

SECOND REGULAR SESSION

HOUSE BILL NO. 2402

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE BUSICK.

4765H.01I

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal sections 137.010, 137.016, 137.080, 137.115, 153.030, and 153.034, RSMo, and to enact in lieu thereof eight new sections relating to energy production projects.

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

Section A. Sections 137.010, 137.016, 137.080, 137.115, 153.030, and 153.034, RSMo, are repealed and eight new sections enacted in lieu thereof, to be known as sections 137.010, 137.016, 137.080, 137.115, 137.124, 153.030, 153.034, and 393.1120, to read as follows:

137.010. The following words, terms and phrases when used in laws governing taxation and revenue in the state of Missouri shall have the meanings ascribed to them in this section, except when the context clearly indicates a different meaning:

- (1) "Grain and other agricultural crops in an unmanufactured condition" shall mean grains and feeds including, but not limited to, soybeans, cow peas, wheat, corn, oats, barley, kafir, rye, flax, grain sorghums, cotton, and such other products as are usually stored in grain and other elevators and on farms; but excluding such grains and other agricultural crops after being processed into products of such processing, when packaged or sacked. The term "processing" shall not include hulling, cleaning, drying, grating, or polishing;
- (2) "Hydroelectric power generating equipment", very-low-head turbine generators with a nameplate generating capacity of at least four hundred kilowatts but not more than six hundred kilowatts and machinery and equipment used directly in the production, generation, conversion, storage, or conveyance of hydroelectric power to land-based devices and appurtenances used in the transmission of electrical energy;

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 (3) "Intangible personal property", for the purpose of taxation, shall include all
16 property other than real property and tangible personal property, as defined by this section;

17 (4) "Real property" includes land itself, whether laid out in town lots or otherwise,
18 and all growing crops, buildings, structures, improvements and fixtures of whatever kind
19 thereon, hydroelectric power generating equipment, the installed poles used in the
20 transmission or reception of electrical energy, audio signals, video signals or similar
21 purposes, provided the owner of such installed poles is also an owner of a fee simple interest,
22 possessor of an easement, holder of a license or franchise, or is the beneficiary of a right-of-
23 way dedicated for public utility purposes for the underlying land; attached wires,
24 transformers, amplifiers, substations, and other such devices and appurtenances used in the
25 transmission or reception of electrical energy, audio signals, video signals or similar purposes
26 when owned by the owner of the installed poles, otherwise such items are considered personal
27 property; and stationary property used for transportation or storage of liquid and gaseous
28 products, including, but not limited to, petroleum products, natural gas, propane or LP gas
29 equipment, water, and sewage;

30 (5) "Reliever airport", any land and improvements, exclusive of structures, on
31 privately owned airports that qualify as reliever airports under the National Plan of Integrated
32 Airport Systems that may receive federal airport improvement project funds through the
33 Federal Aviation Administration;

34 (6) "Tangible personal property" includes every tangible thing being the subject of
35 ownership or part ownership whether animate or inanimate, other than money, and not
36 forming part or parcel of real property as herein defined, but does not include household
37 goods, furniture, wearing apparel and articles of personal use and adornment, as defined by
38 the state tax commission, owned and used by a person in his home or dwelling place.
39 Tangible personal property shall include solar panels, racking systems, inverters, and related
40 solar equipment, components, materials, and supplies installed in connection with solar
41 photovoltaic energy systems, as described in subdivision (46) of subsection 2 of section
42 144.030, ~~[that were constructed and producing solar energy prior to August 9, 2022]~~ or
43 **associated with a project that uses solar energy directly to generate electricity.**

137.016. 1. As used in Section 4(b) of Article X of the Missouri Constitution, the
2 following terms mean:

3 (1) "Residential property", all real property improved by a structure which is used or
4 intended to be used for residential living by human occupants, vacant land in connection with
5 an airport, land used as a golf course, manufactured home parks, bed and breakfast inns in
6 which the owner resides and uses as a primary residence with six or fewer rooms for rent, and
7 time-share units as defined in section 407.600, except to the extent such units are actually
8 rented and subject to sales tax under subdivision (6) of subsection 1 of section 144.020, but

