

SECOND REGULAR SESSION

# HOUSE BILL NO. 2439

## 103RD GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE VAN SCHOIACK.

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JOSEPH ENGLER, Chief Clerk

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### AN ACT

To repeal sections 138.190, 138.200, 138.210, 138.240, 138.330, 138.380, 138.390, and 138.460, RSMo, and to enact in lieu thereof eight new sections relating to the state tax commission.

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

Section A. Sections 138.190, 138.200, 138.210, 138.240, 138.330, 138.380, 138.390, 2 and 138.460, RSMo, are repealed and eight new sections enacted in lieu thereof, to be known 3 as sections 138.190, 138.200, 138.210, 138.240, 138.330, 138.380, 138.390, and 138.460, to 4 read as follows:

138.190. 1. There is hereby created within the state department of revenue a  
2 commission to be known and designated as the ~~["State Tax Commission"]~~ "State Assessment  
3 **Commission**". The director of revenue shall have no supervision, authority or control over  
4 such actions or decisions of the ~~[state tax]~~ commission as relates to its duties prescribed by  
5 law. The ~~[state tax]~~ commission shall be composed of three members, chosen from the two  
6 major political parties, who shall be appointed by **and serve at the pleasure of** the governor,  
7 with the advice and consent of the senate, one of whom shall be designated chairman, and to  
8 hold office for staggered terms of six years; provided, however, that of members first  
9 appointed, one member shall be appointed for a term of two years, one member for a term of  
10 four years, and one member for a term of six years. Each commissioner shall hold office until  
11 his **or her** successor shall qualify.

12 2. Beginning on or before January 1, 2027, the commission shall be composed of  
13 seven members. Of the members appointed under this expansion, one member shall be  
14 appointed for a term of two years, one member for a term of four years, and two

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.

15 **members for a term of six years. All of the commissioners shall have assessment or real**  
16 **property appraisal experience. For the purposes of this subsection, the term "appraisal**  
17 **experience" shall mean the individual appointed as commissioner shall be a former**  
18 **assessment officer, former appraiser, or an individual who holds a current appraisal**  
19 **license in good standing with and issued by the state of Missouri.**

20 **3. All statutory references to the state tax commission in relation to the purposes**  
21 **provided under this chapter shall mean the state assessment commission as renamed**  
22 **under this section.**

138.200. 1. Each commissioner shall be a qualified voter and taxpayer and resident  
2 of the state for at least five years next preceding his appointment. At all times the ~~state tax~~  
3 commission shall be so constituted that not more than ~~two~~ four members shall be of the  
4 same political party.

5 2. In the event of a vacancy occurring while the general assembly is not in session,  
6 the governor may appoint a temporary member of the commission to serve until such time as  
7 a permanent appointment can be made with the advice and consent of the senate.

8 3. Each commissioner shall devote his full time and efforts to the discharge of his  
9 duties and shall not accept any private employment of any kind or nature while serving on the  
10 commission nor hold any other office under the laws of this state, or any city, or county, or  
11 city and county, in this state, nor any office under the government of the United States.

12 4. No commissioner or employee of the commission shall hold any position of profit,  
13 engage in any occupation or business interfering with, or inconsistent with, his duties as  
14 commissioner or employee. No person is eligible to appointment or shall hold the office of  
15 commissioner, or be appointed by the commission, or hold any office or position under the  
16 commission, who holds any official office or position or who is a stockholder or who is in any  
17 wise pecuniarily interested in any common carrier, public utility, or any other corporation  
18 whose original assessment is made by the commission, as provided by this chapter. The  
19 words "original assessment" as used herein shall not be held or construed to include the  
20 assessment of corporation franchise tax.

21 **5. Each commissioner shall be a former assessment officer, former appraiser, or**  
22 **an individual who holds a current appraisal license in good standing with and issued by**  
23 **the state of Missouri.**

138.210. Before entering upon the duties of his office, each commissioner shall take  
2 and subscribe to the following oath:

3 State of Missouri, )  
4 ) -ss  
5 County of \_\_\_\_\_ )

6 I, \_\_\_\_\_, do solemnly swear that I will support the Constitution of the  
7 United States and the Constitution of [the state of] Missouri; that I will  
8 faithfully and impartially discharge my duties as a member of the state  
9 [tax] **assessment** commission; and that I will according to my best  
10 knowledge and judgment cause to be enforced all the laws of this state  
11 pertaining to the duties of the state [tax] **assessment** commission, so  
12 help me God.

