

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE JOINT RESOLUTION NO. 64
94TH GENERAL ASSEMBLY

Reported from the Committee on Ways and Means April 29, 2008 with recommendation that House Committee Substitute for House Joint Resolution No. 64 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(21)(f).

D. ADAM CRUMBLISS, Chief Clerk

4396L.02C

JOINT RESOLUTION

Submitting to the qualified voters of Missouri an amendment repealing section 6 of article X of the Constitution of Missouri, and adopting one new section in lieu thereof relating to property tax exemption.

Be it resolved by the House of Representatives, the Senate concurring therein:

That at the next general election to be held in the state of Missouri, on Tuesday next
2 following the first Monday in November, 2008, or at a special election to be called by the
3 governor for that purpose, there is hereby submitted to the qualified voters of this state, for
4 adoption or rejection, the following amendment to article X of the Constitution of the state of
5 Missouri:

Section A. Section 6, article X, Constitution of Missouri, is repealed and one new section
2 adopted in lieu thereof, to be known as section 6, to read as follows:

Section 6. 1. All property, real and personal, of the state, counties and other political
2 subdivisions, and nonprofit cemeteries, **and all real property used as a homestead as defined**
3 **by law of any citizen of this state who is a former prisoner of war, as defined by law, and**
4 **who has a total service-connected disability**, shall be exempt from taxation; all personal
5 property held as industrial inventories, including raw materials, work in progress and finished
6 work on hand, by manufacturers and refiners, and all personal property held as goods, wares,
7 merchandise, stock in trade or inventory for resale by distributors, wholesalers, or retail
8 merchants or establishments shall be exempt from taxation; and all property, real and personal,

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.

9 not held for private or corporate profit and used exclusively for religious worship, for schools
10 and colleges, for purposes purely charitable, for agricultural and horticultural societies, or for
11 veterans' organizations may be exempted from taxation by general law. In addition to the above,
12 household goods, furniture, wearing apparel and articles of personal use and adornment owned
13 and used by a person in his home or dwelling place may be exempt from taxation by general law
14 but any such law may provide for approximate restitution to the respective political subdivisions
15 of revenues lost by reason of the exemption. All laws exempting from taxation property other
16 than the property enumerated in this article, shall be void. The provisions of this section
17 exempting certain personal property of manufacturers, refiners, distributors, wholesalers, and
18 retail merchants and establishments from taxation shall become effective, unless otherwise
19 provided by law, in each county on January 1 of the year in which that county completes its first
20 general reassessment as defined by law.

21 2. All revenues lost because of the exemption of certain personal property of
22 manufacturers, refiners, distributors, wholesalers, and retail merchants and establishments shall
23 be replaced to each taxing authority within a county from a countywide tax hereby imposed on
24 all property in subclass 3 of class 1 in each county. For the year in which the exemption becomes
25 effective, the county clerk shall calculate the total revenue lost by all taxing authorities in the
26 county and extend upon all property in subclass 3 of class 1 within the county, a tax at the rate
27 necessary to produce that amount. The rate of tax levied in each county according to this
28 subsection shall not be increased above the rate first imposed and will stand levied at that rate
29 unless later reduced according to the provisions of subsection 3. The county collector shall
30 disburse the proceeds according to the revenue lost by each taxing authority because of the
31 exemption of such property in that county. Restitution of the revenues lost by any taxing district
32 contained in more than one county shall be from the several counties according to the revenue
33 lost because of the exemption of property in each county. Each year after the first year the
34 replacement tax is imposed, the amount distributed to each taxing authority in a county shall be
35 increased or decreased by an amount equal to the amount resulting from the change in that
36 district's total assessed value of property in subclass 3 of class 1 at the countywide replacement
37 tax rate. In order to implement the provisions of this subsection, the limits set in section 11(b)
38 of this article may be exceeded, without voter approval, if necessary to allow each county listed
39 in section 11(b) to comply with this subsection.

40 3. Any increase in the tax rate imposed pursuant to subsection 2 of this section shall be
41 decreased if such decrease is approved by a majority of the voters of the county voting on such
42 decrease. A decrease in the increased tax rate imposed under subsection 2 of this section may
43 be submitted to the voters of a county by the governing body thereof upon its own order,

44 ordinance, or resolution and shall be submitted upon the petition of at least eight percent of the
45 qualified voters who voted in the immediately preceding gubernatorial election.

46 4. As used in this section, the terms "revenues lost" and "lost revenues" shall mean that
47 revenue which each taxing authority received from the imposition of a tangible personal property
48 tax on all personal property held as industrial inventories, including raw materials, work in
49 progress and finished work on hand, by manufacturers and refiners, and all personal property
50 held as goods, wares, merchandise, stock in trade or inventory for resale by distributors,
51 wholesalers, or retail merchants or establishments in the last full tax year immediately preceding
52 the effective date of the exemption from taxation granted for such property under subsection 1
53 of this section, and which was no longer received after such exemption became effective.

✓