

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Substitute for Senate Committee Substitute for Senate Bill No. 823,
2 Page 1, in the Title, Line 3, by deleting the phrase "sales tax" and inserting in lieu thereof the word
3 "taxation"; and
4

5 Further amend said bill and page, Section A, Line 3, by inserting immediately after all of said line
6 the following:
7

8 "137.115. 1. All other laws to the contrary notwithstanding, the assessor or the assessor's
9 deputies in all counties of this state including the city of St. Louis shall annually make a list of all
10 real and tangible personal property taxable in the assessor's city, county, town or district. Except as
11 otherwise provided in subsection 3 of this section and section 137.078, the assessor shall annually
12 assess all personal property at thirty-three and one-third percent of its true value in money as of
13 January first of each calendar year. The assessor shall annually assess all real property, including
14 any new construction and improvements to real property, and possessory interests in real property at
15 the [percent] percentage of its true value in money set in subsection 5 of this section. The true value
16 in money of any possessory interest in real property in subclass (3), where such real property is on
17 or lies within the ultimate airport boundary as shown by a federal airport layout plan, as defined by
18 14 CFR 151.5, of a commercial airport having a FAR Part 139 certification and owned by a political
19 subdivision, shall be the otherwise applicable true value in money of any such possessory interest in
20 real property, less the total dollar amount of costs paid by a party, other than the political
21 subdivision, towards any new construction or improvements on such real property completed after
22 January 1, 2008, and which are included in the above-mentioned possessory interest, regardless of
23 the year in which such costs were incurred or whether such costs were considered in any prior year.
24 The assessor shall annually assess all real property in the following manner: new assessed values
25 shall be determined as of January first of each odd-numbered year and shall be entered in the
26 assessor's books; those same assessed values shall apply in the following even-numbered year,
27 except for new construction and property improvements which shall be valued as though they had
28 been completed as of January first of the preceding odd-numbered year. The assessor may call at
29 the office, place of doing business, or residence of each person required by this chapter to list
30 property, and require the person to make a correct statement of all taxable tangible personal property
31 owned by the person or under his or her care, charge or management, taxable in the county. On or
32 before January first of each even-numbered year, the assessor shall prepare and submit a two-year
33 assessment maintenance plan to the county governing body and the state tax commission for their
34 respective approval or modification. The county governing body shall approve and forward such
35 plan or its alternative to the plan to the state tax commission by February first. If the county
36 governing body fails to forward the plan or its alternative to the plan to the state tax commission by

Standing Action Taken _____ Date _____

Select Action Taken _____ Date _____

February first, the assessor's plan shall be considered approved by the county governing body. If the state tax commission fails to approve a plan and if the state tax commission and the assessor and the governing body of the county involved are unable to resolve the differences, in order to receive state cost-share funds outlined in section 137.750, the county or the assessor shall petition the administrative hearing commission, by May first, to decide all matters in dispute regarding the assessment maintenance plan. Upon agreement of the parties, the matter may be stayed while the parties proceed with mediation or arbitration upon terms agreed to by the parties. The final decision of the administrative hearing commission shall be subject to judicial review in the circuit court of the county involved. In the event a valuation of subclass (1) real property within any county with a charter form of government, or within a city not within a county, is made by a computer, computer-assisted method or a computer program, the burden of proof, supported by clear, convincing and cogent evidence to sustain such valuation, shall be on the assessor at any hearing or appeal. In any such county, unless the assessor proves otherwise, there shall be a presumption that the assessment was made by a computer, computer-assisted method or a computer program. Such evidence shall include, but shall not be limited to, the following:

(1) The findings of the assessor based on an appraisal of the property by generally accepted appraisal techniques; and

(2) The purchase prices from sales of at least three comparable properties and the address or location thereof. As used in this subdivision, the word "comparable" means that:

(a) Such sale was closed at a date relevant to the property valuation; and

(b) Such properties are not more than one mile from the site of the disputed property, except where no similar properties exist within one mile of the disputed property, the nearest comparable property shall be used. Such property shall be within five hundred square feet in size of the disputed property, and resemble the disputed property in age, floor plan, number of rooms, and other relevant characteristics.