13

14 Subscribed and sworn to this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_

138.240. 1. The commissioners appointed under sections 138.190 to 138.490 shall,  
2 within ten days after their appointment, meet at their offices in Jefferson City and enter upon  
3 the duties of their office.

4 2. A majority of such commission shall, at all times, constitute a quorum to transact  
5 business, and any vacancy shall not impair the right of the remaining commissioners to  
6 exercise all the powers of the commission so long as a majority remains.

7 3. Any investigation, inquiry or hearing which this commission is authorized to hold  
8 or undertake may be held or undertaken by or before [any one member] a **majority** of the  
9 commission.

10 [4. ~~All investigations, inquiries, hearings and decisions of a commissioner, and every~~  
11 ~~order made by a commissioner, when approved and confirmed by a quorum of the~~  
12 ~~commission, if so shown on its record of proceedings, shall be deemed to be the order of the~~  
13 ~~commission.]~~

138.330. 1. The commission shall have an official seal with the words ["State Tax  
2 ~~Commission~~"] "State Assessment Commission" arranged in a circle outside the seal of the  
3 state.

4 2. All process or certificates issued or given by the commission shall be attested by  
5 said seal.

6 3. Copies of the record of the commission certified by the secretary and attested with  
7 the seal of the commission shall be received in evidence with a like effect as copies of other  
8 public records.

9 4. The secretary of the commission shall be the custodian of the seal and records and  
10 be authorized to affix the seal in all proper cases.

138.380. It shall be the duty of the [state tax] commission, and the commissioners  
2 shall have authority, to perform all duties enumerated in this section and such other duties as  
3 may be provided by law:

4           (1) (a) To raise or lower the assessed valuation of any real or tangible personal  
5 property, including the power to raise or lower the assessed valuation of the real or tangible  
6 personal property of any individual, copartnership, company, association or corporation;  
7 provided, that before any such assessment is so raised, notice of the intention of the  
8 commission to raise such assessed valuation and of the time and place at which a hearing  
9 thereon will be held, shall be given to such individual, copartnership, company, association or  
10 corporation as provided in sections 138.460 and 138.470;

11           (b) However, beginning on and after January 1, 2027, for appeals before the  
12 commission arising on and after such date, the powers of the commission to raise certain  
13 assessed valuations shall be limited. For the purposes of this subdivision when used in  
14 laws governing the powers of the commission relating to appeals from local boards of  
15 equalization on the assessed valuation of the real or tangible personal property of  
16 individuals, the power of the commission shall be limited to upholding the decision of  
17 the local board of equalization, upholding the original assessed valuation, or lowering  
18 the assessed valuation of an individual's real or tangible personal property and shall  
19 exclude the power to raise such assessed valuation;

20           (c) The power of the commission to "correct any assessment" as such term is  
21 used under Article X, Section 14 of the Constitution of Missouri, for the purposes of this  
22 paragraph and paragraph (b) of this subdivision, shall be limited to the circumstances  
23 and purposes described under paragraph (b) of this subdivision modifying the powers of  
24 the commission under certain circumstances;

25           (2) To require from any officer in this state, on forms prescribed by the commission,  
26 such annual or other reports as shall enable said commission to ascertain the assessed and  
27 equalized value of all real and tangible property listed for taxation, the amount of taxes  
28 assessed, collected and returned, and such other matter as the commission may require, to the  
29 end that it may have complete information concerning the entire subject of revenue and  
30 taxation and all matters and things incidental thereto;

31           (3) To cause to be placed upon the assessment rolls at any time during the year  
32 omitted property which may be discovered to have, for any reason, escaped assessment and  
33 taxation, and to correct any errors that may be found on the assessment rolls and to cause the  
34 proper entry to be made thereon;

