

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NOS. 2709 & 2671**  
**103RD GENERAL ASSEMBLY**

3917H.02C

JOSEPH ENGLER, Chief Clerk

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**AN ACT**

To repeal sections 137.073, 137.079, 137.115, and 164.121, RSMo, and to enact in lieu thereof five new sections relating to taxation of property.

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

Section A. Sections 137.073, 137.079, 137.115, and 164.121, RSMo, are repealed and  
2 five new sections enacted in lieu thereof, to be known as sections 137.067, 137.073, 137.079,  
3 137.115, and 164.121, to read as follows:

**137.067. Notwithstanding any other provision of law to the contrary, any ballot  
2 measure seeking approval to add, change, or modify a tax on real property shall express  
3 the effect of the proposed change within the ballot language in terms of the change in  
4 real dollars owed per one hundred thousand dollars of a property's market valuation.**

137.073. 1. As used in this section, the following terms mean:

2 (1) "General reassessment", changes in value, entered in the assessor's books, of a  
3 substantial portion of the parcels of real property within a county resulting wholly or partly  
4 from reappraisal of value or other actions of the assessor or county equalization body or  
5 ordered by the state tax commission or any court;

6 (2) "Tax rate", "rate", or "rate of levy", singular or plural, includes the tax rate for  
7 each purpose of taxation of property a taxing authority is authorized to levy without a vote  
8 and any tax rate authorized by election, including bond interest and sinking fund;

9 (3) "Tax rate ceiling", a tax rate as revised by the taxing authority to comply with the  
10 provisions of this section or when a court has determined the tax rate; except that, other  
11 provisions of law to the contrary notwithstanding, a school district may levy the operating  
12 levy for school purposes required for the current year pursuant to subsection 2 of section  
13 163.021, less all adjustments required pursuant to Article X, Section 22 of the Missouri

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.

14 Constitution, if such tax rate does not exceed the highest tax rate in effect subsequent to the  
15 1980 tax year. This is the maximum tax rate that may be levied, unless a higher tax rate  
16 ceiling is approved by voters of the political subdivision as provided in this section;

17 (4) "Tax revenue", when referring to the previous year, means the actual receipts from  
18 ad valorem levies on all classes of property, including state-assessed property, in the  
19 immediately preceding fiscal year of the political subdivision, plus an allowance for taxes  
20 billed but not collected in the fiscal year and plus an additional allowance for the revenue  
21 which would have been collected from property which was annexed by such political  
22 subdivision but which was not previously used in determining tax revenue pursuant to this  
23 section. The term "tax revenue" shall not include any receipts from ad valorem levies on any  
24 property of a railroad corporation or a public utility, as these terms are defined in section  
25 386.020, which were assessed by the assessor of a county or city in the previous year but are  
26 assessed by the state tax commission in the current year. All school districts and those  
27 counties levying sales taxes pursuant to chapter 67 shall include in the calculation of tax  
28 revenue an amount equivalent to that by which they reduced property tax levies as a result of  
29 sales tax pursuant to section 67.505 and section 164.013 [~~or as excess home dock city or~~  
30 ~~county fees as provided in subsection 4 of section 313.820~~] in the immediately preceding  
31 fiscal year but not including any amount calculated to adjust for prior years. For purposes of  
32 political subdivisions which were authorized to levy a tax in the prior year but which did not  
33 levy such tax or levied a reduced rate, the term "tax revenue", as used in relation to the  
34 revision of tax levies mandated by law, shall mean the revenues equal to the amount that  
35 would have been available if the voluntary rate reduction had not been made.

36 2. Whenever changes in assessed valuation are entered in the assessor's books for any  
37 personal property, in the aggregate, or for any subclass of real property as such subclasses are  
38 established in Section 4(b) of Article X of the Missouri Constitution and defined in section  
39 137.016, the county clerk in all counties and the assessor of St. Louis City shall notify each  
40 political subdivision wholly or partially within the county or St. Louis City of the change in  
41 valuation of each subclass of real property, individually, and personal property, in the  
42 aggregate, exclusive of new construction and improvements. All political subdivisions shall  
43 immediately revise the applicable rates of levy for each purpose for each subclass of real  
44 property, individually, and personal property, in the aggregate, for which taxes are levied to  
45 the extent necessary to produce from all taxable property, exclusive of new construction and  
46 improvements, substantially the same amount of tax revenue as was produced in the previous  
47 year for each subclass of real property, individually, and personal property, in the aggregate,  
48 except that the rate shall not exceed the greater of the most recent voter-approved rate or the  
49 most recent voter-approved rate as adjusted under subdivision (2) of subsection 5 of this  
50 section. Any political subdivision that has received approval from voters for a tax increase

