

**HOUSE** \_\_\_\_\_ **AMENDMENT NO.** \_\_\_\_\_**Offered By**

AMEND House Committee Substitute for Senate Committee Substitute for Senate Bill No. 808, Page 21,  
Section 94.832, Line 50, by inserting after all of said line the following:

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

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

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

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

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

1 relation to the revision of tax levies mandated by law, shall mean the revenues equal to the amount that  
2 would have been available if the voluntary rate reduction had not been made.

3 2. Whenever changes in assessed valuation are entered in the assessor's books for any personal  
4 property, in the aggregate, or for any subclass of real property as such subclasses are established in section  
5 4(b) of article X of the Missouri Constitution and defined in section 137.016, the county clerk in all  
6 counties and the assessor of St. Louis City shall notify each political subdivision wholly or partially  
7 within the county or St. Louis City of the change in valuation of each subclass of real property,  
8 individually, and personal property, in the aggregate, exclusive of new construction and improvements.  
9 All political subdivisions shall immediately revise the applicable rates of levy for each purpose for each  
10 subclass of real property, individually, and personal property, in the aggregate, for which taxes are levied  
11 to the extent necessary to produce from all taxable property, exclusive of new construction and  
12 improvements, substantially the same amount of tax revenue as was produced in the previous year for  
13 each subclass of real property, individually, and personal property, in the aggregate, except that the rate  
14 [may] shall not exceed the greater of the most recent voter-approved rate or the most recent voter-  
15 approved rate as adjusted under subdivision (2) of subsection 5 of this section. Any political subdivision  
16 that has received approval from voters for a tax increase after August 27, 2008, may levy a rate to collect  
17 substantially the same amount of tax revenue as the amount of revenue that would have been derived by  
18 applying the voter-approved increased tax rate ceiling to the total assessed valuation of the political  
19 subdivision as most recently certified by the city or county clerk on or before the date of the election in  
20 which such increase is approved, increased by the percentage increase in the consumer price index, as  
21 provided by law, except that the rate shall not exceed the greater of the most recent voter-approved rate or  
22 the most recent voter-approved rate as adjusted under subdivision (2) of subsection 5 of this section. Such  
23 tax revenue shall not include any receipts from ad valorem levies on any real property which was assessed  
24 by the assessor of a county or city in such previous year but is assessed by the assessor of a county or city  
25 in the current year in a different subclass of real property. Where the taxing authority is a school district  
26 for the purposes of revising the applicable rates of levy for each subclass of real property, the tax revenues  
27 from state-assessed railroad and utility property shall be apportioned and attributed to each subclass of  
28 real property based on the percentage of the total assessed valuation of the county that each subclass of  
29 real property represents in the current taxable year. As provided in section 22 of article X of the  
30 constitution, a political subdivision may also revise each levy to allow for inflationary assessment growth  
31 occurring within the political subdivision. The inflationary growth factor for any such subclass of real  
32 property or personal property shall be limited to the actual assessment growth in such subclass or class,  
33 exclusive of new construction and improvements, and exclusive of the assessed value on any real property  
34 which was assessed by the assessor of a county or city in the current year in a different subclass of real  
35 property, but not to exceed the consumer price index or five percent, whichever is lower. Should the tax  
36 revenue of a political subdivision from the various tax rates determined in this subsection be different than  
37 the tax revenue that would have been determined from a single tax rate as calculated pursuant to the  
38 method of calculation in this subsection prior to January 1, 2003, then the political subdivision shall revise  
39 the tax rates of those subclasses of real property, individually, and/or personal property, in the aggregate,

1 in which there is a tax rate reduction, pursuant to the provisions of this subsection. Such revision shall  
2 yield an amount equal to such difference and shall be apportioned among such subclasses of real property,  
3 individually, and/or personal property, in the aggregate, based on the relative assessed valuation of the  
4 class or subclasses of property experiencing a tax rate reduction. Such revision in the tax rates of each  
5 class or subclass shall be made by computing the percentage of current year adjusted assessed valuation of  
6 each class or subclass with a tax rate reduction to the total current year adjusted assessed valuation of the  
7 class or subclasses with a tax rate reduction, multiplying the resulting percentages by the revenue  
8 difference between the single rate calculation and the calculations pursuant to this subsection and dividing  
9 by the respective adjusted current year assessed valuation of each class or subclass to determine the  
10 adjustment to the rate to be levied upon each class or subclass of property. The adjustment computed  
11 herein shall be multiplied by one hundred, rounded to four decimals in the manner provided in this  
12 subsection, and added to the initial rate computed for each class or subclass of property. Notwithstanding  
13 any provision of this subsection to the contrary, no revision to the rate of levy for personal property shall  
14 cause such levy to increase over the levy for personal property from the prior year.

