

76 (2) If an eligible taxpayer makes new construction and
77 improvements to such eligible taxpayer's homestead, the real
78 property tax liability for the taxpayer's initial credit
79 year shall be increased to reflect the real property tax
80 liability attributable to such new construction and
81 improvements.

82 (3) If an eligible taxpayer's homestead is annexed
83 into a taxing jurisdiction to which such eligible taxpayer
84 did not owe real property tax in the eligible taxpayer's
85 initial credit year, then the real property tax liability
86 for the taxpayer's initial credit year shall be increased to

87 reflect the real property tax liability owed to the annexing
88 taxing jurisdiction.

89 4. For the purposes of calculating property tax levies
90 pursuant to section 137.073, the total amount of credits
91 authorized by a county pursuant to this section shall be
92 considered tax revenue, as such term is defined in section
93 137.073, actually received.

94 5. A county granting a tax credit pursuant to this
95 section shall notify each political subdivision within such
96 county of the total credit amount applicable to such
97 political subdivision by no later than November thirtieth of
98 each year.

99 6. For all tax years beginning on or after the
100 effective date of this section, an eligible taxpayer
101 applying for the tax credit authorized under the provisions
102 of this section shall not be required to reapply annually.
103 Upon initial qualification under the provisions of this
104 section and any additional provisions adopted by the county
105 governing body, the eligible taxpayer shall maintain such
106 eligibility without a requirement to reapply for
107 qualification each year. The tax credit shall continue to
108 be automatically applied to the eligible taxpayer's
109 homestead until the tax year in which the eligible taxpayer
110 relocates to another homestead or upon the death of the
111 eligible taxpayer, which shall be certified with a copy of
112 the death certificate or notification of the relocation
113 within ninety days of the date of either such event. If a
114 credit is granted in error due to the failure of the
115 taxpayer to notify the county collector of relocation or
116 death, the governing body of the county may remedy the error.

137.1060. Beginning January 1, 2027, as part of the
2 report required by section 162.821, each district secretary

3 shall include in such report the total amount of property
4 tax credits authorized by sections 137.1050 and 137.1055
5 that are applicable to the district for the prior year, as
6 provided to the school district by the county pursuant to
7 subsection 5 of section 137.1050 and subsection 5 of section
8 137.1055.

139.053. 1. The governing body of any county[,
2 excluding township counties,] may by ordinance or order
3 provide for the payment of all or any part of current real
4 and personal property taxes which are owed, at the option of
5 the taxpayer, on an annual, semiannual [or], quarterly,
6 monthly, or weekly basis at such times as determined by such
7 governing body.

8 2. The ordinance shall provide the method by which the
9 amount of property taxes owed for the current tax year in
10 which the payments are to be made shall be estimated. The
11 collector shall submit to the governing body the procedures
12 by which taxes will be collected pursuant to the ordinance
13 or order. The estimate shall be based on the previous tax
14 year's liability. A taxpayer's payment schedule shall be
15 based on the estimate divided by the number of pay periods
16 in which payments are to be made. The taxpayer shall at the
17 end of the tax year pay any amounts owed in excess of the
18 estimate for such year. The county shall at the end of the
19 tax year refund to the taxpayer any amounts paid in excess
20 of the property tax owed for such year. No interest shall
21 be paid by the county on excess amounts owed to the
22 taxpayer. Any refund paid the taxpayer pursuant to this
23 subsection shall be an amount paid by the county only once
24 in a calendar year.

25 3. If a taxpayer fails to make an installment payment
26 of a portion of the real or personal property taxes owed to

27 the county, then such county may charge the taxpayer
28 interest on the amount of property taxes still owed for that
29 year.

30 4. Any governing body enacting the ordinance or order
31 specified in this section shall first agree to provide the
32 county collector with reasonable and necessary funds to
33 implement the ordinance or order.

34 5. Subsection 1 of this section shall not apply to
35 payment for real property taxes by financial institutions,
36 as defined in section 381.410, who pay tax obligations which
37 they service from escrow accounts, as defined in Title 24,
38 Part 3500, Section 17, Code of Federal Regulation, as
39 amended.

140.010. 1. All real estate upon which the taxes
2 remain unpaid on the first day of January, annually, are
3 delinquent, and the county collector shall enforce the lien
4 of the state thereon, as required by this chapter. Any
5 failure to properly return the delinquent list, as required
6 by this chapter, in no way affects the validity of the
7 assessment and levy of taxes, nor of the foreclosure and
8 sale by which the collection of the taxes is enforced, nor
9 in any manner affects the lien of the state on the
10 delinquent real estate for the taxes unpaid thereon.

