

FIRST REGULAR SESSION

HOUSE BILL NO. 1051

94TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SUTHERLAND.

Read 1st time March 5, 2007 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

2428L.01I

AN ACT

To repeal sections 53.255, 137.016, 137.017, 137.080, 137.082, 137.095, 137.098, 137.100, 137.101, 137.112, 137.113, 137.114, 137.115, 137.118, 137.120, 137.286, 137.423, 137.715, 137.720, 138.390, 138.395, 138.400, 138.450, 138.480, 155.010, and 155.040, RSMo, and to enact in lieu thereof sixteen new sections relating to property tax assessment.

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

Section A. Sections 53.255, 137.016, 137.017, 137.080, 137.082, 137.095, 137.098, 2 137.100, 137.101, 137.112, 137.113, 137.114, 137.115, 137.118, 137.120, 137.286, 137.423, 3 137.715, 137.720, 138.390, 138.395, 138.400, 138.450, 138.480, 155.010, and 155.040, RSMo, 4 are repealed and sixteen new sections enacted in lieu thereof, to be known as sections 53.255, 5 137.016, 137.017, 137.082, 137.095, 137.100, 137.101, 137.115, 137.120, 137.715, 137.720, 6 138.390, 138.400, 138.450, 155.010, and 155.040, to read as follows:

53.255. 1. In addition to all other qualifications imposed by law, it shall be a 2 qualification of the office of assessor that [he] **the assessor** shall, no earlier than [his] becoming 3 an assessor-elect and no later than the second anniversary of the date of [his] commencing a term 4 of office, attend a course of study concerning the assessment of ad valorem property taxes and 5 thereafter be certified by the commission. [Assessors appointed to office on or before January 6 1, 1981, shall attend such course of study within two years of January 1, 1981, and thereafter be 7 certified by the commission.]

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

8 2. Upon notice by the provider of the courses to the commission that an assessor or
9 assessor-elect has attended such a course of study, the commission shall issue a certificate of
10 attendance to the assessor or assessor-elect.

11 3. The commission shall set, as a minimum for each course of study, classroom time
12 totaling thirty-two hours. The commission shall develop course listings which meet the
13 requirement of this subsection and have continuing authority to modify and supplement such list.

14 4. To remain certified as provided in sections 53.250 to [53.265] **53.260**, each assessor
15 [must] **shall**, within each two-year period after certification, attend at least one additional course
16 of study approved in the manner provided in subsection 3 of this section.

17 5. Nothing contained in sections 53.250 to [53.265] **53.260** shall be construed to require
18 that an assessor or assessor-elect pass a written or oral examination upon the subject matter of
19 the ad valorem course of study, but in all cases attendance at such course of study shall be
20 sufficient qualification for office and additional compensation within the provisions of sections
21 53.250 to [53.265] **53.260**.

22 [6. Upon written notice by the commission that an assessor has failed to properly comply
23 with the provisions of sections 53.250 to 53.265, the state director of revenue shall immediately
24 suspend payments of assessment costs by the state under sections 137.700 and 137.710, RSMo,
25 to the county in which the assessor is serving until such time as the assessor complies with
26 sections 53.250 to 53.265, resigns from office, is removed from office by appropriate legal
27 action, or until his successor in office is qualified, whichever comes first. The withholding of
28 state funding under sections 137.700 and 137.710, RSMo, shall not be construed to be the
29 exclusive remedy against an assessor who fails to qualify for office under this section, but other
30 remedies provided by law shall be available.]

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

3 (1) "Residential property", all real property improved by a structure which is used or
4 intended to be used for residential living by human occupants, vacant land in connection with
5 an airport, land used as a golf course, and manufactured home parks, but residential property
6 shall not include other similar facilities used primarily for transient housing. For the purposes
7 of this section, "transient housing" means all rooms available for rent or lease for which the
8 receipts from the rent or lease of such rooms are subject to state sales tax pursuant to section
9 144.020.1(6), RSMo;

10 (2) "Agricultural and horticultural property", all real property used for agricultural
11 purposes and devoted primarily to the raising and harvesting of crops; to the feeding, breeding
12 and management of livestock which shall include breeding and boarding of horses; to dairying,
13 or to any other combination thereof; and buildings and structures customarily associated with

14 farming, agricultural, and horticultural uses. Agricultural and horticultural property shall also
15 include land devoted to and qualifying for payments or other compensation under a soil
16 conservation or agricultural assistance program under an agreement with an agency of the federal
17 government. Agricultural and horticultural property shall further include land and
18 improvements, exclusive of structures, on privately owned airports that qualify as reliever
19 airports under the Nation Plan of Integrated Airports System, to receive federal airport
20 improvement project funds through the Federal Aviation Administration[. Real property
21 classified as forest croplands shall not be agricultural or horticultural property so long as it is
22 classified as forest croplands and shall be taxed in accordance with the laws enacted to
23 implement section 7 of article X of the Missouri Constitution];

24 (3) "Utility, industrial, commercial, railroad and other real property", all real property
25 used directly or indirectly, for any commercial, mining, industrial, manufacturing, trade,
26 professional, business, or similar purpose, including all property centrally assessed by the state
27 tax commission but shall not include floating docks, portions of which are separately owned and
28 the remainder of which is designated for common ownership and in which no one person or
29 business entity owns more than five individual units. All other real property not included in the
30 property listed in subclasses (1) and (2) of section 4(b) of article X of the Missouri Constitution,
31 as such property is defined in this section, shall be deemed to be included in the term "utility,
32 industrial, commercial, railroad and other real property".