51 after August 27, 2008, may levy a rate to collect substantially the same amount of tax revenue  
52 as the amount of revenue that would have been derived by applying the voter-approved  
53 increased tax rate ceiling to the total assessed valuation of the political subdivision as most  
54 recently certified by the city or county clerk on or before the date of the election in which  
55 such increase is approved, increased by the percentage increase in the consumer price index,  
56 as provided by law, except that the ~~[rate]~~ **rates of levy for each subclass of real property,**  
57 **individually, and personal property, in the aggregate,** shall not exceed the greater of the  
58 most recent voter-approved rate or the most recent voter-approved rate as adjusted under  
59 subdivision (2) of subsection 5 of this section. Such tax revenue shall not include any receipts  
60 from ad valorem levies on any real property which was assessed by the assessor of a county  
61 or city in such previous year but is assessed by the assessor of a county or city in the current  
62 year in a different subclass of real property. Where the taxing authority is a school district for  
63 the purposes of revising the applicable rates of levy for each subclass of real property, the tax  
64 revenues from state-assessed railroad and utility property shall be apportioned and attributed  
65 to each subclass of real property based on the percentage of the total assessed valuation of the  
66 county that each subclass of real property represents in the current ~~[taxable]~~ tax year. As  
67 provided in Section 22 of Article X of the constitution, a political subdivision may also revise  
68 each levy to allow for inflationary assessment growth occurring within the political  
69 subdivision. The inflationary growth factor for any such subclass of real property or personal  
70 property shall be limited to the actual assessment growth in such subclass or class, exclusive  
71 of new construction and improvements, and exclusive of the assessed value on any real  
72 property which was assessed by the assessor of a county or city in the current year in a  
73 different subclass of real property, but not to exceed the consumer price index or five percent,  
74 whichever is lower. ~~[Should the tax revenue of a political subdivision from the various tax~~  
75 ~~rates determined in this subsection be different than the tax revenue that would have been~~  
76 ~~determined from a single tax rate as calculated pursuant to the method of calculation in this~~  
77 ~~subsection prior to January 1, 2003, then the political subdivision shall revise the tax rates of~~  
78 ~~those subclasses of real property, individually, and/or personal property, in the aggregate, in~~  
79 ~~which there is a tax rate reduction, pursuant to the provisions of this subsection. Such~~  
80 ~~revision shall yield an amount equal to such difference and shall be apportioned among such~~  
81 ~~subclasses of real property, individually, and/or personal property, in the aggregate, based on~~  
82 ~~the relative assessed valuation of the class or subclasses of property experiencing a tax rate~~  
83 ~~reduction. Such revision in the tax rates of each class or subclass shall be made by computing~~  
84 ~~the percentage of current year adjusted assessed valuation of each class or subclass with a tax~~  
85 ~~rate reduction to the total current year adjusted assessed valuation of the class or subclasses~~  
86 ~~with a tax rate reduction, multiplying the resulting percentages by the revenue difference~~  
87 ~~between the single rate calculation and the calculations pursuant to this subsection and~~

~~88 dividing by the respective adjusted current year assessed valuation of each class or subclass to  
89 determine the adjustment to the rate to be levied upon each class or subclass of property. The  
90 adjustment computed herein shall be multiplied by one hundred, rounded to four decimals in  
91 the manner provided in this subsection, and added to the initial rate computed for each class  
92 or subclass of property. For school districts that levy separate tax rates on each subclass of  
93 real property and personal property in the aggregate, if voters approved a ballot before  
94 January 1, 2011, that presented separate stated tax rates to be applied to the different  
95 subclasses of real property and personal property in the aggregate, or increases the separate  
96 rates that may be levied on the different subclasses of real property and personal property in  
97 the aggregate by different amounts, the tax rate that shall be used for the single tax rate  
98 calculation shall be a blended rate, calculated in the manner provided under subdivision (1) of  
99 subsection 6 of this section. Notwithstanding any provision of this subsection to the contrary,  
100 no revision to the rate of levy for personal property shall cause such levy to increase over the  
101 levy for personal property from the prior year.]~~

102         3. (1) Where the taxing authority is a school district, it shall be required to revise the  
103 rates of levy to the extent necessary to produce from all taxable property, including state-  
104 assessed railroad and utility property, which shall be separately estimated in addition to other  
105 data required in complying with section 164.011, substantially the amount of tax revenue  
106 permitted in this section. In the year following tax rate reduction, the tax rate ceiling may be  
107 adjusted to offset such district's reduction in the apportionment of state school moneys due to  
108 its reduced tax rate. However, in the event any school district, in calculating a tax rate ceiling  
109 pursuant to this section, requiring the estimating of effects of state-assessed railroad and  
110 utility valuation or loss of state aid, discovers that the estimates used result in receipt of  
111 excess revenues, which would have required a lower rate if the actual information had been  
112 known, the school district shall reduce the tax rate ceiling in the following year to compensate  
113 for the excess receipts, and the recalculated rate shall become the tax rate ceiling for purposes  
114 of this section.

115         (2) For any political subdivision which experiences a reduction in the amount of  
116 assessed valuation relating to a prior year, due to decisions of the state tax commission or a  
117 court pursuant to sections 138.430 to 138.433, or due to clerical errors or corrections in the  
118 calculation or recordation of any assessed valuation:

119         (a) Such political subdivision may revise the tax rate ceiling for each purpose it levies  
120 taxes to compensate for the reduction in assessed value occurring after the political  
121 subdivision calculated the tax rate ceiling for the particular subclass of real property or for  
122 personal property, in the aggregate, in a prior year. Such revision by the political subdivision  
123 shall be made at the time of the next calculation of the tax rate for the particular subclass of  
124 real property or for personal property, in the aggregate, after the reduction in assessed

125 valuation has been determined and shall be calculated in a manner that results in the revised  
126 tax rate ceiling being the same as it would have been had the corrected or finalized assessment  
127 been available at the time of the prior calculation;

128 (b) In addition, for up to three years following the determination of the reduction in  
129 assessed valuation as a result of circumstances defined in this subdivision, such political  
130 subdivision may levy a tax rate for each purpose it levies taxes above the revised tax rate  
131 ceiling provided in paragraph (a) of this subdivision to recoup any revenues it was entitled to  
132 receive had the corrected or finalized assessment been available at the time of the prior  
133 calculation.