11 2. Alternatively, any county may, by adoption of a
12 resolution or order of the county commission of such county,
13 elect to operate under the provisions of sections 141.210 to
14 141.810 for any parcel for which there is an unpaid tax bill
15 for a period of at least two years after the date on which
16 it became delinquent. Any county electing to operate as
17 such shall be called a "partial opt-in county". No county
18 eligible to establish a land bank agency under subsection 1
19 of section 140.981 shall elect to operate as a partial opt-

20 in county unless the county first elects to establish a land
21 bank agency as provided in subsection 1 of section 140.981.
22 In accordance with section 141.290, after the adoption of
23 such resolution or order by a county commission, the
24 collector of the county shall decide which tax delinquent
25 parcels shall proceed according to the provisions of
26 sections 141.210 to 141.810. Such parcels shall be exempt
27 from the provisions of sections 140.030 to 140.722. The
28 collector shall remove such parcels from any list of parcels
29 advertised for first, second, third, or post-third sales.

30 **3. (1) As used in this subsection, the following**
31 **terms shall mean:**

32 (a) "Taxpayer", an owner of record of property on
33 which property tax is due;

34 (b) "Trusted contact", an adult person designated by a
35 taxpayer that a collector may contact in the event the
36 taxpayer has a delinquent property tax liability as of the
37 first day of March.

38 (2) Notwithstanding any other provision of law to the
39 contrary, a county collector may offer a trusted contact
40 program to taxpayers who may designate one or more trusted
41 contacts for the collector to contact in the event the
42 taxpayer has not paid the taxpayer's property tax liability
43 by the first day of March. The collector may establish such
44 procedures, requirements, and forms as the collector deems
45 appropriate and necessary should the collector decide to
46 implement a trusted contact program.

164.151. 1. The questions on bond issues in all
2 districts shall be submitted in substantially the following
3 form:

4 Shall the _____ board of education borrow
5 money in the amount of _____ dollars for the

6 purpose of _____ and issue bonds for the
7 payment thereof resulting in an estimated
8 increase to the debt service property tax levy
9 of _____ (amount of estimated increase) per one
10 hundred dollars of assessed valuation? If this
11 proposition is approved, the adjusted debt
12 service levy of the school district is estimated
13 to increase from _____ (amount of current
14 school district levy) to _____ (estimated
15 adjusted debt service levy) per one hundred
16 dollars assessed valuation of real and personal
17 property, **and it is estimated that the bonded**
18 **indebtedness of the school district would be**
19 **extended _____ years.**

20 2. If the constitutionally required number of the
21 votes cast are for the loan, the board may, subject to the
22 restrictions of section 164.161, borrow money in the name of
23 the district, to the amount and for the purpose specified in
24 the notices aforesaid, and issue bonds of the district for
25 the payment thereof.

Section 1. Notwithstanding any provision of law to the
2 **contrary, the county assessor, township assessor, or other**
3 **county designee responsible for the administration of**
4 **assessment lists, personal property declarations, homestead**
5 **verification forms, or other assessment-related filings may**
6 **allow a grace period not to exceed ten days following the**
7 **statutory deadline for submission of such forms when such**
8 **forms are transmitted through the United States Postal**
9 **Service and postmarked on or before the applicable due date**
10 **but received after such due date due to postal delay. Any**
11 **such form received within the authorized grace period shall**
12 **be deemed timely filed and shall not result in penalty,**

13 estimated assessment, or disqualification from any property
14 tax credit or relief program solely due to delayed receipt.
15 The assessor or county designee may establish reasonable
16 procedures to verify postmark dates and ensure uniform and
17 consistent application of such grace period in accordance
18 with state law.

Section 2. 1. This section shall be known and may be
2 cited as the "Missouri Taxpayer Debt Relief and School
3 Facilities Act". It is the intent of the general assembly
4 through the Missouri taxpayer debt relief and school
5 facilities act to:

6 (1) Provide state support for public school facility
7 projects that are currently funded by local property
8 taxpayers; and

9 (2) Reduce the property tax burden on Missouri
10 taxpayers by lowering the amount of bonded indebtedness and
11 property tax levies of school districts that need to finance
12 necessary capital improvements in academic facilities.