15 3. (1) Where the taxing authority is a school district, it shall be required to revise the rates of  
16 levy to the extent necessary to produce from all taxable property, including state-assessed railroad and  
17 utility property, which shall be separately estimated in addition to other data required in complying with  
18 section 164.011, RSMo, substantially the amount of tax revenue permitted in this section. In the year  
19 following tax rate reduction, the tax rate ceiling may be adjusted to offset such district's reduction in the  
20 apportionment of state school moneys due to its reduced tax rate. However, in the event any school  
21 district, in calculating a tax rate ceiling pursuant to this section, requiring the estimating of effects of  
22 state-assessed railroad and utility valuation or loss of state aid, discovers that the estimates used result in  
23 receipt of excess revenues, which would have required a lower rate if the actual information had been  
24 known, the school district shall reduce the tax rate ceiling in the following year to compensate for the  
25 excess receipts, and the recalculated rate shall become the tax rate ceiling for purposes of this section.

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

30 (a) Such political subdivision may revise the tax rate ceiling for each purpose it levies taxes to  
31 compensate for the reduction in assessed value occurring after the political subdivision calculated the tax  
32 rate ceiling for the particular subclass of real property or for personal property, in the aggregate, in a prior  
33 year. Such revision by the political subdivision shall be made at the time of the next calculation of the tax  
34 rate for the particular subclass of real property or for personal property, in the aggregate, after the  
35 reduction in assessed valuation has been determined and shall be calculated in a manner that results in the  
36 revised tax rate ceiling being the same as it would have been had the corrected or finalized assessment  
37 been available at the time of the prior calculation;

38 (b) In addition, for up to three years following the determination of the reduction in assessed  
39 valuation as a result of circumstances defined in this subdivision, such political subdivision may levy a tax

1 rate for each purpose it levies taxes above the revised tax rate ceiling provided in paragraph (a) of this  
2 subdivision to recoup any revenues it was entitled to receive had the corrected or finalized assessment  
3 been available at the time of the prior calculation.

4 4. (1) In order to implement the provisions of this section and section 22 of article X of the  
5 Constitution of Missouri, the term "improvements" shall apply to both real and personal property. In  
6 order to determine the value of new construction and improvements, each county assessor shall maintain a  
7 record of real property valuations in such a manner as to identify each year the increase in valuation for  
8 each political subdivision in the county as a result of new construction and improvements. The value of  
9 new construction and improvements shall include the additional assessed value of all improvements or  
10 additions to real property which were begun after and were not part of the prior year's assessment, except  
11 that the additional assessed value of all improvements or additions to real property which had been totally  
12 or partially exempt from ad valorem taxes pursuant to sections 99.800 to 99.865, RSMo, sections 135.200  
13 to 135.255, RSMo, and section 353.110, RSMo, shall be included in the value of new construction and  
14 improvements when the property becomes totally or partially subject to assessment and payment of all ad  
15 valorem taxes. The aggregate increase in valuation of personal property for the current year over that of  
16 the previous year is the equivalent of the new construction and improvements factor for personal property.  
17 Notwithstanding any opt-out implemented pursuant to subsection 15 of section 137.115, the assessor shall  
18 certify the amount of new construction and improvements and the amount of assessed value on any real  
19 property which was assessed by the assessor of a county or city in such previous year but is assessed by  
20 the assessor of a county or city in the current year in a different subclass of real property separately for  
21 each of the three subclasses of real property for each political subdivision to the county clerk in order that  
22 political subdivisions shall have this information for the purpose of calculating tax rates pursuant to this  
23 section and section 22, article X, Constitution of Missouri. In addition, the state tax commission shall  
24 certify each year to each county clerk the increase in the general price level as measured by the Consumer  
25 Price Index for All Urban Consumers for the United States, or its successor publications, as defined and  
26 officially reported by the United States Department of Labor, or its successor agency. The state tax  
27 commission shall certify the increase in such index on the latest twelve-month basis available on February  
28 first of each year over the immediately preceding prior twelve-month period in order that political  
29 subdivisions shall have this information available in setting their tax rates according to law and section 22  
30 of article X of the Constitution of Missouri. For purposes of implementing the provisions of this section  
31 and section 22 of article X of the Missouri Constitution, the term "property" means all taxable property,  
32 including state-assessed property.