134 4. (1) In order to implement the provisions of this section and Section 22 of Article X  
135 of the Constitution of Missouri, the term improvements shall apply to ~~[both]~~ real ~~[and~~  
136 ~~personal]~~ property. In order to determine the value of new construction and improvements,  
137 each county assessor shall maintain a record of real property valuations in such a manner as to  
138 identify each year the increase in valuation for each political subdivision in the county as a  
139 result of new construction and improvements. The value of new construction and  
140 improvements shall include the additional assessed value of all improvements or additions to  
141 real property which were begun after and were not part of the prior year's assessment, except  
142 that the additional assessed value of all improvements or additions to real property which had  
143 been totally or partially exempt from ad valorem taxes pursuant to sections 99.800 to 99.865,  
144 sections 135.200 to 135.255, and section 353.110 shall be included in the value of new  
145 construction and improvements when the property becomes totally or partially subject to  
146 assessment and payment of all ad valorem taxes. ~~[The aggregate increase in valuation of~~  
147 ~~personal property for the current year over that of the previous year is the equivalent of the~~  
148 ~~new construction and improvements factor for personal property. Notwithstanding any opt-~~  
149 ~~out implemented pursuant to subsection 14 of section 137.115,]~~ The assessor shall certify the  
150 amount of new construction and improvements and the amount of assessed value on any real  
151 property which was assessed by the assessor of a county or city in such previous year but is  
152 assessed by the assessor of a county or city in the current year in a different subclass of real  
153 property separately for each of the three subclasses of real property for each political  
154 subdivision to the county clerk in order that political subdivisions shall have this information  
155 for the purpose of calculating tax rates pursuant to this section and Section 22, Article X,  
156 Constitution of Missouri. In addition, the state tax commission shall certify each year to each  
157 county clerk the increase in the general price level as measured by the Consumer Price Index  
158 for All Urban Consumers for the United States, or its successor publications, as defined and  
159 officially reported by the United States Department of Labor, or its successor agency. The  
160 state tax commission shall certify the increase in such index on the latest twelve-month basis  
161 available on February first of each year over the immediately preceding prior twelve-month

162 period in order that political subdivisions shall have this information available in setting their  
163 tax rates according to law and Section 22 of Article X of the Constitution of Missouri. For  
164 purposes of implementing the provisions of this section and Section 22 of Article X of the  
165 Missouri Constitution, the term "property" means all taxable property, including state-  
166 assessed property.

167 (2) Each political subdivision required to revise rates of levy pursuant to this section  
168 or Section 22 of Article X of the Constitution of Missouri shall calculate each tax rate it is  
169 authorized to levy and, in establishing each tax rate, shall consider each provision for tax rate  
170 revision provided in this section and Section 22 of Article X of the Constitution of Missouri,  
171 separately and without regard to annual tax rate reductions provided in section 67.505 and  
172 section 164.013. Each political subdivision shall set each tax rate it is authorized to levy  
173 using the calculation that produces the lowest tax rate ceiling. It is further the intent of the  
174 general assembly, pursuant to the authority of Section 10(c) of Article X of the Constitution  
175 of Missouri, that the provisions of such section be applicable to tax rate revisions mandated  
176 pursuant to Section 22 of Article X of the Constitution of Missouri as to reestablishing tax  
177 rates as revised in subsequent years, enforcement provisions, and other provisions not in  
178 conflict with Section 22 of Article X of the Constitution of Missouri. Annual tax rate  
179 reductions provided in section 67.505 and section 164.013 shall be applied to the tax rate as  
180 established pursuant to this section and Section 22 of Article X of the Constitution of  
181 Missouri, unless otherwise provided by law.

182 5. (1) In all political subdivisions, the tax rate ceiling established pursuant to this  
183 section shall not be increased unless approved by a vote of the people. Approval of the higher  
184 tax rate shall be by at least a majority of votes cast. When a proposed higher tax rate requires  
185 approval by more than a simple majority pursuant to any provision of law or the constitution,  
186 the tax rate increase must receive approval by at least the majority required.  
187 **Notwithstanding any other provision of law to the contrary, all tax levy increases**  
188 **applied to any real and personal property shall be applied to each subclass of property**  
189 **equally.**

190 (2) When voters approve an increase in the tax rate, the amount of the increase shall  
191 be added to the tax rate ceiling as calculated pursuant to this section to the extent the total rate  
192 does not exceed any maximum rate prescribed by law. If a ballot question presents a stated  
193 tax rate for approval rather than describing the amount of increase in the question, the stated  
194 tax rate approved shall be adjusted as provided in this section and, so adjusted, shall be the  
195 current tax rate ceiling. The increased tax rate ceiling as approved shall be adjusted such that  
196 when applied to the current total assessed valuation of the political subdivision, excluding  
197 new construction and improvements since the date of the election approving such increase,  
198 the revenue derived from the adjusted tax rate ceiling is equal to the sum of: the amount of

199 revenue which would have been derived by applying the voter-approved increased tax rate  
200 ceiling to total assessed valuation of the political subdivision, as most recently certified by the  
201 city or county clerk on or before the date of the election in which such increase is approved,  
202 increased by the percentage increase in the consumer price index, as provided by law. Such  
203 adjusted tax rate ceiling may be applied to the total assessed valuation of the political  
204 subdivision at the setting of the next tax rate. If a ballot question presents a phased-in tax rate  
205 increase, upon voter approval, each tax rate increase shall be adjusted in the manner  
206 prescribed in this section to yield the sum of: the amount of revenue that would be derived by  
207 applying such voter-approved increased rate to the total assessed valuation, as most recently  
208 certified by the city or county clerk on or before the date of the election in which such  
209 increase was approved, increased by the percentage increase in the consumer price index, as  
210 provided by law, from the date of the election to the time of such increase and, so adjusted,  
211 shall be the current tax rate ceiling.

