

House _____ Amendment NO. _____

Offered By

1 AMEND House Substitute for House Committee Substitute for Senate Substitute No. 2 for Senate
2 Committee Substitute for Senate Bill No. 96, Page 7, Section 115.123, Line 22, by inserting after
3 said section and line the following:
4

5 "115.240. The election authority for any political subdivision or special district shall label
6 ballot measures relating to taxation that are submitted by such political subdivision or special
7 district to a vote of the people numerically or alphabetically in the order in which they are
8 submitted. No such ballot measure shall be labeled in a descriptive manner aside from its numerical
9 or alphabetical designation. Election authorities may coordinate with each other, or with the
10 secretary of state, to maintain a database or other record to facilitate numerical or alphabetical
11 assignment."; and
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13 Further amend said bill, Page 9, Section 115.904, Line 6, by inserting after said section and line the
14 following:
15

16 "137.067. Notwithstanding any provision of law to the contrary, any ballot measure seeking
17 approval to add, change, or modify a tax on real property shall express the effect of the proposed
18 change within the ballot language in terms of the change in real dollars owed per one hundred
19 thousand dollars of a property's market valuation.

20 137.073. 1. As used in this section, the following terms mean:

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

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

28 (3) "Tax rate ceiling", a tax rate as revised by the taxing authority to comply with the
29 provisions of this section or when a court has determined the tax rate; except that, other provisions
30 of law to the contrary notwithstanding, a school district may levy the operating levy for school

Action Taken _____ Date _____

purposes required for the current year pursuant to subsection 2 of section 163.021, 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, 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 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 and section 164.013 or as excess home dock city or county fees as provided in subsection 4 of section 313.820 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 relation to the revision of tax levies mandated by law, shall mean the revenues equal to the amount that would have been available if the voluntary rate reduction had not been made.

2. Whenever changes in assessed valuation are entered in the assessor's books for any personal property, in the aggregate, or for any subclass of real property as such subclasses are established in Section 4(b) of Article X of the Missouri Constitution and defined in section 137.016, the county clerk in all counties and the assessor of St. Louis City shall notify each political subdivision wholly or partially within the county or St. Louis City of the change in valuation of each subclass of real property, individually, and personal property, in the aggregate, exclusive of new construction and improvements. All political subdivisions shall immediately revise the applicable rates of levy for each purpose for each subclass of real property, individually, and personal property, in the aggregate, for which taxes are levied to the extent necessary to produce from all taxable property, exclusive of new construction and improvements, substantially the same amount of tax revenue as was produced in the previous year for each subclass of real property, individually, and personal property, in the aggregate, except that the rate shall not exceed the greater of the most recent voter-approved rate or the most recent voter-approved rate as adjusted under subdivision (2) of subsection 5 of this section. Any political subdivision that has received approval from voters for a tax increase after August 27, 2008, may levy a rate to collect substantially the same amount of tax revenue as the amount of revenue that would have been derived by applying the voter-approved

1 increased tax rate ceiling to the total assessed valuation of the political subdivision as most recently
2 certified by the city or county clerk on or before the date of the election in which such increase is
3 approved, increased by the percentage increase in the consumer price index, as provided by law,
4 except that the rate shall not exceed the greater of the most recent voter-approved rate or the most
5 recent voter-approved rate as adjusted under subdivision (2) of subsection 5 of this section. Such
6 tax revenue shall not include any receipts from ad valorem levies on any real property which was
7 assessed by the assessor of a county or city in such previous year but is assessed by the assessor of a
8 county or city in the current year in a different subclass of real property. Where the taxing authority
9 is a school district for the purposes of revising the applicable rates of levy for each subclass of real
10 property, the tax revenues from state-assessed railroad and utility property shall be apportioned and
11 attributed to each subclass of real property based on the percentage of the total assessed valuation of
12 the county that each subclass of real property represents in the current taxable year. As provided in
13 Section 22 of Article X of the constitution, a political subdivision may also revise each levy to allow
14 for inflationary assessment growth occurring within the political subdivision. The inflationary
15 growth factor for any such subclass of real property or personal property shall be limited to the
16 actual assessment growth in such subclass or class, exclusive of new construction and
17 improvements, and exclusive of the assessed value on any real property which was assessed by the
18 assessor of a county or city in the current year in a different subclass of real property, but not to
19 exceed the consumer price index or five percent, whichever is lower. Should the tax revenue of a
20 political subdivision from the various tax rates determined in this subsection be different than the
21 tax revenue that would have been determined from a single tax rate as calculated pursuant to the
22 method of calculation in this subsection prior to January 1, 2003, then the political subdivision shall
23 revise the tax rates of those subclasses of real property, individually, and/or personal property, in the
24 aggregate, in which there is a tax rate reduction, pursuant to the provisions of this subsection. Such
25 revision shall yield an amount equal to such difference and shall be apportioned among such
26 subclasses of real property, individually, and/or personal property, in the aggregate, based on the
27 relative assessed valuation of the class or subclasses of property experiencing a tax rate reduction.
28 Such revision in the tax rates of each class or subclass shall be made by computing the percentage of
29 current year adjusted assessed valuation of each class or subclass with a tax rate reduction to the
30 total current year adjusted assessed valuation of the class or subclasses with a tax rate reduction,
31 multiplying the resulting percentages by the revenue difference between the single rate calculation
32 and the calculations pursuant to this subsection and dividing by the respective adjusted current year
33 assessed valuation of each class or subclass to determine the adjustment to the rate to be levied upon
34 each class or subclass of property. The adjustment computed herein shall be multiplied by one
35 hundred, rounded to four decimals in the manner provided in this subsection, and added to the initial
36 rate computed for each class or subclass of property. For school districts that levy separate tax rates
37 on each subclass of real property and personal property in the aggregate, if voters approved a ballot
38 before January 1, 2011, that presented separate stated tax rates to be applied to the different
39 subclasses of real property and personal property in the aggregate, or increases the separate rates