9 residential property shall not include other similar facilities used primarily for transient
10 housing. For the purposes of this section, "transient housing" means all rooms available for
11 rent or lease for which the receipts from the rent or lease of such rooms are subject to state
12 sales tax pursuant to subdivision (6) of subsection 1 of section 144.020;

13 (2) "Agricultural and horticultural property", all real property used for agricultural
14 purposes and devoted primarily to the raising and harvesting of crops; to the feeding,
15 breeding and management of livestock which shall include breeding, showing, and boarding
16 of horses; to dairying, or to any other combination thereof; and buildings and structures
17 customarily associated with farming, agricultural, and horticultural uses. Agricultural and
18 horticultural property shall also include land devoted to and qualifying for payments or other
19 compensation under a soil conservation or agricultural assistance program under an
20 agreement with an agency of the federal government. Agricultural and horticultural property
21 shall further include any reliever airport. Real property classified as forest croplands shall not
22 be agricultural or horticultural property so long as it is classified as forest croplands and shall
23 be taxed in accordance with the laws enacted to implement Section 7 of Article X of the
24 Missouri Constitution. Agricultural and horticultural property shall also include any sawmill
25 or planing mill defined in the U.S. Department of Labor's Standard Industrial Classification
26 (SIC) Manual under Industry Group 242 with the SIC number 2421. Agricultural and
27 horticultural property shall also include urban and community gardens. For the purposes of
28 this section, "urban and community gardens" shall include real property cultivated by
29 residents of a neighborhood or community for the purposes of providing agricultural
30 products, as defined in section 262.900, for the use of residents of the neighborhood or
31 community, and shall not include a garden intended for individual or personal use;

32 (3) "Utility, industrial, commercial, railroad and other real property", all real property
33 used directly or indirectly for any commercial, mining, industrial, manufacturing, trade,
34 professional, business, or similar purpose, including all property centrally assessed by the
35 state tax commission but shall not include floating docks, portions of which are separately
36 owned and the remainder of which is designated for common ownership and in which no one
37 person or business entity owns more than five individual units. All other real property not
38 included in the property listed in subclasses (1) and (2) of Section 4(b) of Article X of the
39 Missouri Constitution, as such property is defined in this section, shall be deemed to be
40 included in the term "utility, industrial, commercial, railroad and other real property".

41 2. Pursuant to Article X of the state Constitution, any taxing district may adjust its
42 operating levy to recoup any loss of property tax revenue, except revenues from the surtax
43 imposed pursuant to Article X, Subsection 2 of Section 6 of the Constitution, as the result of
44 changing the classification of structures intended to be used for residential living by human
45 occupants which contain five or more dwelling units if such adjustment of the levy does not

46 exceed the highest tax rate in effect subsequent to the 1980 tax year. For purposes of this
47 section, loss in revenue shall include the difference between the revenue that would have been
48 collected on such property under its classification prior to enactment of this section and the
49 amount to be collected under its classification under this section. The county assessor of each
50 county or city not within a county shall provide information to each taxing district within its
51 boundaries regarding the difference in assessed valuation of such property as the result of
52 such change in classification.

53 3. All reclassification of property as the result of changing the classification of
54 structures intended to be used for residential living by human occupants which contain five or
55 more dwelling units shall apply to assessments made after December 31, 1994.

56 4. Where real property is used or held for use for more than one purpose and such
57 uses result in different classifications, the county assessor shall allocate to each classification
58 the percentage of the true value in money of the property devoted to each use; except that,
59 where agricultural and horticultural property, as defined in this section, also contains a
60 dwelling unit or units, the farm dwelling, appurtenant residential-related structures and up to
61 five acres immediately surrounding such farm dwelling shall be residential property, as
62 defined in this section, provided that the portion of property used or held for use as an urban
63 and community garden shall not be residential property. This subsection shall not apply to
64 any reliever airport. **The provisions of this subsection shall be construed to apply to any**
65 **portion of real property in subclass (2) used for the purpose of energy production**
66 **activities for resale to be proportionally calculated, assessed, and reclassified as subclass**
67 **(3) real property.**