2. Assessors in each county of this state and the city of St. Louis may send personal property assessment forms through the mail.

3. The following items of personal property shall each constitute separate subclasses of tangible personal property and shall be assessed and valued for the purposes of taxation at the following percentages of their true value in money:

(1) Grain and other agricultural crops in an unmanufactured condition, one-half of one percent;

(2) Livestock, twelve percent;

(3) Farm machinery, twelve percent;

(4) Motor vehicles which are eligible for registration as and are registered as historic motor vehicles pursuant to section 301.131 and aircraft which are at least twenty-five years old and which are used solely for noncommercial purposes and are operated less than fifty hours per year or aircraft that are home built from a kit, five percent;

(5) Poultry, twelve percent; and

(6) Tools and equipment used for pollution control and tools and equipment used in retooling for the purpose of introducing new product lines or used for making improvements to existing products by any company which is located in a state enterprise zone and which is identified by any standard industrial classification number cited in subdivision [(6)] (5) of section 135.200, twenty-five percent.

4. The person listing the property shall enter a true and correct statement of the property, in a printed blank prepared for that purpose. The statement, after being filled out, shall be signed and either affirmed or sworn to as provided in section 137.155. The list shall then be delivered to the assessor.

1 5. All subclasses of real property, as such subclasses are established in Section 4(b) of
2 Article X of the Missouri Constitution and defined in section 137.016, shall be assessed at the
3 following percentages of true value:

- 4 (1) For real property in subclass (1), nineteen percent;
5 (2) For real property in subclass (2), twelve percent; and
6 (3) For real property in subclass (3), thirty-two percent.

7 6. Manufactured homes, as defined in section 700.010, which are actually used as dwelling
8 units shall be assessed at the same percentage of true value as residential real property for the
9 purpose of taxation. The percentage of assessment of true value for such manufactured homes shall
10 be the same as for residential real property. If the county collector cannot identify or find the
11 manufactured home when attempting to attach the manufactured home for payment of taxes owed
12 by the manufactured home owner, the county collector may request the county commission to have
13 the manufactured home removed from the tax books, and such request shall be granted within thirty
14 days after the request is made; however, the removal from the tax books does not remove the tax
15 lien on the manufactured home if it is later identified or found. For purposes of this section, a
16 manufactured home located in a manufactured home rental park, rental community or on real estate
17 not owned by the manufactured home owner shall be considered personal property. For purposes of
18 this section, a manufactured home located on real estate owned by the manufactured home owner
19 may be considered real property.

20 7. Each manufactured home assessed shall be considered a parcel for the purpose of
21 reimbursement pursuant to section 137.750, unless the manufactured home is deemed to be real
22 estate [as defined in] under subsection 7 of section 442.015 and assessed as a realty improvement to
23 the existing real estate parcel.

24 8. Any amount of tax due and owing based on the assessment of a manufactured home shall
25 be included on the personal property tax statement of the manufactured home owner unless the
26 manufactured home is deemed to be real estate [as defined in] under subsection 7 of section
27 442.015, in which case the amount of tax due and owing on the assessment of the manufactured
28 home as a realty improvement to the existing real estate parcel shall be included on the real property
29 tax statement of the real estate owner.

30 9. The assessor of each county and each city not within a county shall use the trade-in value
31 published in the October issue of the National Automobile Dealers' Association Official Used Car
32 Guide, or its successor publication, as the recommended guide of information for determining the
33 true value of motor vehicles described in such publication. The assessor shall not use a value that is
34 greater than the average trade-in value in determining the true value of the motor vehicle without
35 performing a physical inspection of the motor vehicle. For vehicles two years old or newer from a
36 vehicle's model year, the assessor may use a value other than average without performing a physical
37 inspection of the motor vehicle. In the absence of a listing for a particular motor vehicle in such
38 publication, the assessor shall use such information or publications which in the assessor's judgment
39 will fairly estimate the true value in money of the motor vehicle.

