

House _____ Amendment NO. _____

Offered By _____

1 AMEND House Committee Substitute for Senate Bill No. 2, Pages 14-17, Section 137.016, Lines 1-
2 93, by deleting all of said section and lines and inserting in lieu thereof the following:

3
4 "137.016. 1. As used in Section 4(b) of Article X of the Missouri Constitution, the
5 following terms mean:

6 (1) "Residential property"[~~5~~]:

7 (a) All real property improved by a structure which is used or intended to be used for
8 residential living by human occupants[~~5~~];

9 (b) Vacant land in connection with an airport[~~5~~];

10 (c) Land used as a golf course[~~5~~];

11 (d) Manufactured home parks[~~5~~];

12 (e) Bed and breakfast inns in which the owner resides and uses as a primary residence with
13 six or fewer rooms for rent[~~5~~ and];

14 (f) Time-share units as defined in section 407.600, except to the extent such units are
15 actually rented and subject to sales tax under subdivision (6) of subsection 1 of section 144.020[~~5~~
16 but] and;

17 (g) Any single family home owned by an individual or business that is leased for a term of
18 less than thirty consecutive days, in whole or in part, subject to sales tax under subdivision (6) of
19 subsection 1 of section 144.020, provided that the provisions of this paragraph shall not apply to
20 such properties in excess of fifteen such properties owned by the same individual or business. For
21 the purposes of this paragraph, the term "business" shall mean a sole proprietor, partnership, or
22 limited liability company. For the purposes of this paragraph for determining the number of single
23 family homes leased for a term of less than thirty consecutive days, in whole or in part, subject to
24 sales tax under subdivision (6) of subsection 1 of section 144.020 owned by an individual or
25 business, all single family homes that are such properties owned by the individual or business, or
26 which an individual or business is a part, shall be counted;

27
28 Residential property shall not include other similar facilities used primarily for transient housing.
29 For the purposes of this section, "transient housing" means all rooms available for rent or lease for
30 which the receipts from the rent or lease of such rooms are subject to state sales tax pursuant to

Action Taken _____ Date _____

subdivision (6) of subsection 1 of section 144.020, provided that the term "transient housing" may apply to any such property in excess of fifteen such properties owned by the same individual or business, as determined in paragraph (g) of this subdivision;

(2) "Agricultural and horticultural property", all real property used for agricultural purposes and devoted primarily to the raising and harvesting of crops; to the feeding, breeding and management of livestock which shall include breeding, showing, and boarding of horses; to dairying, or to any other combination thereof; and buildings and structures customarily associated with farming, agricultural, and horticultural uses. Agricultural and horticultural property shall also include land devoted to and qualifying for payments or other compensation under a soil conservation or agricultural assistance program under an agreement with an agency of the federal government. Agricultural and horticultural property shall further include any reliever airport. Real property classified as forest croplands shall not be agricultural or horticultural property so long as it is classified as forest croplands and shall be taxed in accordance with the laws enacted to implement Section 7 of Article X of the Missouri Constitution. Agricultural and horticultural property shall also include any sawmill or planing mill defined in the U.S. Department of Labor's Standard Industrial Classification (SIC) Manual under Industry Group 242 with the SIC number 2421. Agricultural and horticultural property shall also include urban and community gardens. For the purposes of this section, "urban and community gardens" shall include real property cultivated by residents of a neighborhood or community for the purposes of providing agricultural products, as defined in section 262.900, for the use of residents of the neighborhood or community, and shall not include a garden intended for individual or personal use;

(3) "Utility, industrial, commercial, railroad and other real property", all real property used directly or indirectly for any commercial, mining, industrial, manufacturing, trade, professional, business, or similar purpose, including all property centrally assessed by the state tax commission but shall not include floating docks, portions of which are separately owned and the remainder of which is designated for common ownership and in which no one person or business entity owns more than five individual units. All other real property not included in the property listed in subclasses (1) and (2) of Section 4(b) of Article X of the Missouri Constitution, as such property is defined in this section, shall be deemed to be included in the term "utility, industrial, commercial, railroad and other real property".

2. Pursuant to Article X of the state Constitution, any taxing district may adjust its operating levy to recoup any loss of property tax revenue, except revenues from the surtax imposed pursuant to Article X, Subsection 2 of Section 6 of the Constitution, as the result of changing the classification of structures intended to be used for residential living by human occupants which contain five or more dwelling units if such adjustment of the levy does not exceed the highest tax rate in effect subsequent to the 1980 tax year. For purposes of this section, loss in revenue shall include the difference between the revenue that would have been collected on such property under its classification prior to enactment of this section and the amount to be collected under its classification under this section. The county assessor of each county or city not within a county

1 shall provide information to each taxing district within its boundaries regarding the difference in
2 assessed valuation of such property as the result of such change in classification.

3 3. All reclassification of property as the result of changing the classification of structures
4 intended to be used for residential living by human occupants which contain five or more dwelling
5 units shall apply to assessments made after December 31, 1994.

6 4. Where real property is used or held for use for more than one purpose and such uses
7 result in different classifications, the county assessor shall allocate to each classification the
8 percentage of the true value in money of the property devoted to each use; except that, where
9 agricultural and horticultural property, as defined in this section, also contains a dwelling unit or
10 units, the farm dwelling, appurtenant residential-related structures and up to five acres immediately
11 surrounding such farm dwelling shall be residential property, as defined in this section, provided that
12 the portion of property used or held for use as an urban and community garden shall not be
13 residential property. This subsection shall not apply to any reliever airport.

14 5. All real property which is vacant, unused, or held for future use; which is used for a
15 private club, a not-for-profit or other nonexempt lodge, club, business, trade, service organization,
16 or similar entity; or for which a determination as to its classification cannot be made under the
17 definitions set out in subsection 1 of this section, shall be classified according to its immediate most
18 suitable economic use, which use shall be determined after consideration of:

19 (1) Immediate prior use, if any, of such property;

20 (2) Location of such property;

21 (3) Zoning classification of such property; except that, such zoning classification shall not
22 be considered conclusive if, upon consideration of all factors, it is determined that such zoning
23 classification does not reflect the immediate most suitable economic use of the property;

24 (4) Other legal restrictions on the use of such property;

25 (5) Availability of water, electricity, gas, sewers, street lighting, and other public services for
26 such property;

27 (6) Size of such property;

28 (7) Access of such property to public thoroughfares; and

29 (8) Any other factors relevant to a determination of the immediate most suitable economic
30 use of such property.

31 6. All lands classified as forest croplands shall not, for taxation purposes, be classified as
32 subclass (1), subclass (2), or subclass (3) real property, as such classes are prescribed in Section 4(b)
33 of Article X of the Missouri Constitution and defined in this section, but shall be taxed in
34 accordance with the laws enacted to implement Section 7 of Article X of the Missouri
35 Constitution."; and

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