33 (2) Each political subdivision required to revise rates of levy pursuant to this section or section  
34 22 of article X of the Constitution of Missouri shall calculate each tax rate it is authorized to levy and, in  
35 establishing each tax rate, shall consider each provision for tax rate revision provided in this section and  
36 section 22 of article X of the Constitution of Missouri, separately and without regard to annual tax rate  
37 reductions provided in section 67.505, RSMo, and section 164.013, RSMo. Each political subdivision  
38 shall set each tax rate it is authorized to levy using the calculation that produces the lowest tax rate  
39 ceiling. It is further the intent of the general assembly, pursuant to the authority of section 10(c) of article

X of the Constitution of Missouri, that the provisions of such section be applicable to tax rate revisions mandated pursuant to section 22 of article X of the Constitution of Missouri as to reestablishing tax rates as revised in subsequent years, enforcement provisions, and other provisions not in conflict with section 22 of article X of the Constitution of Missouri. Annual tax rate reductions provided in section 67.505, RSMo, and section 164.013, RSMo, shall be applied to the tax rate as established pursuant to this section and section 22 of article X of the Constitution of Missouri, unless otherwise provided by law.

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

(2) When voters approve an increase in the tax rate, the amount of the increase shall be added to the tax rate ceiling as calculated pursuant to this section to the extent the total rate does not exceed any maximum rate prescribed by law. If a ballot question presents a stated tax rate for approval rather than describing the amount of increase in the question, the stated tax rate approved shall be adjusted as provided in this section and, so adjusted, shall be the current tax rate ceiling. The increased tax rate ceiling as approved shall be adjusted such that when applied to the current total assessed valuation of the political subdivision, excluding new construction and improvements since the date of the election approving such increase, the revenue derived from the adjusted tax rate ceiling is equal to the sum of: the amount of revenue which would have been derived by applying the voter-approved increased tax rate ceiling to total assessed valuation of the political subdivision, as most recently certified by the city or county clerk on or before the date of the election in which such increase is approved, increased by the percentage increase in the consumer price index, as provided by law. Such adjusted tax rate ceiling may be applied to the total assessed valuation of the political subdivision at the setting of the next tax rate. If a ballot question presents a phased-in tax rate increase, upon voter approval, each tax rate increase shall be adjusted in the manner prescribed in this section to yield the sum of: the amount of revenue that would be derived by applying such voter-approved increased rate to the total assessed valuation, as most recently certified by the city or county clerk on or before the date of the election in which such increase was approved, increased by the percentage increase in the consumer price index, as provided by law, from the date of the election to the time of such increase and, so adjusted, shall be the current tax rate ceiling.

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

(4) In a year of general reassessment, a governing body whose tax rate is lower than its tax rate ceiling shall revise its tax rate pursuant to the provisions of subsection 4 of this section as if its tax rate was at the tax rate ceiling. In a year following general reassessment, if such governing body intends to

1 increase its tax rate, the governing body shall conduct a public hearing, and in a public meeting it shall  
2 adopt an ordinance, resolution, or policy statement justifying its action prior to setting and certifying its  
3 tax rate. The provisions of this subdivision shall not apply to any political subdivision which levies a tax  
4 rate lower than its tax rate ceiling solely due to a reduction required by law resulting from sales tax  
5 collections. The provisions of this subdivision shall not apply to any political subdivision which has  
6 received voter approval for an increase to its tax rate ceiling subsequent to setting its most recent tax rate.

7 6. (1) For the purposes of calculating state aid for public schools pursuant to section 163.031,  
8 RSMo, each taxing authority which is a school district shall determine its proposed tax rate as a blended  
9 rate of the classes or subclasses of property. Such blended rate shall be calculated by first determining the  
10 total tax revenue of the property within the jurisdiction of the taxing authority, which amount shall be  
11 equal to the sum of the products of multiplying the assessed valuation of each class and subclass of  
12 property by the corresponding tax rate for such class or subclass, then dividing the total tax revenue by the  
13 total assessed valuation of the same jurisdiction, and then multiplying the resulting quotient by a factor of  
14 one hundred. Where the taxing authority is a school district, such blended rate shall also be used by such  
15 school district for calculating revenue from state-assessed railroad and utility property as defined in  
16 chapter 151, RSMo, and for apportioning the tax rate by purpose.

