

SECOND REGULAR SESSION

HOUSE BILL NO. 2079

94TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES STREAM (Sponsor), SUTHERLAND, WOOD, RUZICKA, MUNZLINGER, AVERY, SCHARNHORST, BRUNS, NANCE, ONDER, NIEVES, ERVIN, CUNNINGHAM (86), THOMSON, FISHER, BIVINS, LEMBKE, RICHARD, MUSCHANY, DEEKEN, JETTON, FAITH, JONES (89), COX, RUESTMAN, FLOOK, MEINERS, DUSENBERG AND SCHLOTTACH (Co-sponsors).

Read 1st time February 11, 2008 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

4841L.02I

AN ACT

To repeal sections 67.110, 135.025, 135.030, 137.055, 137.073, 137.180, 137.245, 137.275, 137.355, 137.490, 137.720, 138.050, 138.090, 138.170, 138.180, 138.395, 138.430, and 139.031, RSMo, and to enact in lieu thereof eighteen new sections relating to property taxation, with penalty provisions.

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

Section A. Sections 67.110, 135.025, 135.030, 137.055, 137.073, 137.180, 137.245, 137.275, 137.355, 137.490, 137.720, 138.050, 138.090, 138.170, 138.180, 138.395, 138.430, and 139.031, RSMo, are repealed and eighteen new sections enacted in lieu thereof, to be known as sections 67.110, 135.025, 135.030, 137.055, 137.073, 137.180, 137.243, 137.245, 137.275, 137.355, 137.490, 137.720, 138.050, 138.090, 138.170, 138.180, 138.430, and 139.031, to read as follows:

67.110. 1. Each political subdivision in the state, except counties **and any political subdivision located at least partially within any county with a charter form of government or any political subdivision located at least partially within any city not within a county,** shall fix its ad valorem property tax rates as provided in this section not later than September first for entry in the tax books. **Each political subdivision located, at least partially, within a county with a charter form of government or within a city not within a county shall fix**

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.

7 **its ad valorem property tax rates as provided in this section not later than October first for**
8 **entry in the tax books.** Before the governing body of each political subdivision of the state,
9 except counties, as defined in section 70.120, RSMo, fixes its rate of taxation, its budget officer
10 shall present to its governing body the following information for each tax rate to be levied: the
11 assessed valuation by category of real, personal and other tangible property in the political
12 subdivision as entered in the tax book for the fiscal year for which the tax is to be levied, as
13 provided by subsection 3 of section 137.245, RSMo, the assessed valuation by category of real,
14 personal and other tangible property in the political subdivisions for the preceding taxable year,
15 the amount of revenue required to be provided from the property tax as set forth in the annual
16 budget adopted as provided by this chapter, and the tax rate proposed to be set. Should any
17 political subdivision whose taxes are collected by the county collector of revenue fail to fix its
18 ad valorem property tax rate by September first, then no tax rate other than the rate, if any,
19 necessary to pay the interest and principal on any outstanding bonds shall be certified for that
20 year.

21 2. The governing body shall hold at least one public hearing on the proposed rates of
22 taxes at which citizens may be heard prior to their approval. The governing body shall determine
23 the time and place for such hearing. A notice stating the hour, date and place of the hearing shall
24 be published in at least one newspaper qualified under the laws of the state of Missouri of
25 general circulation in the county within which all or the largest portion of the political
26 subdivision is situated, or such notice shall be posted in at least three public places within the
27 political subdivision; except that, in any county of the first class having a charter form of
28 government, such notice may be published in a newspaper of general circulation within the
29 political subdivision even though such newspaper is not qualified under the laws of Missouri for
30 other legal notices. Such notice shall be published or posted at least seven days prior to the date
31 of the hearing. The notice shall include the assessed valuation by category of real, personal and
32 other tangible property in the political subdivision for the fiscal year for which the tax is to be
33 levied as provided by subsection 3 of section 137.245, RSMo, the assessed valuation by category
34 of real, personal and other tangible property in the political subdivision for the preceding taxable
35 year, for each rate to be levied the amount of revenue required to be provided from the property
36 tax as set forth in the annual budget adopted as provided by this chapter, and the tax rates
37 proposed to be set for the various purposes of taxation. The tax rates shall be calculated to
38 produce substantially the same revenues as required in the annual budget adopted as provided
39 in this chapter. Following the hearing the governing body of each political subdivision shall fix
40 the rates of taxes, the same to be entered in the tax book. Failure of any taxpayer to appear at
41 such hearing shall not prevent the taxpayer from pursuit of any other legal remedy otherwise
42 available to the taxpayer. Nothing in this section absolves political subdivisions of

43 responsibilities under section 137.073, RSMo, nor to adjust tax rates in event changes in assessed
44 valuation occur that would alter the tax rate calculations.

45 3. Each political subdivision of the state shall fix its property tax rates in the manner
46 provided in this section for each fiscal year which begins after December 31, 1976. New or
47 increased tax rates for political subdivisions whose taxes are collected by the county collector
48 approved by voters after September first of any year shall not be included in that year's tax levy
49 except for any new tax rate ceiling approved pursuant to section 71.800, RSMo.

50 4. In addition to the information required under subsections 1 and 2 of this section, each
51 political subdivision shall also include the increase in tax revenue due to an increase in assessed
52 value as a result of new construction and improvement and the increase, both in dollar value and
53 percentage, in tax revenue as a result of reassessment if the proposed tax rate is adopted.

135.025. The property taxes accrued and rent constituting property taxes accrued on each
2 return shall be totaled. This total, up to [seven] **eleven** hundred [fifty] dollars, shall be used in
3 determining the property tax credit. The director of revenue shall prescribe regulations providing
4 for allocations where part of a claimant's homestead is rented to another or used for nondwelling
5 purposes or where a homestead is owned or rented or used as a dwelling for part of a year.

135.030. 1. As used in this section:

2 (1) The term "maximum upper limit" shall, for each calendar year after December 31,
3 1997, but before calendar year 2008, be the sum of twenty-five thousand dollars. For [the] **all**
4 calendar [year] **years** beginning on **or after** January 1, 2008, the maximum upper limit shall be
5 the sum of twenty-seven thousand five hundred dollars;

6 (2) The term "minimum base" shall, for each calendar year after December 31, 1997, but
7 before calendar year 2008, be the sum of thirteen thousand dollars. For [the] **all** calendar [year]
8 **years** beginning **on or after** January 1, 2008, the minimum base shall be the sum of fourteen
9 thousand three hundred dollars.

10 2. If the income on a return is equal to or less than the maximum upper limit for the
11 calendar year for which the return is filed, the property tax credit shall be determined from a table
12 of credits based upon the amount by which the total property tax described in section 135.025
13 exceeds the percent of income in the following list:

14 If the income on the return is:

15 Not over the minimum base

16

17

18

19 Over the minimum base but

20 not over the maximum upper

The percent is:

0 percent with credit not to
exceed actual property tax
or rent equivalent paid up
to [\$750] **\$1,100**

1/16 percent accumulative
per \$300 from 0 percent

21 limit to 4 percent.