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

14 (1) "Academic facility", a building or space, and
15 related portions of the physical plant and grounds, where
16 public school students receive instruction that is an
17 integral part of an adequate public education program,
18 including classrooms, libraries, laboratories, and related
19 support spaces, but excluding:

20 (a) Central or district administration buildings;

21 (b) Noninstructional warehouses, bus barns, and
22 maintenance facilities;

23 (c) Athletic stadiums and similar competition venues,
24 except to the extent a portion of such facilities is
25 regularly scheduled instructional space; and

26 (d) Facilities leased from or by the district, unless
27 otherwise provided by rule of the commission;

28 (2) "Commission", the Missouri commission on academic
29 facilities established in this section;

30 (3) "Facility condition index", a ratio that compares
31 the cost of repairing or renovating an academic facility to
32 the cost of replacing such facility, as determined by the
33 commission by rule;

34 (4) "Fiscal capacity", the relative ability of a
35 school district to raise local resources for capital
36 projects, as determined by the commission, which may include
37 consideration of a district's property tax base, income
38 levels, existing debt service, and other factors the
39 commission deems appropriate;

40 (5) "Immediate repair project", an academic facilities
41 project that addresses an existing condition that presents a
42 substantial and imminent danger to the health or safety of
43 occupants, a serious deficiency in structural integrity or
44 major building systems, or an urgent need to comply with
45 applicable building, fire, or accessibility code
46 requirements;

47 (6) "Local resources", the portion of the cost of a
48 project to be funded from revenues of the school district,
49 including proceeds of bonds, capital levies, or other
50 locally controlled funds, but excluding any moneys received
51 from the Missouri academic facilities partnership fund;

52 (7) "Maintenance, repair, and renovation", any
53 activity, improvement, or work on an academic facility that
54 maintains, conserves, or restores the condition or
55 efficiency of the facility, including, but not limited to,
56 roof repair or replacement, HVAC, electrical, plumbing,

57 interior finishes, accessibility improvements, and code
58 compliance upgrades;

59 (8) "New construction", any improvement that brings an
60 academic facility to a better condition or efficiency,
61 including construction of a new building, additions to an
62 existing building, or major alterations that significantly
63 change capacity or function;

64 (9) "Operating levy for school purposes", as such term
65 is defined in section 163.011 or any successor provision;

66 (10) "Performance levy", as such term is defined in
67 section 163.011 or any successor provision;

68 (11) "Project", an undertaking by a school district
69 involving maintenance, repair, and renovation, new
70 construction, or any combination thereof, with respect to
71 one or more academic facilities;

72 (12) "School district" or "district", any public
73 school district organized under the laws of this state.

74 3. There is hereby created the "Missouri Commission on
75 Academic Facilities". The commission shall be housed within
76 the department of elementary and secondary education for
77 administrative purposes, and such department shall provide
78 staff and administrative support to the commission.

79 Appointed members of the commission shall serve six-year
80 terms, and all members of the commission shall serve without
81 compensation but may be reimbursed for necessary expenses
82 incurred in the performance of their duties. The commission
83 shall consist of the following seven members, who shall have
84 demonstrated experience in public school administration,
85 school facility planning or construction, or public finance:

86 (1) The commissioner of education or the
87 commissioner's designee;

88 (2) Two members appointed by the governor, not more
89 than one from the same political party;

90 (3) One member appointed by the president pro tempore
91 of the Missouri senate;

92 (4) One member appointed by the senate minority
93 leader; and

94 (5) Two members appointed by the speaker of the house
95 of representatives, not more than one from the same
96 political party.

97 4. The commission shall:

98 (1) Administer the Missouri academic facilities
99 partnership fund and implement this section;

100 (2) Adopt rules to implement this section, including
101 rules establishing:

102 (a) Application procedures and timelines;

103 (b) Project evaluation criteria and scoring systems;

104 (c) Project categories and definitions that, at a
105 minimum, distinguish projects that address health, safety,
106 and code compliance needs; major maintenance, repair,
107 renovation, and replacement projects; and new construction,
108 additions, and space or capacity projects;

109 (d) Facility standards and a facility condition index
110 methodology;

111 (e) Reporting, monitoring, and audit requirements; and

112 (f) A methodology for state and local cost sharing
113 based on district fiscal capacity;

114 (3) Review and approve or disapprove school district
115 applications for state financial participation in academic
116 facilities projects;

117 (4) Determine, for each approved project, the state
118 share and local share of eligible project costs in

119 accordance with the cost sharing methodology established
120 under this section;

121 (5) Apply the priorities and factors set forth in this
122 section and annually adopt a statewide prioritized list of
123 projects recommended for funding; and

124 (6) Monitor the use of state funds and project
125 completion and require such reports and audits from school
126 districts as are necessary to ensure compliance with this
127 section and rules adopted under it.