33 2. [Pursuant to article X of the state constitution, any taxing district may adjust its
34 operating levy to recoup any loss of property tax revenue, except revenues from the surtax
35 imposed pursuant to article X, section 6.2 of the constitution, as the result of changing the
36 classification of structures intended to be used for residential living by human occupants which
37 contain five or more dwelling units if such adjustment of the levy does not exceed the highest
38 tax rate in effect subsequent to the 1980 tax year. For purposes of this section, loss in revenue
39 shall include the difference between the revenue that would have been collected on such property
40 under its classification prior to enactment of this section and the amount to be collected under
41 its classification under this section. The county assessor of each county or city not within a
42 county shall provide information to each taxing district within its boundaries regarding the
43 difference in assessed valuation of such property as the result of such change in classification.

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

47 4.] Where real property is used or held for use for more than one purpose and such uses
48 result in different classifications, the county assessor shall allocate to each classification the
49 percentage of the true value in money of the property devoted to each use; except that, where

50 agricultural and horticultural property, as defined in this section, also contains a dwelling unit
51 or units, the farm dwelling, appurtenant residential-related structures and up to five acres
52 immediately surrounding such farm dwelling shall be residential property, as defined in this
53 section.

54 [5.] 3. All real property which is vacant, unused, or held for future use; which is used for
55 a private club, a not-for-profit or other nonexempt lodge, club, business, trade, service
56 organization, or similar entity; or for which a determination as to its classification cannot be
57 made under the definitions set out in subsection 1 of this section, shall be classified according
58 to its immediate most suitable economic use, which use shall be determined after consideration
59 of:

- 60 (1) Immediate prior use, if any, of such property;
- 61 (2) Location of such property;
- 62 (3) Zoning classification of such property; except that, such zoning classification shall
63 not be considered conclusive if, upon consideration of all factors, it is determined that such
64 zoning classification does not reflect the immediate most suitable economic use of the property;
- 65 (4) Other legal restrictions on the use of such property;
- 66 (5) Availability of water, electricity, gas, sewers, street lighting, and other public services
67 for such property;
- 68 (6) Size of such property;
- 69 (7) Access of such property to public thoroughfares; and
- 70 (8) Any other factors relevant to a determination of the immediate most suitable
71 economic use of such property.

72 [6.] 4. All lands classified as forest croplands shall not, for taxation purposes, be
73 classified as subclass (1), subclass (2), or subclass (3) real property, as such classes are
74 prescribed in section 4(b) of article X of the Missouri Constitution and defined in this section,
75 but shall be taxed in accordance with the laws enacted to implement section 7 of article X of the
76 Missouri Constitution.

137.017. 1. For general property assessment purposes, the true value in money of land
2 which is in use as agricultural and horticultural property, as defined in section 137.016, shall be
3 that value which such land has for agricultural or horticultural use. The true value of buildings
4 or other structures customarily associated with farming, agricultural, and horticultural uses,
5 excluding residential dwellings and related land, shall be added to the use value of the
6 agricultural and horticultural land to determine the value of the agricultural and horticultural
7 property under sections 137.017 to 137.021.

8 2. After it has been established that the land is actually agricultural and horticultural
9 property, as defined in section 137.016, and is being valued and assessed accordingly, the land

10 shall remain in this category as long as the owner of the land complies with the provisions of
11 sections 137.017 to 137.021.

12 3. Continuance of valuation and assessment for general property taxation under the
13 provisions of sections 137.017 to 137.021 shall depend upon continuance of the land being used
14 as agricultural and horticultural property, as defined in section 137.016, and compliance with the
15 other requirements of sections 137.017 to 137.021 and not upon continuance in the same owner
16 of title to the land.

17 4. For general property assessment purposes, the true value in money of vacant and
18 unused land which is classified as agricultural and horticultural property under [subsection 3 of]
19 section 137.016 shall be its fair market value.

137.082. 1. Notwithstanding the provisions of [sections] **section** 137.075 [and 137.080]
2 to the contrary, a building or other structure classified as residential property pursuant to section
3 137.016 newly constructed and occupied on any parcel of real property shall be assessed and
4 taxed on such assessed valuation as of the first day of the month following the date of occupancy
5 for the proportionate part of the remaining year at the tax rates established for that year, in all
6 taxing jurisdictions located in the county adopting this section as provided in subsection 8 of this
7 section. Newly constructed residential property which has never been occupied shall not be
8 assessed as improved real property until such occupancy or the first day of January of the second
9 year following the year in which construction of the improvements was completed.

10 2. The assessor may consider a property residentially occupied upon personal verification
11 or when any two of the following conditions have been met:

12 (1) An occupancy permit has been issued for the property;

13 (2) A deed transferring ownership from one party to another has been filed with the
14 recorder of deeds' office subsequent to the date of the first permanent utility service;

15 (3) A utility company providing service in the county has verified a transfer of service
16 for property from one party to another;

17 (4) The person or persons occupying the newly constructed property has registered a
18 change of address with any local, state or federal governmental office or agency.

19 3. In implementing the provisions of this section, the assessor may use occupancy
20 permits, building permits, warranty deeds, utility connection documents, including telephone
21 connections, or other official documents as may be necessary to discover the existence of newly
22 constructed properties. No utility company shall refuse to provide verification monthly to the
23 assessor of a utility connection to a newly occupied single family building or structure.