68 5. All real property which is vacant, unused, or held for future use; which is used for a
69 private club, a not-for-profit or other nonexempt lodge, club, business, trade, service
70 organization, or similar entity; or for which a determination as to its classification cannot be
71 made under the definitions set out in subsection 1 of this section, shall be classified according
72 to its immediate most suitable economic use, which use shall be determined after
73 consideration of:

74 (1) Immediate prior use, if any, of such property;

75 (2) Location of such property;

76 (3) Zoning classification of such property; except that, such zoning classification
77 shall not be considered conclusive if, upon consideration of all factors, it is determined that
78 such zoning classification does not reflect the immediate most suitable economic use of the
79 property;

80 (4) Other legal restrictions on the use of such property;

81 (5) Availability of water, electricity, gas, sewers, street lighting, and other public
82 services for such property;

- 83 (6) Size of such property;
84 (7) Access of such property to public thoroughfares; and
85 (8) Any other factors relevant to a determination of the immediate most suitable
86 economic use of such property.

87 6. All lands classified as forest croplands shall not, for taxation purposes, be
88 classified as subclass (1), subclass (2), or subclass (3) real property, as such classes are
89 prescribed in Section 4(b) of Article X of the Missouri Constitution and defined in this
90 section, but shall be taxed in accordance with the laws enacted to implement Section 7 of
91 Article X of the Missouri Constitution.

137.080. Real estate and tangible personal property shall be assessed annually at the
2 assessment which commences on the first day of January. For purposes of assessing and
3 taxing tangible personal property, all tangible personal property shall be divided into the
4 following subclasses:

- 5 (1) Grain and other agricultural crops in an unmanufactured condition;
6 (2) Livestock;
7 (3) Farm machinery;
8 (4) Vehicles, including recreational vehicles, but not including manufactured homes,
9 as defined in section 700.010, which are actually used as dwelling units;
10 (5) Manufactured homes, as defined in section 700.010, which are actually used as
11 dwelling units;
12 (6) Motor vehicles which are eligible for registration and are registered as historic
13 motor vehicles under section 301.131;
14 (7) Solar panels, racking systems, inverters, and related solar equipment, components,
15 materials, and supplies installed in connection with solar photovoltaic energy systems, as
16 described in subdivision (46) of subsection 2 of section 144.030, ~~that were constructed and~~
17 ~~producing solar energy prior to August 9, 2022~~ **or associated with a project that uses solar**
18 **energy directly to generate electricity;** and
19 (8) All taxable tangible personal property not included in subclass (1), subclass (2),
20 subclass (3), subclass (4), subclass (5), subclass (6), or subclass (7).

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]~~ **or associated with a project that uses solar**
81 **energy directly to generate electricity**, five percent.

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

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

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

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

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

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

98 6. Manufactured homes, as defined in section 700.010, which are actually used as
99 dwelling units shall be assessed at the same percentage of true value as residential real
100 property for the purpose of taxation. The percentage of assessment of true value for such
101 manufactured homes shall be the same as for residential real property. If the county collector
102 cannot identify or find the manufactured home when attempting to attach the manufactured
103 home for payment of taxes owed by the manufactured home owner, the county collector may
104 request the county commission to have the manufactured home removed from the tax books,
105 and such request shall be granted within thirty days after the request is made; however, the
106 removal from the tax books does not remove the tax lien on the manufactured home if it is
107 later identified or found. For purposes of this section, a manufactured home located in a
108 manufactured home rental park, rental community or on real estate not owned by the
109 manufactured home owner shall be considered personal property. For purposes of this
110 section, a manufactured home located on real estate owned by the manufactured home owner
111 may be considered real property.

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

116 8. Any amount of tax due and owing based on the assessment of a manufactured
117 home shall be included on the personal property tax statement of the manufactured home
118 owner unless the manufactured home is deemed to be real estate as defined in subsection 7 of

119 section 442.015, in which case the amount of tax due and owing on the assessment of the
120 manufactured home as a realty improvement to the existing real estate parcel shall be
121 included on the real property tax statement of the real estate owner.

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

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

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

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

156 the like shall not be considered sufficient to constitute a physical inspection as required by
157 this section.