22

23 The director of revenue shall prescribe a table based upon the preceding sentences. The property
24 tax shall be in increments of twenty-five dollars and the income in increments of three hundred
25 dollars. The credit shall be the amount rounded to the nearest whole dollar computed on the
26 basis of the property tax and income at the midpoints of each increment. As used in this
27 subsection, the term "accumulative" means an increase by continuous or repeated application of
28 the percent to the income increment at each three hundred dollar level.

29 3. Notwithstanding subsection 4 of section 32.057, RSMo, the department of revenue
30 or any duly authorized employee or agent shall determine whether any taxpayer filing a report
31 or return with the department of revenue who has not applied for the credit allowed pursuant to
32 section 135.020 may qualify for the credit, and shall notify any qualified claimant of the
33 claimant's potential eligibility, where the department determines such potential eligibility exists.

137.055. 1. After the assessor's book of each county, except in the city of St. Louis **or**
2 **any county with a charter form of government**, shall be corrected and adjusted according to
3 law, but not later than September twentieth, of each year, the county governing body shall
4 ascertain the sum necessary to be raised for county purposes, and fix the rate of taxes on the
5 several subjects of taxation so as to raise the required sum, and the same to be entered in the
6 proper columns in the tax book.

7 2. Prior to fixing the rate of taxes, as provided in this section, the county governing body
8 shall hold a public hearing on the proposed rate of taxes. A notice stating the time and place for
9 the hearing shall be published in at least one newspaper qualified under the laws of Missouri of
10 general circulation in the county at least seven days prior to the date of the hearing. The notice
11 shall include the aggregate assessed valuation by category of real, total personal and other
12 tangible property in the county as entered in the tax book for the fiscal year for which the tax is
13 to be levied, the aggregate assessed valuation by category of real, total personal and other
14 tangible property in the county for the preceding taxable year, the required sums to be raised
15 from the property tax for each purpose for which the county levies taxes as approved in the
16 budget adopted under chapter 50, RSMo, the proposed rate of taxes which will produce
17 substantially the same revenues as required by the budget, and the increase in tax revenue
18 realized due to an increase in assessed value as a result of new construction and improvement,
19 and the increase, both in dollar value and percentage, in tax revenue as a result of reassessment
20 if the proposed tax rate is adopted. Failure of any taxpayer to appear at said hearing shall not
21 prevent the taxpayer from pursuit of any other legal remedy otherwise available to the taxpayer.
22 Nothing in this subsection absolves county governing bodies of responsibilities under section

23 137.073 nor to adjust tax rates in event changes in assessed valuation occur that would alter the
24 tax rate calculations.

137.073. 1. As used in this section, the following terms mean:

2 (1) "General reassessment", changes in value, entered in the assessor's books, of a
3 substantial portion of the parcels of real property within a county resulting wholly or partly from
4 reappraisal of value or other actions of the assessor or county equalization body or ordered by
5 the state tax commission or any court;

6 (2) "Tax rate", "rate", or "rate of levy", singular or plural, includes the tax rate for each
7 purpose of taxation of property a taxing authority is authorized to levy without a vote and any
8 tax rate authorized by election, including bond interest and sinking fund;

9 (3) "Tax rate ceiling", a tax rate as revised by the taxing authority to comply with the
10 provisions of this section or when a court has determined the tax rate; except that, other
11 provisions of law to the contrary notwithstanding, a school district may levy the operating levy
12 for school purposes required for the current year pursuant to subsection 2 of section 163.021,
13 RSMo, less all adjustments required pursuant to article X, section 22 of the Missouri
14 Constitution, if such tax rate does not exceed the highest tax rate in effect subsequent to the 1980
15 tax year. This is the maximum tax rate that may be levied, unless a higher tax rate ceiling is
16 approved by voters of the political subdivision as provided in this section;

17 (4) "Tax revenue", when referring to the previous year, means the actual receipts from
18 ad valorem levies on all classes of property, including state-assessed property, in the immediately
19 preceding fiscal year of the political subdivision, plus an allowance for taxes billed but not
20 collected in the fiscal year and plus an additional allowance for the revenue which would have
21 been collected from property which was annexed by such political subdivision but which was
22 not previously used in determining tax revenue pursuant to this section. The term "tax revenue"
23 shall not include any receipts from ad valorem levies on any property of a railroad corporation
24 or a public utility, as these terms are defined in section 386.020, RSMo, which were assessed by
25 the assessor of a county or city in the previous year but are assessed by the state tax commission
26 in the current year. All school districts and those counties levying sales taxes pursuant to chapter
27 67, RSMo, shall include in the calculation of tax revenue an amount equivalent to that by which
28 they reduced property tax levies as a result of sales tax pursuant to section 67.505, RSMo, and
29 section 164.013, RSMo, or as excess home dock city or county fees as provided in subsection
30 4 of section 313.820, RSMo, in the immediately preceding fiscal year but not including any
31 amount calculated to adjust for prior years. For purposes of political subdivisions which were
32 authorized to levy a tax in the prior year but which did not levy such tax or levied a reduced rate,
33 the term "tax revenue", as used in relation to the revision of tax levies mandated by law, shall

34 mean the revenues equal to the amount that would have been available if the voluntary rate
35 reduction had not been made.

36 2. Whenever changes in assessed valuation are entered in the assessor's books for any
37 personal property, in the aggregate, or for any subclass of real property as such subclasses are
38 established in section 4(b) of article X of the Missouri Constitution and defined in section
39 137.016, the county clerk in all counties and the assessor of St. Louis City shall notify each
40 political subdivision wholly or partially within the county or St. Louis City of the change in
41 valuation of each subclass of real property, individually, and personal property, in the aggregate,
42 exclusive of new construction and improvements. All political subdivisions shall immediately
43 revise the applicable rates of levy for each purpose for each subclass of real property,
44 individually, and personal property, in the aggregate, for which taxes are levied to the extent
45 necessary to produce from all taxable property, exclusive of new construction and improvements,
46 substantially the same amount of tax revenue as was produced in the previous year for each
47 subclass of real property, individually, and personal property, in the aggregate, except that the
48 rate may not exceed the greater of the rate in effect in the 1984 tax year or the most recent
49 voter-approved rate. Such tax revenue shall not include any receipts from ad valorem levies on
50 any real property which was assessed by the assessor of a county or city in such previous year
51 but is assessed by the assessor of a county or city in the current year in a different subclass of real
52 property. Where the taxing authority is a school district for the purposes of revising the
53 applicable rates of levy for each subclass of real property, the tax revenues from state-assessed
54 railroad and utility property shall be apportioned and attributed to each subclass of real property
55 based on the percentage of the total assessed valuation of the county that each subclass of real
56 property represents in the current taxable year. As provided in section 22 of article X of the
57 constitution, a political subdivision may also revise each levy to allow for inflationary
58 assessment growth occurring within the political subdivision. The inflationary growth factor for
59 any such subclass of real property or personal property shall be limited to the actual assessment
60 growth in such subclass or class, exclusive of new construction and improvements, and exclusive
61 of the assessed value on any real property which was assessed by the assessor of a county or city
62 in the current year in a different subclass of real property, but not to exceed the consumer price
63 index or five percent, whichever is lower. Should the tax revenue of a political subdivision from
64 the various tax rates determined in this subsection be different than the tax revenue that would
65 have been determined from a single tax rate as calculated pursuant to the method of calculation
66 in this subsection prior to January 1, 2003, then the political subdivision shall revise the tax rates
67 of those subclasses of real property, individually, and/or personal property, in the aggregate, in
68 which there is a tax rate reduction, pursuant to the provisions of this subsection. Such revision
69 shall yield an amount equal to such difference and shall be apportioned among such subclasses

