

HB 988 -- PERSONAL PROPERTY TAXES

SPONSOR: Matthiesen

Beginning January 1 of the calendar year immediately following the adoption of a Constitutional amendment authorizing the exemption of tangible personal property from taxation under Article X, Section 6 of the Constitution of Missouri, this bill will exempt farm machinery and motor vehicles from personal property taxation.

Currently, assessors annually assess all personal property at 33.3% of its true value in money. Beginning January 1, 2026, the percentage of the true value in money at which personal property is assessed will be 30% of its true value in money and the amount will be reduced annually by 2% until the calendar year 2036 and every year thereafter, when personal property will be assessed at 10% of its true value in money.

This bill also decreases the percentages of true value in money for the following subclasses of personal property on or after January 1, 2036:

- (1) Livestock, currently taxed at 12%, reduced to 10%;
- (2) Farm machinery, currently taxed at 12%, reduced to 10%;
- (3) Poultry, currently taxed at 12%, reduced to 10%; and
- (4) Tools and equipment used for pollution control, currently taxed at 25%, reduced to 10%.

Currently, all agricultural or horticultural real property in Subclass (2), as defined in the Missouri Constitution, is assessed at a rate of 12%. Beginning January 1, 2026, such real property will be assessed at a rate of 15%.

This bill is the same as HB 1669 (2024) and similar to HB 1103 (2023).