24 4. In the event that the assessment under subsections 1 and 2 of this section is not
25 completed until after the deadline for filing appeals in a given tax year, the owner of the newly
26 constructed property who is aggrieved by the assessment of the property may appeal this

27 assessment the following year to the county board of equalization in accordance with chapter
28 138, RSMo, and may pay any taxes under protest in accordance with section 139.031, RSMo.
29 The collector shall impound such protested taxes and shall not disburse such taxes until
30 resolution of the appeal.

31 5. The increase in assessed valuation resulting from the implementation of the provisions
32 of this section shall be considered new construction and improvements under the provisions of
33 this chapter.

34 6. In counties which adopt the provisions of subsections 1 to 7 of this section, an amount
35 not to exceed ten percent of all ad valorem property tax collections on newly constructed and
36 occupied residential property allocable to each taxing authority within counties of the first
37 classification having a population of nine hundred thousand or more, one-tenth of one percent
38 of all ad valorem property tax collections allocable to each taxing authority within all other
39 counties of the first classification and one-fifth of one percent of all ad valorem property tax
40 collections allocable to each taxing authority within counties of the second, third and fourth
41 classifications and any county of the first classification having a population of at least eighty-two
42 thousand inhabitants, but less than eighty-two thousand one hundred inhabitants, in addition to
43 the amount prescribed by section 137.720 shall be deposited into the assessment fund of the
44 county for collection costs.

45 7. For purposes of figuring the tax due on such newly constructed residential property,
46 the assessor or the board of equalization shall place the full amount of the assessed valuation on
47 the tax book upon the first day of the month following occupancy. Such assessed valuation shall
48 be taxed for each month of the year following such date at its new assessed valuation, and for
49 each month of the year preceding such date at its previous valuation. The percentage derived
50 from dividing the number of months at which the property is taxed at its new valuation by twelve
51 shall be applied to the total assessed valuation of the new construction and improvements, and
52 such product shall be included in the next year's base for the purposes of figuring the next year's
53 tax levy rollback. The untaxed percentage shall be considered as new construction and
54 improvements in the following year and shall be exempt from the rollback provisions.

55 8. Subsections 1 to 7 of this section shall be effective in those counties including any city
56 not within a county in which the governing body of such county elects to adopt a proposal to
57 implement the provisions of subsections 1 to 7 of this section. Such subsections shall become
58 effective in such county on the first day of January of the year following such election.

59 9. In any county which adopts the provisions of subsections 1 to 7 of this section prior
60 to the first day of June in any year pursuant to subsection 8 of this section, the assessor of such
61 county shall, upon application of the property owner, remove on a pro rata basis from the tax
62 book for the current year any residential real property improvements destroyed by a natural

63 disaster if such property is unoccupied and uninhabitable due to such destruction. On or after
64 the first day of June, the board of equalization shall perform such duties. Any person claiming
65 such destroyed property shall provide a list of such destroyed property to the county assessor.
66 The assessor shall have available a supply of appropriate forms on which the claim shall be
67 made. The assessor may verify all such destroyed property listed to ensure that the person made
68 a correct statement. Any person who completes such a list and, with intent to defraud, includes
69 property on the list that was not destroyed by a natural disaster shall, in addition to any other
70 penalties provided by law, be assessed double the value of any property fraudulently listed. The
71 list shall be filed by the assessor, after he has provided a copy of the list to the county collector
72 and the board of equalization, in the office of the county clerk who, after entering the filing
73 thereof, shall preserve and safely keep them. If the assessor, subsequent to such destruction,
74 considers such property occupied as provided in subsection 2 of this section, the assessor shall
75 consider such property new construction and improvements and shall assess such property
76 accordingly as provided in subsection 1 of this section. For the purposes of this section, the term
77 "natural disaster" means any disaster due to natural causes such as tornado, fire, flood, or
78 earthquake.

79 10. Any political subdivision may recover the loss of revenue caused by subsection 9 of
80 this section by adjusting the rate of taxation, to the extent previously authorized by the voters of
81 such political subdivision, for the tax year immediately following the year of such destruction
82 in an amount not to exceed the loss of revenue caused by this section.

137.095. 1. The real and tangible personal property [of all] **owned or held by persons**
2 **who are not residents of this state, by partnerships, or by** corporations operating in any
3 county in the state of Missouri and in the city of St. Louis, and subject to assessment by county
4 or township assessors, shall be assessed and taxed in the county in which the property is situated
5 on the first day of January of the year for which the taxes are assessed, and every general or
6 business corporation having or owning tangible personal property on the first day of January in
7 each year, which is situated in any other county than the one in which the corporation is located,
8 shall make return to the assessor of the county or township where the property is situated, in the
9 same manner as other tangible personal property is required by law to be returned, except that
10 all motor vehicles which are the property of the corporation and which are subject to regulation
11 under chapter 390, RSMo, shall be assessed for tax purposes in the county in which the motor
12 vehicles are based.

13 2. For the purposes of subsection 1 of this section, the term "based" means the place
14 where the vehicle is most frequently dispatched, garaged, serviced, maintained, operated or
15 otherwise controlled, except that leased passenger vehicles shall be assessed at the residence of
16 the driver or, if the residence of the driver is unknown, at the location of the lessee.