70 of real property, individually, and/or personal property, in the aggregate, based on the relative
71 assessed valuation of the class or subclasses of property experiencing a tax rate reduction. Such
72 revision in the tax rates of each class or subclass shall be made by computing the percentage of
73 current year adjusted assessed valuation of each class or subclass with a tax rate reduction to the
74 total current year adjusted assessed valuation of the class or subclasses with a tax rate reduction,
75 multiplying the resulting percentages by the revenue difference between the single rate
76 calculation and the calculations pursuant to this subsection and dividing by the respective
77 adjusted current year assessed valuation of each class or subclass to determine the adjustment
78 to the rate to be levied upon each class or subclass of property. The adjustment computed herein
79 shall be multiplied by one hundred, rounded to four decimals in the manner provided in this
80 subsection, and added to the initial rate computed for each class or subclass of property.
81 Notwithstanding any provision of this subsection to the contrary, no revision to the rate of levy
82 for personal property shall cause such levy to increase over the levy for personal property from
83 the prior year.

84 3. (1) Where the taxing authority is a school district, it shall be required to revise the
85 rates of levy to the extent necessary to produce from all taxable property, including state-assessed
86 railroad and utility property, which shall be separately estimated in addition to other data
87 required in complying with section 164.011, RSMo, substantially the amount of tax revenue
88 permitted in this section. In the year following tax rate reduction, the tax rate ceiling may be
89 adjusted to offset such district's reduction in the apportionment of state school moneys due to its
90 reduced tax rate. However, in the event any school district, in calculating a tax rate ceiling
91 pursuant to this section, requiring the estimating of effects of state-assessed railroad and utility
92 valuation or loss of state aid, discovers that the estimates used result in receipt of excess
93 revenues, which would have required a lower rate if the actual information had been known, the
94 school district shall reduce the tax rate ceiling in the following year to compensate for the excess
95 receipts, and the recalculated rate shall become the tax rate ceiling for purposes of this section.

96 (2) For any political subdivision which experiences a reduction in the amount of assessed
97 valuation relating to a prior year, due to decisions of the state tax commission or a court pursuant
98 to sections 138.430 to 138.433, RSMo, or due to clerical errors or corrections in the calculation
99 or recordation of any assessed valuation:

100 (a) Such political subdivision may revise the tax rate ceiling for each purpose it levies
101 taxes to compensate for the reduction in assessed value occurring after the political subdivision
102 calculated the tax rate ceiling for the particular subclass of real property or for personal property,
103 in the aggregate, in the prior year. Such revision by the political subdivision shall be made at the
104 time of the next calculation of the tax rate for the particular subclass of real property or for
105 personal property, in the aggregate, after the reduction in assessed valuation has been determined

106 and shall be calculated in a manner that results in the revised tax rate ceiling being the same as
107 it would have been had the corrected or finalized assessment been available at the time of the
108 prior calculation;

109 (b) In addition, for up to three years following the determination of the reduction in
110 assessed valuation as a result of circumstances defined in this subdivision, such political
111 subdivision may levy a tax rate for each purpose it levies taxes above the revised tax rate ceiling
112 provided in paragraph (a) of this subdivision to recoup any revenues it was entitled to receive for
113 the three-year period preceding such determination.

114 4. (1) In order to implement the provisions of this section and section 22 of article X of
115 the Constitution of Missouri, the term "improvements" shall apply to both real and personal
116 property. In order to determine the value of new construction and improvements, each county
117 assessor shall maintain a record of real property valuations in such a manner as to identify each
118 year the increase in valuation for each political subdivision in the county as a result of new
119 construction and improvements. The value of new construction and improvements shall include
120 the additional assessed value of all improvements or additions to real property which were begun
121 after and were not part of the prior year's assessment, except that the additional assessed value
122 of all improvements or additions to real property which had been totally or partially exempt from
123 ad valorem taxes pursuant to sections 99.800 to 99.865, RSMo, sections 135.200 to 135.255,
124 RSMo, and section 353.110, RSMo, shall be included in the value of new construction and
125 improvements when the property becomes totally or partially subject to assessment and payment
126 of all ad valorem taxes. The aggregate increase in valuation of personal property for the current
127 year over that of the previous year is the equivalent of the new construction and improvements
128 factor for personal property. Notwithstanding any opt-out implemented pursuant to subsection
129 15 of section 137.115, the assessor shall certify the amount of new construction and
130 improvements and the amount of assessed value on any real property which was assessed by the
131 assessor of a county or city in such previous year but is assessed by the assessor of a county or
132 city in the current year in a different subclass of real property separately for each of the three
133 subclasses of real property for each political subdivision to the county clerk in order that political
134 subdivisions shall have this information for the purpose of calculating tax rates pursuant to this
135 section and section 22, article X, Constitution of Missouri. In addition, the state tax commission
136 shall certify each year to each county clerk the increase in the general price level as measured by
137 the Consumer Price Index for All Urban Consumers for the United States, or its successor
138 publications, as defined and officially reported by the United States Department of Labor, or its
139 successor agency. The state tax commission shall certify the increase in such index on the latest
140 twelve-month basis available on [June] **February** first of each year over the immediately
141 preceding prior twelve-month period in order that political subdivisions shall have this

142 information available in setting their tax rates according to law and section 22 of article X of the
143 Constitution of Missouri. For purposes of implementing the provisions of this section and
144 section 22 of article X of the Missouri Constitution, the term "property" means all taxable
145 property, including state-assessed property.

146 (2) Each political subdivision required to revise rates of levy pursuant to this section or
147 section 22 of article X of the Constitution of Missouri shall calculate each tax rate it is authorized
148 to levy and, in establishing each tax rate, shall consider each provision for tax rate revision
149 provided in this section and section 22 of article X of the Constitution of Missouri, separately
150 and without regard to annual tax rate reductions provided in section 67.505, RSMo, and section
151 164.013, RSMo. Each political subdivision shall set each tax rate it is authorized to levy using
152 the calculation that produces the lowest tax rate ceiling. It is further the intent of the general
153 assembly, pursuant to the authority of section 10(c) of article X of the Constitution of Missouri,
154 that the provisions of such section be applicable to tax rate revisions mandated pursuant to
155 section 22 of article X of the Constitution of Missouri as to reestablishing tax rates as revised in
156 subsequent years, enforcement provisions, and other provisions not in conflict with section 22
157 of article X of the Constitution of Missouri. Annual tax rate reductions provided in section
158 67.505, RSMo, and section 164.013, RSMo, shall be applied to the tax rate as established
159 pursuant to this section and section 22 of article X of the Constitution of Missouri, unless
160 otherwise provided by law.

161 5. (1) In all political subdivisions, the tax rate ceiling established pursuant to this section
162 shall not be increased unless approved by a vote of the people. Approval of the higher tax rate
163 shall be by at least a majority of votes cast. When a proposed higher tax rate requires approval
164 by more than a simple majority pursuant to any provision of law or the constitution, the tax rate
165 increase must receive approval by at least the majority required.