1 that may be levied on the different subclasses of real property and personal property in the aggregate
2 by different amounts, the tax rate that shall be used for the single tax rate calculation shall be a
3 blended rate, calculated in the manner provided under subdivision (1) of subsection 6 of this section.
4 Notwithstanding any provision of this subsection to the contrary, no revision to the rate of levy for
5 personal property shall cause such levy to increase over the levy for personal property from the prior
6 year.

7 3. (1) Where the taxing authority is a school district, it shall be required to revise the rates
8 of levy to the extent necessary to produce from all taxable property, including state-assessed railroad
9 and utility property, which shall be separately estimated in addition to other data required in
10 complying with section 164.011, substantially the amount of tax revenue permitted in this section.
11 In the year following tax rate reduction, the tax rate ceiling may be adjusted to offset such district's
12 reduction in the apportionment of state school moneys due to its reduced tax rate. However, in the
13 event any school district, in calculating a tax rate ceiling pursuant to this section, requiring the
14 estimating of effects of state-assessed railroad and utility valuation or loss of state aid, discovers that
15 the estimates used result in receipt of excess revenues, which would have required a lower rate if the
16 actual information had been known, the school district shall reduce the tax rate ceiling in the
17 following year to compensate for the excess receipts, and the recalculated rate shall become the tax
18 rate ceiling for purposes of this section.

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

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

31 (b) In addition, for up to three years following the determination of the reduction in assessed
32 valuation as a result of circumstances defined in this subdivision, such political subdivision may
33 levy a tax rate for each purpose it levies taxes above the revised tax rate ceiling provided in
34 paragraph (a) of this subdivision to recoup any revenues it was entitled to receive had the corrected
35 or finalized assessment been available at the time of the prior calculation.

36 4. (1) In order to implement the provisions of this section and Section 22 of Article X of the
37 Constitution of Missouri, the term improvements shall apply to both real and personal property. In
38 order to determine the value of new construction and improvements, each county assessor shall
39 maintain a record of real property valuations in such a manner as to identify each year the increase

1 in valuation for each political subdivision in the county as a result of new construction and
2 improvements. The value of new construction and improvements shall include the additional
3 assessed value of all improvements or additions to real property which were begun after and were
4 not part of the prior year's assessment, except that the additional assessed value of all improvements
5 or additions to real property which had been totally or partially exempt from ad valorem taxes
6 pursuant to sections 99.800 to 99.865, sections 135.200 to 135.255, and section 353.110 shall be
7 included in the value of new construction and improvements when the property becomes totally or
8 partially subject to assessment and payment of all ad valorem taxes. The aggregate increase in
9 valuation of personal property for the current year over that of the previous year is the equivalent of
10 the new construction and improvements factor for personal property. Notwithstanding any opt-out
11 implemented pursuant to subsection [44] "15" of section 137.115, the assessor shall certify the
12 amount of new construction and improvements and the amount of assessed value on any real
13 property which was assessed by the assessor of a county or city in such previous year but is assessed
14 by the assessor of a county or city in the current year in a different subclass of real property
15 separately for each of the three subclasses of real property for each political subdivision to the
16 county clerk in order that political subdivisions shall have this information for the purpose of
17 calculating tax rates pursuant to this section and Section 22, Article X, Constitution of Missouri. In
18 addition, the state tax commission shall certify each year to each county clerk the increase in the
19 general price level as measured by the Consumer Price Index for All Urban Consumers for the
20 United States, or its successor publications, as defined and officially reported by the United States
21 Department of Labor, or its successor agency. The state tax commission shall certify the increase in
22 such index on the latest twelve-month basis available on February first of each year over the
23 immediately preceding prior twelve-month period in order that political subdivisions shall have this
24 information available in setting their tax rates according to law and Section 22 of Article X of the
25 Constitution of Missouri. For purposes of implementing the provisions of this section and Section
26 22 of Article X of the Missouri Constitution, the term "property" means all taxable property,
27 including state-assessed property.

