

SECOND REGULAR SESSION

HOUSE JOINT RESOLUTION NO. 132

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE MAYHEW.

4301H.011

JOSEPH ENGLER, Chief Clerk

JOINT RESOLUTION

Submitting to the qualified voters of Missouri an amendment repealing Section 6 of Article X of the Constitution of Missouri, and adopting one new section in lieu thereof relating to property exempt from taxation.

Be it resolved by the House of Representatives, the Senate concurring therein:

That at the next general election to be held in the state of Missouri, on Tuesday next following the first Monday in November, 2026, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for adoption or rejection, the following amendment to Article X of the Constitution of the state of Missouri:

Section A. Section 6, Article X, Constitution of Missouri, is repealed and one new section adopted in lieu thereof, to be known as Section 6, to read as follows:

Section 6. 1. **(1)** All property, real and personal, of the state, counties, and other political subdivisions, and nonprofit cemeteries, and all real property used as a homestead as defined by law of any citizen of this state who is a former prisoner of war, as defined by law, and who has a total service-connected disability, shall be exempt from taxation~~;~~.

(2) All personal property held as industrial inventories, including raw materials, work in progress and finished work on hand, by manufacturers and refiners, and all personal property held as goods, wares, merchandise, stock in trade or inventory for resale by distributors, wholesalers, or retail merchants or establishments shall be exempt from taxation ~~;~~ ~~and~~.

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.

10 **(3) A building or other similar structure that is under construction shall be**
11 **exempt from taxation. As used in this subdivision, "under construction" means such**
12 **building or similar structure has been classified as class 1 property under Section 4(b) of**
13 **this article and:**

14 **(a) Is not deemed occupied in connection with such construction as provided**
15 **under general law; or**

16 **(b) An owner or tenant is unable to use such building or similar structure for the**
17 **purposes for which such property is classified because of such construction.**

18 **(4)** All property, real and personal, not held for private or corporate profit and used
19 exclusively for religious worship, for schools and colleges, for purposes purely charitable, for
20 agricultural and horticultural societies, or for veterans' organizations may be exempted from
21 taxation by general law.

22 **(5)** In addition to the above, household goods, furniture, wearing apparel and articles
23 of personal use and adornment owned and used by a person in ~~[his]~~ **such person's** home or
24 dwelling place may be exempt from taxation by general law but any such law may provide for
25 approximate restitution to the respective political subdivisions of revenues lost by reason of
26 the exemption.

27 **(6)** All laws exempting from taxation property other than the property enumerated in
28 this article, shall be void.

29 **(7)** The provisions of this section exempting certain personal property of
30 manufacturers, refiners, distributors, wholesalers, and retail merchants and establishments
31 from taxation shall become effective, unless otherwise provided by law, in each county on
32 January 1 of the year in which that county completes its first general reassessment as defined
33 by law.

34 2. All revenues lost because of the exemption of certain personal property of
35 manufacturers, refiners, distributors, wholesalers, and retail merchants and establishments
36 shall be replaced to each taxing authority within a county from a countywide tax hereby
37 imposed on all property in subclass 3 of class 1 in each county. For the year in which the
38 exemption becomes effective, the county clerk shall calculate the total revenue lost by all
39 taxing authorities in the county and extend upon all property in subclass 3 of class 1 within
40 the county, a tax at the rate necessary to produce that amount. The rate of tax levied in each
41 county according to this subsection shall not be increased above the rate first imposed and
42 will stand levied at that rate unless later reduced according to the provisions of subsection 3.
43 The county collector shall disburse the proceeds according to the revenue lost by each taxing
44 authority because of the exemption of such property in that county. Restitution of the
45 revenues lost by any taxing district contained in more than one county shall be from the
46 several counties according to the revenue lost because of the exemption of property in each

47 county. Each year after the first year the replacement tax is imposed, the amount distributed
48 to each taxing authority in a county shall be increased or decreased by an amount equal to the
49 amount resulting from the change in that district's total assessed value of property in subclass
50 3 of class 1 at the countywide replacement tax rate. In order to implement the provisions of
51 this subsection, the limits set in section 11(b) of this article may be exceeded, without voter
52 approval, if necessary to allow each county listed in section 11(b) to comply with this
53 subsection.

54 3. Any increase in the tax rate imposed pursuant to subsection 2 of this section shall
55 be decreased if such decrease is approved by a majority of the voters of the county voting on
56 such decrease. A decrease in the increased tax rate imposed under subsection 2 of this section
57 may be submitted to the voters of a county by the governing body thereof upon its own order,
58 ordinance, or resolution and shall be submitted upon the petition of at least eight percent of
59 the qualified voters who voted in the immediately preceding gubernatorial election.

60 4. As used in this section, the terms "revenues lost" and "lost revenues" shall mean
61 that revenue which each taxing authority received from the imposition of a tangible personal
62 property tax on all personal property held as industrial inventories, including raw materials,
63 work in progress and finished work on hand, by manufacturers and refiners, and all personal
64 property held as goods, wares, merchandise, stock in trade or inventory for resale by
65 distributors, wholesalers, or retail merchants or establishments in the last full tax year
66 immediately preceding the effective date of the exemption from taxation granted for such
67 property under subsection 1 of this section, and which was no longer received after such
68 exemption became effective.

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