137.100. The following subjects are exempt from taxation for state, county or local
2 purposes:

3 (1) Lands and other property belonging to this state;

4 (2) Lands and other property belonging to any city, county or other political subdivision
5 in this state, including market houses, town halls and other public structures, with their furniture
6 and equipments, and on public squares and lots kept open for health, use or ornament;

7 (3) Nonprofit cemeteries;

8 (4) The real estate and tangible personal property which is used exclusively for
9 agricultural or horticultural societies organized in this state, including not-for-profit agribusiness
10 associations;

11 (5) All property, real and personal, actually and regularly used exclusively for religious
12 worship, for schools and colleges, **for veterans' organizations**, or for purposes purely charitable
13 and not held for private or corporate profit, except that the exemption herein granted does not
14 include real property not actually used or occupied for the purpose of the organization but held
15 or used as investment even though the income or rentals received therefrom is used wholly for
16 religious, educational or charitable purposes;

17 (6) Household goods, furniture, wearing apparel and articles of personal use and
18 adornment, as defined by the state tax commission, owned and used by a person in his home or
19 dwelling place;

20 (7) Motor vehicles leased for a period of at least one year to this state or to any city,
21 county, or political subdivision or to any religious, educational, or charitable organization which
22 has obtained an exemption from the payment of federal income taxes, provided the motor
23 vehicles are used exclusively for religious, educational, or charitable purposes; and

24 (8) Real or personal property leased or otherwise transferred by an interstate compact
25 agency created pursuant to sections 70.370 to [70.430] **70.429**, RSMo, or sections 238.010 to
26 238.100, RSMo, to another for which or whom such property is not exempt when immediately
27 after the lease or transfer, the interstate compact agency enters into a leaseback or other
28 agreement that directly or indirectly gives such interstate compact agency a right to use, control,
29 and possess the property; provided, however, that in the event of a conveyance of such property,
30 the interstate compact agency must retain an option to purchase the property at a future date or,
31 within the limitations period for reverters, the property must revert back to the interstate compact
32 agency. Property will no longer be exempt under this subdivision in the event of a conveyance
33 as of the date, if any, when:

34 (a) The right of the interstate compact agency to use, control, and possess the property
35 is terminated;

36 (b) The interstate compact agency no longer has an option to purchase or otherwise
37 acquire the property; and

38 (c) There are no provisions for reverter of the property within the limitation period for
39 reverters.

137.101. 1. The activities of nationally affiliated fraternal, benevolent, [veteran,] or
2 service organizations which promote good citizenship, humanitarian activities, or improve the
3 physical, mental, and moral condition of an indefinite number of people [or] **are** purposes purely
4 charitable within the meaning of subsection 1 of section 6 of article X of the constitution and
5 local assessing authorities may exempt such portion of the real and personal property of such
6 organizations as the assessing authority may determine is utilized in purposes purely charitable
7 from the assessment, levy, and collection of taxes.

8 2. If, at any time, an assessor finally determines, after any and all hearings or rightful
9 appeals, that personal property, upon which an organization would otherwise owe taxes but for
10 the provisions of subsection 1 of this section or subdivision (5) of section 137.100, is not used
11 for purposes purely charitable, or for purposes described in subdivision (5) of section 137.100,
12 then the assessor shall notify the department of revenue of such final determination within thirty
13 days.

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

18 **(2)** On or before January first of each even-numbered year, the assessor shall prepare and
19 submit a two-year assessment maintenance plan to the county governing body and the state tax

20 commission for their respective approval or modification. The county governing body shall
21 approve and forward such plan or its alternative to the plan to the state tax commission by
22 February first. If the county governing body fails to forward the plan or its alternative to the plan
23 to the state tax commission by February first, the assessor's plan shall be considered approved
24 by the county governing body. If the state tax commission fails to approve a plan [and] **or** if the
25 state tax commission and the assessor and the governing body of the county involved are unable
26 to resolve the differences, in order to receive state cost-share funds outlined in section 137.750,
27 the county or the assessor shall petition the administrative hearing commission, by May first, to
28 decide all matters in dispute regarding the assessment maintenance plan. Upon agreement of the
29 parties, the matter may be stayed while the parties proceed with mediation or arbitration upon
30 terms agreed to by the parties. The final decision of the administrative hearing commission shall
31 be subject to judicial review in the circuit court of the county involved.

32 **(3)** In the event a valuation of subclass (1) real property within any county with a charter
33 form of government, or within a city not within a county, is made by a computer,
34 computer-assisted method or a computer program, the burden of proof, supported by clear,
35 convincing and cogent evidence to sustain such valuation, shall be on the assessor at any hearing
36 or appeal. In any such county, unless the assessor proves otherwise, there shall be a presumption
37 that the assessment was made by a computer, computer-assisted method or a computer program.
38 Such evidence shall include, but shall not be limited to, the following:

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

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

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

44 **[(b)] 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 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 increase the assessed valuation of any parcel of subclass (1)
109 real property by more than fifteen percent since the last assessment, excluding increases due to
110 new construction or improvements, the assessor shall conduct a physical inspection of such
111 property.

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

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

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

127 14. A county or city collector may accept credit cards as proper form of payment of
128 outstanding property tax or license due. No county or city collector may charge surcharge for
129 payment by credit card which exceeds the fee or surcharge charged by the credit card bank,
130 processor, or issuer for its service. A county or city collector may accept payment by electronic
131 transfers of funds in payment of any tax or license and charge the person making such payment
132 a fee equal to the fee charged the county by the bank, processor, or issuer of such electronic
133 payment.

