FIRST EXTRAORDINARY SESSION

HOUSE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 5

96TH GENERAL ASSEMBLY

0002L.04C D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 137, RSMo, by adding thereto one new section relating to property tax assessment reduction due to natural disasters, with an emergency clause.

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

Section A. Chapter 137, RSMo, is amended by adding thereto one new section, to be known as section 137.081, to read as follows:

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

(1) "Certificate of occupancy", the certificate, permit, or equivalent document issued by the county that permits the commercial use or occupancy of a building or structure used for commercial purposes;

(2) "Commercial real property", any real property assessed as utility, industrial, commercial, railroad and other real property by the assessor for property tax purposes under section 137.016;

(3) "Commercial real property improvement", any buildings, structures, fixtures, and similar edifice as described in subdivision (3) of section 137.010 which are on and a part of commercial real property;

(4) "Natural disaster", any disaster due to natural causes such as tornado, fire, flood, or earthquake;

(5) "County", any county or city not within a county.

2. If a property owner makes an application under this section, any commercial real property improvement destroyed by a natural disaster shall be removed on a pro rata basis from the tax book for the current year if such property improvement is unusable due to such destruction. If such application is made before the first day of July, the county assessor shall carry out the duties of subsections 2 and 3 of this section. If such application

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.

is made on or after July first, the county board of equalization shall carry out the duties of subsections 2 and 3 of this section. In counties that are not of the first classification, if the destruction occurs after the adjournment of the county board of equalization, the county commission shall perform such duties.

3. Upon issuance of a certificate of occupancy for the improvement to a property removed from the tax book under subsection 2 of this section by the county, the property shall be assessed and taxed on such assessed valuation as of the first day of the month for the proportionate part of the remaining year at the tax rates established for that year in all taxing jurisdictions located in the county adopting this section. If the property is located within a county that does not issue a certificate of occupancy, upon the determination of the assessor that the improvement is suitable for use or occupancy for commercial purposes, the property shall be assessed and taxed on such assessed valuation as of the first day of the month for the proportionate part of the remaining year at the tax rates established for that year in all taxing jurisdictions located in the county adopting this section.

4. Any person claiming destroyed property shall provide a list of such destroyed property to the county assessor. The assessor shall make available a supply of appropriate forms on which the claim shall be made. The assessor may verify all such destroyed property listed to ensure that the person made a correct statement. Any person who completes such a list and, with intent to defraud, includes property on the list that was not destroyed by a natural disaster shall be assessed double the value of any property fraudulently listed, in addition to any other penalties provided by law. The list shall be filed by the assessor, after the assessor has provided a copy of the list to the county collector and the board of equalization or county commission, in the office of the county clerk who, after entering the filing thereof, shall preserve and safely keep it.

5. Any political subdivision may recover all loss of revenue resulting from the provisions of this section by adjusting the rate of taxation, to the extent previously authorized by the voters of such political subdivision, for the tax year immediately following the year of such destruction in an amount not to exceed the loss of revenue caused by this section.

6. For any tax year, including 2011, this section shall become effective immediately upon the adoption of this section by the governing body of such county and shall apply to such tax year and shall remain effective until the end of the tax year in which the governing body of such county votes to repeal the provisions of this section. Any improvement that was removed from the tax book under the provisions of this section prior to the time of

repeal by the governing body of such county shall be assessed and taxed at such time as the requirements of subsection 3 of this section have been satisfied.

Section B. Because immediate action is necessary to provide tax relief as the result of the recent natural disasters in this state, this act is deemed necessary for the immediate preservation of the public health, welfare, peace, and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and this act shall be in full force and effect upon its passage and approval.