

FIRST REGULAR SESSION

HOUSE BILL NO. 363

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES CUNNINGHAM (86) AND STEFANICK (Co-sponsors).

Read 1st time February 5, 2003, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

0609L.021

AN ACT

To repeal section 137.115, RSMo, and to enact in lieu thereof one new section relating to property taxation.

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

Section A. Section 137.115, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 137.115, to read as follows:

137.115. 1. All other laws to the contrary notwithstanding, the assessor or the assessor's deputies in all counties of this state including the City of St. Louis shall annually make a list of all real and tangible personal property taxable in the assessor's city, county, town or district. Except as otherwise provided in subsection 3 of this section, the assessor shall annually assess all personal property at thirty-three and one-third percent of its true value in money as of January first of each calendar year. The assessor shall annually assess all real property, including any new construction and improvements to real property, and possessory interests in real property at the percent of its true value in money set in subsection 5 of this section. The assessor shall annually assess all real property in the following manner: new assessed values shall be determined as of January first of each odd-numbered year and shall be entered in the assessor's books; those same assessed values shall apply in the following even-numbered year, except for new construction and property improvements which shall be valued as though they had been completed as of January first of the preceding odd-numbered year. The assessor may call at the office, place of doing business, or residence of each person required by this chapter to list property, and require the person to make a correct statement of all taxable real property in the county owned by the person, or under his or her care, charge or management, and all taxable

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law. Matter in boldface type in the above law is new proposed language.

17 tangible personal property owned by the person or under his or her care, charge or management,
18 taxable in the county. On or before January first of each even-numbered year, the assessor shall
19 prepare and submit a two-year assessment maintenance plan to the county governing body and
20 the state tax commission for their respective approval or modification. The county governing
21 body shall approve and forward such plan or its alternative to the plan to the state tax
22 commission by February first. If the county governing body fails to forward the plan or its
23 alternative to the plan to the state tax commission by February first, the assessor's plan shall be
24 considered approved by the county governing body. If the state tax commission fails to approve
25 a plan and if the state tax commission and the assessor and the governing body of the county
26 involved are unable to resolve the differences, in order to receive state cost-share funds outlined
27 in section 137.750, the county or the assessor shall petition the administrative hearing
28 commission, by May first, to decide all matters in dispute regarding the assessment maintenance
29 plan. Upon agreement of the parties, the matter may be stayed while the parties proceed with
30 mediation or arbitration upon terms agreed to by the parties. The final decision of the
31 administrative hearing commission shall be subject to judicial review in the circuit court of the
32 county involved. In the event a valuation of subclass (1) real property within any county of the
33 first classification with a charter form of government, or within a city not within a county, is
34 made by a computer, computer-assisted method or a computer program, the burden of proof,
35 supported by clear, convincing and cogent evidence to sustain such valuation, shall be on the
36 assessor at any hearing or appeal. In any such county, unless the assessor proves otherwise, there
37 shall be a presumption that the assessment was made by a computer, computer-assisted method
38 or a computer program. Such evidence shall include, but shall not be limited to, the following:

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

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

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

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

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

51 3. The following items of personal property shall each constitute separate subclasses of
52 tangible personal property and shall be assessed and valued for the purposes of taxation at the

53 following [percents] **percentages** of their true value in money:

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

56 (2) Livestock, twelve percent;

57 (3) Farm machinery, twelve percent;

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

62 (5) Poultry, twelve percent; and

63 (6) Tools and equipment used for pollution control and tools and equipment used in
64 retooling for the purpose of introducing new product lines or used for making improvements to
65 existing products by any company which is located in a state enterprise zone and which is
66 identified by any standard industrial classification number cited in subdivision (6) of section
67 135.200, RSMo, twenty-five percent.

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

72 5. All subclasses of real property, as such subclasses are established in section 4(b) of
73 article X of the Missouri Constitution and defined in section 137.016, shall be assessed at the
74 following percentages of true value:

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

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

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

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

89 A manufactured home located on real estate owned by the manufactured home owner may be
90 considered real property.

91 7. Each manufactured home assessed shall be considered a parcel for the purpose of
92 reimbursement pursuant to section 137.750, unless the manufactured home has been converted
93 to real property in compliance with section 700.111, RSMo, and assessed as a realty
94 improvement to the existing real estate parcel.

95 8. Any amount of tax due and owing based on the assessment of a manufactured home
96 shall be included on the personal property tax statement of the manufactured home owner unless
97 the manufactured home has been converted to real property in compliance with section 700.111,
98 RSMo, in which case the amount of tax due and owing on the assessment of the manufactured
99 home as a realty improvement to the existing real estate parcel shall be included on the real
100 property tax statement of the real estate owner.

101 9. The assessor of each county and each city not within a county shall use the trade-in
102 value published in the October issue of the National Automobile Dealers' Association Official
103 Used Car Guide, or its successor publication, as the recommended guide of information for
104 determining the true value of motor vehicles described in such publication. In the absence of a
105 listing for a particular motor vehicle in such publication, the assessor shall use such information
106 or publications which in the assessor's judgment will fairly estimate the true value in money of
107 the motor vehicle.

108 10. [Before the assessor may] **No political subdivision shall increase the assessed**
109 **valuation of any parcel of subclass (1) real property by more than [fifteen] five percent or the**
110 **average percentage change in the personal income of Missouri for the two previous**
111 **calendar years before that assessment period, whichever is lower,** since the last assessment,
112 excluding increases due to new construction or improvements[, the assessor shall conduct a
113 physical inspection of such property.

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

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

125 of this section. Mere observation of the property via a "drive-by inspection" or the like shall not
126 be considered sufficient to constitute a physical inspection as required by this section.

127 13. The provisions of subsections 11 and 12 of this section shall only apply in any county
128 with a charter form of government with more than one million inhabitants].

129 [14.] **11.** A county or city collector may accept credit cards as proper form of payment
130 of outstanding property tax due. No county or city collector may charge surcharge for payment
131 by credit card which exceeds the fee or surcharge charged by the credit card bank for its service.

132 [15.] **12.** The provisions of this section and sections 137.073, 138.060 and 138.100,
133 RSMo, shall become effective January 1, 2003, for any taxing jurisdiction which is partly or
134 entirely within a county with a charter form of government with greater than one million
135 inhabitants, and the provisions of this section and sections 137.073, 138.060 and 138.100,
136 RSMo, shall become effective January 1, 2005, for all taxing jurisdictions in this state. Any
137 county in this state may, by an affirmative vote of the governing body of such county, opt into
138 the provisions of this act prior to January 1, 2005.