212 **(3) The provisions of subdivision (2) of this subsection notwithstanding, if prior**  
213 **to the expiration of a temporary levy increase, voters approve a subsequent levy**  
214 **increase, the new tax rate ceiling shall remain in effect only until such time as the**  
215 **temporary levy expires under the terms originally approved by a vote of the people, at**  
216 **which time the tax rate ceiling shall be decreased by the amount of the temporary levy**  
217 **increase. If, prior to the expiration of a temporary levy increase, voters of a political**  
218 **subdivision are asked to approve an additional, permanent increase to the political**  
219 **subdivision's tax rate ceiling, voters shall be submitted ballot language that clearly**  
220 **indicates that if the permanent levy increase is approved, the temporary levy shall be**  
221 **made permanent.**

222 **(4) The governing body of any political subdivision may levy a tax rate lower than its**  
223 **tax rate ceiling ~~and~~. Such reduction to the tax rate ceiling in a nonreassessment year**  
224 **shall be applied in the immediately following year of general reassessment. The**  
225 **governing body of any political subdivision may, in a nonreassessment year, increase that**  
226 **previously lowered tax rate to a level not exceeding the tax rate ceiling without voter**  
227 **approval in the manner provided under subdivision ~~(4)~~ (5) of this subsection. Such**  
228 **increase to the tax rate ceiling in a nonreassessment year shall be applied in the**  
229 **immediately following year of general reassessment.** Nothing in this section shall be  
230 construed as prohibiting a political subdivision from voluntarily levying a tax rate lower than  
231 that which is required under the provisions of this section or from seeking voter approval of a  
232 reduction to such political subdivision's tax rate ceiling.

233 **~~(4)~~ (5) In a year of general reassessment, a governing body whose tax rate is lower**  
234 **than its tax rate ceiling shall revise its tax rate pursuant to the provisions of subsection 4 of**  
235 **this section as if its tax rate was at the tax rate ceiling. In a year following general**

236 reassessment, if such governing body intends to increase its tax rate, the governing body shall  
237 conduct a public hearing, and in a public meeting it shall adopt an ordinance, resolution, or  
238 policy statement justifying its action prior to setting and certifying its tax rate. The provisions  
239 of this subdivision shall not apply to any political subdivision which levies a tax rate lower  
240 than its tax rate ceiling solely due to a reduction required by law resulting from sales tax  
241 collections. The provisions of this subdivision shall not apply to any political subdivision  
242 which has received voter approval for an increase to its tax rate ceiling subsequent to setting  
243 its most recent tax rate.

244 **(6) (a) As used in this subdivision, the following terms mean:**

245 **a. "Current tax rate ceiling", the tax rate ceiling in effect before the voters**  
246 **approve a higher tax rate;**

247 **b. "Increased tax rate ceiling", the new tax rate ceiling in effect after the voters**  
248 **approve a higher tax rate.**

249 **(b) Notwithstanding any other provision of law to the contrary, when the**  
250 **required majority of voters in a political subdivision passes an increase in the political**  
251 **subdivision's tax rate, the political subdivision shall use the current tax rate ceiling and**  
252 **the increase approved by the voters in establishing the rates of levy for the tax year**  
253 **immediately following the election.**

254 **(c) If the assessed valuation of real property in such political subdivision is**  
255 **reduced in such tax year immediately following the election, such political subdivision**  
256 **may raise its rates of levy so that the revenue received from its local real property tax**  
257 **rates equals the amount the political subdivision would have received from the increased**  
258 **rates of levy had there been no reduction in the assessed valuation of real property in the**  
259 **political subdivision.**

260 **(d) Using the increased tax rate ceiling shall be revenue neutral as required in**  
261 **Article X, Section 22 of the Constitution of Missouri.**

262 6. (1) For the purposes of calculating state aid for public schools pursuant to section  
263 163.031, each taxing authority which is a school district shall determine its proposed tax rate  
264 as a blended rate of the classes or subclasses of property. Such blended rate shall be  
265 calculated by first determining the total tax revenue of the property within the jurisdiction of  
266 the taxing authority, which amount shall be equal to the sum of the products of multiplying  
267 the assessed valuation of each class and subclass of property by the corresponding tax rate for  
268 such class or subclass, then dividing the total tax revenue by the total assessed valuation of  
269 the same jurisdiction, and then multiplying the resulting quotient by a factor of one hundred.  
270 Where the taxing authority is a school district, such blended rate shall also be used by such  
271 school district for calculating revenue from state-assessed railroad and utility property as  
272 defined in chapter 151 and for apportioning the tax rate by purpose.