40 10. Before the assessor may increase the assessed valuation of any parcel of subclass (1)
41 real property by more than fifteen percent since the last assessment, excluding increases due to new
42 construction or improvements, the assessor shall conduct a physical inspection of such property.

43 11. If a physical inspection is required, pursuant to subsection 10 of this section, the
44 assessor shall notify the property owner of that fact in writing and shall provide the owner clear
45 written notice of the owner's rights relating to the physical inspection. If a physical inspection is
46 required, the property owner may request that an interior inspection be performed during the
47 physical inspection. The owner shall have no less than thirty days to notify the assessor of a request
48 for an interior physical inspection.

12. A physical inspection, as required by subsection 10 of this section, shall include, but not be limited to, an on-site personal observation and review of all exterior portions of the land and any buildings and improvements to which the inspector has or may reasonably and lawfully gain external access, and shall include an observation and review of the interior of any buildings or improvements on the property upon the timely request of the owner pursuant to subsection 11 of this section. Mere observation of the property via a drive-by inspection or the like shall not be considered sufficient to constitute a physical inspection as required by this section.

13. The provisions of subsections 11 and 12 of this section shall only apply in any county with a charter form of government with more than one million inhabitants.

14. A county or city collector may accept credit cards as proper form of payment of outstanding property tax or license due. No county or city collector may charge surcharge for payment by credit card which exceeds the fee or surcharge charged by the credit card bank, processor, or issuer for its service. A county or city collector may accept payment by electronic transfers of funds in payment of any tax or license and charge the person making such payment a fee equal to the fee charged the county by the bank, processor, or issuer of such electronic payment.

15. Any county or city not within a county in this state may, by an affirmative vote of the governing body of such county, opt out of the provisions of this section and sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first general assembly, second regular session and section 137.073 as modified by house committee substitute for senate substitute for senate committee substitute for senate bill no. 960, ninety-second general assembly, second regular session, for the next year of the general reassessment, prior to January first of any year. No county or city not within a county shall exercise this opt-out provision after implementing the provisions of this section and sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first general assembly, second regular session and section 137.073 as modified by house committee substitute for senate substitute for senate committee substitute for senate bill no. 960, ninety-second general assembly, second regular session, in a year of general reassessment. For the purposes of applying the provisions of this subsection, a political subdivision contained within two or more counties where at least one of such counties has opted out and at least one of such counties has not opted out shall calculate a single tax rate as in effect prior to the enactment of house bill no. 1150 of the ninety-first general assembly, second regular session. A governing body of a city not within a county or a county that has opted out under the provisions of this subsection may choose to implement the provisions of this section and sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first general assembly, second regular session, and section 137.073 as modified by house committee substitute for senate substitute for senate committee substitute for senate bill no. 960, ninety-second general assembly, second regular session, for the next year of general reassessment, by an affirmative vote of the governing body prior to December thirty-first of any year.

16. The governing body of any city of the third classification with more than twenty-six thousand three hundred but fewer than twenty-six thousand seven hundred inhabitants located in any county that has exercised its authority to opt out under subsection 15 of this section may levy separate and differing tax rates for real and personal property only if such city bills and collects its own property taxes or satisfies the entire cost of the billing and collection of such separate and differing tax rates. Such separate and differing rates shall not exceed such city's tax rate ceiling.

