

SECOND REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]

HOUSE BILL NO. 975

92ND GENERAL ASSEMBLY

3645L.01T

2004

AN ACT

To repeal sections 141.710, 141.760, and 141.790, RSMo, and to enact in lieu thereof three new sections relating to land trusts.

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

Section A. Sections 141.710, 141.760, and 141.790, RSMo, are repealed and three new sections enacted in lieu thereof, to be known as sections 141.710, 141.760, and 141.790, to read as follows:

141.710. The beneficiaries of the land trust shall be the taxing authorities [and tax bill owners or holders, if any, which held or owned tax bills against the respective parcel of real estate sold to the land trust at sheriff's foreclosure sale included in the judgment of the court, and their respective interests in each parcel of real estate shall be to the extent and in the proportion and according to the priorities determined by the court on the basis which the principal amount of their respective tax bills bore to the total principal amount of all of the tax bills described in the judgment] **which impose real estate taxes on the land trust property at the time of its sale.**

141.760. It shall be the duty of such land trust to administer the tax delinquent lands, as follows:

(1) Such land trust shall immediately assume possession and control of all real estate acquired by it under the provisions of sections 141.210 to 141.810, cause the land commissioner to proceed to inventory [and appraise] such land, and thereafter keep and maintain a perpetual inventory of such real estate.

(2) It shall, upon recommendation of the land commissioner, classify such land as to its use, into the following three classifications:

(a) Suitable for private use;

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 proposed language.

10 (b) Suitable for public use;

11 (c) Not usable in its present condition or situation and held as a public land reserve.

12 (3) Such land trust shall make every effort to return land in classification (a) to such
13 private ownership and use as soon as possible; to offer land classified in class (b) to any public
14 body which shall indicate a need or a use therefor; the price and terms, in each case, to be in the
15 sole discretion of the land trustees, subject to the provisions of subdivision (4) hereof; and shall
16 study and make recommendations to taxing authorities as to possible use of real estate classified
17 in class (c). In furtherance of this object such land trust shall have access to any and all records
18 in any city or county office at any time and may call upon any and all city and county officers,
19 departments, boards, planning commissions or other commissions for studies, statistics or
20 recommendations. Such land trust shall prepare a list of all land in class (a), which list shall be
21 corrected and amended from time to time in the discretion of the trustees. Such trustees may
22 make a charge, not to exceed [one dollar] **the actual cost of documentation and duplication**,
23 for each copy of such list which money shall be used to help defray the costs of preparing such
24 list. Any person may purchase a copy of such list. Any real estate agent or broker licensed to
25 do business in the county may when authorized by the trustees sell any such property upon the
26 terms and conditions imposed by the trustees, and the trustees are authorized and empowered to
27 pay reasonable real estate commissions; and provided, that nothing herein shall prohibit the
28 trustees from selling or exchanging any such real estate directly to or with any purchaser.

29 (4) Such land trustees shall have power, and it shall be their duty, to manage, maintain,
30 protect, rent, lease, repair, insure, alter, sell, trade, exchange or otherwise dispose of any such
31 real estate, on such terms and conditions as may be determined in the sole discretion of the
32 trustees. Said trustees may sell for cash or for terms of not less than ten percent cash at time of
33 purchase, and the balance to be paid within not more than fifteen years from the time of such
34 purchasing agreement, with interest at a legal rate, which sale shall be represented by contract
35 for a deed or by purchaser's note, secured by mortgage or deed of trust on such real estate. Such
36 land trustees may assemble tracts or parcels of real estate for public parks or other public
37 purposes and to such end may exchange parcels, and otherwise effectuate such purposes by
38 agreement with any taxing authority.

39 (5) Such land trust shall adopt rules and regulations in harmony with sections 141.210
40 to 141.810, and shall keep records of all its transactions, which records shall be open to
41 inspection of any taxing authority in the county at any time. There shall be an annual audit of
42 the affairs, accounts, expenses, and financial transactions of such land trust by certified public
43 accountants as of December thirty-first of each year, which accountants shall be employed by the
44 trustees on or before November first of each year, and certified copies thereof shall be furnished

45 to the appointing authorities described in section 141.720, and shall be available for public
46 inspection at the offices of such appointing authorities.

141.790. [1. Such land trust shall set up accounts on its books relating to the operation,
2 management, or other expense of each individual parcel of real estate.

3 2.] When any parcel of real estate is sold or otherwise disposed of by the land trust, the
4 proceeds therefrom shall be applied and distributed in the following order:

5 (1) To the payment of the expenses of sale;

6 (2) [To the payment of any penalties, attorney's fees or costs which were included in the
7 judgment originally entered against said parcel of real estate, plus its proportional part of the
8 costs of sheriff's foreclosure sale, as shown on the books of the collector;

9 (3) To the payment of the costs of the care, improvement, operation, and management
10 of such parcel of real estate as determined by the land trustees and apportioned to such parcel;

11 (4)] The balance to be retained by the land trust to pay the salaries and other expenses
12 of such land trust and of its employees, incident to the administration of sections 141.210 to
13 141.810, including any expenditures authorized by section 141.760, as provided for in its annual
14 budget;

15 [(5)] **(3)** Any funds in excess of those necessary to meet the expenses of the annual
16 budget of the land trust in any fiscal year, and including a reasonable sum to carry over into the
17 next fiscal year to assure that sufficient funds will be available to meet initial expenses for that
18 next fiscal year, may be paid to the respective taxing authorities [and tax bill owners, if any, in
19 the proportion that the principal amounts of the tax bills of each such party bears to the total
20 principal amount of all the tax bills included in the original judgment relating to such parcel of
21 real estate and in the order of their respective priorities. After deduction of all sums charged to
22 each account for various expenses,] **which, at the time of the distribution, are taxing the real**
23 **property from which the proceeds are being distributed. The distributions shall be in**
24 **proportion to the amounts of the taxes levied on the properties by the taxing authorities;**
25 distribution shall be made [to the respective taxing authorities and to tax bill owners having an
26 interest in such parcel of real estate,] on January first and July first of each year, and at such other
27 times as the land trustees in their discretion may determine.