166 (2) When voters approve an increase in the tax rate, the amount of the increase shall be
167 added to the tax rate ceiling as calculated pursuant to this section to the extent the total rate does
168 not exceed any maximum rate prescribed by law. If a ballot question presents a stated tax rate
169 for approval rather than describing the amount of increase in the question, the stated tax rate
170 approved shall be **adjusted as provided in this section and, so adjusted, shall be** the current
171 tax rate ceiling. The increased tax rate ceiling as approved **shall be adjusted such that when**
172 **applied to the current total assessed valuation, excluding new construction and**
173 **improvements since the date of the election approving such increase, of the political**
174 **subdivision the revenue derived from the adjusted tax rate ceiling is equal the sum of: the**
175 **amount of revenue which would have been derived by applying the voter approved**
176 **increased tax rate ceiling to total assessed valuation of the political subdivision, as most**
177 **recently certified by the state tax commission on or before the date of the election in which**

178 **such increase is approved, increased by the percentage increase in the consumer price**
179 **index, as provided by law. Such adjusted tax rate ceiling** may be applied to the total assessed
180 valuation of the political subdivision at the setting of the next tax rate. **If a ballot question**
181 **presents a phased-in tax rate increase, upon voter approval, each tax rate increase shall be**
182 **adjusted in the manner prescribed in this section to yield the sum of: the amount of**
183 **revenue that would be derived by applying such voter approved increased rate to the total**
184 **assessed valuation, as most recently certified by the state tax commission on or before the**
185 **date of the election in which such increase was approved, increased by the percentage**
186 **increase in the consumer price index, as provided by law, from the date of the election to**
187 **the time of such increase.**

188 (3) The governing body of any political subdivision may levy a tax rate lower than its
189 tax rate ceiling and may, **in a nonreassessment year**, increase that lowered tax rate to a level
190 not exceeding the tax rate ceiling without voter approval **in the manner provided under**
191 **subdivision (4) of this subsection. Nothing in this section shall be construed as prohibiting**
192 **a political subdivision from voluntarily levying a tax rate lower than that which is required**
193 **under the provisions of this section or from seeking voter approval of a reduction to such**
194 **political subdivision's tax rate ceiling.**

195 (4) In a year of general reassessment, a governing body whose tax rate is lower than
196 its tax rate ceiling shall revise its tax rate pursuant to the provisions of subsection 4 of this
197 section as if its tax rate was at the tax rate ceiling. In a year following general
198 reassessment, if such governing body intends to increase its tax rate, the governing body
199 shall conduct a public hearing, and in a public meeting it shall adopt an ordinance,
200 resolution, or policy statement justifying its action prior to setting and certifying its tax
201 rate. The provisions of this subdivision shall not apply to any political subdivision which
202 levies a tax rate lower than its tax rate ceiling solely due to a reduction required by law
203 resulting from sales tax collections.

204 6. (1) For the purposes of calculating state aid for public schools pursuant to section
205 163.031, RSMo, each taxing authority which is a school district shall determine its proposed tax
206 rate as a blended rate of the classes or subclasses of property. Such blended rate shall be
207 calculated by first determining the total tax revenue of the property within the jurisdiction of the
208 taxing authority, which amount shall be equal to the sum of the products of multiplying the
209 assessed valuation of each class and subclass of property by the corresponding tax rate for such
210 class or subclass, then dividing the total tax revenue by the total assessed valuation of the same
211 jurisdiction, and then multiplying the resulting quotient by a factor of one hundred. Where the
212 taxing authority is a school district, such blended rate shall also be used by such school district

213 for calculating revenue from state-assessed railroad and utility property as defined in chapter 151,
214 RSMo, and for apportioning the tax rate by purpose.

215 (2) Each taxing authority proposing to levy a tax rate in any year shall notify the clerk
216 of the county commission in the county or counties where the tax rate applies of its tax rate
217 ceiling and its proposed tax rate. Each taxing authority shall express its proposed tax rate in a
218 fraction equal to the nearest one-tenth of a cent, unless its proposed tax rate is in excess of one
219 dollar, then one/one-hundredth of a cent. If a taxing authority shall round to one/one-hundredth
220 of a cent, it shall round up a fraction greater than or equal to five/one-thousandth of one cent to
221 the next higher one/one-hundredth of a cent; if a taxing authority shall round to one-tenth of a
222 cent, it shall round up a fraction greater than or equal to five/one-hundredths of a cent to the next
223 higher one-tenth of a cent. Any taxing authority levying a property tax rate shall provide data,
224 in such form as shall be prescribed by the state auditor by rule, substantiating such tax rate
225 complies with Missouri law. All forms for the calculation of rates pursuant to this section shall
226 be promulgated as a rule and shall not be incorporated by reference. The state auditor shall
227 promulgate rules for any and all forms for the calculation of rates pursuant to this section which
228 do not currently exist in rule form or that have been incorporated by reference. In addition, each
229 taxing authority proposing to levy a tax rate for debt service shall provide data, in such form as
230 shall be prescribed by the state auditor by rule, substantiating the tax rate for debt service
231 complies with Missouri law. A tax rate proposed for annual debt service requirements will be
232 prima facie valid if, after making the payment for which the tax was levied, bonds remain
233 outstanding and the debt fund reserves do not exceed the following year's payments. The county
234 clerk shall keep on file and available for public inspection all such information for a period of
235 three years. The clerk shall, within three days of receipt, forward a copy of the notice of a taxing
236 authority's tax rate ceiling and proposed tax rate and any substantiating data to the state auditor.
237 The state auditor shall, within fifteen days of the date of receipt, examine such information and
238 return to the county clerk his or her findings as to compliance of the tax rate ceiling with this
239 section and as to compliance of any proposed tax rate for debt service with Missouri law. If the
240 state auditor believes that a taxing authority's proposed tax rate does not comply with Missouri
241 law, then the state auditor's findings shall include a recalculated tax rate, and the state auditor
242 may request a taxing authority to submit documentation supporting such taxing authority's
243 proposed tax rate. The county clerk shall immediately forward a copy of the auditor's findings
244 to the taxing authority and shall file a copy of the findings with the information received from
245 the taxing authority. The taxing authority shall have fifteen days from the date of receipt from
246 the county clerk of the state auditor's findings and any request for supporting documentation to
247 accept or reject in writing the rate change certified by the state auditor and to submit all requested
248 information to the state auditor. A copy of the taxing authority's acceptance or rejection and any

information submitted to the state auditor shall also be mailed to the county clerk. If a taxing authority rejects a rate change certified by the state auditor and the state auditor does not receive supporting information which justifies the taxing authority's original or any subsequent proposed tax rate, then the state auditor shall refer the perceived violations of such taxing authority to the attorney general's office and the attorney general is authorized to obtain injunctive relief to prevent the taxing authority from levying a violative tax rate.

7. No tax rate shall be extended on the tax rolls by the county clerk unless the political subdivision has complied with the foregoing provisions of this section.