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

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

189 15. The governing body of any city of the third classification with more than twenty-
190 six thousand three hundred but fewer than twenty-six thousand seven hundred inhabitants
191 located in any county that has exercised its authority to opt out under subsection 14 of this
192 section may levy separate and differing tax rates for real and personal property only if such

193 city bills and collects its own property taxes or satisfies the entire cost of the billing and
194 collection of such separate and differing tax rates. Such separate and differing rates shall not
195 exceed such city's tax rate ceiling.

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

2 **137.124. 1. Beginning January 1, 2027, for purposes of assessing all real**
3 **property, excluding land, associated with a project that uses solar energy directly to**
4 **generate electricity and that was built or was contracted to sell power, the tax liability**
5 **actually owed shall be equal to two thousand five hundred dollars per megawatt of**
6 **nameplate capacity.**

7 **2. Nothing in this section shall be construed to prohibit a project from engaging**
8 **in enhanced enterprise zone agreements under sections 135.950 to 135.973 or similar tax**
9 **abatement agreements with state or local officials or to affect any existing enhanced**
10 **enterprise zone agreements. Nothing in this section shall be construed to apply to**
11 **agreements authorized under chapter 100.**

12 **3. Beginning January 1, 2027, for the purposes of assessing land that is**
13 **associated with a project that uses solar energy directly to generate electricity in excess**
14 **of five megawatts, such real property shall be classified as subclass (3) real property and**
15 **assessed as commercial property under this chapter. For the purposes of assessing all**
16 **tangible personal property associated with a project that uses solar energy directly to**
17 **generate electricity and that was built or was contracted to sell power, such tangible**
18 **personal property shall be classified as subclass (7) tangible personal property and**
19 **assessed as provided under this chapter.**

2 153.030. 1. All bridges over streams dividing this state from any other state owned,
3 used, leased or otherwise controlled by any person, corporation, railroad company or joint
4 stock company, and all bridges across or over navigable streams within this state, where the
5 charge is made for crossing the same, which are now constructed, which are in the course of

5 construction, or which shall hereafter be constructed, and all property, real and tangible
6 personal, owned, used, leased or otherwise controlled by telegraph, telephone, electric power
7 and light companies, electric transmission lines, pipeline companies and express companies
8 shall be subject to taxation for state, county, municipal and other local purposes to the same
9 extent as the property of private persons.

10 2. ~~And~~ Taxes levied ~~thereon~~ **under subsection 1 of this section** shall be levied
11 and collected in the manner as is now or may hereafter be provided by law for the taxation of
12 railroad property in this state, and county commissions, county boards of equalization and the
13 state tax commission are hereby required to perform the same duties and are given the same
14 powers, including punitive powers, in assessing, equalizing and adjusting the taxes on the
15 property set forth in this section as the county commissions and boards of equalization and
16 state tax commission have or may hereafter be empowered with, in assessing, equalizing, and
17 adjusting the taxes on railroad property; and an authorized officer of any such bridge,
18 telegraph, telephone, electric power and light companies, electric transmission lines, pipeline
19 companies, or express company or the owner of any such toll bridge, is hereby required to
20 render reports of the property of such bridge, telegraph, telephone, electric power and light
21 companies, electric transmission lines, pipeline companies, or express companies in like
22 manner as the authorized officer of the railroad company is now or may hereafter be required
23 to render for the taxation of railroad property.

24 3. On or before the fifteenth day of April in the year 1946 and each year thereafter an
25 authorized officer of each such company shall furnish the state tax commission and county
26 clerks a report, duly subscribed and sworn to by such authorized officer, which is like in
27 nature and purpose to the reports required of railroads under chapter 151 showing the full
28 amount of all real and tangible personal property owned, used, leased or otherwise controlled
29 by each such company on January first of the year in which the report is due.

30 4. If any telephone company assessed pursuant to chapter 153 has a microwave relay
31 station or stations in a county in which it has no wire mileage but has wire mileage in another
32 county, then, for purposes of apportioning the assessed value of the distributable property of
33 such companies, the straight line distance between such microwave relay stations shall
34 constitute miles of wire. In the event that any public utility company assessed pursuant to this
35 chapter has no distributable property which physically traverses the counties in which it
36 operates, then the assessed value of the distributable property of such company shall be
37 apportioned to the physical location of the distributable property.