273 (2) Each taxing authority proposing to levy a tax rate in any year shall notify the clerk  
274 of the county commission in the county or counties where the tax rate applies of its tax rate  
275 ceiling and its proposed tax rate. Each taxing authority shall express its proposed tax rate in a  
276 fraction equal to the nearest one-tenth of a cent, unless its proposed tax rate is in excess of one  
277 dollar, then one/one-hundredth of a cent. If a taxing authority shall round to one/one-  
278 hundredth of a cent, it shall round up a fraction greater than or equal to five/one-thousandth of  
279 one cent to the next higher one/one-hundredth of a cent; if a taxing authority shall round to  
280 one-tenth of a cent, it shall round up a fraction greater than or equal to five/one-hundredths of  
281 a cent to the next higher one-tenth of a cent. Any taxing authority levying a property tax rate  
282 shall provide data, in such form as shall be prescribed by the state auditor by rule,  
283 substantiating such tax rate complies with Missouri law. All forms for the calculation of rates  
284 pursuant to this section shall be promulgated as a rule and shall not be incorporated by  
285 reference. The state auditor shall promulgate rules for any and all forms for the calculation of  
286 rates pursuant to this section which do not currently exist in rule form or that have been  
287 incorporated by reference. In addition, each taxing authority proposing to levy a tax rate for  
288 debt service shall provide data, in such form as shall be prescribed by the state auditor by rule,  
289 substantiating the tax rate for debt service complies with Missouri law. A tax rate proposed  
290 for annual debt service requirements will be prima facie valid if, after making the payment for  
291 which the tax was levied, bonds remain outstanding and the debt fund reserves do not exceed  
292 the following year's payments. The county clerk shall keep on file and available for public  
293 inspection all such information for a period of three years. The clerk shall, within three days  
294 of receipt, forward a copy of the notice of a taxing authority's tax rate ceiling and proposed  
295 tax rate and any substantiating data to the state auditor. The state auditor shall, within fifteen  
296 days of the date of receipt, examine such information and return to the county clerk his or her  
297 findings as to compliance of the tax rate ceiling with this section and as to compliance of any  
298 proposed tax rate for debt service with Missouri law. If the state auditor believes that a taxing  
299 authority's proposed tax rate does not comply with Missouri law, then the state auditor's  
300 findings shall include a recalculated tax rate, and the state auditor may request a taxing  
301 authority to submit documentation supporting such taxing authority's proposed tax rate. The  
302 county clerk shall immediately forward a copy of the auditor's findings to the taxing authority  
303 and shall file a copy of the findings with the information received from the taxing authority.  
304 The taxing authority shall have fifteen days from the date of receipt from the county clerk of  
305 the state auditor's findings and any request for supporting documentation to accept or reject in  
306 writing the rate change certified by the state auditor and to submit all requested information to  
307 the state auditor. A copy of the taxing authority's acceptance or rejection and any information  
308 submitted to the state auditor shall also be mailed to the county clerk. If a taxing authority  
309 rejects a rate change certified by the state auditor and the state auditor does not receive

310 supporting information which justifies the taxing authority's original or any subsequent  
311 proposed tax rate, then the state auditor shall refer the perceived violations of such taxing  
312 authority to the attorney general's office and the attorney general is authorized to obtain  
313 injunctive relief to prevent the taxing authority from levying a violative tax rate.

314 (3) In the event that the taxing authority incorrectly completes the forms created and  
315 promulgated under subdivision (2) of this subsection, or makes a clerical error, the taxing  
316 authority may submit amended forms with an explanation for the needed changes. If such  
317 amended forms are filed under regulations prescribed by the state auditor, the state auditor  
318 shall take into consideration such amended forms for the purposes of this subsection.

319 7. No tax rate shall be extended on the tax rolls by the county clerk unless the political  
320 subdivision has complied with the foregoing provisions of this section.

321 8. Whenever a taxpayer has cause to believe that a taxing authority has not complied  
322 with the provisions of this section, the taxpayer may make a formal complaint with the  
323 prosecuting attorney of the county. Where the prosecuting attorney fails to bring an action  
324 within ten days of the filing of the complaint, the taxpayer may bring a civil action pursuant to  
325 this section and institute an action as representative of a class of all taxpayers within a taxing  
326 authority if the class is so numerous that joinder of all members is impracticable, if there are  
327 questions of law or fact common to the class, if the claims or defenses of the representative  
328 parties are typical of the claims or defenses of the class, and if the representative parties will  
329 fairly and adequately protect the interests of the class. In any class action maintained  
330 pursuant to this section, the court may direct to the members of the class a notice to be  
331 published at least once each week for four consecutive weeks in a newspaper of general  
332 circulation published in the county where the civil action is commenced and in other counties  
333 within the jurisdiction of a taxing authority. The notice shall advise each member that the  
334 court will exclude him or her from the class if he or she so requests by a specified date, that  
335 the judgment, whether favorable or not, will include all members who do not request  
336 exclusion, and that any member who does not request exclusion may, if he or she desires,  
337 enter an appearance. In any class action brought pursuant to this section, the court, in  
338 addition to the relief requested, shall assess against the taxing authority found to be in  
339 violation of this section the reasonable costs of bringing the action, including reasonable  
340 attorney's fees, provided no attorney's fees shall be awarded any attorney or association of  
341 attorneys who receive public funds from any source for their services. Any action brought  
342 pursuant to this section shall be set for hearing as soon as practicable after the cause is at  
343 issue.

344 9. If in any action, including a class action, the court issues an order requiring a taxing  
345 authority to revise the tax rates as provided in this section or enjoins a taxing authority from  
346 the collection of a tax because of its failure to revise the rate of levy as provided in this

347 section, any taxpayer paying his or her taxes when an improper rate is applied has erroneously  
348 paid his or her taxes in part, whether or not the taxes are paid under protest as provided in  
349 section 139.031 or otherwise contested. The part of the taxes paid erroneously is the  
350 difference in the amount produced by the original levy and the amount produced by the  
351 revised levy. The township or county collector of taxes or the collector of taxes in any city  
352 shall refund the amount of the tax erroneously paid. The taxing authority refusing to revise  
353 the rate of levy as provided in this section shall make available to the collector all funds  
354 necessary to make refunds pursuant to this subsection. No taxpayer shall receive any interest  
355 on any money erroneously paid by him or her pursuant to this subsection. Effective in the  
356 1994 tax year, nothing in this section shall be construed to require a taxing authority to refund  
357 any tax erroneously paid prior to or during the third tax year preceding the current tax year.

358 10. Any rule or portion of a rule, as that term is defined in section 536.010, that is  
359 created under the authority delegated in this section shall become effective only if it complies  
360 with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.  
361 This section and chapter 536 are nonseverable and if any of the powers vested with the  
362 general assembly pursuant to chapter 536 to review, to delay the effective date, or to  
363 disapprove and annul a rule are subsequently held unconstitutional, then the grant of  
364 rulemaking authority and any rule proposed or adopted after August 28, 2004, shall be invalid  
365 and void.