17. (1) As used in this subsection, the following terms mean:

(a) "Disabled", totally and permanently disabled or blind and receiving federal Social Security disability benefits, federal supplemental security income benefits, Veterans Affairs disability compensation, state blind pension under sections 209.010 to 209.160, state aid to blind persons under section 209.240, or state supplemental payments under section 208.030;

1 (b) "Maximum upper limit", in the calendar year 2015, the federal adjusted gross income
 2 sum of sixty thousand dollars for taxpayers with single filing status and sixty-eight thousand dollars
 3 for taxpayers with married filing jointly status. In each successive calendar year, this amount shall
 4 be raised by the incremental increase in the general price level as defined under article X, section 17
 5 of the Constitution of Missouri;

6 (c) "Principal residence", real property owned and occupied by or held in trust for a
 7 qualified taxpayer, or real property jointly owned and occupied by or held in trust for any
 8 individuals, any of whom is a qualified taxpayer;

9 (d) "Qualified taxpayer", any individual who:

10 a. Owns and occupies a principal residence, or who, as grantor, has transferred ownership of
 11 his or her principal residence into a living trust and occupies the principal residence;

12 b. Is sixty-seven years of age or older or is disabled; and

13 c. Had a federal adjusted gross income not exceeding the maximum upper limit in the year
 14 prior to becoming qualified under this subsection.

15 (2) The provisions authorized under this subsection shall not apply to any county of this
 16 state, including the city of St. Louis, unless the county commission issues an order stating the
 17 county's intention to adopt this subsection.

18 (3) Notwithstanding any other provision of law to the contrary and for all property
 19 assessments conducted after December 31, 2016, the assessed valuation of a qualified taxpayer's
 20 principal residence shall not increase by a percentage greater than the percentage increase of the
 21 qualified taxpayer's Social Security benefits from the previous year except as otherwise provided in
 22 this subsection.

23 (4) This subsection shall not apply to any increase in the assessed valuation of a principal
 24 residence attributable to an improvement made on the principal residence that expands the square
 25 footage of the principal residence, unless the improvement was made solely for increased
 26 accessibility for individuals with physical disabilities.

27 (5) This subsection shall not apply to any increase in the assessed valuation of a principal
 28 residence after the principal residence is conveyed to an individual who is not a qualified taxpayer.
 29 The assessed valuation of such principal residence shall be the assessed valuation as provided in
 30 subsections 1 to 16 of this section in the next annual assessment.

31 (6) Any individual who meets the requirements of a qualified taxpayer before the next
 32 assessment shall provide the county assessor with proof that he or she is a qualified taxpayer. An
 33 individual may provide such proof by submitting an affidavit certifying under penalty of perjury
 34 that the individual satisfies the requirements of a qualified taxpayer under subsection 17. The state
 35 tax commission shall determine sources of documentation that an individual may present, in lieu of
 36 an affidavit, as proof that he or she is a qualified taxpayer. Any such source documents shall not be
 37 kept by the county or state and shall be deemed closed records under sections 610.010 to 610.225.

38 (7) The state tax commission may promulgate rules to implement the provisions of this
 39 subsection. Any rule or portion of a rule, as that term is defined in section 536.010, that is created
 40 under the authority delegated in this section shall become effective only if it complies with and is
 41 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and
 42 chapter 536 are nonseverable, and if any of the powers vested with the general assembly pursuant to
 43 chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently
 44 held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after
 45 August 28, 2016, shall be invalid and void.

46 (8) A qualified taxpayer's principal residence to which subsection 17 applies shall be
 47 exempt from any county ratio study;

48 (9) Under section 23.253 of the Missouri sunset act:

1 (a) The provisions of the new program authorized under this subsection shall automatically
2 sunset on December thirty-first six years after the effective date of this subsection unless
3 reauthorized by an act of the general assembly; and

4 (b) If such program is reauthorized, the program authorized under this subsection shall
5 automatically sunset on December thirty-first twelve years after the effective date of the
6 reauthorization of this subsection; and

7 (c) This subsection shall terminate on September first of the calendar year immediately
8 following the calendar year in which the program authorized under this subsection is sunset."; and

9
10 Further amend said bill by amending the title, enacting clause, and intersectional references
11 accordingly.