

SECOND REGULAR SESSION  
SENATE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 1392**  
**95TH GENERAL ASSEMBLY**

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Reported from the Committee on Jobs, Economic Development and Local Government, April 15, 2010, with recommendation that the Senate Committee Substitute do pass and be placed on the Consent Calendar.

3042S.03C

TERRY L. SPIELER, Secretary.

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**AN ACT**

To repeal sections 67.110, 138.431, and 321.250, RSMo, and to enact in lieu thereof three new sections relating to property taxes.

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

Section A. Sections 67.110, 138.431, and 321.250, RSMo, are repealed and  
2 three new sections enacted in lieu thereof, to be known as sections 67.110,  
3 138.431, and 321.250, to read as follows:

67.110. 1. Each political subdivision in the state, except counties and any  
2 political subdivision located at least partially within any county with a charter  
3 form of government or any political subdivision located at least partially within  
4 any city not within a county, shall fix its ad valorem property tax rates as  
5 provided in this section not later than September first for entry in the tax  
6 books. Each political subdivision located, at least partially, within a county with  
7 a charter form of government or within a city not within a county shall fix its ad  
8 valorem property tax rates as provided in this section not later than October first  
9 for entry in the tax books for each calendar year after December 31, 2008. Before  
10 the governing body of each political subdivision of the state, except counties, as  
11 defined in section 70.120, RSMo, fixes its rate of taxation, its budget officer shall  
12 present to its governing body the following information for each tax rate to be  
13 levied: the assessed valuation by category of real, personal and other tangible  
14 property in the political subdivision as entered in the tax book for the fiscal year  
15 for which the tax is to be levied, as provided by subsection 3 of section 137.245,  
16 RSMo, the assessed valuation by category of real, personal and other tangible  
17 property in the political subdivisions for the preceding taxable year, the amount

**EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

18 of revenue required to be provided from the property tax as set forth in the  
19 annual budget adopted as provided by this chapter, and the tax rate proposed to  
20 be set. Should any political subdivision whose taxes are collected by the county  
21 collector of revenue fail to fix its ad valorem property tax rate by [September  
22 first] **the date provided under this section for such political subdivision**,  
23 then no tax rate other than the rate, if any, necessary to pay the interest and  
24 principal on any outstanding bonds shall be certified for that year.

25         2. The governing body shall hold at least one public hearing on the  
26 proposed rates of taxes at which citizens shall be heard prior to their  
27 approval. The governing body shall determine the time and place for such  
28 hearing. A notice stating the hour, date and place of the hearing shall be  
29 published in at least one newspaper qualified under the laws of the state of  
30 Missouri of general circulation in the county within which all or the largest  
31 portion of the political subdivision is situated, or such notice shall be posted in  
32 at least three public places within the political subdivision; except that, in any  
33 county of the first class having a charter form of government, such notice may be  
34 published in a newspaper of general circulation within the political subdivision  
35 even though such newspaper is not qualified under the laws of Missouri for other  
36 legal notices. Such notice shall be published or posted at least seven days prior  
37 to the date of the hearing. The notice shall include the assessed valuation by  
38 category of real, personal and other tangible property in the political subdivision  
39 for the fiscal year for which the tax is to be levied as provided by subsection 3 of  
40 section 137.245, RSMo, the assessed valuation by category of real, personal and  
41 other tangible property in the political subdivision for the preceding taxable year,  
42 for each rate to be levied the amount of revenue required to be provided from the  
43 property tax as set forth in the annual budget adopted as provided by this  
44 chapter, and the tax rates proposed to be set for the various purposes of  
45 taxation. The tax rates shall be calculated to produce substantially the same  
46 revenues as required in the annual budget adopted as provided in this  
47 chapter. Following the hearing the governing body of each political subdivision  
48 shall fix the rates of taxes, the same to be entered in the tax book. Failure of any  
49 taxpayer to appear at such hearing shall not prevent the taxpayer from pursuit  
50 of any other legal remedy otherwise available to the taxpayer. Nothing in this  
51 section absolves political subdivisions of responsibilities under section 137.073,  
52 RSMo, nor to adjust tax rates in event changes in assessed valuation occur that  
53 would alter the tax rate calculations.