38 5. (1) Notwithstanding any provision of law to the contrary, beginning January 1,
39 2019, a telephone company shall make a one-time election within the tax year to be assessed:

40 (a) Using the methodology for property tax purposes as provided under this section;
41 or

42 (b) Using the methodology for property tax purposes as provided under this section
43 for property consisting of land and buildings and be assessed for all other property
44 exclusively using the methodology utilized under section 137.122.

45

46 If a telephone company begins operations, including a merger of multiple telephone
47 companies, after August 28, 2018, it shall make its one-time election to be assessed using the
48 methodology for property tax purposes as described under paragraph (b) of subdivision (1) of
49 this subsection within the year in which the telephone company begins its operations. A
50 telephone company that fails to make a timely election shall be deemed to have elected to be
51 assessed using the methodology for property tax purposes as provided under subsections 1 to
52 4 of this section.

53 (2) The provisions of this subsection shall not be construed to change the original
54 assessment jurisdiction of the state tax commission.

55 (3) Nothing in subdivision (1) of this subsection shall be construed as applying to any
56 other utility.

57 (4) (a) The provisions of this subdivision shall ensure that school districts may avoid
58 any fiscal impact as a result of a telephone company being assessed under the provisions of
59 paragraph (b) of subdivision (1) of this subsection. If a school district's current operating levy
60 is below the greater of its most recent voter-approved tax rate or the most recent voter-
61 approved tax rate as adjusted under subdivision (2) of subsection 5 of section 137.073, it shall
62 comply with section 137.073.

63 (b) Beginning January 1, 2019, any school district currently operating at a tax rate
64 equal to the greater of the most recent voter-approved tax rate or the most recent voter-
65 approved tax rate as adjusted under subdivision (2) of subsection 5 of section 137.073 that
66 receives less tax revenue from a specific telephone company under this subsection, on or
67 before January thirty-first of the year following the tax year in which the school district
68 received less revenue from a specific telephone company, may by resolution of the school
69 board impose a fee, as determined under this subsection, in order to obtain such revenue. The
70 resolution shall include all facts that support the imposition of the fee. If the school district
71 receives voter approval to raise its tax rate, the district shall no longer impose the fee
72 authorized in this paragraph.

73 (c) Any fee imposed under paragraph (b) of this subdivision shall be determined by
74 taking the difference between the tax revenue the telephone company paid in the tax year in
75 question and the tax revenue the telephone company would have paid in such year had it not
76 made an election under subdivision (1) of this subsection, which shall be calculated by taking
77 the telephone company valuations in the tax year in question, as determined by the state tax
78 commission under paragraph (d) of this subdivision, and applying such valuations to the

79 apportionment process in subsection 2 of section 151.150. The school district shall issue a
80 billing, as provided in this subdivision, to any such telephone company. A telephone
81 company shall have forty-five days after receipt of a billing to remit its payment of its portion
82 of the fees to the school district. Notwithstanding any other provision of law, the issuance or
83 receipt of such fee shall not be used:

84 a. In determining the amount of state aid that a school district receives under section
85 163.031;

86 b. In determining the amount that may be collected under a property tax levy by such
87 district; or

88 c. For any other purpose.

89

90 For the purposes of accounting, a telephone company that issues a payment to a school
91 district under this subsection shall treat such payment as a tax.

92 (d) When establishing the valuation of a telephone company assessed under
93 paragraph (b) of subdivision (1) of this subsection, the state tax commission shall also
94 determine the difference between the assessed value of a telephone company if:

95 a. Assessed under paragraph (b) of subdivision (1) of this subsection; and

96 b. Assessed exclusively under subsections 1 to 4 of this section.

97

98 The state tax commission shall then apportion such amount to each county and provide such
99 information to any school district making a request for such information.

100 (e) This subsection shall expire when no school district is eligible for a fee.

