

FIRST REGULAR SESSION

HOUSE BILL NO. 1246

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE RICHEY.

2404H.02I

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 153.030, RSMo, and to enact in lieu thereof two new sections relating to the assessment of solar property.

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

Section A. Section 153.030, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 137.077 and 153.030, to read as follows:

137.077. 1. (1) Beginning January 1, 2024, for purposes of assessing all real property, excluding land, or tangible personal property associated with a project that uses solar energy directly to generate electricity, the assessor shall determine the true value in money of such property, provided that all solar energy property with a placard output value of one megawatt or less, and all solar energy property that was built, operating, and generating power prior to August 28, 2023, shall be considered to be de minimis in value. The assessor shall request any documentation necessary to determine the true value in money of such property.

(2) Notwithstanding the provisions of subdivision (1) of this section to the contrary, the tax liability actually owed for solar energy property with a placard output value of greater than one megawatt shall not exceed one thousand one hundred dollars per megawatt. For projects for which the land associated with such project is reclassified due to the project, the property tax liability incurred from such land shall be included in the limit established in this subdivision.

2. Nothing in this section shall be construed to prohibit an entity from engaging in a project which was originally constructed utilizing financing authorized under chapter 100 for construction, to prohibit an entity from engaging in enhanced enterprise

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 **zone agreements under sections 135.950 to 135.973 or similar tax abatement agreements**
19 **authorized pursuant to state law with state or local officials, or to affect any existing**
20 **enhanced enterprise zone agreements.**

153.030. 1. All bridges over streams dividing this state from any other state owned,
2 used, leased or otherwise controlled by any person, corporation, railroad company or joint
3 stock company, and all bridges across or over navigable streams within this state, where the
4 charge is made for crossing the same, which are now constructed, which are in the course of
5 construction, or which shall hereafter be constructed, and all property, real and tangible
6 personal, owned, used, leased or otherwise controlled by telegraph, telephone, electric power
7 and light companies, electric transmission lines, pipeline companies and express companies
8 shall be subject to taxation for state, county, municipal and other local purposes to the same
9 extent as the property of private persons.

10 2. And taxes levied thereon shall be levied and collected in the manner as is now or
11 may hereafter be provided by law for the taxation of railroad property in this state, and county
12 commissions, county boards of equalization and the state tax commission are hereby required
13 to perform the same duties and are given the same powers, including punitive powers, in
14 assessing, equalizing and adjusting the taxes on the property set forth in this section as the
15 county commissions and boards of equalization and state tax commission have or may
16 hereafter be empowered with, in assessing, equalizing, and adjusting the taxes on railroad
17 property; and an authorized officer of any such bridge, telegraph, telephone, electric power
18 and light companies, electric transmission lines, pipeline companies, or express company or
19 the owner of any such toll bridge, is hereby required to render reports of the property of such
20 bridge, telegraph, telephone, electric power and light companies, electric transmission lines,
21 pipeline companies, or express companies in like manner as the authorized officer of the
22 railroad company is now or may hereafter be required to render for the taxation of railroad
23 property.

24 3. On or before the fifteenth day of April in the year 1946 and each year thereafter an
25 authorized officer of each such company shall furnish the state tax commission and county
26 clerks a report, duly subscribed and sworn to by such authorized officer, which is like in
27 nature and purpose to the reports required of railroads under chapter 151 showing the full
28 amount of all real and tangible personal property owned, used, leased or otherwise controlled
29 by each such company on January first of the year in which the report is due.

30 4. If any telephone company assessed pursuant to chapter 153 has a microwave relay
31 station or stations in a county in which it has no wire mileage but has wire mileage in another
32 county, then, for purposes of apportioning the assessed value of the distributable property of
33 such companies, the straight line distance between such microwave relay stations shall
34 constitute miles of wire. In the event that any public utility company assessed pursuant to this

35 chapter has no distributable property which physically traverses the counties in which it
36 operates, then the assessed value of the distributable property of such company shall be
37 apportioned to the physical location of the distributable property.

38 5. (1) Notwithstanding any provision of law to the contrary, beginning January 1,
39 2019, a telephone company shall make a one-time election within the tax year to be assessed:

40 (a) Using the methodology for property tax purposes as provided under this section;
41 or

42 (b) Using the methodology for property tax purposes as provided under this section
43 for property consisting of land and buildings and be assessed for all other property
44 exclusively using the methodology utilized under section 137.122.

45

46 If a telephone company begins operations, including a merger of multiple telephone
47 companies, after August 28, 2018, it shall make its one-time election to be assessed using the
48 methodology for property tax purposes as described under paragraph (b) of subdivision (1) of
49 this subsection within the year in which the telephone company begins its operations. A
50 telephone company that fails to make a timely election shall be deemed to have elected to be
51 assessed using the methodology for property tax purposes as provided under subsections 1 to
52 4 of this section.

53 (2) The provisions of this subsection shall not be construed to change the original
54 assessment jurisdiction of the state tax commission.

55 (3) Nothing in subdivision (1) of this subsection shall be construed as applying to any
56 other utility.

57 (4) (a) The provisions of this subdivision shall ensure that school districts may avoid
58 any fiscal impact as a result of a telephone company being assessed under the provisions of
59 paragraph (b) of subdivision (1) of this subsection. If a school district's current operating levy
60 is below the greater of its most recent voter-approved tax rate or the most recent voter-
61 approved tax rate as adjusted under subdivision (2) of subsection 5 of section 137.073, it shall
62 comply with section 137.073.

