

SECOND REGULAR SESSION

HOUSE BILL NO. 1692

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE COOPER (120).

Read 1st time March 18, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

4910L.011

AN ACT

To repeal section 137.115, RSMo, and to enact in lieu thereof two new sections relating to property taxation of broadcasting equipment, with an effective date for a certain section.

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

Section A. Section 137.115, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 137.078 and 137.115, to read as follows:

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

(1) "Analog equipment", all depreciable items of tangible personal property that are used directly or indirectly in broadcasting television shows and commercials through the use of analog technology;

(2) "Applicable analog fraction", a fraction, the numerator of which is the total number of analog television sets in the United States for the immediately preceding calendar year and the denominator of which is an amount representing the total combined number of analog and digital television sets in the United States for the immediately preceding calendar year. The applicable analog fraction will be determined on an annual basis by the Missouri Broadcasters Association;

(3) "Applicable digital fraction", a fraction, the numerator of which is the total number of digital television sets in the United States for the immediately preceding calendar year and the denominator of which is an amount representing the total combined number of analog and digital television sets in the United States for the immediately preceding calendar year. The applicable digital fraction will be determined on an annual basis by the Missouri Broadcasters Association;

(4) "Applicable analog percentage", the following percentages for the following years:

19		2004	2005	2006	2007
20	Year of Acquisition	Tax Year	Tax Year	Tax Year	Tax Year
21					1%
22	2006				1%
23	2005			25%	1%
24	2004		50%	25%	1%
25	2003	75%	50%	25%	1%
26	2002	75%	50%	25%	1%
27	2001	75%	50%	25%	1%
28	2000	75%	50%	25%	1%
29	1999	75%	50%	25%	1%
30	1998	75%	50%	25%	1%
31	Prior	75%	50%	25%	1%

32 (5) "Digital equipment", all depreciable items of tangible personal property that
 33 are used directly or indirectly in broadcasting television shows and commercials through
 34 the use of digital technology;

35 (6) "Television broadcasters", all businesses that own, lease, or operate television
 36 broadcasting stations that transmit television shows and commercials and that are required
 37 to be licensed by the Federal Communications Commission to provide such services;

38 (7) "Television broadcasting equipment", both analog equipment and digital
 39 equipment.

40 2. For purposes of assessing all items of television broadcasting equipment that are
 41 owned and used by television broadcasters for purposes of broadcasting television shows
 42 and commercials:

43 (1) The true value in money of all analog equipment shall be determined by
 44 depreciating the historical cost of such property using the depreciation tables provided in
 45 subdivision (1) of subsection 3 of this section and multiplying the results by the applicable
 46 analog percentage. The result of the second computation is multiplied by the applicable
 47 analog fraction to determine the true value in money of the analog equipment; and

48 (2) The true value in money of all digital equipment shall be determined by
 49 depreciating the historical cost of such property using the depreciation tables provided in
 50 subdivision (2) of subsection 3 of this section and multiplying the results by the applicable
 51 digital fraction to determine the true value in money of the digital equipment.

52 3. For purposes of subsection 2 of this section, the depreciation tables for
 53 determining the fair value in money of television broadcasting equipment are as follows:

54 (1) For analog equipment, the following depreciation tables will apply for the

55 following years:

56	2004	2005	2006	2007
57 Year of Acquisition	Tax Year	Tax Year	Tax Year	Tax Year
58 2006				65%
59 2005			65%	45%
60 2004		65%	45%	30%
61 2003	65%	45%	30%	20%
62 2002	45%	30%	20%	10%
63 2001	30%	20%	10%	5%
64 2000	20%	10%	5%	5%
65 1999	10%	5%	5%	5%
66 1998	5%	5%	5%	5%
67 Prior	5%	5%	5%	5%

68 (2) For digital equipment, the following depreciation tables will apply for the
69 following years:

70	2004	2005	2006	2007
71 Year of Acquisition	Tax Year	Tax Year	Tax Year	Tax Year
72 2006				65%
73 2005			65%	45%
74 2004		65%	45%	30%
75 2003	65%	45%	30%	20%
76 2002	45%	30%	20%	10%
77 2001	30%	20%	10%	5%
78 2000	20%	10%	5%	5%
79 1999	10%	5%	5%	5%
80 1998	5%	5%	5%	5%
81 Prior	5%	5%	5%	5%

137.115. 1. All other laws to the contrary notwithstanding, the assessor or the assessor's
2 deputies in all counties of this state including the city of St. Louis shall annually make a list of
3 all real and tangible personal property taxable in the assessor's city, county, town or district.
4 Except as otherwise provided in subsection 3 of this section **and section 137.078**, the assessor
5 shall annually assess all personal property at thirty-three and one-third percent of its true value
6 in money as of January first of each calendar year. The assessor shall annually assess all real
7 property, including any new construction and improvements to real property, and possessory
8 interests in real property at the percent of its true value in money set in subsection 5 of this
9 section. The assessor shall annually assess all real property in the following manner: new