134 15. [The provisions of this section and sections 137.073, 138.060 and 138.100, RSMo,
135 as enacted by house bill no. 1150 of the ninety-first general assembly, second regular session,
136 shall become effective January 1, 2003, for any taxing jurisdiction within a county with a charter
137 form of government with greater than one million inhabitants, and the provisions of this section
138 and sections 137.073, 138.060 and 138.100, RSMo, as enacted by house bill no. 1150 of the
139 ninety-first general assembly, second regular session, shall become effective October 1, 2004,
140 for all taxing jurisdictions in this state.] Any county or city not within a county in this state may,
141 by an affirmative vote of the governing body of such county, opt out of the provisions of this
142 section and sections 137.073, 138.060, and 138.100, RSMo, as enacted by house bill no. 1150
143 of the ninety-first general assembly, second regular session and section 137.073 as modified by
144 this act, for the next year of the general reassessment, prior to January first of any year. No
145 county or city not within a county shall exercise this opt-out provision after implementing the
146 provisions of this section and sections 137.073, 138.060, and 138.100, RSMo, as enacted by
147 house bill no. 1150 of the ninety-first general assembly, second regular session and section
148 137.073 as modified by this act, in a year of general reassessment. For the purposes of applying
149 the provisions of this subsection, a political subdivision contained within two or more counties
150 where at least one of such counties has opted out and at least one of such counties has not opted
151 out shall calculate a single tax rate as in effect prior to the enactment of house bill no. 1150 of
152 the ninety-first general assembly, second regular session. A governing body of a city not within
153 a county or a county that has opted out under the provisions of this subsection may choose to
154 implement the provisions of this section and sections 137.073, 138.060, and 138.100, RSMo, as
155 enacted by house bill no. 1150 of the ninety-first general assembly, second regular session, and
156 section 137.073 as modified by this act, for the next year of general reassessment, by an
157 affirmative vote of the governing body prior to December thirty-first of any year.

137.120. The lists required by section 137.115 shall contain:

2 (1) [A list of all the real estate;

3 (2)] A list of all the livestock, poultry, and bee colonies, showing the total number of

4 each;

5 [(3)] (2) An aggregate statement of all lawn and garden tractors, harvesting equipment,
6 drilling machines, irrigation systems, farm machinery and implements;

7 [(4)] (3) All automobiles, trucks, motorcycles, minibikes, motorized and recreational
8 vehicles, airplanes and all other motor vehicles;

9 [(5)] (4) All [home,] boat and other trailers; mobile homes; boats; boat motors; and all
10 other tangible personal property not exempt by law from taxation.

 137.715. Each county assessor shall, subject to the approval of the governing body of
2 the county, appoint the additional clerks and deputies that he or she deems necessary for the
3 prompt and proper discharge of the duties of his office. A portion of the salaries of the clerks and
4 deputies hired by each county assessor shall be paid by the state in accordance with [sections
5 137.710 and] **section** 137.750, and the remainder of the salaries for such clerks and deputies
6 shall be paid by the county in which they are employed.

 137.720. 1. A percentage of all ad valorem property tax collections allocable to each
2 taxing authority within the county and the county shall be deducted from the collections of taxes
3 each year and shall be deposited into the assessment fund of the county as required pursuant to
4 section 137.750. The percentage shall be one-half of one percent for all counties of the first and
5 second classification and cities not within a county and one percent for counties of the third and
6 fourth classification.

7 2. For counties of the first classification, counties with a charter form of government, and
8 any city not within a county, an additional one-eighth of one percent of all ad valorem property
9 tax collections shall be deducted from the collections of taxes each year and shall be deposited
10 into the assessment fund of the county as required pursuant to section 137.750, and for counties
11 of the second, third, and fourth classification, an additional one-quarter of one percent of all ad
12 valorem property tax collections shall be deducted from the collections of taxes each year and
13 shall be deposited into the assessment fund of the county as required pursuant to section 137.750,
14 provided that such additional amounts shall not exceed one hundred thousand dollars in any year
15 for any county of the first classification and any county with a charter form of government and
16 fifty thousand dollars in any year for any county of the second, third, or fourth classification.

17 3. The county shall bill any taxing authority collecting its own taxes. The county may
18 also provide additional moneys for the fund. To be eligible for state cost-share funds provided
19 pursuant to section 137.750, every county shall provide from the county general revenue fund
20 an amount equal to an average of the three most recent years of the amount provided from
21 general revenue to the assessment fund; provided, however, that capital expenditures and
22 equipment expenses identified in a memorandum of understanding signed by the county's
23 governing body and the county assessor prior to transfer of county general revenue funds to the
24 assessment fund shall be deducted from a year's contribution before computing the three-year

25 average, except that a lesser amount shall be acceptable if unanimously agreed upon by the
26 county assessor, the county governing body, and the state tax commission. The county shall
27 deposit the county general revenue funds in the assessment fund as agreed to in its original or
28 amended maintenance plan[,] . State reimbursement funds shall be withheld until the amount
29 due is properly deposited in such fund.

30 4. Four years following [the effective date] **August 28, 2004**, the state tax commission
31 shall conduct a study to determine the impact of increased fees on assessed valuation.