101 6. (1) If any public utility company assessed pursuant to this chapter has ownership
102 of any real or personal property associated with a project which uses **solar or** wind energy
103 directly to generate electricity, such **solar or** wind energy project property shall be valued and
104 taxed by any local authorities having jurisdiction under the provisions of chapter 137 and
105 other relevant provisions of the law.

106 (2) Notwithstanding any provision of law to the contrary, beginning January 1, 2020,
107 for any public utility company assessed pursuant to this chapter which has a wind energy
108 project, such wind energy project shall be assessed using the methodology for real and
109 personal property as provided in this subsection:

110 (a) Any wind energy property of such company shall be assessed upon the county
111 assessor's local tax rolls; and

112 (b) All other real property, excluding land, or personal property related to the wind
113 energy project shall be assessed using the methodology provided under section 137.123.

114 **(3) Notwithstanding any other provision of law to the contrary, beginning**
115 **January 1, 2027, for any public utility company assessed under this chapter that has a**

116 solar energy project, such solar energy project shall be assessed using the methodology
117 for real and personal property as provided in this subsection:

118 (a) Any solar energy property of such company shall be assessed upon the
119 county assessor's local tax rolls; and

120 (b) All other real property, excluding land, or personal property related to the
121 solar energy project shall be assessed using the methodology provided under section
122 137.124.

123

124 Nothing in this subdivision shall be construed to apply to agreements authorized under
125 chapter 100.

126 7. (1) If any public utility company assessed pursuant to this chapter has ownership
127 of any real or personal property associated with a generation project which was originally
128 constructed utilizing financing authorized pursuant to chapter 100 for construction, upon the
129 transfer of ownership of such property to the public utility company such property shall be
130 valued and taxed by any local authorities having jurisdiction under the provisions of chapter
131 137 and other relevant provisions of law.

132 (2) Notwithstanding any provision of law to the contrary, beginning January 1, 2022,
133 for any public utility company assessed pursuant to this chapter which has ownership of any
134 real or personal property associated with a generation project which was originally
135 constructed utilizing financing authorized pursuant to chapter 100 for construction, upon the
136 transfer of ownership of such property to the public utility company such property shall be
137 assessed as follows:

138 (a) Any property associated with a generation project which was originally
139 constructed utilizing financing authorized pursuant to chapter 100 for construction shall be
140 assessed upon the county assessor's local tax rolls. The assessor shall rely on the public utility
141 company for cost information of the generation portion of the property as found in the public
142 utility company's Federal Energy Regulatory Commission Financial Report Form Number
143 One at the time of transfer of ownership, and depreciate the costs provided in a manner
144 similar to other commercial and industrial property;

145 (b) Any property consisting of land and buildings related to the generation property
146 associated with a generation project which was originally constructed utilizing financing
147 pursuant to chapter 100 for construction shall be assessed under chapter 137; and

148 (c) All other business or personal property related to a generation project which was
149 originally constructed utilizing financing pursuant to chapter 100 for construction shall be
150 assessed using the methodology provided under section 137.122.

153.034. 1. The term "distributable property" of an electric company shall include all
2 the real or tangible personal property which is used directly in the generation and distribution

3 of electric power, but not property used as a collateral facility nor property held for purposes
4 other than generation and distribution of electricity. Such distributable property includes, but
5 is not limited to:

- 6 (1) Boiler plant equipment, turbogenerator units and generators;
- 7 (2) Station equipment;
- 8 (3) Towers, fixtures, poles, conductors, conduit transformers, services and meters;
- 9 (4) Substation equipment and fences;
- 10 (5) Rights-of-way;
- 11 (6) Reactor, reactor plant equipment, and cooling towers;
- 12 (7) Communication equipment used for control of generation and distribution of
13 power;
- 14 (8) Land associated with such distributable property.

15 2. The term "local property" of an electric company shall include all real and tangible
16 personal property owned, used, leased or otherwise controlled by the electric company not
17 used directly in the generation and distribution of power and not defined in subsection 1 of
18 this section as distributable property. Such local property includes, but is not limited to:

- 19 (1) Motor vehicles;
- 20 (2) Construction work in progress;
- 21 (3) Materials and supplies;
- 22 (4) Office furniture, office equipment, and office fixtures;
- 23 (5) Coal piles and nuclear fuel;
- 24 (6) Land held for future use;
- 25 (7) Workshops, warehouses, office buildings and generating plant structures;
- 26 (8) Communication equipment not used for control of generation and distribution of
27 power;
- 28 (9) Roads, railroads, and bridges;
- 29 (10) Reservoirs, dams, and waterways;
- 30 (11) Land associated with other locally assessed property and all generating plant
31 land.