137.079. Prior to setting its ~~[rate or]~~ rates as required by section 137.073, each taxing  
2 authority shall exclude from its total assessed valuation seventy-two percent of the total  
3 amount of assessed value of business personal property that is the subject of an appeal at the  
4 state tax commission or in a court of competent jurisdiction in this state. This exclusion shall  
5 only apply to the portion of the assessed value of business personal property that is disputed  
6 in the appeal, and shall not exclude any portion of the same property that is not disputed. ~~[If~~  
7 ~~the taxing authority uses a multirate approach]~~ **For the purpose of setting rates** as provided  
8 in section 137.073, this exclusion shall be made from the personal property class. The state  
9 tax commission shall provide each taxing authority with the total assessed value of business  
10 personal property within the jurisdiction of such taxing authority for which an appeal is  
11 pending no later than August twentieth of each year. Whenever any appeal is resolved,  
12 whether by final adjudication or settlement, and the result of the appeal causes money to be  
13 paid to the taxing authority, the taxing authority shall not be required to make an additional  
14 adjustment to its rate or rates due to such payment once the deadline for setting its rates, as  
15 provided by this chapter, has passed in a taxable year, but shall adjust its rate or rates due to  
16 such payment in the next rate setting cycle to offset the payment in the next taxable year. For  
17 the purposes of this section, the term "business personal property" means tangible personal  
18 property which is used in a trade or business or used for production of income and which has

19 a determinable life of longer than one year except that supplies used by a business shall also  
20 be considered business personal property, but shall not include livestock, farm machinery,  
21 property subject to the motor vehicle registration provisions of chapter 301, property subject  
22 to the tables provided in section 137.078, the property of rural electric cooperatives under  
23 chapter 394, or property assessed by the state tax commission under chapters 151, 153, and  
24 155, section 137.022, and sections 137.1000 to 137.1030.

137.115. 1. All other laws to the contrary notwithstanding, the assessor or the  
2 assessor's deputies in all counties of this state including the City of St. Louis shall annually  
3 make a list of all real and tangible personal property taxable in the assessor's city, county,  
4 town or district. Except as otherwise provided in subsection 3 of this section and section  
5 137.078, the assessor shall annually assess all personal property at thirty-three and one-third  
6 percent of its true value in money as of January first of each calendar year. The assessor shall  
7 annually assess all real property, including any new construction and improvements to real  
8 property, and possessory interests in real property at the percent of its true value in money set  
9 in subsection 5 of this section. The true value in money of any possessory interest in real  
10 property in subclass (3), where such real property is on or lies within the ultimate airport  
11 boundary as shown by a federal airport layout plan, as defined by 14 CFR 151.5, of a  
12 commercial airport having a FAR Part 139 certification and owned by a political subdivision,  
13 shall be the otherwise applicable true value in money of any such possessory interest in real  
14 property, less the total dollar amount of costs paid by a party, other than the political  
15 subdivision, towards any new construction or improvements on such real property completed  
16 after January 1, 2008, and which are included in the above-mentioned possessory interest,  
17 regardless of the year in which such costs were incurred or whether such costs were  
18 considered in any prior year. The assessor shall annually assess all real property in the  
19 following manner: new assessed values shall be determined as of January first of each odd-  
20 numbered year and shall be entered in the assessor's books; those same assessed values shall  
21 apply in the following even-numbered year, except for new construction and property  
22 improvements which shall be valued as though they had been completed as of January first of  
23 the preceding odd-numbered year. The assessor may call at the office, place of doing  
24 business, or residence of each person required by this chapter to list property, and require the  
25 person to make a correct statement of all taxable tangible personal property owned by the  
26 person or under his or her care, charge or management, taxable in the county. On or before  
27 January first of each even-numbered year, the assessor shall prepare and submit a two-year  
28 assessment maintenance plan to the county governing body and the state tax commission for  
29 their respective approval or modification. The county governing body shall approve and  
30 forward such plan or its alternative to the plan to the state tax commission by February first.  
31 If the county governing body fails to forward the plan or its alternative to the plan to the state

32 tax commission by February first, the assessor's plan shall be considered approved by the  
33 county governing body. If the state tax commission fails to approve a plan and if the state tax  
34 commission and the assessor and the governing body of the county involved are unable to  
35 resolve the differences, in order to receive state cost-share funds outlined in section 137.750,  
36 the county or the assessor shall petition the administrative hearing commission, by May first,  
37 to decide all matters in dispute regarding the assessment maintenance plan. Upon agreement  
38 of the parties, the matter may be stayed while the parties proceed with mediation or  
39 arbitration upon terms agreed to by the parties. The final decision of the administrative  
40 hearing commission shall be subject to judicial review in the circuit court of the county  
41 involved. In the event a valuation of subclass (1) real property within any county with a  
42 charter form of government, or within a city not within a county, is made by a computer,  
43 computer-assisted method or a computer program, the burden of proof, supported by clear,  
44 convincing and cogent evidence to sustain such valuation, shall be on the assessor at any  
45 hearing or appeal. In any such county, unless the assessor proves otherwise, there shall be a  
46 presumption that the assessment was made by a computer, computer-assisted method or a  
47 computer program. Such evidence shall include, but shall not be limited to, the following:

48 (1) The findings of the assessor based on an appraisal of the property by generally  
49 accepted appraisal techniques; and

50 (2) The purchase prices from sales of at least three comparable properties and the  
51 address or location thereof. As used in this subdivision, the word "comparable" means that:

52 (a) Such sale was closed at a date relevant to the property valuation; and

53 (b) Such properties are not more than one mile from the site of the disputed property,  
54 except where no similar properties exist within one mile of the disputed property, the nearest  
55 comparable property shall be used. Such property shall be within five hundred square feet in  
56 size of the disputed property, and resemble the disputed property in age, floor plan, number of  
57 rooms, and other relevant characteristics.