28 (2) Each political subdivision required to revise rates of levy pursuant to this section or
29 Section 22 of Article X of the Constitution of Missouri shall calculate each tax rate it is authorized
30 to levy and, in establishing each tax rate, shall consider each provision for tax rate revision provided
31 in this section and Section 22 of Article X of the Constitution of Missouri, separately and without
32 regard to annual tax rate reductions provided in section 67.505 and section 164.013. Each political
33 subdivision shall set each tax rate it is authorized to levy using the calculation that produces the
34 lowest tax rate ceiling. It is further the intent of the general assembly, pursuant to the authority of
35 Section 10(c) of Article X of the Constitution of Missouri, that the provisions of such section be
36 applicable to tax rate revisions mandated pursuant to Section 22 of Article X of the Constitution of
37 Missouri as to reestablishing tax rates as revised in subsequent years, enforcement provisions, and
38 other provisions not in conflict with Section 22 of Article X of the Constitution of Missouri. Annual
39 tax rate reductions provided in section 67.505 and section 164.013 shall be applied to the tax rate as

1 established pursuant to this section and Section 22 of Article X of the Constitution of Missouri,
 2 unless otherwise provided by law.

3 5. (1) In all political subdivisions, the tax rate ceiling established pursuant to this section
 4 shall not be increased unless approved by a vote of the people. Approval of the higher tax rate shall
 5 be by at least a majority of votes cast. When a proposed higher tax rate requires approval by more
 6 than a simple majority pursuant to any provision of law or the constitution, the tax rate increase
 7 must receive approval by at least the majority required.

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

28 (3) The provisions of subdivision (2) of this subsection notwithstanding, if, prior to the
 29 expiration of a temporary levy increase, voters approve a subsequent levy increase, the new tax rate
 30 ceiling shall remain in effect only until such time as the temporary levy expires under the terms
 31 originally approved by a vote of the people, at which time the tax rate ceiling shall be decreased by
 32 the amount of the temporary levy increase. If, prior to the expiration of a temporary levy increase,
 33 voters of a political subdivision are asked to approve an additional, permanent increase to the
 34 political subdivision's tax rate ceiling, voters shall be submitted ballot language that clearly indicates
 35 that if the permanent levy increase is approved, the temporary levy shall be made permanent.

36 (4) The governing body of any political subdivision may levy a tax rate lower than its tax
 37 rate ceiling and may, in a nonreassessment year, increase that lowered tax rate to a level not
 38 exceeding the tax rate ceiling without voter approval in the manner provided under subdivision [(4)]
 39 (5) 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)]~~ (5) 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 increase its tax rate, the governing body shall conduct a public hearing, and in a public meeting it shall adopt an ordinance, resolution, or policy statement justifying its action prior to setting and certifying its tax rate. The provisions of this subdivision shall not apply to any political subdivision which levies a tax rate lower than its tax rate ceiling solely due to a reduction required by law resulting from sales tax collections. The provisions of this subdivision shall not apply to any political subdivision which has received voter approval for an increase to its tax rate ceiling subsequent to setting its most recent tax rate.

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

(2) Each taxing authority proposing to levy a tax rate in any year shall notify the clerk of the county commission in the county or counties where the tax rate applies of its tax rate ceiling and its proposed tax rate. Each taxing authority shall express its proposed tax rate in a fraction equal to the nearest one-tenth of a cent, unless its proposed tax rate is in excess of one dollar, then one/one-hundredth of a cent. If a taxing authority shall round to one/one-hundredth of a cent, it shall round up a fraction greater than or equal to five/one-thousandth of one cent to the next higher one/one-hundredth of a cent; if a taxing authority shall round to one-tenth of a cent, it shall round up a fraction greater than or equal to five/one-hundredths of a cent to the next higher one-tenth of a cent. Any taxing authority levying a property tax rate shall provide data, in such form as shall be prescribed by the state auditor by rule, substantiating such tax rate complies with Missouri law. All forms for the calculation of rates pursuant to this section shall be promulgated as a rule and shall not be incorporated by reference. The state auditor shall promulgate rules for any and all forms for the calculation of rates pursuant to this section which do not currently exist in rule form or that have been incorporated by reference. In addition, each taxing authority proposing to levy a tax rate for debt service shall provide data, in such form as shall be prescribed by the state auditor by rule,

