

HB 629 -- PERSONAL PROPERTY ASSESSMENTS

SPONSOR: McGirl

COMMITTEE ACTION: Voted "Do Pass" by the Special Committee on Tax Reform by a vote of 7 to 3. Voted "Do Pass" by the Standing Committee on Rules-Legislative by a vote of 7 to 3.

Currently, local County Assessors determine the value of new construction and improvements of both real and personal property by maintaining a yearly record of increases in valuation for each political subdivision in the county that results from new construction or improvements. The aggregate increase in valuation of personal property for the current year over that of the previous year is the equivalent of the new construction and improvements factor for personal property.

Beginning January 1, 2027, any increase in the aggregate valuation of personal property for the current year over that of the previous year can not be counted as new construction.

Currently, personal property is assessed at 33.3% of its true value in money as of January 1st of each calendar year. Beginning January 1, 2026, personal property must be assessed at 30% of its true value in money.

Currently, local County Assessors use the trade-in value published in the October issue of the National Automobile Dealers' Association Official Used Car Guide (NADA) to determine the true value of motor vehicles for the purposes of personal property tax assessments. This bill requires the State Tax Commission to choose a nationally recognized publication, such as the NADA, Kelley Blue Book, Edmunds, or any other similar publication, and allows the Assessor to use the current or any of the three immediately previous years' October issue of such publication.

This bill is the same as SB 264 (2025).

PROponents: Supporters say that for the sake of fairness, personal property should be taken into consideration when assessments are done for real estate. If personal property is not brought into the assessment calculation, it is likely that the recent rise in personal property tax will continue to go up, which can easily result in local political subdivisions reaping a windfall. Supporters further say that this change will provide much needed tax relief.

Testifying in person for the bill were Representative Mcgirl; Arnie Dienoff.

OPPONENTS: Those who oppose the bill say that the provisions of this program will reduce much needed local tax revenue. If local revenue dries up, then essential services will be reduced or removed altogether.

Testifying in person against the bill was Missouri Association of County Developmental Disabilities Services.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.