8. Whenever a taxpayer has cause to believe that a taxing authority has not complied with the provisions of this section, the taxpayer may make a formal complaint with the prosecuting attorney of the county. Where the prosecuting attorney fails to bring an action within ten days of the filing of the complaint, the taxpayer may bring a civil action pursuant to this section and institute an action as representative of a class of all taxpayers within a taxing authority if the class is so numerous that joinder of all members is impracticable, if there are questions of law or fact common to the class, if the claims or defenses of the representative parties are typical of the claims or defenses of the class, and if the representative parties will fairly and adequately protect the interests of the class. In any class action maintained pursuant to this section, the court may direct to the members of the class a notice to be published at least once each week for four consecutive weeks in a newspaper of general circulation published in the county where the civil action is commenced and in other counties within the jurisdiction of a taxing authority. The notice shall advise each member that the court will exclude him or her from the class if he or she so requests by a specified date, that the judgment, whether favorable or not, will include all members who do not request exclusion, and that any member who does not request exclusion may, if he or she desires, enter an appearance. In any class action brought pursuant to this section, the court, in addition to the relief requested, shall assess against the taxing authority found to be in violation of this section the reasonable costs of bringing the action, including reasonable attorney's fees, provided no attorney's fees shall be awarded any attorney or association of attorneys who receive public funds from any source for their services. Any action brought pursuant to this section shall be set for hearing as soon as practicable after the cause is at issue.

9. If in any action, including a class action, the court issues an order requiring a taxing authority to revise the tax rates as provided in this section or enjoins a taxing authority from the collection of a tax because of its failure to revise the rate of levy as provided in this section, any taxpayer paying his or her taxes when an improper rate is applied has erroneously paid his or her taxes in part, whether or not the taxes are paid under protest as provided in section 139.031, RSMo. The part of the taxes paid erroneously is the difference in the amount produced by the

285 original levy and the amount produced by the revised levy. The township or county collector of
286 taxes or the collector of taxes in any city shall refund the amount of the tax erroneously paid.
287 The taxing authority refusing to revise the rate of levy as provided in this section shall make
288 available to the collector all funds necessary to make refunds pursuant to this subsection. No
289 taxpayer shall receive any interest on any money erroneously paid by him or her pursuant to this
290 subsection. Effective in the 1994 tax year, nothing in this section shall be construed to require
291 a taxing authority to refund any tax erroneously paid prior to or during the third tax year
292 preceding the current tax year.

293 10. [A taxing authority, including but not limited to a township, county collector, or
294 collector of taxes, responsible for determining and collecting the amount of residential real
295 property tax levied in its jurisdiction, shall report such amount of tax collected by December
296 thirty-first of each year such property is assessed to the state tax commission. The state tax
297 commission shall compile the tax data by county or taxing jurisdiction and submit a report to the
298 general assembly no later than January thirty-first of the following year.

299 11.] Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that
300 is created under the authority delegated in this section shall become effective only if it complies
301 with and is subject to all of the provisions of chapter 536, RSMo, and, if applicable, section
302 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable and if any of the powers
303 vested with the general assembly pursuant to chapter 536, RSMo, to review, to delay the
304 effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the
305 grant of rulemaking authority and any rule proposed or adopted after August 28, 2004, shall be
306 invalid and void.

137.180. 1. Whenever any assessor shall increase the valuation of any real property he
2 shall forthwith notify the record owner of such increase, either in person, or by mail directed to
3 the last known address; every such increase in assessed valuation made by the assessor shall be
4 subject to review by the county board of equalization whereat the landowner shall be entitled to
5 be heard, and the notice to the landowner shall so state.

6 2. **Effective January 1, 2009, for all counties with a charter form of government,**
7 **whenever any assessor shall increase the valuation of any real property, he or she shall**
8 **forthwith notify the record owner on or before May thirty-first of such increase and the**
9 **county shall notify the record owner of the projected tax liability likely to result from such**
10 **an increase, either in person, or by mail directed to the last known address; every such**
11 **increase in assessed valuation made by the assessor shall be subject to review by the county**
12 **board of equalization whereat the landowner shall be entitled to be heard, and the notice**
13 **to the landowner shall so state. Notice of the projected tax liability from the county shall**
14 **accompany the notice of increased valuation from the assessor.**

15 **3. Effective January 1, 2011, for all counties not subject to the provisions of**
16 **subsection 2 of this section or subsection 2 of section 137.355, whenever any assessor shall**
17 **increase the valuation of any real property, he or she shall forthwith notify the record**
18 **owner on or before May thirty-first of such increase and the county shall notify the record**
19 **owner of the projected tax liability likely to result from such an increase, either in person,**
20 **or by mail directed to the last known address; every such increase in assessed valuation**
21 **made by the assessor shall be subject to review by the county board of equalization**
22 **whereat the landowner shall be entitled to be heard, and the notice to the landowner shall**
23 **so state. Notice of the projected tax liability from the county shall accompany the notice**
24 **of increased valuation from the assessor.**

25 **4. The notice of projected tax liability, required under subsections 2 and 3 of this**
26 **section, from the county shall include:**

27 **(1) Record owner's name, address, and the parcel number of the property;**

28 **(2) A list of all political subdivisions levying a tax upon the property of the record**
29 **owner;**

30 **(3) The projected tax rate for each political subdivision levying a tax upon the**
31 **property of the record owner, and the purpose for each levy of such political subdivisions;**

32 **(4) The previous year's tax rates for each individual tax levy imposed by each**
33 **political subdivision levying a tax upon the property of the record owner;**

34 **(5) The tax rate ceiling for each levy imposed by each political subdivision levying**
35 **a tax upon the property of the record owner;**

36 **(6) The contact information for each political subdivision levying a tax upon the**
37 **property of the record owner;**

38 **(7) A statement identifying any projected tax rates for political subdivisions levying**
39 **a tax upon the property of the record owner, which were not calculated and provided by**
40 **the political subdivision levying the tax; and**

41 **(8) The total projected property tax liability of the taxpayer.**

137.243. 1. To determine the "projected tax liability" required by subsections 2
2 **and 3 of section 137.180 and subsection 2 of section 137.490, the assessor, on or before**
3 **March first of each tax year, shall provide the county clerk with the assessment book which**
4 **for this purpose shall contain the real estate values for that year, the prior year's state**
5 **assessed values, and the prior year's personal property values. On or before March**
6 **fifteenth, the county clerk shall make out an abstract of the assessment book showing the**
7 **aggregate amounts of different kinds of real, personal, and other tangible property and the**
8 **valuations of each for each political subdivision in the county entitled to levy ad valorem**
9 **taxes on property except for municipalities maintaining their own tax or assessment books.**

10 The governing body of each political subdivision or a person designated by the governing
11 body shall use such information to informally project a non-binding tax levy for that year
12 and return such projected tax levy to the county clerk no later than April fifteenth. The
13 county clerk shall forward such information to the county collector who shall then
14 calculate and, no later than April thirtieth, provide to the county assessor the projected tax
15 liability for each real estate parcel for which the assessor intends to mail a notice of
16 increase pursuant to sections 137.180 and 137.490.

17 2. For all calendar years beginning on or after January 1, 2011, to determine the
18 "projected tax liability" required by subsection 2 of section 137.355, the provisions of
19 subsection 1 of this section shall apply.

20 3. Political subdivisions located at least partially within two or more counties,
21 which are subject to divergent time requirements, shall comply with all requirements
22 applicable to each such county and may utilize the most recent available information to
23 satisfy such requirements.

24 4. Failure by an assessor to timely provide the assessment book or notice of
25 increased assessed value, as provided in this section, shall result in the state tax commission
26 withholding all or a part of the moneys provided under section 137.720 and all state per
27 parcel reimbursement funds which would otherwise be made available to such assessor.