1 substantiating the tax rate for debt service complies with Missouri law. A tax rate proposed for
2 annual debt service requirements will be prima facie valid if, after making the payment for which
3 the tax was levied, bonds remain outstanding and the debt fund reserves do not exceed the following
4 year's payments. The county clerk shall keep on file and available for public inspection all such
5 information for a period of three years. The clerk shall, within three days of receipt, forward a copy
6 of the notice of a taxing authority's tax rate ceiling and proposed tax rate and any substantiating data
7 to the state auditor. The state auditor shall, within fifteen days of the date of receipt, examine such
8 information and return to the county clerk his or her findings as to compliance of the tax rate ceiling
9 with this section and as to compliance of any proposed tax rate for debt service with Missouri law.
10 If the state auditor believes that a taxing authority's proposed tax rate does not comply with Missouri
11 law, then the state auditor's findings shall include a recalculated tax rate, and the state auditor may
12 request a taxing authority to submit documentation supporting such taxing authority's proposed tax
13 rate. The county clerk shall immediately forward a copy of the auditor's findings to the taxing
14 authority and shall file a copy of the findings with the information received from the taxing
15 authority. The taxing authority shall have fifteen days from the date of receipt from the county clerk
16 of the state auditor's findings and any request for supporting documentation to accept or reject in
17 writing the rate change certified by the state auditor and to submit all requested information to the
18 state auditor. A copy of the taxing authority's acceptance or rejection and any information submitted
19 to the state auditor shall also be mailed to the county clerk. If a taxing authority rejects a rate
20 change certified by the state auditor and the state auditor does not receive supporting information
21 which justifies the taxing authority's original or any subsequent proposed tax rate, then the state
22 auditor shall refer the perceived violations of such taxing authority to the attorney general's office
23 and the attorney general is authorized to obtain injunctive relief to prevent the taxing authority from
24 levying a violative tax rate.

25 (3) In the event that the taxing authority incorrectly completes the forms created and
26 promulgated under subdivision (2) of this subsection, or makes a clerical error, the taxing authority
27 may submit amended forms with an explanation for the needed changes. If such amended forms are
28 filed under regulations prescribed by the state auditor, the state auditor shall take into consideration
29 such amended forms for the purposes of this subsection.

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

32 8. Whenever a taxpayer has cause to believe that a taxing authority has not complied with
33 the provisions of this section, the taxpayer may make a formal complaint with the prosecuting
34 attorney of the county. Where the prosecuting attorney fails to bring an action within ten days of the
35 filing of the complaint, the taxpayer may bring a civil action pursuant to this section and institute an
36 action as representative of a class of all taxpayers within a taxing authority if the class is so
37 numerous that joinder of all members is impracticable, if there are questions of law or fact common
38 to the class, if the claims or defenses of the representative parties are typical of the claims or
39 defenses of the class, and if the representative parties will fairly and adequately protect the interests

1 of the class. In any class action maintained pursuant to this section, the court may direct to the
 2 members of the class a notice to be published at least once each week for four consecutive weeks in
 3 a newspaper of general circulation published in the county where the civil action is commenced and
 4 in other counties within the jurisdiction of a taxing authority. The notice shall advise each member
 5 that the court will exclude him or her from the class if he or she so requests by a specified date, that
 6 the judgment, whether favorable or not, will include all members who do not request exclusion, and
 7 that any member who does not request exclusion may, if he or she desires, enter an appearance. In
 8 any class action brought pursuant to this section, the court, in addition to the relief requested, shall
 9 assess against the taxing authority found to be in violation of this section the reasonable costs of
 10 bringing the action, including reasonable attorney's fees, provided no attorney's fees shall be
 11 awarded any attorney or association of attorneys who receive public funds from any source for their
 12 services. Any action brought pursuant to this section shall be set for hearing as soon as practicable
 13 after the cause is at issue.

14 9. If in any action, including a class action, the court issues an order requiring a taxing
 15 authority to revise the tax rates as provided in this section or enjoins a taxing authority from the
 16 collection of a tax because of its failure to revise the rate of levy as provided in this section, any
 17 taxpayer paying his or her taxes when an improper rate is applied has erroneously paid his or her
 18 taxes in part, whether or not the taxes are paid under protest as provided in section 139.031 or
 19 otherwise contested. The part of the taxes paid erroneously is the difference in the amount produced
 20 by the original levy and the amount produced by the revised levy. The township or county collector
 21 of taxes or the collector of taxes in any city shall refund the amount of the tax erroneously paid. The
 22 taxing authority refusing to revise the rate of levy as provided in this section shall make available to
 23 the collector all funds necessary to make refunds pursuant to this subsection. No taxpayer shall
 24 receive any interest on any money erroneously paid by him or her pursuant to this subsection.
 25 Effective in the 1994 tax year, nothing in this section shall be construed to require a taxing authority
 26 to refund any tax erroneously paid prior to or during the third tax year preceding the current tax
 27 year.

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

35
 36 Further amend said bill by amending the title, enacting clause, and intersectional references
 37 accordingly.