

SECOND REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE JOINT  
RESOLUTION NO. 169**  
**103RD GENERAL ASSEMBLY**

6035H.02C

JOSEPH ENGLER, Chief Clerk

---

**JOINT RESOLUTION**

Submitting to the qualified voters of Missouri an amendment to Article X of the Constitution of Missouri, by adopting one new section relating to state revenue.

---

*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  
2 following the first Monday in November, 2026, or at a special election to be called by the  
3 governor for that purpose, there is hereby submitted to the qualified voters of this state, for  
4 adoption or rejection, the following amendment to Article X of the Constitution of the state of  
5 Missouri:

Section A. Article X, Constitution of Missouri, is amended by adopting one new  
2 section, to be known as Section 20(a), to read as follows:

**Section 20(a). 1. This section shall be known and may be cited as the "Taxpayer  
2 Protection Act".**

**3 2. This section takes effect January 1, 2027, or as stated. All provisions of this  
4 section are self-executing, severable, and supersede conflicting provisions of this  
5 Constitution, general law, or other state or local provisions, but otherwise, the  
6 provisions of this section shall be in addition to the limits, requirements, and other  
7 provisions of Sections 16 to 24 of this Article. Other limits on district revenue, spending,  
8 and debt shall only be modified by future voter approval. Individual or class action  
9 enforcement suits may be filed and shall have the highest civil priority of resolution.  
10 Successful plaintiffs are allowed costs and reasonable attorney's fees. A district shall not  
11 be allowed costs and reasonable attorney's fees unless a suit against it is ruled frivolous.**

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.

12 Revenue collected, kept, or spent illegally since four full fiscal years before a suit is filed  
13 shall be refunded with ten percent annual simple interest from the initial conduct.  
14 Subject to judicial review, districts may use any reasonable method for refunds under  
15 this section, including temporary tax credits or rate reductions. Refunds need not be  
16 proportional when prior payments are impractical to identify or return. When annual  
17 district revenue is less than annual payments on general obligation bonds, pensions, and  
18 final court judgments, subdivision (1) of subsection 5 and subsection 8 of this section  
19 shall be suspended to provide for the deficiency.

20 3. As used in this section, the following terms mean:

21 (1) "Ballot issue", a nonrecall petition or referred measure in an election;

22 (2) "District", the state or any local district but shall exclude enterprises;

23 (3) "Emergency", an extraordinary event or occurrence that could not have  
24 been reasonably foreseen or prevented and that requires immediate expenditure or  
25 appropriation of moneys to preserve the health, safety, and general welfare of the  
26 people, but excludes economic conditions, revenue shortfalls, and district salary or  
27 fringe benefit increases;

28 (4) "Enterprise", a government-owned business authorized to issue its own  
29 revenue bonds and receiving under ten percent of annual revenue in grants from all  
30 state and local governments combined;

31 (5) "Fiscal year spending", all district expenditures and reserve increases except,  
32 as to both, those for refunds made in the current or next fiscal year; those from gifts,  
33 federal funds, collections for another government, pension contributions by employees  
34 and pension fund earnings, reserve transfers or expenditures, damage awards, or  
35 property sales; those originally deposited into the general revenue fund but designated  
36 by law for a specific distribution or transfer to another state fund as reported by the  
37 office of administration; or those revenues and expenditures of such revenues excluded  
38 from the calculation of total state revenues under Sections 17, 18, and 18(e) of this  
39 Article and not included as an expense of state government under Section 20 of this  
40 Article;

41 (6) "Inflation", the percentage change in the general price level as such term is  
42 defined under Section 17 of this Article;

43 (7) "Local district", a county or other political subdivision as such term is  
44 defined under Section 15 of this Article;

45 (8) "Local growth", for a nonschool district, a net percentage change in actual  
46 value of all real property in a district from construction of taxable real property  
47 improvements, minus destruction of similar improvements, and additions to, minus

48 deletions from, taxable real property. For a school district, it means the percentage  
49 change in its student enrollment.

50 4. (1) Ballot issues brought under the requirements of this section shall be  
51 decided in a regularly scheduled state general election, general municipal election or  
52 other general local district election, or on the first Tuesday after the first Monday in  
53 November of odd-numbered years. Except for petitions, bonded debt, or charter or  
54 constitutional provisions, districts may consolidate ballot issues and voters may approve  
55 a delay of up to four years in voting on ballot issues. District actions taken during such  
56 a delay shall not extend beyond that period.