10 assessed values shall be determined as of January first of each odd-numbered year and shall be
11 entered in the assessor's books; those same assessed values shall apply in the following
12 even-numbered year, except for new construction and property improvements which shall be
13 valued as though they had been completed as of January first of the preceding odd-numbered
14 year. The assessor may call at the office, place of doing business, or residence of each person
15 required by this chapter to list property, and require the person to make a correct statement of all
16 taxable tangible personal property owned by the person or under his or her care, charge or
17 management, taxable in the county. On or before January first of each even-numbered year, the
18 assessor shall prepare and submit a two-year assessment maintenance plan to the county
19 governing body and the state tax commission for their respective approval or modification. The
20 county governing body shall approve and forward such plan or its alternative to the plan to the
21 state tax commission by February first. If the county governing body fails to forward the plan
22 or its alternative to the plan to the state tax commission by February first, the assessor's plan shall
23 be considered approved by the county governing body. If the state tax commission fails to
24 approve a plan and if the state tax commission and the assessor and the governing body of the
25 county involved are unable to resolve the differences, in order to receive state cost-share funds
26 outlined in section 137.750, the county or the assessor shall petition the administrative hearing
27 commission, by May first, to decide all matters in dispute regarding the assessment maintenance
28 plan. Upon agreement of the parties, the matter may be stayed while the parties proceed with
29 mediation or arbitration upon terms agreed to by the parties. The final decision of the
30 administrative hearing commission shall be subject to judicial review in the circuit court of the
31 county involved. In the event a valuation of subclass (1) real property within any county with
32 a charter form of government, or within a city not within a county, is made by a computer,
33 computer-assisted method or a computer program, the burden of proof, supported by clear,
34 convincing and cogent evidence to sustain such valuation, shall be on the assessor at any hearing
35 or appeal. In any such county, unless the assessor proves otherwise, there shall be a presumption
36 that the assessment was made by a computer, computer-assisted method or a computer program.
37 Such evidence shall include, but shall not be limited to, the following:

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

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

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

43 (b) Such properties are not more than one mile from the site of the disputed property,
44 except where no similar properties exist within one mile of the disputed property, the nearest
45 comparable property shall be used. Such property shall be within five hundred square feet in size

46 of the disputed property, and resemble the disputed property in age, floor plan, number of rooms,
47 and other relevant characteristics.

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

50 3. The following items of personal property shall each constitute separate subclasses of
51 tangible personal property and shall be assessed and valued for the purposes of taxation at the
52 following percents of their true value in money:

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

55 (2) Livestock, twelve percent;

56 (3) Farm machinery, twelve percent;

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

61 (5) Poultry, twelve percent; and

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

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

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

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

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

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

77 6. Manufactured homes, as defined in section 700.010, RSMo, which are actually used
78 as dwelling units shall be assessed at the same percentage of true value as residential real
79 property for the purpose of taxation. The percentage of assessment of true value for such
80 manufactured homes shall be the same as for residential real property. If the county collector
81 cannot identify or find the manufactured home when attempting to attach the manufactured home

82 for payment of taxes owed by the manufactured home owner, the county collector may request
83 the county commission to have the manufactured home removed from the tax books, and such
84 request shall be granted within thirty days after the request is made; however, the removal from
85 the tax books does not remove the tax lien on the manufactured home if it is later identified or
86 found. A manufactured home located in a manufactured home rental park, rental community or
87 on real estate not owned by the manufactured home owner shall be considered personal property.
88 A manufactured home located on real estate owned by the manufactured home owner may be
89 considered real property.

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

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

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

107 10. Before the assessor may increase the assessed valuation of any parcel of subclass (1)
108 real property by more than fifteen percent since the last assessment, excluding increases due to
109 new construction or improvements, the assessor shall conduct a physical inspection of such
110 property.

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

117 12. A physical inspection, as required by subsection 10 of this section, shall include, but

118 not be limited to, an on-site personal observation and review of all exterior portions of the land
119 and any buildings and improvements to which the inspector has or may reasonably and lawfully
120 gain external access, and shall include an observation and review of the interior of any buildings
121 or improvements on the property upon the timely request of the owner pursuant to subsection 11
122 of this section. Mere observation of the property via a "drive-by inspection" or the like shall not
123 be considered sufficient to constitute a physical inspection as required by this section.

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

126 14. A county or city collector may accept credit cards as proper form of payment of
127 outstanding property tax due. No county or city collector may charge surcharge for payment by
128 credit card which exceeds the fee or surcharge charged by the credit card bank for its service.

129 15. The provisions of this section and sections 137.073, 138.060 and 138.100, RSMo,
130 shall become effective January 1, 2003, for any taxing jurisdiction which has at least seventy-five
131 percent of the land area of such jurisdiction within a county with a charter form of government
132 with greater than one million inhabitants, and the provisions of this section and sections 137.073,
133 138.060 and 138.100, RSMo, shall become effective January 1, 2005, for all taxing jurisdictions
134 in this state. Any county in this state may, by an affirmative vote of the governing body of such
135 county, opt into the provisions of this act prior to January 1, 2005.

Section B. The enactment of section 137.078 of section A of this act shall become
2 effective January 1, 2005.