35           (4) To investigate the tax laws of other states and countries, to formulate and submit  
36 to the legislature such recommendations as the commission may deem expedient to prevent  
37 evasions of the assessment and taxing laws, whether the tax is specific or general, to secure  
38 just, equal and uniform taxes, and improve the system of assessment and taxation in this state;  
39 and

40 (5) To prescribe the form of all blanks and books that are used in the assessment and  
41 collection of the general property tax, except as otherwise provided by law[; and

42 (6) ~~To develop, or enter into contracts with entities for the development of, computer~~  
43 ~~software programs sufficient to produce the projected tax liability notices required under~~  
44 ~~subsections 2 and 3 of section 137.180, subsection 2 of section 137.355, and subsection 2 of~~  
45 ~~section 137.490. Upon receiving a request, before December 31, 2009, filed by a collector of~~  
46 ~~any county or any city not within the county, the commission shall provide the collector with~~  
47 ~~such computer software programs].~~

138.390. 1. The [state tax] commission shall equalize the valuation of real and  
2 tangible personal property among the several counties in the state in the following manner:  
3 with the abstracts of all the taxable property in the several counties of the state and the  
4 abstracts of the sales of real estate in such counties as returned by the respective county clerks  
5 and the assessor of the city of St. Louis, the commission shall classify all real estate situate in  
6 cities, towns, and villages, as town lots, and all other real estate as farming lands, and shall  
7 classify all tangible personal property as follows: banking corporations, railroad  
8 corporations, street railroad corporations, all other corporations, horses, mares and  
9 geldings, mules, asses and jennets, neat cattle, sheep, swine, goats, domesticated small  
10 animals and all other livestock, poultry, power machinery, farm implements, other tangible  
11 personal property.

12 2. The [state tax] commission shall equalize the valuation of each class or subclass of  
13 property thereof among the respective counties of the state in the following manner:

14 (1) It shall add to the valuation of each class, subclass, or portion thereof of the  
15 property, real or tangible personal, of each county which it believes to be valued below its real  
16 value in money such amount or percent as will increase the same in each case to its true value;

17 (2) It shall deduct from the valuation of each class, subclass, or portion thereof of the  
18 property, real or tangible personal, of each county which it believes to be valued above its real  
19 value in money such amount or percent as will reduce the same in each case to its true value.

20 3. **Beginning on and after January 1, 2027, the commission shall provide to each**  
21 **county a detailed list for each class, subclass, or portion thereof, that specifically**  
22 **enumerates any real or tangible personal property of such county found to be valued**  
23 **either below or above its real value in money and not in compliance with the applicable**  
24 **standards used for the assessment level and uniformity.**

138.460. 1. After the various assessment rolls required to be made by law shall have  
2 been passed upon by the several boards of equalization and prior to the making and delivery  
3 of the tax rolls to the proper officers for collection of the taxes, the several assessment rolls  
4 shall be subject to inspection by the commission, or by any member or duly authorized agent  
5 or representative thereof.

6        2. In case it shall appear to the commission after such investigation, or be made to  
7 appear to said commission by written complaint of any taxpayer, who has previously  
8 appealed to the local board of equalization, that property subject to taxation has been omitted  
9 from said roll, or individual assessments have not been made in compliance with law, the said  
10 commission may issue an order directing the assessing officer whose assessments are to be  
11 reviewed to appear with his assessment roll and the sworn statements of the person or persons  
12 whose property or whose assessments are to be considered, at a time and place to be stated in  
13 said order, said time to be not less than five days from the date of the issuance of said order,  
14 and the place to be at the office of the county commission at the county seat, or at such other  
15 place in said county in which said roll was made as the commission shall deem most  
16 convenient for the hearing herein provided. All complaints shall be filed with the  
17 commission not later than September thirtieth.

18        3. ~~[A copy of above order shall be published in at least one newspaper published in  
19 the county at least five days before the time at which said assessor is required to appear; or,]~~  
20 Where practicable, notice by mail may be given prior to said hearing to all persons whose  
21 assessments are to be considered. A copy of said order shall be served on the assessing  
22 officer at least ~~[three]~~ seven days before he **or she** is required to appear with said roll.

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