28 5. Failure by a political subdivision to provide the clerk with a projected tax levy
29 in the time prescribed under this section shall result in a twenty percent reduction in such
30 political subdivision's tax rate for the tax year, unless such failure is a direct result of a
31 delinquency in the provision of, or failure to provide, information required by this section
32 by the assessor or the clerk. If a political subdivision fails to provide the projected tax rate
33 as provided in this section, the clerk shall notify the state auditor who shall, within seven
34 days of receiving such notice, estimate a non-binding tax levy for such political subdivision
35 and return such to the clerk. The clerk shall notify the state auditor of any applicable
36 reduction to a political subdivision's tax rate.

137.245. 1. The assessor, except in St. Louis City or counties with a charter form of
2 government, shall make out and return to the county governing body, on or before the thirty-first
3 day of May in every year, the assessor's book, verified by an affidavit annexed thereto, in the
4 following words:

5 "..... being duly sworn, makes oath and says that such person has made diligent efforts to
6 ascertain all the taxable property being or situate, on the first day of January last past, in the
7 county of which such person is assessor; that, so far as such person has been able to ascertain the
8 same, it is correctly set forth in the foregoing book, in the manner and the value thereof stated
9 therein, according to the mode required by law".

10 2. The clerk of the county governing body shall immediately make out an abstract of the
11 assessment book, showing aggregate footings of the different columns, so as to set forth the
12 aggregate amounts of the different kinds of real and tangible personal property and the valuation
13 thereof, and forward the abstract to the state tax commission. Failure of the clerk, **except clerks**
14 **of counties with a charter form of government**, to make out and forward the abstract to the
15 state tax commission on or before the twentieth day of June is a misdemeanor.

16 3. The clerk of the county governing body in all counties, and the assessor in St. Louis
17 City, shall make out an abstract of the assessment book showing the aggregate amounts of
18 different kinds of real, personal and other tangible property and the valuations of each for each
19 political subdivision in the county entitled to levy ad valorem taxes on property except for
20 municipalities maintaining their own tax or assessment books. The clerk of each county, and the
21 assessor in St. Louis City **and any county with a charter form of government**, shall forward
22 a copy of the aggregate valuation listed in the tax book for each political subdivision, except
23 counties and municipalities maintaining their own tax or assessment books, to the governing
24 body of the subdivision by the first day of July of each year. In any county which contains a city
25 with a population of one hundred thousand or more inhabitants which is located within a county
26 of the first classification that adjoins no other county of the first classification, the clerk of the
27 county shall provide the final revised assessed valuation listed in the tax book for each school
28 district within the county to each such district on or before the fifteenth day of August of each
29 year. The clerk of any county of the first classification with a charter form of government and
30 with more than six hundred thousand but less than seven hundred thousand inhabitants shall
31 forward a copy of the aggregate valuation listed in the tax book for school districts within the
32 county to each such district by the [fifteenth] **first** day of [June] **July** of each year.

137.275. Every person who thinks himself aggrieved by the assessment of his property
2 may appeal to the county board of equalization, in person, by attorney or agent, or in writing.
3 **For appeals arising in any county with a charter form of government, such appeals shall**
4 **be lodged with the county board of equalization on or before the third Monday in July.**

137.355. 1. If an assessor increases the valuation of any tangible personal property as
2 estimated in the itemized list furnished to the assessor, and if an assessor increases the valuation
3 of any real property, he shall forthwith notify the record owner of the increase either in person
4 or by mail directed to the last known address, and if the address of the owner is unknown notice
5 shall be given by publication in two newspapers published in the county.

6 2. **Effective January 1, 2011, if an assessor increases the valuation of any tangible**
7 **personal property as estimated in the itemized list furnished to the assessor, and if an**
8 **assessor increases the valuation of any real property, the assessor, on or before May thirty-**
9 **first, shall notify the record owner of the increase and, for any increase in real property,**

10 the county shall notify the record owner of the projected tax liability likely to result from
11 such an increase either in person or by mail directed to the last known address, and, if the
12 address of the owner is unknown, notice shall be given by publication in two newspapers
13 published in the county. Notice of the projected tax liability from the county shall
14 accompany the notice of increased valuation from the assessor.

15 **3. The notice of projected tax liability, required under subsection 2 of this section,**
16 **from the county shall include:**

17 **(1) Record owner's name, address, and the parcel number of the property;**

18 **(2) A list of all political subdivisions levying a tax upon the property of the record**
19 **owner;**

20 **(3) The projected tax rate for each political subdivision levying a tax upon the**
21 **property of the record owner, and the purpose for each levy of such political subdivisions;**

22 **(4) The previous year's tax rates for each individual tax levy imposed by each**
23 **political subdivision levying a tax upon the property of the record owner;**

24 **(5) The tax rate ceiling for each levy imposed by each political subdivision levying**
25 **a tax upon the property of the record owner;**

26 **(6) The contact information for each political subdivision levying a tax upon the**
27 **property of the record owner;**

28 **(7) A statement identifying any projected tax rates for political subdivisions levying**
29 **a tax upon the property of the record owner, which were not calculated and provided by**
30 **the political subdivision levying the tax; and**

31 **(8) The total projected property tax liability of the taxpayer.**

137.490. **1.** The assessor, or his deputies under his direction, shall assess all the taxable
2 real property within the city and all tangible personal property taxable by the city under the laws
3 of this state in the manner provided in sections 137.485 to 137.550 and as otherwise provided
4 by law, and for that purpose the assessor may divide and assign the work or any of it among
5 them. They shall commence their assessment on the first day of January in each year and
6 complete the assessment, and the deputies make their final reports thereof to the assessor, on or
7 before the first day of April next following. The assessor shall see that the assessment is made
8 uniform and equal throughout the city. If the assessor proposes to increase any assessment of real
9 property, he shall give notice of the fact to the person owning the property affected, his agent or
10 representative, by personal notice, or by mail directed to the last known address.

11 **2. Effective January 1, 2009, the assessor, or his or her deputies under his or her**
12 **direction, shall commence their assessment on the first day of January in each year and**
13 **complete the assessment, and the deputies make their final reports thereof to the assessor,**
14 **on or before the first day of March next following. The assessor shall see that the**

15 assessment is made uniform and equal throughout the city. If the assessor proposes to
16 increase any assessment of real property, the assessor shall, on or before the thirty-first day
17 of May, give notice of the fact and the city shall provide notice of the projected tax liability
18 likely to result from such an increase to the person owning the property affected, his or her
19 agent or representative, by personal notice, or by mail directed to the last known address.
20 Notice of the projected tax liability from the city shall accompany the notice of increased
21 valuation from the assessor.