17 (2) Each taxing authority proposing to levy a tax rate in any year shall notify the clerk of the  
18 county commission in the county or counties where the tax rate applies of its tax rate ceiling and its  
19 proposed tax rate. Each taxing authority shall express its proposed tax rate in a fraction equal to the  
20 nearest one-tenth of a cent, unless its proposed tax rate is in excess of one dollar, then one/one-hundredth  
21 of a cent. If a taxing authority shall round to one/one-hundredth of a cent, it shall round up a fraction  
22 greater than or equal to five/one-thousandth of one cent to the next higher one/one-hundredth of a cent; if  
23 a taxing authority shall round to one-tenth of a cent, it shall round up a fraction greater than or equal to  
24 five/one-hundredths of a cent to the next higher one-tenth of a cent. Any taxing authority levying a  
25 property tax rate shall provide data, in such form as shall be prescribed by the state auditor by rule,  
26 substantiating such tax rate complies with Missouri law. All forms for the calculation of rates pursuant to  
27 this section shall be promulgated as a rule and shall not be incorporated by reference. The state auditor  
28 shall promulgate rules for any and all forms for the calculation of rates pursuant to this section which do  
29 not currently exist in rule form or that have been incorporated by reference. In addition, each taxing  
30 authority proposing to levy a tax rate for debt service shall provide data, in such form as shall be  
31 prescribed by the state auditor by rule, substantiating the tax rate for debt service complies with Missouri  
32 law. A tax rate proposed for annual debt service requirements will be prima facie valid if, after making  
33 the payment for which the tax was levied, bonds remain outstanding and the debt fund reserves do not  
34 exceed the following year's payments. The county clerk shall keep on file and available for public  
35 inspection all such information for a period of three years. The clerk shall, within three days of receipt,  
36 forward a copy of the notice of a taxing authority's tax rate ceiling and proposed tax rate and any  
37 substantiating data to the state auditor. The state auditor shall, within fifteen days of the date of receipt,  
38 examine such information and return to the county clerk his or her findings as to compliance of the tax  
39 rate ceiling with this section and as to compliance of any proposed tax rate for debt service with Missouri

1 law. If the state auditor believes that a taxing authority's proposed tax rate does not comply with Missouri  
2 law, then the state auditor's findings shall include a recalculated tax rate, and the state auditor may request  
3 a taxing authority to submit documentation supporting such taxing authority's proposed tax rate. The  
4 county clerk shall immediately forward a copy of the auditor's findings to the taxing authority and shall  
5 file a copy of the findings with the information received from the taxing authority. The taxing authority  
6 shall have fifteen days from the date of receipt from the county clerk of the state auditor's findings and any  
7 request for supporting documentation to accept or reject in writing the rate change certified by the state  
8 auditor and to submit all requested information to the state auditor. A copy of the taxing authority's  
9 acceptance or rejection and any information submitted to the state auditor shall also be mailed to the  
10 county clerk. If a taxing authority rejects a rate change certified by the state auditor and the state auditor  
11 does not receive supporting information which justifies the taxing authority's original or any subsequent  
12 proposed tax rate, then the state auditor shall refer the perceived violations of such taxing authority to the  
13 attorney general's office and the attorney general is authorized to obtain injunctive relief to prevent the  
14 taxing authority from levying a violative tax rate.

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

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

37 9. If in any action, including a class action, the court issues an order requiring a taxing authority  
38 to revise the tax rates as provided in this section or enjoins a taxing authority from the collection of a tax  
39 because of its failure to revise the rate of levy as provided in this section, any taxpayer paying his or her

1 taxes when an improper rate is applied has erroneously paid his or her taxes in part, whether or not the  
2 taxes are paid under protest as provided in section 139.031, RSMo, or otherwise contested. The part of  
3 the taxes paid erroneously is the difference in the amount produced by the original levy and the amount  
4 produced by the revised levy. The township or county collector of taxes or the collector of taxes in any  
5 city shall refund the amount of the tax erroneously paid. The taxing authority refusing to revise the rate of  
6 levy as provided in this section shall make available to the collector all funds necessary to make refunds  
7 pursuant to this subsection. No taxpayer shall receive any interest on any money erroneously paid by him  
8 or her pursuant to this subsection. Effective in the 1994 tax year, nothing in this section shall be  
9 construed to require a taxing authority to refund any tax erroneously paid prior to or during the third tax  
10 year preceding the current tax year.

11 10. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo, that is created  
12 under the authority delegated in this section shall become effective only if it complies with and is subject  
13 to all of the provisions of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section  
14 and chapter 536, RSMo, are nonseverable and if any of the powers vested with the general assembly  
15 pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and annul a rule  
16 are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or  
17 adopted after August 28, 2004, shall be invalid and void.”; and

18  
19 Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.