32 3. (1) Any real or tangible personal property associated with a project which uses
33 **solar or** wind energy directly to generate electricity shall be valued and taxed by local
34 authorities having jurisdiction under the provisions of chapter 137 and any other relevant
35 provisions of law. The method of taxation prescribed in subsection 2 of section 153.030 and
36 subsection 1 of this section shall not apply to such property.

37 (2) The real or tangible personal property referenced in subdivision (1) of this
38 subsection shall include all equipment whose sole purpose is to support the integration of a
39 wind generation asset into an existing system. Examples of such property may include, but

40 are not limited to, wind chargers, windmills, wind turbines, wind towers, and associated
41 electrical equipment such as inverters, pad mount transformers, power lines, storage
42 equipment directly associated with wind generation assets, and substations.

43 **(3) The real or tangible personal property referenced in subdivision (1) of this**
44 **subsection shall also include all equipment whose sole purpose is to support the**
45 **integration of a solar generation asset into an existing system. Examples of such**
46 **property may include, but are not limited to, solar panels, solar panel mounting racks,**
47 **and associated electrical equipment such as inverters, battery packs, power meters,**
48 **power lines, storage equipment directly associated with solar generation assets, and**
49 **substations. Nothing in this subdivision shall be construed to apply to agreements**
50 **authorized under chapter 100 or to solar photovoltaic energy systems, as described in**
51 **subdivision (46) of subsection 2 of section 144.030, that were constructed and producing**
52 **solar energy prior to August 9, 2022.**

53 4. For any real or tangible personal property associated with a generation project
54 which was originally constructed utilizing financing authorized under chapter 100 for
55 construction, upon the transfer of ownership of such property to a public utility, such property
56 shall be valued and taxed by local authorities having jurisdiction under the provisions of
57 chapter 137 and any other relevant provisions of law. The method of taxation prescribed in
58 subsection 2 of section 153.030 and subsection 1 of this section shall not apply to such
59 property.

393.1120. 1. A county commission may choose to opt in to a provision to limit the
2 **total amount of real property associated with all solar energy projects that are**
3 **established in a county not to exceed an amount greater than four percent of all**
4 **cropland in such county, as determined by the most recent U.S. Department of**
5 **Agriculture's Census of Agriculture. Acres owned by utilities or electrical corporations**
6 **shall be exempt from the four-percent county calculation. The acreage shall be**
7 **determined by the perimeter of the actual solar panels. A county commission adopting**
8 **the four-percent limit option allowed under this subsection shall set up the procedures**
9 **for solar companies to apply under the opt in and shall administer its compliance with a**
10 **severability clause.**

11 2. For the purpose of setbacks and the four-percent limit, the opt in order or
12 ordinance shall be adopted upon a majority vote of the county commission and shall also
13 contain language relating to setback distances. If a county utilizes planning and zoning,
14 the local planning and zoning rules shall supersede these provisions of the law.

15 3. For all solar energy projects built on or after January 1, 2027, such project
16 shall be subject to setback distances of at least five hundred feet from the nearest
17 occupied dwelling, church, or school in existence at the time of construction, as

18 measured from the nearest solar panel to the nearest occupied dwelling, church, or
19 school. Such distances shall not apply to homeowners who have received a written
20 agreement between the project and the property owners that has been signed by all
21 affected property owners within the setback distance. This subsection shall not apply to
22 solar energy projects built and operating at capacity on or before December 31, 2025.

23 4. A solar energy company shall secure, through purchase or contract, all
24 property rights or easements necessary for transmission and interconnection for the
25 solar energy project to connect to the electrical grid prior to beginning construction of
26 the solar energy project.

27 5. Nothing in this section shall be construed to apply to agreements authorized
28 under chapter 100.

✓