58 2. Assessors in each county of this state and the City of St. Louis may send personal  
59 property assessment forms through the mail.

60 3. The following items of personal property shall each constitute separate subclasses  
61 of tangible personal property and shall be assessed and valued for the purposes of taxation at  
62 the following percentages of their true value in money:

63 (1) Grain and other agricultural crops in an unmanufactured condition, one-half of  
64 one percent;

65 (2) Livestock, twelve percent;

66 (3) Farm machinery, twelve percent;

67 (4) Motor vehicles which are eligible for registration as and are registered as historic  
68 motor vehicles pursuant to section 301.131 and aircraft which are at least twenty-five years

69 old and which are used solely for noncommercial purposes and are operated less than two  
70 hundred hours per year or aircraft that are home built from a kit, five percent;

71 (5) Poultry, twelve percent;

72 (6) Tools and equipment used for pollution control and tools and equipment used in  
73 retooling for the purpose of introducing new product lines or used for making improvements  
74 to existing products by any company which is located in a state enterprise zone and which is  
75 identified by any standard industrial classification number cited in subdivision (7) of section  
76 135.200, twenty-five percent; and

77 (7) Solar panels, racking systems, inverters, and related solar equipment, components,  
78 materials, and supplies installed in connection with solar photovoltaic energy systems, as  
79 described in subdivision (46) of subsection 2 of section 144.030, that were constructed and  
80 producing solar energy prior to August 9, 2022, five percent.

81 4. The person listing the property shall enter a true and correct statement of the  
82 property, in a printed blank prepared for that purpose. The statement, after being filled out,  
83 shall be signed and either affirmed or sworn to as provided in section 137.155. The list shall  
84 then be delivered to the assessor.

85 5. (1) All subclasses of real property, as such subclasses are established in Section 4  
86 (b) of Article X of the Missouri Constitution and defined in section 137.016, shall be assessed  
87 at the following percentages of true value:

88 (a) For real property in subclass (1), nineteen percent;

89 (b) For real property in subclass (2), twelve percent; and

90 (c) For real property in subclass (3), thirty-two percent.

91 (2) A taxpayer may apply to the county assessor, or, if not located within a county,  
92 then the assessor of such city, for the reclassification of such taxpayer's real property if the use  
93 or purpose of such real property is changed after such property is assessed under the  
94 provisions of this chapter. If the assessor determines that such property shall be reclassified,  
95 he or she shall determine the assessment under this subsection based on the percentage of the  
96 tax year that such property was classified in each subclassification.

97 6. Manufactured homes, as defined in section 700.010, which are actually used as  
98 dwelling units shall be assessed at the same percentage of true value as residential real  
99 property for the purpose of taxation. The percentage of assessment of true value for such  
100 manufactured homes shall be the same as for residential real property. If the county collector  
101 cannot identify or find the manufactured home when attempting to attach the manufactured  
102 home for payment of taxes owed by the manufactured home owner, the county collector may  
103 request the county commission to have the manufactured home removed from the tax books,  
104 and such request shall be granted within thirty days after the request is made; however, the  
105 removal from the tax books does not remove the tax lien on the manufactured home if it is

106 later identified or found. For purposes of this section, a manufactured home located in a  
107 manufactured home rental park, rental community or on real estate not owned by the  
108 manufactured home owner shall be considered personal property. For purposes of this  
109 section, a manufactured home located on real estate owned by the manufactured home owner  
110 may be considered real property.

111           7. Each manufactured home assessed shall be considered a parcel for the purpose of  
112 reimbursement pursuant to section 137.750, unless the manufactured home is deemed to be  
113 real estate as defined in subsection 7 of section 442.015 and assessed as a realty improvement  
114 to the existing real estate parcel.

115           8. Any amount of tax due and owing based on the assessment of a manufactured  
116 home shall be included on the personal property tax statement of the manufactured home  
117 owner unless the manufactured home is deemed to be real estate as defined in subsection 7 of  
118 section 442.015, in which case the amount of tax due and owing on the assessment of the  
119 manufactured home as a realty improvement to the existing real estate parcel shall be  
120 included on the real property tax statement of the real estate owner.

121           9. The assessor of each county and each city not within a county shall use a nationally  
122 recognized automotive trade publication such as the National Automobile Dealers'  
123 Association Official Used Car Guide, Kelley Blue Book, Edmunds, or other similar  
124 publication as the recommended guide of information for determining the true value of motor  
125 vehicles described in such publication. The state tax commission shall select and make  
126 available to all assessors which publication shall be used. The assessor of each county and  
127 each city not within a county shall use the trade-in value published in the current October  
128 issue of the publication selected by the state tax commission. The assessor shall not use a  
129 value that is greater than the average trade-in value in determining the true value of the motor  
130 vehicle without performing a physical inspection of the motor vehicle. For vehicles two years  
131 old or newer from a vehicle's model year, the assessor may use a value other than average  
132 without performing a physical inspection of the motor vehicle. In the absence of a listing for  
133 a particular motor vehicle in such publication, the assessor shall use such information or  
134 publications that, in the assessor's judgment, will fairly estimate the true value in money of  
135 the motor vehicle. For motor vehicles with a true value of less than fifty thousand dollars as  
136 of January 1, 2025, the assessor shall not assess such motor vehicle for an amount greater  
137 than such motor vehicle was assessed in the previous year, provided that such motor vehicle  
138 was properly assessed in the previous year.

139           10. Before the assessor may increase the assessed valuation of any parcel of subclass  
140 (1) real property by more than fifteen percent since the last assessment, excluding increases  
141 due to new construction or improvements, the assessor shall conduct a physical inspection of  
142 such property.