32 5. [Any increase to the portion of property tax collections deposited into the county
33 assessment funds provided for in subsection 2 of this section shall be disallowed in any year in
34 which the state tax commission certifies an equivalent sales ratio for the county of less than or
35 equal to thirty-one and two-thirds percent pursuant to the provisions of section 138.395, RSMo.

36 6.] The provisions of subsections 2[,] **and** 4[, and 5] of this section shall expire on
37 December 31, 2009.

138.390. [1. Between the dates of June twentieth and the second Monday in July, 1946,
2 and between the same dates each year thereafter, the state tax commission shall equalize the
3 valuation of real and tangible personal property among the several counties in the state in the
4 following manner: With the abstracts of all the taxable property in the several counties of the
5 state and the abstracts of the sales of real estate in such counties as returned by the respective
6 county clerks and the assessor of the city of St. Louis, the commission shall classify all real estate
7 situate in cities, towns, and villages, as town lots, and all other real estate as farming lands, and
8 shall classify all tangible personal property as follows: Banking corporations, railroad
9 corporations, street railroad corporations, all other corporations, horses, mares and geldings,
10 mules, asses and jennets, neat cattle, sheep, swine, goats, domesticated small animals and all
11 other livestock, poultry, power machinery, farm implements, other tangible personal property.

12 2.] The **state tax** commission shall equalize the valuation of each class [thereof among
13 the respective counties of the state] **or subclass of property** in the following manner:

14 (1) It shall add to the valuation of each class, **subclass, or portion thereof** of the
15 property, real or tangible personal, of each county which it believes to be valued below its real
16 value in money such **amount or** percent as will increase the same in each case to its true value;

17 (2) It shall deduct from the valuation of each class, **subclass, or portion thereof** of the
18 property, real or tangible personal, of each county which it believes to be valued above its real
19 value in money such percent as will reduce the same in each case to its true value.

138.400. 1. The secretary of the state tax commission shall transmit to each county clerk
2 and to the assessor in the city of St. Louis [a report showing the percent added to or deducted
3 from the valuation of the property of his county, specifying the percentage added to or deducted
4 from the real property and the tangible personal property respectively, denoted by classes, and

5 also the value of the real and tangible personal property of his county as equalized by said
6 commission; and the said clerk shall furnish one copy thereof to the assessor, and except in St.
7 Louis City one copy shall be laid before the annual county board of equalization.

8 2. This report shall be delivered to the clerks of] **the aggregate values of property in**
9 the several counties so that it may be in the possession of county boards of equalization on or
10 before the second Monday in July. [The assessor in St. Louis City shall make such adjustments
11 of property valuations as directed by the state tax commission.

12 3.] **2. It shall be the duty of the state tax commission to require of clerks of the several**
13 **county commissions of this state and of the assessor in St. Louis City to keep up the aggregate**
14 **valuation of real and tangible personal property in their respective counties as fixed by the state**
15 **tax commission, and to return such aggregate values to the state tax commission upon the**
16 **adjournment of the board of equalization. The clerks may amend the aggregate values**
17 **returned to the state tax commission at any time on or before December thirty-first of the**
18 **year of assessment.**

19 [4.] **3.** In any case where the final valuation fixed by a county board of equalization, as
20 reported to the state tax commission, differs materially from the valuation fixed by the
21 commission, such county board of equalization may be called into session by order of the state
22 tax commission at any time between the date when such county board of equalization adjourns
23 sine die and the first day of November of the same year.

138.450. 1. The commission is empowered to call an annual group meeting of two or
2 more assessors at such time and place as it may designate, due notice of which shall be given by
3 the commission.

4 2. For attending such meetings assessors who will make the assessment for that year
5 shall be allowed a per diem [of not less than nine nor more than fifty dollars, which amount shall
6 be] , set by the county governing body, for the time actually spent, including going to and
7 returning from the meeting, and shall be reimbursed for transportation expenses actually incurred
8 in going to and returning from the meeting at the same rate as that established by the
9 commissioner of administration under the provisions of section 33.090, RSMo.

10 3. When the claims are verified by oath and approved by the commission, or any member
11 thereof, they shall be presented to the county commission, township board, or other taxing
12 officers, and when duly audited a warrant in payment shall be issued and paid out of any funds
13 belonging to the county or other municipal subdivision which the assessor officially serves.

155.010. As used in this chapter, the following terms mean:

2 (1) "Aircraft", any contrivance now known, or hereafter invented, used or designed for
3 navigation of, or flight in, the air;

4 (2) "Airline company", any person, firm, partnership, corporation, trustee, receiver or
5 assignee, and all other persons, whether or not in a representative capacity, undertaking to engage
6 in the carriage of persons or cargo for hire by commercial aircraft [pursuant to certificates of
7 convenience and necessity issued by the federal Civil Aeronautics Board, or successor thereof,
8 or any noncertificated air carrier authorized to engage in irregular and infrequent air
9 transportation by the federal Civil Aeronautics Board, or successor thereof];

10 (3) "Aviation fuel", any fuel specifically compounded for use in reciprocating aircraft
11 engines;

12 (4) "Commercial aircraft", aircraft fully equipped for flight and of more than seven
13 thousand pounds maximum certified gross take-off weight.

155.040. 1. The state tax commission shall assess, adjust and equalize the valuation of
2 all commercial aircraft operated in this state in air commerce by every airline company. The
3 valuation apportioned to this state shall be the portion of the total valuation of the commercial
4 aircraft as determined by the state tax commission on the basis of the arithmetical average of the
5 following two ratios:

6 (1) The ratio which the certificated route miles of the airline company within the state
7 bears to the total certificated route miles of the airline company;

8 (2) The ratio which the miles flown by commercial aircraft of the airline company within
9 this state bears to the total miles flown by the commercial aircraft of the airline company during
10 the immediately preceding calendar year.

