

SECOND REGULAR SESSION

HOUSE BILL NO. 1836

94TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES FLOOK (Sponsor), BROWN (30), ERVIN,
NANCE AND ROBB (Co-sponsors).

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D. ADAM CRUMBLISS, Chief Clerk

4519L.01I

AN ACT

To repeal section 137.115, RSMo, and to enact in lieu thereof one new section relating to assessment and levy of property taxes.

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

Section A. Section 137.115, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 137.115, to read as follows:

137.115. 1. All other laws to the contrary notwithstanding, the assessor or the assessor's deputies in all counties of this state including the city of St. Louis shall annually make a list of all real and tangible personal property taxable in the assessor's city, county, town or district. Except as otherwise provided in subsection 3 of this section and section 137.078, the assessor shall annually assess all personal property at thirty-three and one-third percent of its true value in money as of January first of each calendar year. The assessor shall annually assess all real property, including any new construction and improvements to real property, and possessor interests in real property at the percent of its true value in money set in subsection 5 of this section. **The true value in money of any possessor interest in real property in subclass (3), where such real property is on or adjacent to a commercial airport and owned by a political subdivision, shall be the otherwise applicable true value in money of any such possessor interest in real property, less the total dollar amount of costs paid by a party, other than the political subdivision, towards any new construction or improvements on such real property and which are included in the above-mentioned possessor interest,**

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.

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

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

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

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

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

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

57 3. The following items of personal property shall each constitute separate subclasses of
58 tangible personal property and shall be assessed and valued for the purposes of taxation at the
59 following percentages of their true value in money:

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

62 (2) Livestock, twelve percent;

63 (3) Farm machinery, twelve percent;

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

68 (5) Poultry, twelve percent; and

69 (6) Tools and equipment used for pollution control and tools and equipment used in
70 retooling for the purpose of introducing new product lines or used for making improvements to
71 existing products by any company which is located in a state enterprise zone and which is
72 identified by any standard industrial classification number cited in subdivision (6) of section
73 135.200, RSMo, twenty-five percent.

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

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

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

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

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

84 6. Manufactured homes, as defined in section 700.010, RSMo, which are actually used
85 as dwelling units shall be assessed at the same percentage of true value as residential real

86 property for the purpose of taxation. The percentage of assessment of true value for such
87 manufactured homes shall be the same as for residential real property. If the county collector
88 cannot identify or find the manufactured home when attempting to attach the manufactured home
89 for payment of taxes owed by the manufactured home owner, the county collector may request
90 the county commission to have the manufactured home removed from the tax books, and such
91 request shall be granted within thirty days after the request is made; however, the removal from
92 the tax books does not remove the tax lien on the manufactured home if it is later identified or
93 found. A manufactured home located in a manufactured home rental park, rental community or
94 on real estate not owned by the manufactured home owner shall be considered personal property.
95 A manufactured home located on real estate owned by the manufactured home owner may be
96 considered real property.

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

101 8. Any amount of tax due and owing based on the assessment of a manufactured home
102 shall be included on the personal property tax statement of the manufactured home owner unless
103 the manufactured home has been converted to real property in compliance with section 700.111,
104 RSMo, in which case the amount of tax due and owing on the assessment of the manufactured
105 home as a realty improvement to the existing real estate parcel shall be included on the real
106 property tax statement of the real estate owner.

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

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

118 11. If a physical inspection is required, pursuant to subsection 10 of this section, the
119 assessor shall notify the property owner of that fact in writing and shall provide the owner clear
120 written notice of the owner's rights relating to the physical inspection. If a physical inspection
121 is required, the property owner may request that an interior inspection be performed during the

122 physical inspection. The owner shall have no less than thirty days to notify the assessor of a
123 request for an interior physical inspection.

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

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

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

140 15. Any county or city not within a county in this state may, by an affirmative vote of
141 the governing body of such county, opt out of the provisions of this section and sections 137.073,
142 138.060, and 138.100, RSMo, as enacted by house bill no. 1150 of the ninety-first general
143 assembly, second regular session and section 137.073 as modified by [this act] **house committee**
144 **substitute for senate substitute for senate committee substitute for senate bill no. 960,**
145 **ninety-second general assembly, second regular session,** for the next year of the general
146 reassessment, prior to January first of any year. No county or city not within a county shall
147 exercise this opt-out provision after implementing the provisions of this section and sections
148 137.073, 138.060, and 138.100, RSMo, as enacted by house bill no. 1150 of the ninety-first
149 general assembly, second regular session and section 137.073 as modified by [this act] **house**
150 **committee substitute for senate substitute for senate committee substitute for senate bill**
151 **no. 960, ninety-second general assembly, second regular session,** in a year of general
152 reassessment. For the purposes of applying the provisions of this subsection, a political
153 subdivision contained within two or more counties where at least one of such counties has opted
154 out and at least one of such counties has not opted out shall calculate a single tax rate as in effect
155 prior to the enactment of house bill no. 1150 of the ninety-first general assembly, second regular
156 session. A governing body of a city not within a county or a county that has opted out under the
157 provisions of this subsection may choose to implement the provisions of this section and sections

158 137.073, 138.060, and 138.100, RSMo, as enacted by house bill no. 1150 of the ninety-first
159 general assembly, second regular session, and section 137.073 as modified by [this act] **house**
160 **committee substitute for senate substitute for senate committee substitute for senate bill**
161 **no. 960, ninety-second general assembly, second regular session**, for the next year of general
162 reassessment, by an affirmative vote of the governing body prior to December thirty-first of any
163 year.

164 16. The governing body of any city of the third classification with more than twenty-six
165 thousand three hundred but fewer than twenty-six thousand seven hundred inhabitants located
166 in any county that has exercised its authority to opt out under subsection 15 of this section may
167 levy separate and differing tax rates for real and personal property only if such city bills and
168 collects its own property taxes or satisfies the entire cost of the billing and collection of such
169 separate and differing tax rates. Such separate and differing rates shall not exceed such city's tax
170 rate ceiling.

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