143           11. If a physical inspection is required, pursuant to subsection 10 of this section, the  
144 assessor shall notify the property owner of that fact in writing and shall provide the owner  
145 clear written notice of the owner's rights relating to the physical inspection. If a physical  
146 inspection is required, the property owner may request that an interior inspection be  
147 performed during the physical inspection. The owner shall have no less than thirty days to  
148 notify the assessor of a request for an interior physical inspection.

149           12. A physical inspection, as required by subsection 10 of this section, shall include,  
150 but not be limited to, an on-site personal observation and review of all exterior portions of the  
151 land and any buildings and improvements to which the inspector has or may reasonably and  
152 lawfully gain external access, and shall include an observation and review of the interior of  
153 any buildings or improvements on the property upon the timely request of the owner pursuant  
154 to subsection 11 of this section. Mere observation of the property via a drive-by inspection or  
155 the like shall not be considered sufficient to constitute a physical inspection as required by  
156 this section.

157           13. A county or city collector may accept credit cards as proper form of payment of  
158 outstanding property tax or license due. No county or city collector may charge surcharge for  
159 payment by credit card which exceeds the fee or surcharge charged by the credit card bank,  
160 processor, or issuer for its service. A county or city collector may accept payment by  
161 electronic transfers of funds in payment of any tax or license and charge the person making  
162 such payment a fee equal to the fee charged the county by the bank, processor, or issuer of  
163 such electronic payment.

164           14. ~~Any county or city not within a county in this state may, by an affirmative vote of~~  
165 ~~the governing body of such county, opt out of the provisions of this section and sections~~  
166 ~~137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety first general~~  
167 ~~assembly, second regular session and section 137.073 as modified by house committee~~  
168 ~~substitute for senate substitute for senate committee substitute for senate bill no. 960, ninety-~~  
169 ~~second general assembly, second regular session, for the next year of the general~~  
170 ~~reassessment, prior to January first of any year. No county or city not within a county~~  
171 ~~shall exercise this opt-out provision after implementing the provisions of this section and~~  
172 ~~sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety first~~  
173 ~~general assembly, second regular session and section 137.073 as modified by house~~  
174 ~~committee substitute for senate substitute for senate committee substitute for senate bill no.~~  
175 ~~960, ninety second general assembly, second regular session, in a year of general~~  
176 ~~reassessment. For the purposes of applying the provisions of this subsection, a political~~  
177 ~~subdivision contained within two or more counties where at least one of such counties has~~  
178 ~~opted out and at least one of such counties has not opted out shall calculate a single tax rate as~~  
179 ~~in effect prior to the enactment of house bill no. 1150 of the ninety first general assembly,~~

180 ~~second regular session. A governing body of a city not within a county or a county that has~~  
181 ~~opted out under the provisions of this subsection may choose to implement the provisions of~~  
182 ~~this section and sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of~~  
183 ~~the ninety first general assembly, second regular session, and section 137.073 as modified by~~  
184 ~~house committee substitute for senate substitute for senate committee substitute for senate bill~~  
185 ~~no. 960, ninety second general assembly, second regular session, for the next year of general~~  
186 ~~reassessment, by an affirmative vote of the governing body prior to December thirty first of~~  
187 ~~any year.~~

188 ~~15. The governing body of any city of the third classification with more than twenty-~~  
189 ~~six thousand three hundred but fewer than twenty six thousand seven hundred inhabitants~~  
190 ~~located in any county that has exercised its authority to opt out under subsection 14 of this~~  
191 ~~section may levy separate and differing tax rates for real and personal property only if such~~  
192 ~~city bills and collects its own property taxes or satisfies the entire cost of the billing and~~  
193 ~~collection of such separate and differing tax rates. Such separate and differing rates shall not~~  
194 ~~exceed such city's tax rate ceiling.~~

195 ~~16.] Any portion of real property that is available as reserve for strip, surface, or coal~~  
196 ~~mining for minerals for purposes of excavation for future use or sale to others that has not~~  
197 ~~been bonded and permitted under chapter 444 shall be assessed based upon how the real~~  
198 ~~property is currently being used. Any information provided to a county assessor, state tax~~  
199 ~~commission, state agency, or political subdivision responsible for the administration of tax~~  
200 ~~policies shall, in the performance of its duties, make available all books, records, and~~  
201 ~~information requested, except such books, records, and information as are by law declared~~  
202 ~~confidential in nature, including individually identifiable information regarding a specific~~  
203 ~~taxpayer or taxpayer's mine property. For purposes of this subsection, "mine property" shall~~  
204 ~~mean all real property that is in use or readily available as a reserve for strip, surface, or coal~~  
205 ~~mining for minerals for purposes of excavation for current or future use or sale to others that~~  
206 ~~has been bonded and permitted under chapter 444.~~

164.121. 1. The school board of any district other than a metropolitan or urban  
2 district may borrow money and issue bonds for the payment thereof for the following  
3 purposes:

- 4 (1) Purchasing schoolhouse sites and other land for school purposes;
- 5 (2) Erecting schoolhouses or library buildings;
- 6 (3) Furnishing schoolhouses or library buildings;
- 7 (4) Building additions to or repairing old buildings;
- 8 (5) Purchasing school buses and other transportation equipment;
- 9 (6) Paying off and discharging assessments made by counties, cities, towns and  
10 villages or other political subdivisions or public corporations of the state against the district in

11 connection with the erection, construction and maintenance of sewers and sewer systems,  
12 sidewalks, guttering, curbing and paving of streets and alleys adjoining and abutting real  
13 estate of the district if the general funds of the district are insufficient in the judgment of the  
14 board to pay and discharge the assessment.

15         2. The question of any loan under this section shall be decided at an election.

16         **3. Notice of the submission of the question shall include the amount of the loan**  
17 **required and for what purpose.**

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