128 5. Except as expressly provided in this section, all
129 procedures, standards, criteria, and scoring systems
130 governing applications for and awards of state financial
131 participation shall be determined by the commission by rule
132 and may be modified over time as the commission deems
133 necessary to prudently and resourcefully expend state funds.

134 6. The commission shall establish, by rule, a
135 methodology for determining the relative fiscal capacity of
136 each school district to provide local resources for academic
137 facilities projects and the respective state and local
138 shares of eligible project costs for districts that receive
139 state financial participation. In developing this
140 methodology, the commission shall consider measures of
141 district fiscal capacity that may include, but need not be
142 limited to, assessed valuation, property wealth per pupil,
143 income levels, the district's operating levy, existing debt
144 service obligations, and other indicators of the ability to
145 raise local capital. The commission shall ensure that
146 districts with lower fiscal capacity and higher operating
147 levies generally qualify for higher effective state support
148 than districts with higher fiscal capacity and lower
149 operating levies. The commission shall, by rule, establish
150 minimum and maximum state participation percentages for

151 eligible project costs and may differentiate such
152 percentages among project categories described in this
153 section.

154 7. (1) There is hereby created in the state treasury
155 the "Missouri School Facilities Partnership Fund", which
156 shall consist of moneys appropriated by the general assembly
157 and any other moneys authorized by law to be deposited in
158 the fund. The state treasurer shall be custodian of the
159 fund. In accordance with sections 30.170 and 30.180, the
160 state treasurer may approve disbursements. The fund shall
161 be a dedicated fund and, upon appropriation, moneys in this
162 fund shall be used solely to provide state financial
163 participation in eligible academic facilities projects for
164 school districts under this section and to pay the
165 reasonable administrative costs of the department of
166 elementary and secondary education and the commission
167 established in this section.

168 (2) Notwithstanding the provisions of section 33.080
169 to the contrary, any moneys remaining in the fund at the end
170 of the biennium shall not revert to the credit of the
171 general revenue fund.

172 (3) The state treasurer shall invest moneys in the
173 fund in the same manner as other funds are invested. Any
174 interest and moneys earned on such investments shall be
175 credited to the fund.

176 8. Notwithstanding any provision of this section to
177 the contrary, a school district may apply to the commission
178 for state financial participation in an academic facilities
179 project only if:

180 (1) The district has adopted and submitted to the
181 commission a long range facilities plan in a form approved
182 by the commission;

183 (2) The proposed project is consistent with that plan
184 and with applicable facility standards established by the
185 commission; and

186 (3) The district's current operating levy for school
187 purposes is at or above the performance levy, or the
188 district's operating levy for school purposes was at or
189 above the performance levy at any point during the preceding
190 four fiscal years but was reduced below such levy amount due
191 to a constitutionally mandated rollback.

192 9. In each funding cycle, the commission shall award
193 state financial participation in accordance with the
194 following priorities:

195 (1) First order priority shall be given to projects
196 that address substantial and imminent dangers to health or
197 safety, serious deficiencies in structural integrity or
198 major building systems, or urgent compliance with building,
199 fire, or accessibility codes in academic facilities,
200 including immediate repair projects;

201 (2) Second order priority shall be given to projects
202 that create substantial and demonstrable efficiencies in the
203 ongoing costs of operation of a school district, including,
204 but not limited to, projects that reduce utility or
205 maintenance costs, improve energy efficiency, or modernize
206 facilities in connection with voluntary consolidation,
207 annexation, or cooperative reorganization of districts or
208 attendance centers;

209 (3) Third order priority shall be given to projects
210 that remedy significant facility condition deficiencies,
211 extend the useful life of academic facilities, or replace
212 facilities whose facility condition index exceeds a
213 threshold established by the commission; and

214 (4) Fourth order priority shall be given to projects
215 that provide additional capacity or reconfigured space
216 necessary to accommodate enrollment growth, eliminate
217 excessive reliance on temporary classrooms, or support
218 educationally required programmatic changes.