22 **3. The notice of projected tax liability, required under subsection 2 of this section,**
23 **from the city shall include:**

24 **(1) Record owner's name, address, and the parcel number of the property;**

25 **(2) A list of all political subdivisions levying a tax upon the property of the record**
26 **owner;**

27 **(3) The projected tax rate for each political subdivision levying a tax upon the**
28 **property of the record owner, and the purpose for each levy of such political subdivisions;**

29 **(4) The previous year's tax rates for each individual tax levy imposed by each**
30 **political subdivision levying a tax upon the property of the record owner;**

31 **(5) The tax rate ceiling for each levy imposed by each political subdivision levying**
32 **a tax upon the property of the record owner;**

33 **(6) The contact information for each political subdivision levying a tax upon the**
34 **property of the record owner;**

35 **(7) A statement identifying any projected tax rates for political subdivisions levying**
36 **a tax upon the property of the record owner, which were not calculated and provided by**
37 **the political subdivision levying the tax; and**

38 **(8) The total projected property tax liability of the taxpayer.**

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 due
29 is properly deposited in such fund.

30 4. [Four years following the effective date, the state tax commission shall conduct a
31 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] **forfeited and**
34 **returned proportionately by the county to the political subdivisions** in any year in which the
35 state tax commission [certifies an equivalent sales ratio for the county of less than or equal to
36 thirty-one and two-thirds percent pursuant to the provisions of section 138.395, RSMo] **notifies**
37 **the county that state assessment reimbursement funds have been withheld from the county**
38 **for three consecutive quarters due to non-compliance by the assessor or county commission**
39 **with the county's assessment maintenance plan. If such funds for the year were spent prior**
40 **to the notification by the state tax commission, the county shall take an equivalent amount**
41 **from the subsequent year's collections provided for in subsection 2 of this section and**
42 **return it proportionately to the political subdivisions.**

43 [6.] 5. The provisions of subsections 2[, 4, and 5] **and 4** of this section shall expire on
44 December 31, [2009] **2015**.

138.050. The following rules shall be observed by county boards of equalization:

2 (1) They shall raise the valuation of all tracts or parcels of land and all tangible personal
3 property as in their opinion have been returned below their real value; but, after the board has
4 raised the valuation of such property, it shall give notice of the fact, specifying the property and

5 the amount raised, to the persons owning or controlling the same, by personal notice, or through
6 the mail if address is known, or if address is unknown, by notice in one issue of any newspaper
7 published within the county at least once a week, and that said board shall meet on the second
8 Monday in August, to hear reasons, if any be given, why such increase should not be made; the
9 board shall meet on the second Monday in August in each year to hear any person relating to any
10 such increase in valuation. **In any county with a charter form of government or any city not**
11 **within a county, the board shall complete all business by the fourth Saturday in August;**

12 (2) They shall reduce the valuation of such tracts or parcels of land or any tangible
13 personal property which, in their opinion, has been returned above its true value as compared
14 with the average valuation of all the real and tangible personal property of the county.

138.090. 1. Except as provided in subsection 2 of this section, the county board of
2 equalization in first class counties shall meet on the first Monday in June of each year **and the**
3 **county board of equalization in counties with a charter form of government shall meet on**
4 **the first Monday in July.**

5 2. Upon a finding by the board that it is necessary in order to fairly hear all cases arising
6 from a general reassessment, the board may begin meeting after May thirty-first in any applicable
7 year to timely consider any appeal or complaint resulting from an evaluation made during a
8 general reassessment of all taxable real property and possessory interests in the county. There
9 shall be no presumption that the assessor's valuation is correct.

138.170. 1. Except as provided in subsection 4 of this section, the board shall meet on
2 the [third] **first** Monday in [May] **July**, annually, and remain in continuous session for at least
3 three hours of each day, except Saturday, Sunday and holidays, for four weeks, **and may**
4 **continue to meet as needed until the fourth Saturday in August.**

5 2. The board may subpoena witnesses and order the production of books and papers, and
6 any member may administer oaths, in relation to any matter within its jurisdiction.

7 3. The board shall hear and determine all appeals summarily, and keep a record of its
8 proceedings, which shall remain in the assessment division.

9 4. Upon a finding by the board that it is necessary in order to fairly hear all cases arising
10 from a general reassessment, the board may begin meeting after [May thirty-first] **July first** in
11 any applicable year to timely consider any appeal or complaint resulting from an evaluation made
12 during a general reassessment of all taxable real property and possessory interests in the city.

138.180. Any person may appeal in writing to the board of equalization from the
2 assessment of his property, which appeal shall specify the matter of which he complains and
3 which shall be filed at the office of the assessor of the city on or before the [second] **third**
4 Monday in [May] **July** of each year, and any person so appealing shall have the right of appeal

5 from decisions of the local board to the state tax commission as provided by law. There shall
6 be no presumption that the assessor's valuation is correct.

138.430. 1. Every owner of real property or tangible personal property shall have the
2 right to appeal from the local boards of equalization to the state tax commission under rules
3 prescribed by the state tax commission, within the time prescribed in this chapter or thirty days
4 following the final action of the local board of equalization, whichever date later occurs,
5 concerning all questions and disputes involving the assessment against such property, the correct
6 valuation to be placed on such property, the method or formula used in determining the valuation
7 of such property, or the assignment of a discriminatory assessment to such property. The
8 commission shall investigate all such appeals and shall correct any assessment or valuation
9 which is shown to be unlawful, unfair, improper, arbitrary or capricious. Any person aggrieved
10 by the decision of the commission may seek review as provided in chapter 536, RSMo.

11 2. In order to investigate such appeals, the commission may inquire of the owner of the
12 property or of any other party to the appeal regarding any matter or issue relevant to the
13 valuation, subclassification or assessment of the property. The commission may make its
14 decision regarding the assessment or valuation of the property based solely upon its inquiry and
15 any evidence presented by the parties to the commission, or based solely upon evidence
16 presented by the parties to the commission.

17 3. Every owner of real property or tangible personal property shall have the right to
18 appeal to the circuit court of the county in which the collector maintains his office, from the
19 decision of the local board of equalization not later than thirty days after the final decision of the
20 board of equalization concerning all questions and disputes involving the exclusion or exemption
21 of such property from assessment or from the tax rolls pursuant to the Constitution of the United
22 States or the constitution or laws of this state, or of the taxable situs of such property. The appeal
23 shall be as a trial de novo in the manner prescribed for nonjury civil proceedings. **Upon the**
24 **timely filing of the appeal, the clerk of the circuit court shall send to the county collector**
25 **to whom the taxes on the property involved would be due a notice that an appeal seeking**
26 **exemption has been filed, which notice shall contain the name of the taxpayer, the case**
27 **number assigned by the court, and the parcel or locator number of the property being**
28 **appealed. The notice to the collector shall state that the taxes in dispute are to be**
29 **impounded in accordance with subsection 2 of section 139.031, RSMo.**

30 4. Upon the timely filing of an appeal as provided in this section, the state tax
31 commission [or the clerk of the circuit court, as applicable,] shall send to the county collector
32 to whom the taxes on the property involved would be due, a notice that an appeal has been filed,
33 which notice shall contain the name [and address] of the taxpayer filing the appeal, **the appeal**
34 **number assigned by the commission, the parcel or locator number of the property being**

35 **appealed, the assessed value by the board of equalization and the assessed value proposed**
36 **by the taxpayer, if such values have been provided to the commission when the appeal is**
37 **filed. The notice to the collector shall state that the taxes in dispute are to be impounded**
38 **in accordance with subsection 2 of section 139.031, RSMo. Notice to the collector of an**
39 **appeal filed in an odd numbered year shall also serve as notice to the collector to impound**
40 **taxes for the following even numbered year if no decision has been rendered in the appeal.**
41 **The state tax commission shall notify the collector once a decision has been rendered in an**
42 **appeal.**

43 5. If the circuit court, after review of the appeal, finds that the appeal is not a proper
44 subject for the appeal to the circuit court as provided in subsection 3 of this section, it shall
45 transfer the appeal to the state tax commission for consideration.