11 2. [In the event one ratio is inapplicable, then the apportionment shall be made on the
12 basis of the remaining ratio alone.

13 3.] The state tax commission shall assess, adjust and equalize the valuation of all
14 commercial aircraft, other than commercial aircraft operated in this state in air commerce by any
15 airline company, which are operated in this state. By May first of each year, the county assessor
16 shall provide the state tax commission with any information compiled from personal property
17 lists filed with the assessor necessary for the state tax commission to assess aircraft pursuant to
18 this subsection. It shall be the duty of the owner or holder of commercial aircraft to inform the
19 assessor of the claim of "commercial aircraft" upon the return of the personal property list to the
20 assessor. Upon request, the owner or holder of the commercial aircraft shall provide to the state
21 tax commission any additional information which the state tax commission deems necessary to
22 assess said property. The valuation allocated to this state shall be the portion of the total
23 valuation of the aircraft as determined by the state tax commission based upon the ratio which
24 the miles flown by the commercial aircraft within this state bears to the total miles flown by the
25 aircraft during the immediately preceding calendar year.

26 [4.] 3. The state tax commission shall certify all values of commercial aircraft
27 determined by the state tax commission to the taxpayer and the clerks of the respective counties
28 and the city of St. Louis by [June] **July** fifteenth of the tax year.

29 [5.] 4. Any owner or holder may appeal said assessment of commercial aircraft directly
30 to the state tax commission by August fifteenth of the tax year without first appealing to the local
31 board of equalization. Counsel for the state tax commission shall represent the commission's
32 original assessment section in any such proceeding, with a duly appointed hearing officer or
33 officers hearing and deciding the case.

[137.080. Real estate and tangible personal property shall be assessed
annually at the assessment which commences on the first day of January. For
purposes of assessing and taxing tangible personal property, all tangible personal
property shall be divided into the following subclasses:

- (1) Grain and other agricultural crops in an unmanufactured condition;
- (2) Livestock;
- (3) Farm machinery;
- (4) Vehicles, including recreational vehicles, but not including
manufactured homes, as defined in section 700.010, RSMo, which are actually
used as dwelling units;
- (5) Manufactured homes, as defined in section 700.010, RSMo, which
are actually used as dwelling units;
- (6) Motor vehicles which are eligible for registration and are registered
as historic motor vehicles under section 301.131, RSMo;
- (7) All taxable tangible personal property not included in subclass (1),
subclass (2), subclass (3), subclass (4), subclass (5), or subclass (6).]

[137.098. For the purposes of assessments of real property under chapter
137, property used for housing students owned by a fraternity and sorority
recognized by a public or private college or university within this state shall be
considered to be a cooperative housing association.]

[137.112. 1. As used in sections 137.112 to 137.114, "deferred
maintenance" means maintenance, repairs or replacements, as described in this
section, to an existing dwelling consisting of any number of residential units,
regardless of the classification of the real property for assessment purposes. The
term "deferred maintenance" does not mean the addition of new construction to
an existing building which increases the number of square feet of living space,
nor does it mean maintenance, repairs, replacements, or new construction to a
portion of an existing dwelling if such portion is used for commercial purposes.

2. Deferred maintenance includes the maintenance, repair or replacement
of the following:

- (1) Broken floor joists, missing sections or collapsed interior floors;
- (2) Improperly installed or collapsing partitions, loose or missing plaster;

- 13 (3) Broken or missing sash, frames or window panes;
- 14 (4) Inadequate light or ventilation;
- 15 (5) Missing or defective weather stripping or storm windows;
- 16 (6) Missing or broken doors;
- 17 (7) Collapsed or broken stairs, stairways or stair railings;
- 18 (8) Missing or inoperative sanitary facilities;
- 19 (9) Hazardous gas or electric installations;
- 20 (10) Leaking sinks or defective drainboards;
- 21 (11) Improperly installed, obstructed, broken or leaking piping, drains,
- 22 vents or traps;
- 23 (12) Inoperative or obsolete heating plant;
- 24 (13) Electrical insulation missing or damaged, overloaded electrical
- 25 circuits, improper electrical installations or connections;
- 26 (14) Split or buckled basement support beams, open breaks or severe
- 27 settlement in basement walls;
- 28 (15) Inadequate exterior wall and attic insulation;
- 29 (16) Open cracks or breaks in exterior building walls;
- 30 (17) Holes or cracks through roof, defective roof flashing or skylights;
- 31 (18) Collapsing or deteriorating chimneys;
- 32 (19) Broken or missing gutters and downspouts;
- 33 (20) Rotted fascia boards, eaves, soffits and cornices;
- 34 (21) Collapsed or broken porch joists, columns or railings;
- 35 (22) Rotted or broken porch flooring;
- 36 (23) Missing or broken step treads; and
- 37 (24) Exterior or interior paint.]

