

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE JOINT RESOLUTION NO. 26
95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES JONES (89) (Sponsor), KRAUS, DIECKHAUS, GRISAMORE,
NIEVES, DUSENBERG AND SCHOELLER.

1464L.01I

D. ADAM CRUMBLISS, Chief Clerk

JOINT RESOLUTION

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

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

That at the next general election to be held in the state of Missouri, on Tuesday next following the first Monday in November, 2010, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for adoption or rejection, the following amendment to article X of the Constitution of the state of Missouri:

Section A. Section 6, article X, Constitution of Missouri, is repealed and one new section adopted in lieu thereof, to be known as section 6, to read as follows:

Section 6. 1. All property, real and personal, of the state, counties and other political subdivisions, and nonprofit cemeteries, shall be exempt from taxation; all personal property held as industrial inventories, including raw materials, work in progress and finished work on hand, by manufacturers and refiners, [and] all personal property held as goods, wares, merchandise, stock in trade or inventory for resale by distributors, wholesalers, or retail merchants or establishments, **and one motor vehicle licensed under the laws of this state which is owned by or leased to a veteran of the United States armed forces who has been awarded the purple heart medal or to such veteran's surviving unwed spouse** shall be exempt from taxation; and all property, real and personal, not held for private or corporate profit and used

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.

10 exclusively for religious worship, for schools and colleges, for purposes purely charitable, for
11 agricultural and horticultural societies, or for veterans' organizations may be exempted from
12 taxation by general law. In addition to the above, household goods, furniture, wearing apparel
13 and articles of personal use and adornment owned and used by a person in his home or dwelling
14 place may be exempt from taxation by general law but any such law may provide for
15 approximate restitution to the respective political subdivisions of revenues lost by reason of the
16 exemption. All laws exempting from taxation property other than the property enumerated in
17 this article, shall be void. The provisions of this section exempting certain personal property of
18 manufacturers, refiners, distributors, wholesalers, and retail merchants and establishments from
19 taxation shall become effective, unless otherwise provided by law, in each county on January 1
20 of the year in which that county completes its first general reassessment as defined by law.

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

40 3. Any increase in the tax rate imposed pursuant to subsection 2 of this section shall be
41 decreased if such decrease is approved by a majority of the voters of the county voting on such
42 decrease. A decrease in the increased tax rate imposed under subsection 2 of this section may
43 be submitted to the voters of a county by the governing body thereof upon its own order,
44 ordinance, or resolution and shall be submitted upon the petition of at least eight percent of the
45 qualified voters who voted in the immediately preceding gubernatorial election.

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

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