219 10. Within and among the priority categories
220 established in subsection 9 of this section, the commission
221 shall further prioritize projects by considering at least
222 the following factors, in such manner and relative weight as
223 the commission shall establish by rule:

224 (1) The severity of the facility need and the
225 educational impact of the project, including facility
226 condition, educational adequacy, and enrollment pressures;

227 (2) The school district's fiscal capacity, so that
228 districts with lower fiscal capacity receive higher
229 effective state support;

230 (3) The school district's operating levy, so that
231 districts with higher levies receive higher effective state
232 support to lower or mitigate increases in the amount of
233 property taxes residents must pay than districts with lower
234 operating levies;

235 (4) The extent to which the district is already
236 relying on local funding effort, prioritizing districts that
237 receive less than half of their total revenue from state
238 sources, including:

239 (a) Existing debt service millage or equivalent local
240 levy for capital purposes; and

241 (b) The proportion of total operating and capital
242 revenues derived from local sources;

243 (5) The availability or lack of additional local
244 bonding capacity for facilities purposes, including
245 districts that are at, or within a threshold established by

246 the commission of, the maximum bonded indebtedness level
247 permitted by law or commission policy, or that can otherwise
248 demonstrate insufficient remaining bonding capacity to
249 address critical facility needs without state participation;

250 (6) The degree of local matching commitment associated
251 with the project, including:

252 (a) Local cash or in-kind contributions, including
253 proceeds of bonds or levies, dedicated deposits to a capital
254 and maintenance reserve fund, or other local capital
255 sources; and

256 (b) Local actions that provide property tax relief to
257 district residents in connection with the project, such as:

258 a. Reducing existing or planned debt service levies
259 due to state participation; or

260 b. Avoiding or reducing the need for new or higher
261 debt service levies that would otherwise be required to
262 complete the project; and

263 (7) The prudent and resourceful expenditure of state
264 funds, including consideration of life cycle cost, energy
265 efficiency, and the extent to which state dollars leverage
266 or replace local borrowing in a manner that reduces long
267 term tax burdens while addressing facility needs.

268 11. The commission shall publish, at least annually,
269 the statewide prioritized list of projects recommended for
270 funding and shall identify, for each project, the category
271 and principal factors supporting the commission's
272 recommended priority.

273 12. No project shall receive state financial
274 participation under this section unless the district
275 demonstrates a good faith local matching commitment, as
276 determined by the commission.

277 13. In awarding state financial participation, the
278 commission shall give favorable consideration to projects
279 that are accompanied by a plan, approved by the district's
280 governing board, that uses state participation to offset or
281 reduce the amount of new local debt that would otherwise be
282 required for the project or allows for a reduction in future
283 debt service levies or avoidance of levy increases that
284 would otherwise be needed.

285 14. The commission shall not require a district
286 eligible to apply for state financial participation under
287 subsection 8 of this section to increase local tax rates as
288 a condition of receiving state financial participation. The
289 commission shall ensure that state funds are allocated in a
290 manner that reasonably balances:

291 (1) Preference for districts demonstrating strong
292 local effort;

293 (2) Consideration for districts with limited remaining
294 bonding capacity; and

295 (3) The goal of mitigating, where practicable, the
296 long term property tax burden associated with necessary
297 facility improvements.

298 15. A district receiving state financial participation
299 shall comply with all applicable procurement, construction,
300 and reporting requirements and shall complete the project
301 substantially as described in such district's approved
302 application, unless otherwise authorized by the commission.

303 16. The commission may withhold, suspend, or require
304 repayment of state funds if the commission finds that a
305 district has materially violated the requirements of this
306 section, rules promulgated under this section, or the terms
307 of such district's approved project.

308 17. The commission shall promulgate rules to implement
309 the provisions of this section. Any rule or portion of a
310 rule, as that term is defined in section 536.010, that is
311 created under the authority delegated in this section shall
312 become effective only if it complies with and is subject to
313 all of the provisions of chapter 536 and, if applicable,
314 section 536.028. This section and chapter 536 are
315 nonseverable and if any of the powers vested with the
316 general assembly pursuant to chapter 536 to review, to delay
317 the effective date, or to disapprove and annul a rule are
318 subsequently held unconstitutional, then the grant of
319 rulemaking authority and any rule proposed or adopted after
320 August 28, 2026, shall be invalid and void.

 Section B. In the event that any section, provision,
2 clause, phrase, or word of this act or the application
3 thereof is declared invalid under the Constitution of the
4 United States or the Constitution of the State of Missouri,
5 it is the intent of the general assembly that the remaining
6 sections of this act remain in force and effect as far as
7 they are capable of being carried into execution as intended
8 by the general assembly. The general assembly hereby
9 declares that it would have passed each section, provision,
10 clause, phrase, or word thereof, irrespective of the fact
11 that any one or more sections, provisions, clauses, phrases,
12 or words of this act or the application of this act would be
13 declared unenforceable, unconstitutional, or invalid.

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