57 (2) At least thirty days before a ballot issue election brought under the  
58 requirements of this section, districts shall mail at the least cost, and as a package where  
59 districts with ballot issues overlap, a title notice or set of notices addressed to "All  
60 Registered Voters" at each address of one or more active registered electors. The  
61 districts may coordinate the mailing required by this subdivision with the distribution of  
62 any other mailed ballot information in order to save mailing costs. Titles shall have this  
63 order of preference: "NOTICE OF ELECTION TO INCREASE TAXES/TO  
64 INCREASE DEBT/ON A CITIZEN PETITION ON A REFERRED MEASURE.". Except for district voter-approved additions, and in addition to any other requirements  
65 for ballot measures under this Constitution or by general law, notices shall include only:

66 (a) The election date, hours, ballot title, text, and local election office address and  
67 telephone number;

68 (b) For proposed district tax or bonded debt increases, the estimated or actual  
69 total of district fiscal year spending for the current year and each of the past four years,  
70 and the overall percentage and dollar change;

71 (c) For the first full fiscal year of each proposed district tax increase, district  
72 estimates of the maximum dollar amount of each increase and of district fiscal year  
73 spending without the increase;

74 (d) For proposed district bonded debt, its principal amount and maximum  
75 annual and total district repayment cost, and the principal balance of total current  
76 district bonded debt and its maximum annual and remaining total district repayment  
77 cost; and

78 (e) Two summaries, up to five hundred words each, one for and one against the  
79 proposal, of written comments filed with the election officer by at least forty-five days  
80 before the election. No summary shall mention names of persons or private groups, nor  
81 any endorsements of or resolutions against the proposal. Petition representatives  
82 following these rules shall write this summary for their petition. The election officer  
83 shall maintain and accurately summarize all other relevant written comments. The  
84

85 provisions of this paragraph do not apply to a statewide ballot issue brought under the  
86 provisions of this section.

87 (3) Except by later voter approval, if a tax increase or fiscal year spending  
88 exceeds any estimate under paragraph (c) of subdivision (2) of this subsection for the  
89 same fiscal year, the tax increase is thereafter reduced up to one hundred percent in  
90 proportion to the combined dollar excess, and the combined excess revenue refunded in  
91 the next fiscal year. District bonded debt shall not issue on terms that could exceed its  
92 share of its maximum repayment costs in paragraph (d) of subdivision (2) of this  
93 subsection. Ballot titles for tax or bonded debt increases shall begin:

94 "Shall (district) taxes be increased (first, or if phased in, final, fiscal year dollar  
95 increase) annually...?" or "Shall (district) debt be increased (principal amount), with a  
96 repayment cost of (maximum total district cost), ...?".

97 5. Beginning on and after the effective date of this section, districts shall be  
98 required to have voter approval in advance for:

99 (1) Unless subsection 2 or subsection 7 of this section applies, any new tax, tax  
100 rate increase, mill levy above the rate for the prior year, valuation for assessment ratio  
101 increase for a property class, extension of an expiring tax, or a tax policy change directly  
102 causing a net tax revenue gain to any district; and

103 (2) Except for refinancing district bonded debt at a lower interest rate or adding  
104 new employees to existing district pension plans, creation of any multiple fiscal year  
105 direct or indirect district debt or other financial obligation whatsoever without adequate  
106 present cash reserves pledged irrevocably and held for payments in all future fiscal  
107 years.

108 6. To use only for declared emergencies, each district shall reserve for fiscal year  
109 2028, one percent or more; for fiscal year 2029, two percent or more; and for all later  
110 years, three percent or more of its fiscal year spending excluding bonded debt service.  
111 Unused reserves apply to the next year's reserve.

