

SECOND REGULAR SESSION

HOUSE BILL NO. 2232

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE REEDY.

4890H.01I

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapter 137, RSMo, by adding thereto one new section relating to property assessment.

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 137.084, to read as follows:

137.084. 1. Notwithstanding the provisions of sections 137.075 and 137.080 to the contrary, a building or other structure that is used as commercial property, newly constructed and occupied on any parcel of real property, shall be assessed and taxed on such assessed valuation as of the first day of the month following the date of occupancy 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 as provided in subsection 8 of this section. Newly constructed commercial property that has never been occupied shall not be assessed as improved real property until such occupancy or January first of the year following the year in which construction of the improvements is completed. The provisions of this subsection shall apply in any county in which the governing body has previously adopted or hereafter adopts the provisions of this subsection. For purposes of this section, the term "county" shall include any county and any city not within a county.

2. The assessor may consider a property commercially occupied upon personal verification or if any two of the following conditions have been met:

(1) An occupancy permit has been issued for the property;

(2) A deed transferring ownership from one party to another has been filed with the recorder of deeds' office subsequent to the date of the first permanent utility service;

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.

18 (3) A utility company providing service in the county has verified a transfer of
19 service for property from one party to another;

20 (4) The person or persons occupying the newly constructed property have
21 registered a change of address with any local, state, or federal governmental office or
22 agency.

23 3. In implementing the provisions of this section, the assessor may use occupancy
24 permits, building permits, warranty deeds, utility connection documents including
25 telephone connections, or other official documents as may be necessary to discover the
26 existence of newly constructed properties. No utility company shall refuse to provide
27 verification monthly to the assessor of a utility connection to a newly occupied commercial
28 property.

29 4. In the event that the assessment under subsections 1 and 2 of this section is not
30 completed until after the deadline for filing appeals in a given tax year, the owner of the
31 newly constructed property who is aggrieved by the assessment of the property may appeal
32 this assessment the following year to the county board of equalization in accordance with
33 chapter 138 and may pay any taxes under protest in accordance with section 139.031;
34 provided, however, that such payment under protest shall not be required as a condition
35 of appealing to the county board of equalization. The collector shall impound such
36 protested taxes and shall not disburse such taxes until resolution of the appeal.

37 5. The increase in assessed valuation resulting from the implementation of the
38 provisions of this section shall be considered new construction and improvements under
39 the provisions of this chapter.

40 6. In counties that adopt the provisions of subsections 1 to 7 of this section, an
41 amount not to exceed ten percent of all ad valorem property tax collections on newly
42 constructed and occupied commercial property allocable to each taxing authority within
43 counties of the first classification having a population of nine hundred thousand or more,
44 one-tenth of one percent of all ad valorem property tax collections allocable to each taxing
45 authority within all other counties of the first classification and one-fifth of one percent of
46 all ad valorem property tax collections allocable to each taxing authority within counties
47 of the second, third and fourth classifications and any county of the first classification
48 having a population of at least eighty-two thousand inhabitants, but less than eighty-two
49 thousand one hundred inhabitants, in addition to the amount prescribed by section 137.720
50 shall be deposited into the assessment fund of the county for collection costs.

51 7. For purposes of calculating the tax due on such newly constructed commercial
52 property, the assessor or the board of equalization shall place the full amount of the
53 assessed valuation on the tax book upon the first day of the month following occupancy.
54 Such assessed valuation shall be taxed for each month of the year following such date at

55 its new assessed valuation, and for each month of the year preceding such date at its
56 previous valuation. The percentage derived from dividing the number of months at which
57 the property is taxed at its new valuation by twelve shall be applied to the total assessed
58 valuation of the new construction and improvements, and such percentage shall be
59 included in the next year's base for the purposes of calculating the next year's tax levy
60 rollback. The untaxed percentage shall be considered as new construction and
61 improvements in the following year and shall be exempt from the rollback provisions.

62 8. The provisions of subsections 1 to 7 of this section shall be effective in any county
63 in which the governing body of such county elects to adopt a proposal to implement such
64 provisions. Such subsections shall become effective in such county on January first of the
65 year following the election.

66 9. In any county that adopts the provisions of subsections 1 to 7 of this section prior
67 to June first in any year under subsection 8 of this section, the assessor of such county
68 shall, upon application of the property owner, remove on a pro rata basis from the tax
69 book for the current year any commercial real property improvements destroyed by a
70 natural disaster if such property is unoccupied and uninhabitable due to such destruction.
71 On or after the first day of July, the board of equalization shall perform such duties. Any
72 person claiming such destroyed property shall provide a list of such destroyed property to
73 the county assessor. The assessor shall have available a supply of appropriate forms on
74 which the claim shall be made. The assessor may verify all such destroyed property listed
75 to ensure that the person made a correct statement. Any person who completes such a list
76 and, with intent to defraud, includes property on the list that was not destroyed by a
77 natural disaster shall, in addition to any other penalties provided by law, be assessed
78 double the value of any property fraudulently listed. The list shall be filed by the assessor,
79 after he or she has provided a copy of the list to the county collector and the board of
80 equalization, in the office of the county clerk who, after entering the filing thereof, shall
81 preserve and safely keep them. If the assessor, subsequent to such destruction, considers
82 such property occupied as provided in subsection 2 of this section, the assessor shall
83 consider such property new construction and improvements and shall assess such property
84 accordingly as provided in subsection 1 of this section. For the purposes of this section, the
85 term "natural disaster" means any disaster due to natural causes such as tornado, fire,
86 flood, or earthquake.

87 10. Any political subdivision may recover the loss of revenue caused by subsection
88 9 of this section by adjusting the rate of taxation, to the extent previously authorized by the
89 voters of such political subdivision, for the tax year immediately following the year of such
90 destruction in an amount not to exceed the loss of revenue caused by this section.

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