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

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

138.431. 1. To hear and decide appeals pursuant to section 138.430, the  
2 commission shall appoint one or more hearing officers. The hearing officers shall  
3 be subject to supervision by the commission. No person shall participate on  
4 behalf of the commission in any case in which such person is an interested party.

5           2. The commission may assign such appeals as it deems fit to a hearing  
6 officer for disposition.

7           **(1) The assignment shall be deemed made when the scheduling**  
8 **order is first issued by the commission and signed by the hearing**  
9 **officer assigned, unless another hearing officer is assigned to the case**  
10 **for disposition by other language in said order.**

11           **(2) A change of hearing officer, or a reservation of the appeal for**  
12 **disposition as described in subsection 3 of this section, shall be ordered**  
13 **by the commission in any appeal upon the timely filing of a written**  
14 **application by a party to disqualify the hearing officer assigned. The**  
15 **application shall be filed within thirty days from the assignment of any**  
16 **appeal to a hearing officer and need not allege or prove any cause for**  
17 **such change and need not be verified. No more than one change of**  
18 **hearing officer shall be allowed for each party in any appeal.**

19           3. The commission may, in its discretion, reserve such appeals as it deems  
20 fit to be heard and decided by the full commission, a quorum thereof, or any  
21 commissioner, subject to the provisions of section 138.240, and, in such case, the  
22 decision shall be final, subject to judicial review in the manner provided in  
23 subsection 4 of section 138.470.

24           **[3.] 4. The manner in which appeals shall be presented and the conduct**  
25 **of hearings shall be made in accordance with rules prescribed by the commission**

26 for determining the rights of the parties; provided that, the commission, with the  
27 consent of all the parties, may refer an appeal to mediation. The commission  
28 shall promulgate regulations for mediation pursuant to this section. No  
29 regulation or portion of a regulation promulgated pursuant to the authority of  
30 this section shall become effective unless it has been promulgated pursuant to the  
31 provisions of chapter 536, RSMo. There shall be no presumption that the  
32 assessor's valuation is correct. A full and complete record shall be kept of all  
33 proceedings. All testimony at any hearing shall be recorded but need not be  
34 transcribed unless the matter is further appealed.

35       [4.] 5. Unless an appeal is voluntarily dismissed, a hearing officer, after  
36 affording the parties reasonable opportunity for fair hearing, shall issue a  
37 decision and order affirming, modifying, or reversing the determination of the  
38 board of equalization, and correcting any assessment which is unlawful, unfair,  
39 improper, arbitrary, or capricious. The commission may, prior to the decision  
40 being rendered, transfer to another hearing officer the proceedings on an appeal  
41 determination before a hearing officer. The complainant, respondent-assessor, or  
42 other party shall be duly notified of a hearing officer's decision and order,  
43 together with findings of fact and conclusions of law. Appeals from decisions of  
44 hearing officers shall be made pursuant to section 138.432.

45       [5.] 6. All decisions issued pursuant to this section or section 138.432 by  
46 the commission or any of its duly assigned hearing officers shall be issued no  
47 later than sixty days after the hearing on the matter to be decided is held or the  
48 date on which the last party involved in such matter files his or her brief,  
49 whichever event later occurs.

321.250. On or before the [first day of September] **applicable date**  
2 **required under section 67.110** of each year, the board shall certify to the  
3 county commission of each county within which the district is located a rate of  
4 levy so fixed by the board as provided by law, with directions that at the time and  
5 in the manner required by law for levy of taxes for county purposes such county  
6 commissions shall levy a tax at the rate so fixed and determined upon the  
7 assessed valuation of all the taxable tangible property within the district, in  
8 addition to such other taxes as may be levied by such county commissions.

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