46 6. If an assessor classifies real property under a classification that is contrary to or in
47 conflict with a determination by the state tax commission or a court of competent jurisdiction
48 of said property, the taxpayer shall be awarded costs of appeal and reasonable attorney's fees on
49 a challenge of the assessor's determination.

139.031. 1. Any taxpayer may protest all or any part of any current taxes assessed
2 against the taxpayer, except taxes collected by the director of revenue of Missouri. Any such
3 taxpayer desiring to [pay] **protest** any current taxes [under protest] shall[, at the time of paying
4 such taxes,] **make full payment of the current tax bill and** file with the collector a written
5 statement setting forth the grounds on which the protest is based. The statement shall include
6 the true value in money claimed by the taxpayer if disputed.

7 2. **A taxpayer who has filed an appeal from a local board of equalization under**
8 **section 138.430, RSMo, to the state tax commission or the circuit court is not required to**
9 **file a statement of protest as set forth in subsection 1 of this section.** Upon receiving
10 payment of current taxes under protest pursuant to subsection 1 of this section or upon receiving
11 notice of an appeal **from the state tax commission or the circuit court** pursuant to section
12 138.430, RSMo, the collector shall disburse to the proper official all portions of taxes not
13 **protested or not** disputed by the taxpayer and shall impound in a separate fund all portions of
14 such taxes which are **protested or** in dispute. [Except as provided in subsection 3 of this
15 section,] Every taxpayer protesting the payment of current taxes **under subsection 1 of this**
16 **section** shall, within ninety days after filing his protest, commence an action against the collector
17 by filing a petition for the recovery of the amount protested in the circuit court of the county in
18 which the collector maintains his office. If any taxpayer so protesting his taxes **under**
19 **subsection 1 of this section** shall fail to commence an action in the circuit court for the recovery
20 of the taxes protested within the time prescribed in this subsection, such protest shall become

21 null and void and of no effect, and the collector shall then disburse to the proper official the taxes
22 impounded, and any interest earned thereon, as provided above in this subsection.

23 3. No action against the collector shall be commenced by any taxpayer who has, for the
24 current tax year in issue, filed with the state tax commission **or the circuit court** a timely and
25 proper appeal of the [protested taxes. Such taxpayer shall notify the collector of the appeal in
26 the written statement required by subsection 1 of this section] **assessment of the taxpayer's**
27 **property**. The **portion of** taxes [so protested] **in dispute from an appeal of an assessment**
28 shall be impounded in a separate fund and the commission **or the circuit court** may order all or
29 any part of such taxes refunded to the taxpayer, or may authorize the collector to release and
30 disburse all or any part of such taxes in its decision and order issued pursuant to chapter 138,
31 RSMo.

32 4. Trial of the action, **for recovery of taxes protested under subsection 1 of this**
33 **section**, in the circuit court shall be in the manner prescribed for nonjury civil proceedings, and,
34 after determination of the issues, the court shall make such orders as may be just and equitable
35 to refund to the taxpayer all or any part of the current taxes paid under protest, together with any
36 interest earned thereon, or to authorize the collector to release and disburse all or any part of the
37 impounded taxes, and any interest earned thereon, to the appropriate officials of the taxing
38 authorities. Either party to the proceedings may appeal the determination of the circuit court.

39 5. All the county collectors of taxes, and the collector of taxes in any city not within a
40 county, shall, upon written application of a taxpayer, refund or credit against the taxpayer's tax
41 liability in the following taxable year and subsequent consecutive taxable years until the taxpayer
42 has received credit in full for any real or personal property tax mistakenly or erroneously levied
43 against the taxpayer and collected in whole or in part by the collector. Such application shall be
44 filed within three years after the tax is mistakenly or erroneously paid. The governing body, or
45 other appropriate body or official of the county or city not within a county, shall make available
46 to the collector funds necessary to make refunds under this subsection by issuing warrants upon
47 the fund to which the mistaken or erroneous payment has been credited, or otherwise.

48 6. No taxpayer shall receive any interest on any money paid in by the taxpayer
49 erroneously.

50 7. All protested taxes **impounded under protest under subsection 1 of this section**
51 **and all disputed taxes impounded under notice as required by section 138.430, RSMo**, shall
52 be invested by the collector in the same manner as assets specified in section 30.260, RSMo, for
53 investment of state moneys. A taxpayer who is entitled to a refund of protested **or disputed**
54 taxes shall also receive the interest earned on the investment thereof. If the collector is ordered
55 to release and disburse all or part of the taxes paid under protest **or dispute** to the proper official,

56 such taxes shall be disbursed along with the proportional amount of interest earned on the
57 investment of the taxes due the particular taxing authority.

58 8. On or before March first next following the delinquent date of taxes paid under
59 protest, the county collector shall notify any taxing authority of the taxes paid under protest **and**
60 **disputed taxes** which would be received by such taxing authority if the funds were not the
61 subject of a protest **or dispute**. Any taxing authority may apply to the circuit court of the county
62 or city not within a county in which a collector has impounded protested **or disputed** taxes under
63 this section and, upon a satisfactory showing that such taxing authority would receive such
64 impounded tax funds if they were not the subject of a protest **or dispute** and that such taxing
65 authority has the financial ability and legal capacity to repay such impounded tax funds in the
66 event a decision ordering a refund to the taxpayer is subsequently made, the circuit court shall
67 order, pendente lite, the disbursement of all or any part of such impounded tax funds to such taxing
68 authority. The circuit court issuing an order under this subsection shall retain jurisdiction of such
69 matter for further proceedings, if any, to compel restitution of such tax funds to the taxpayer.
70 In the event that any protested **or disputed** tax funds refunded to a taxpayer were disbursed to
71 a taxing authority under this subsection instead of being held and invested by the collector under
72 subsection 7 of this section, such taxing authority shall pay the taxpayer entitled to the refund
73 of such protested **or disputed** taxes the same amount of interest, as determined by the circuit
74 court having jurisdiction in the matter, such protested **or disputed** taxes would have earned if
75 they had been held and invested by the collector.

76 9. No appeal filed shall stay any order of refund, but the decision filed by any court of
77 last review modifying the circuit court's or state tax commission's determination pertaining to
78 the amount of refund shall be binding on the parties, and the decision rendered shall be complied
79 with by the party affected by any modification within ninety days of the date of such decision.
80 No taxpayer shall receive any interest on any additional award of refund, and the collector shall
81 not receive any interest on any ordered return of refund in whole or in part.

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,
the commission shall certify all ratios higher than thirty-one and two-thirds

13 percent at thirty-three and one-third percent. On and after January 1, 1998, if the
14 state tax commission, after performing the computation of equivalent sales ratio
15 for the county and recomputing such computation to ensure accuracy, finds that
16 such equivalent sales ratio for the county is less than or equal to thirty-one and
17 two-thirds percent, the state tax commission shall reduce the county's
18 reimbursement by fifteen percent the following year if it is not corrected by
19 subsequent action of the state tax commission.]

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