

FIRST REGULAR SESSION

# HOUSE JOINT RESOLUTION NO. 7

102ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE KELLEY (127).

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DANA RADEMAN MILLER, Chief Clerk

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## JOINT RESOLUTION

Submitting to the qualified voters of Missouri an amendment repealing Section 6 of Article X of the Constitution of Missouri, and adopting one new section in lieu thereof relating to property tax.

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*Be it resolved by the House of Representatives, the Senate concurring therein:*

That at the next general election to be held in the state of Missouri, on Tuesday next following the first Monday in November, 2024, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for adoption or rejection, the following amendment to Article X of the Constitution of the state of Missouri:

Section A. Section 6, Article X, Constitution of Missouri, is repealed and one new section adopted in lieu thereof, to be known as Section 6, to read as follows:

Section 6. 1. **(1) As used in this subsection, the term "disabled veteran" means an individual who:**

**(a) Is a resident of this state;**

**(b) Has been separated under honorable conditions from active service in:**

**a. Any branch of the Armed Forces of the United States;**

**b. Any reserve component of the Armed Forces of the United States;**

**c. The National Guard of this state as defined in 32 U.S.C. Section 101, as amended; or**

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.

9           **d. Any defense force of this state as described in 32 U.S.C. Section 109, as**  
10 **amended; and**

11           **(c) Has been certified by the United States Department of Veterans Affairs or its**  
12 **successor agency to be in receipt of disability compensation at the one-hundred-percent**  
13 **rate as a result of a service-connected disability claim allowed by the United States**  
14 **Department of Veterans Affairs or its successor agency, with such disability being**  
15 **permanent and sustained through military action or accident or resulting from disease**  
16 **contracted while in such active service.**

17           **(2)** All property, real and personal, of the state, counties and other political  
18 subdivisions, ~~and~~ nonprofit cemeteries, and **any disabled veteran, shall be exempt from**  
19 **taxation;** all real property used as a homestead as defined by law of any citizen of this state  
20 who is a former prisoner of war, as defined by law, and who has a total service-connected  
21 disability, shall be exempt from taxation; all personal property held as industrial inventories,  
22 including raw materials, work in progress and finished work on hand, by manufacturers and  
23 refiners, and all personal property held as goods, wares, merchandise, stock in trade or  
24 inventory for resale by distributors, wholesalers, or retail merchants or establishments shall be  
25 exempt from taxation; and all property, real and personal, not held for private or corporate  
26 profit and used exclusively for religious worship, for schools and colleges, for purposes  
27 purely charitable, for agricultural and horticultural societies, or for veterans' organizations  
28 may be exempted from taxation by general law. In addition to the above, household goods,  
29 furniture, wearing apparel and articles of personal use and adornment owned and used by a  
30 person in his home or dwelling place may be exempt from taxation by general law but any  
31 such law may provide for approximate restitution to the respective political subdivisions of  
32 revenues lost by reason of the exemption. All laws exempting from taxation property other  
33 than the property enumerated in this article, shall be void. The provisions of this section  
34 exempting certain personal property of manufacturers, refiners, distributors, wholesalers, and  
35 retail merchants and establishments from taxation shall become effective, unless otherwise  
36 provided by law, in each county on January 1 of the year in which that county completes its  
37 first general reassessment as defined by law.

38           2. All revenues lost because of the exemption of certain personal property of  
39 manufacturers, refiners, distributors, wholesalers, and retail merchants and establishments  
40 shall be replaced to each taxing authority within a county from a countywide tax hereby  
41 imposed on all property in subclass 3 of class 1 in each county. For the year in which the  
42 exemption becomes effective, the county clerk shall calculate the total revenue lost by all  
43 taxing authorities in the county and extend upon all property in subclass 3 of class 1 within  
44 the county, a tax at the rate necessary to produce that amount. The rate of tax levied in each  
45 county according to this subsection shall not be increased above the rate first imposed and

46 will stand levied at that rate unless later reduced according to the provisions of subsection 3.  
47 The county collector shall disburse the proceeds according to the revenue lost by each taxing  
48 authority because of the exemption of such property in that county. Restitution of the  
49 revenues lost by any taxing district contained in more than one county shall be from the  
50 several counties according to the revenue lost because of the exemption of property in each  
51 county. Each year after the first year the replacement tax is imposed, the amount distributed  
52 to each taxing authority in a county shall be increased or decreased by an amount equal to the  
53 amount resulting from the change in that district's total assessed value of property in subclass  
54 3 of class 1 at the countywide replacement tax rate. In order to implement the provisions of  
55 this subsection, the limits set in section 11(b) of this article may be exceeded, without voter  
56 approval, if necessary to allow each county listed in section 11(b) to comply with this  
57 subsection.

58         3. Any increase in the tax rate imposed pursuant to subsection 2 of this section shall  
59 be decreased if such decrease is approved by a majority of the voters of the county voting on  
60 such decrease. A decrease in the increased tax rate imposed under subsection 2 of this section  
61 may be submitted to the voters of a county by the governing body thereof upon its own order,  
62 ordinance, or resolution and shall be submitted upon the petition of at least eight percent of  
63 the qualified voters who voted in the immediately preceding gubernatorial election.

64         4. As used in this section, the terms "revenues lost" and "lost revenues" shall mean  
65 that revenue which each taxing authority received from the imposition of a tangible personal  
66 property tax on all personal property held as industrial inventories, including raw materials,  
67 work in progress and finished work on hand, by manufacturers and refiners, and all personal  
68 property held as goods, wares, merchandise, stock in trade or inventory for resale by  
69 distributors, wholesalers, or retail merchants or establishments in the last full tax year  
70 immediately preceding the effective date of the exemption from taxation granted for such  
71 property under subsection 1 of this section, and which was no longer received after such  
72 exemption became effective.

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