38

[137.113. The provisions of sections 137.112 to 137.114 shall apply only
 2 to the deferred maintenance of dwellings consisting of any number of residential
 3 units which is begun during the period January 1, 1978, to December 31, 1988,
 4 or which is begun during the period August 28, 1989, to December 31, 1998,
 5 regardless of the classification of the real property for assessment purposes.]
 6

[137.114. 1. In making assessments of real property as required by the
 2 provisions of section 137.115, and in order to provide for the renovation of
 3 obsolete properties as authorized by section 7 of article X of the Missouri
 4 Constitution, the county assessor shall not, for a period of five years after a
 5 deferred maintenance activity has been begun, add to the assessed value of a
 6 dwelling consisting of any number of residential units, regardless of the
 7 classification of the real property for assessment purposes, any additional
 8 assessed value because of deferred maintenance which has been begun upon such
 9 property during the period prescribed in section 137.113; except that, before any
 10 county assessor shall refrain from adding additional assessed valuation because
 11 of a deferred maintenance activity he shall determine that the property in question

12 is on the tax rolls of the county and that no delinquent taxes on such property are
13 due.

14 2. To be eligible for the tax relief afforded by subsection 1 of this section,
15 a dwelling must be located on real property within an area satisfying the
16 description set forth in section 7 of article X of the Missouri Constitution. The
17 governing body of each unit of local government of this state shall designate such
18 areas within its boundaries by resolution, order, or ordinance, and each such
19 resolution, order, or ordinance shall indicate the length of time the designation
20 is to exist. Within thirty days of the date such resolution, order, or ordinance is
21 passed, the unit of local government shall provide the assessor of the county or
22 the city not within a county in which the designated area lies, a certified copy of
23 the resolution, order, or ordinance designating the area and a map of the area so
24 designated clearly showing the boundaries of the area, as well as all the streets
25 lying within the area. Each unit of local government which designates an area for
26 the tax relief set forth in subsection 1 of this section shall establish a procedure
27 whereby any person may apply to the unit of local government, or an agency
28 thereof, for certification that a designated dwelling lies within an area duly
29 designated for such tax relief. This certification shall also specify the items of
30 deferred maintenance completed on the dwelling. Within twenty days after the
31 issuance of such a certificate, the unit of local government shall transmit to the
32 assessor of the county or city not within a county in which the real property lies
33 a copy of the certificate. Upon receipt of such certificate, the assessor shall
34 determine whether the property in question is eligible for the assessment
35 postponement provided for in subsection 1 of this section and shall issue to the
36 owner of the real property a formal declaration of whether such tax relief is to be
37 made available, and, if so, also indicating the assessed valuation of the real
38 property immediately prior to the deferred maintenance and the term of the
39 assessment postponement. As used in this subsection, the phrase "unit of local
40 government" shall mean the municipality within whose boundaries the area to be
41 designated lies. If the area does not lie within the boundaries of any municipality,
42 then "unit of local government" shall mean the county within whose boundaries
43 the area to be designated lies.]

44

2 [137.118. Notwithstanding any other provision of law to the contrary, to
3 replace any lost revenues due to the change in the percentages of the true value
4 in money used in determining the assessed valuation of livestock and farm
5 machinery, any taxing authority may adjust its 1989 tax rate ceiling without voter
6 approval to the extent necessary to generate the same property tax revenue as was
7 produced in the previous year from property taxes on livestock and farm
8 machinery subject to taxation by such taxing authority.]

8

2 [137.286. Notwithstanding any other law to the contrary, taxing districts
or political subdivisions which first levied an ad valorem property tax pursuant

3 to an election held in April, 1985, or in June, 1985, shall base tax levies on the
4 property valuations established in 1985 and shall not roll back rates based on a
5 tax rate ceiling calculated on 1984 property valuations.]
6

2 [137.423. The county executive of any county of the first classification
3 with a charter form of government which contains all or part of a city with a
4 population of three hundred fifty thousand or more inhabitants may waive all
5 penalties for failure to timely file a personal property list to the county assessor
6 pursuant to section 137.345, for the 1992 and 1993 tax years.]

2 [138.395. The state tax commission shall notify each school district of
3 the equivalent sales ratio for the previous year adopted for determining the
4 equalized assessed valuation of the property and the equalized operating levy of
5 the school district for distributions of school foundation formula funds at least
6 thirty days prior to the certification of such ratio to the department of elementary
7 and secondary education, and shall provide the school district an opportunity for
8 a meeting with the commission, or a duly authorized agent thereof, on such ratio
9 prior to such certification. Prior to January 1, 1997, in certifying said ratios to the
10 department of elementary and secondary education, the commission shall certify
11 all ratios at thirty-three and one-third percent. On and after January 1, 1997, in
12 certifying such ratios to the department of elementary and secondary education,
13 the commission shall certify all ratios higher than thirty-one and two-thirds
14 percent at thirty-three and one-third percent. On and after January 1, 1998, if the
15 state tax commission, after performing the computation of equivalent sales ratio
16 for the county and recomputing such computation to ensure accuracy, finds that
17 such equivalent sales ratio for the county is less than or equal to thirty-one and
18 two-thirds percent, the state tax commission shall reduce the county's
19 reimbursement by fifteen percent the following year if it is not corrected by
20 subsequent action of the state tax commission.]

2 [138.480. The state tax commission is hereby authorized to cause to be
3 destroyed, by burning, in the presence of the state tax commission, the papers
4 herein designated, after a period of five years after the filing thereof, to wit: All
5 tax returns of all individuals, firms, partnerships, and corporations; provided, that
6 no such returns shall be burned as long as any tax based thereon shall be in
litigation, or unpaid.]

✓