

## HB 2079 -- Property Taxation

Sponsor: Stream

This bill changes the laws regarding property taxation by requiring tax rate rollbacks by all political subdivisions in assessment years, changing the way voter-approved tax increases are applied to assessed values, changing the time line for assessment and appeal of property taxes, and increasing the eligibility and amount of the property tax credit. In its main provisions, the bill:

- (1) Increases the maximum property tax credit from \$750 to \$1,100 and extends the maximum and minimum base amounts for calendar year 2008 to all subsequent years;
- (2) Requires voter-approved property tax rate increases to be applied to a political subdivision's most recent total assessed valuation, as certified by the State Tax Commission on or before the date of the election. Every political subdivision in a reassessment year must roll back its prior year's tax rate regardless of whether the political subdivision was levying the tax at its tax rate ceiling. A political subdivision can modify its tax rate, not to exceed its maximum authorized voter-approved levy, through the adoption of an ordinance, resolution, or policy statement in a non-reassessment year;
- (3) Requires assessors for the City of St. Louis and all charter counties to notify taxpayers by May 31 of real property assessment increases and the county to provide an estimated tax liability for the property beginning January 1, 2009;
- (4) Requires assessors for noncharter counties to notify taxpayers by May 31 of real property assessment increases and the county to provide an estimated tax liability for the property beginning January 1, 2011;
- (5) Requires assessors to provide the city or county clerks with assessment books by March 1 of each year to assist with determining the estimated tax liability on properties with increased assessed valuations. The clerks must make abstracts of the assessment books showing the aggregate amount of different types of property and the valuation of each type for each political subdivision levying taxes on property;
- (6) Requires governing bodies of political subdivisions to informally project non-binding tax rate levies from the information provided in the abstracts and provide the projected levies to the clerk by April 15 of each year;

(7) Requires the county collector to calculate the projected tax liability for each property for which the assessor intends to provide a notice of increased assessed valuation by April 13 by utilizing the projected tax levies;

(8) Reduces a political subdivision's tax levy by 20% for the tax year if it fails to provide projected tax levies by April 15 unless the failure is a direct result of a delinquency in providing, or failure to provide, the required information by either the clerk or the assessor;

(9) Extends the requirement that certain counties and the City of St. Louis must deduct either 1/8 of 1% or 1/4 of 1% of all ad valorem property tax collections and deposit the amount into the county's assessment fund from December 31, 2009, to December 31, 2015. If the commission withholds state assessment reimbursement funds from a county for three consecutive quarters, the extra 1/8 of 1% or 1/4 of 1% collection revenues in the county assessment fund will be forfeited and returned by the county to the political subdivisions within the county;

(10) Changes the date that the St. Louis County Board of Equalization convenes from the first Monday in June to the second Monday in May;

(11) Requires the circuit court clerk to send the county collector a notice when a taxpayer timely files an appeal seeking exemption of a final decision of the local board of equalization. The notice must contain the taxpayer's name, the case number assigned by the court, and the parcel or locator number of the property being appealed. The notice to the collector must state that the taxes in dispute are to be impounded;

(12) Requires the commission to send the county collector a notice of appeal when a taxpayer timely files an appeal. The notice must contain the taxpayer's name, the appeal number assigned by the commission, the assessed value provided to the local board of equalization, and the assessed value proposed by the taxpayer if the values are available to the commission when the appeal is filed. The notice must also specifically state that the taxes in dispute are to be impounded; and if the notice is filed in an odd-numbered year, it will serve as notice to the collector to impound taxes for the following even-numbered year if no decision has been rendered in the appeal;

(13) Relieves a taxpayer from the requirement of filing a statement of protest if the taxpayer filed an appeal from a local board of equalization to the commission or circuit court;

(14) Changes several other provisions of law regarding the

notification of appeal of assessment and the impounding, investment, and refund of protested tax payments; and

(15) Repeals the requirement that the commission notify each school district of the equivalent sales ratio for the previous year which was adopted to determine the equalized assessed valuation of the property and the equalized operating levy of the school district for distributions under the old school foundation formula.