112 7. This subsection grants no new taxing power. Emergency property taxes are  
113 prohibited. Emergency tax revenue is excluded for purposes of subdivision (3) of  
114 subsection 4 and subsection 8 of this section, even if later ratified by voters. Emergency  
115 taxes shall also meet all of the following conditions:

116 (1) A two-thirds majority of the members of each chamber of the general  
117 assembly or of a local district governing body declares the emergency and imposes the  
118 tax by separate recorded roll call votes;

119 (2) Emergency tax revenue shall be spent only after emergency reserves are  
120 depleted, and shall be refunded within one hundred eighty days after the emergency  
121 ends if not spent on the emergency; and

122           **(3) A tax not approved in the next election sixty days or more after the**  
123 **declaration shall end with that election month.**

124           **8. (1) The maximum annual percentage change in state fiscal year spending**  
125 **equals inflation plus the percentage change in state population in the prior calendar**  
126 **year adjusted for any revenue changes approved by voters after the effective date of this**  
127 **section. Population shall be determined by annual federal census estimates and such**  
128 **number shall be adjusted every decade to match the federal census.**

129           **(2) The maximum annual percentage change in each local district's fiscal year**  
130 **spending equals inflation in the prior calendar year plus annual local growth adjusted**  
131 **for any revenue changes approved by voters after the effective date of this section and**  
132 **reductions under subdivision (2) of subsection 9 and subsection 10 of this section.**

133           **(3) The maximum annual percentage change in each local district's property tax**  
134 **revenue equals inflation in the prior calendar year plus annual local growth, adjusted**  
135 **for property tax revenue changes approved by voters after the effective date of this**  
136 **section and reductions under subdivision (2) of subsection 9 and subsection 10 of this**  
137 **section.**

138           **(4) If revenue from sources not excluded from fiscal year spending exceeds these**  
139 **limits in dollars for that fiscal year, the excess shall be refunded in the next fiscal year**  
140 **unless voters approve a revenue change as an offset. Initial district bases are current**  
141 **fiscal year spending and property tax collected for tax year 2025. Qualification or**  
142 **disqualification as an enterprise shall change district bases and future year limits.**  
143 **Future creation of district bonded debt shall increase, and retiring or refinancing**  
144 **district bonded debt shall lower fiscal year spending and property tax revenue by the**  
145 **annual debt service so funded. Debt service changes, reductions, refunds under**  
146 **subsection 2 and subdivision (3) of subsection 4 of this section, and voter-approved**  
147 **revenue changes are dollar amounts that are exceptions to, and not part of, any district**  
148 **base. Voter-approved revenue changes do not require a tax rate change.**

149           **(5) Except as otherwise provided by law, additional surcharges and fees shall not**  
150 **be implemented for the sole purpose of avoiding the limits under this section, and any**  
151 **additional revenues from such sources shall be included in the calculation of the limit**  
152 **imposed under this section unless otherwise excluded under the provisions of this**  
153 **section.**

154           **(6) Each local district that adopts or has adopted any tax abatement or similar**  
155 **economic incentive authorized under state law shall add the amount of such abatement,**  
156 **and any additional revenues derived from such abatement or incentive outside an area**  
157 **subject to the abatement or incentive but within the larger local district, into such**

158 **district's revenue calculation. Only the local district adopting such abatement or**  
159 **incentive shall be subject to the requirements of this subdivision.**

160 **9. (1) New or increased transfer tax rates on real property are prohibited. No**  
161 **new state real property tax or local district income tax shall be imposed. Neither an**  
162 **income tax rate increase nor a new state definition of taxable income shall apply before**  
163 **the next tax year.**

164 **(2) Each district may enact cumulative uniform exemptions and credits to**  
165 **reduce or end business personal property taxes.**

166 **(3) Regardless of reassessment frequency, valuation notices shall be mailed**  
167 **annually and may be appealed annually, with no presumption in favor of any pending**  
168 **valuation. Past or future sales by a lender or government shall also be considered as**  
169 **comparable market sales and their sales prices kept as public records. Actual value**  
170 **shall be stated on all property tax bills and valuation notices and, for residential real**  
171 **property, determined solely by the market approach to appraisal.**

172 **10. Except for public education through grade twelve or as required of a local**  
173 **district by federal law, a local district may reduce or end its subsidy to any program**  
174 **delegated to it by the general assembly for administration. For current programs, the**  
175 **state may require ninety days notice and that the adjustment occur in a maximum of**  
176 **three equal annual installments.**

177 **11. The general assembly may enact such laws as may be necessary to implement**  
178 **the provisions of this section.**

✓