63 (b) Beginning January 1, 2019, any school district currently operating at a tax rate
64 equal to the greater of the most recent voter-approved tax rate or the most recent voter-
65 approved tax rate as adjusted under subdivision (2) of subsection 5 of section 137.073 that
66 receives less tax revenue from a specific telephone company under this subsection, on or
67 before January thirty-first of the year following the tax year in which the school district
68 received less revenue from a specific telephone company, may by resolution of the school
69 board impose a fee, as determined under this subsection, in order to obtain such revenue. The
70 resolution shall include all facts that support the imposition of the fee. If the school district

71 receives voter approval to raise its tax rate, the district shall no longer impose the fee
72 authorized in this paragraph.

73 (c) Any fee imposed under paragraph (b) of this subdivision shall be determined by
74 taking the difference between the tax revenue the telephone company paid in the tax year in
75 question and the tax revenue the telephone company would have paid in such year had it not
76 made an election under subdivision (1) of this subsection, which shall be calculated by taking
77 the telephone company valuations in the tax year in question, as determined by the state tax
78 commission under paragraph (d) of this subdivision, and applying such valuations to the
79 apportionment process in subsection 2 of section 151.150. The school district shall issue a
80 billing, as provided in this subdivision, to any such telephone company. A telephone
81 company shall have forty-five days after receipt of a billing to remit its payment of its portion
82 of the fees to the school district. Notwithstanding any other provision of law, the issuance or
83 receipt of such fee shall not be used:

84 a. In determining the amount of state aid that a school district receives under section
85 163.031;

86 b. In determining the amount that may be collected under a property tax levy by such
87 district; or

88 c. For any other purpose.

89

90 For the purposes of accounting, a telephone company that issues a payment to a school
91 district under this subsection shall treat such payment as a tax.

92 (d) When establishing the valuation of a telephone company assessed under
93 paragraph (b) of subdivision (1) of this subsection, the state tax commission shall also
94 determine the difference between the assessed value of a telephone company if:

95 a. Assessed under paragraph (b) of subdivision (1) of this subsection; and

96 b. Assessed exclusively under subsections 1 to 4 of this section.

97

98 The state tax commission shall then apportion such amount to each county and provide such
99 information to any school district making a request for such information.

100 (e) This subsection shall expire when no school district is eligible for a fee.

101 6. (1) If any public utility company assessed pursuant to this chapter has ownership
102 of any real or personal property associated with a project which uses wind **or solar** energy
103 directly to generate electricity, such wind **or solar** energy project property shall be valued and
104 taxed by any local authorities having jurisdiction under the provisions of chapter 137 and
105 other relevant provisions of the law.

106 (2) Notwithstanding any provision of law to the contrary, beginning January 1, 2020,
107 for any public utility company assessed pursuant to this chapter which has a wind energy

108 project, such wind energy project shall be assessed using the methodology for real and
109 personal property as provided in this ~~[subsection]~~ **subdivision:**

110 (a) Any wind energy property of such company shall be assessed upon the county
111 assessor's local tax rolls; and

112 (b) All other real property, excluding land, or personal property related to the wind
113 energy project shall be assessed using the methodology provided under section 137.123.

114 **(3) Notwithstanding any provision of law to the contrary, beginning January 1,**
115 **2024, for any public utility company assessed pursuant to this chapter which has a solar**
116 **energy project, such solar energy project shall be assessed using the methodology for**
117 **real and personal property as provided in this subdivision:**

118 (a) Any solar energy property of such company shall be assessed upon the
119 county assessor's local tax rolls; and

120 (b) All other real property, excluding land, or personal property related to the
121 solar energy project shall be assessed using the methodology provided under section
122 **137.077.**

123 7. (1) If any public utility company assessed pursuant to this chapter has ownership
124 of any real or personal property associated with a generation project which was originally
125 constructed utilizing financing authorized pursuant to chapter 100 for construction, upon the
126 transfer of ownership of such property to the public utility company such property shall be
127 valued and taxed by any local authorities having jurisdiction under the provisions of chapter
128 137 and other relevant provisions of law.

129 (2) Notwithstanding any provision of law to the contrary, beginning January 1, 2022,
130 for any public utility company assessed pursuant to this chapter which has ownership of any
131 real or personal property associated with a generation project which was originally
132 constructed utilizing financing authorized pursuant to chapter 100 for construction, upon the
133 transfer of ownership of such property to the public utility company such property shall be
134 assessed as follows:

135 (a) Any property associated with a generation project which was originally
136 constructed utilizing financing authorized pursuant to chapter 100 for construction shall be
137 assessed upon the county assessor's local tax rolls. The assessor shall rely on the public utility
138 company for cost information of the generation portion of the property as found in the public
139 utility company's Federal Energy Regulatory Commission Financial Report Form Number
140 One at the time of transfer of ownership, and depreciate the costs provided in a manner
141 similar to other commercial and industrial property;

142 (b) Any property consisting of land and buildings related to the generation property
143 associated with a generation project which was originally constructed utilizing financing
144 pursuant to chapter 100 for construction shall be assessed under chapter 137; and

145 (c) All other business or personal property related to a generation project which was
146 originally constructed utilizing financing pursuant to chapter 100 for construction shall be
147 assessed using the methodology provided under section 137.122.

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