

# HOUSE BILL NO. 2946

## 103RD GENERAL ASSEMBLY

---

INTRODUCED BY REPRESENTATIVE WEST.

6251H.011

JOSEPH ENGLER, Chief Clerk

---

### AN ACT

To repeal section 137.115, RSMo, and to enact in lieu thereof one new section relating to personal property taxes.

---

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

Section A. Section 137.115, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 137.115, to read as follows:

137.115. 1. **(1)** All other laws to the contrary notwithstanding, the assessor or the assessor's deputies in all counties of this state including the City of St. Louis shall annually make a list of all real and tangible personal property taxable in the assessor's city, county, town or district.

**(2)** Except as otherwise provided in subsection 3 of this section and section 137.078, the assessor shall annually assess all personal property **as follows:**

**(a) Before January 1, 2027**, at thirty-three and one-third percent of its true value in money as of January first of each calendar year; **and**

**(b) Beginning January 1, 2027, the percentage of the true value in money at which tangible personal property is subject to assessment under the provisions of this subsection shall be reduced as described in this paragraph each year for a period of three years. The assessor shall annually assess all personal property as of January first of each calendar year at such percentages as follows:**

**a. For the calendar year 2027, twenty-two and two-hundredths percent of its true value in money;**

**b. For the calendar year 2028, eleven and eleven-hundredths percent of its true value in money; 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.

18           **c. For the calendar year 2029 and all subsequent years, one-hundredth of one**  
19 **percent of its true value in money.**

20           **(3)** The assessor shall annually assess all real property, including any new  
21 construction and improvements to real property, and possessory interests in real property at  
22 the percent of its true value in money set in subsection 5 of this section. The true value in  
23 money of any possessory interest in real property in subclass (3), where such real property is  
24 on or lies within the ultimate airport boundary as shown by a federal airport layout plan, as  
25 defined by 14 CFR 151.5, of a commercial airport having a FAR Part 139 certification and  
26 owned by a political subdivision, shall be the otherwise applicable true value in money of any  
27 such possessory interest in real property, less the total dollar amount of costs paid by a party,  
28 other than the political subdivision, towards any new construction or improvements on such  
29 real property completed after January 1, 2008, and which are included in the above-  
30 mentioned possessory interest, regardless of the year in which such costs were incurred or  
31 whether such costs were considered in any prior year. The assessor shall annually assess all  
32 real property in the following manner: new assessed values shall be determined as of January  
33 first of each odd-numbered year and shall be entered in the assessor's books; those same  
34 assessed values shall apply in the following even-numbered year, except for new construction  
35 and property improvements which shall be valued as though they had been completed as of  
36 January first of the preceding odd-numbered year. The assessor may call at the office, place  
37 of doing business, or residence of each person required by this chapter to list property, and  
38 require the person to make a correct statement of all taxable tangible personal property owned  
39 by the person or under his or her care, charge or management, taxable in the county.

40           **(4)** On or before January first of each even-numbered year, the assessor shall prepare  
41 and submit a two-year assessment maintenance plan to the county governing body and the  
42 state tax commission for their respective approval or modification. The county governing  
43 body shall approve and forward such plan or its alternative to the plan to the state tax  
44 commission by February first. If the county governing body fails to forward the plan or its  
45 alternative to the plan to the state tax commission by February first, the assessor's plan shall  
46 be considered approved by the county governing body. If the state tax commission fails to  
47 approve a plan and if the state tax commission and the assessor and the governing body of the  
48 county involved are unable to resolve the differences, in order to receive state cost-share  
49 funds outlined in section 137.750, the county or the assessor shall petition the administrative  
50 hearing commission, by May first, to decide all matters in dispute regarding the assessment  
51 maintenance plan. Upon agreement of the parties, the matter may be stayed while the parties  
52 proceed with mediation or arbitration upon terms agreed to by the parties. The final decision  
53 of the administrative hearing commission shall be subject to judicial review in the circuit  
54 court of the county involved.

55           **(5)** In the event a valuation of subclass (1) real property within any county with a  
56 charter form of government, or within a city not within a county, is made by a computer,  
57 computer-assisted method or a computer program, the burden of proof, supported by clear,  
58 convincing and cogent evidence to sustain such valuation, shall be on the assessor at any  
59 hearing or appeal. In any such county, unless the assessor proves otherwise, there shall be a  
60 presumption that the assessment was made by a computer, computer-assisted method or a  
61 computer program. Such evidence shall include, but shall not be limited to, the following:

62           ~~[(1)]~~ **(a)** The findings of the assessor based on an appraisal of the property by  
63 generally accepted appraisal techniques; and

64           ~~[(2)]~~ **(b)** The purchase prices from sales of at least three comparable properties and  
65 the address or location thereof. As used in this subdivision, the word "comparable" means  
66 that:

67           ~~[(a)]~~ **a.** Such sale was closed at a date relevant to the property valuation; and

68           ~~[(b)]~~ **b.** Such properties are not more than one mile from the site of the disputed  
69 property, except where no similar properties exist within one mile of the disputed property,  
70 the nearest comparable property shall be used. Such property shall be within five hundred  
71 square feet in size of the disputed property, and resemble the disputed property in age, floor  
72 plan, number of rooms, and other relevant characteristics.

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

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

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

80           (2) Livestock, twelve percent;

81           (3) Farm machinery, twelve percent;

82           (4) Motor vehicles which are eligible for registration as and are registered as historic  
83 motor vehicles pursuant to section 301.131 and aircraft which are at least twenty-five years  
84 old and which are used solely for noncommercial purposes and are operated less than two  
85 hundred hours per year or aircraft that are home built from a kit, five percent;

86           (5) Poultry, twelve percent;

87           (6) Tools and equipment used for pollution control and tools and equipment used in  
88 retooling for the purpose of introducing new product lines or used for making improvements  
89 to existing products by any company which is located in a state enterprise zone and which is  
90 identified by any standard industrial classification number cited in subdivision (7) of section  
91 135.200, twenty-five percent; and

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

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

100 5. (1) All subclasses of real property, as such subclasses are established in Section 4  
101 (b) of Article X of the Missouri Constitution and defined in section 137.016, shall be assessed  
102 at the following percentages of true value:

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

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

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

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

112 6. Manufactured homes, as defined in section 700.010, which are actually used as  
113 dwelling units shall be assessed at the same percentage of true value as residential real  
114 property for the purpose of taxation. The percentage of assessment of true value for such  
115 manufactured homes shall be the same as for residential real property. If the county collector  
116 cannot identify or find the manufactured home when attempting to attach the manufactured  
117 home for payment of taxes owed by the manufactured home owner, the county collector may  
118 request the county commission to have the manufactured home removed from the tax books,  
119 and such request shall be granted within thirty days after the request is made; however, the  
120 removal from the tax books does not remove the tax lien on the manufactured home if it is  
121 later identified or found. For purposes of this section, a manufactured home located in a  
122 manufactured home rental park, rental community or on real estate not owned by the  
123 manufactured home owner shall be considered personal property. For purposes of this  
124 section, a manufactured home located on real estate owned by the manufactured home owner  
125 may be considered real property.

126 7. Each manufactured home assessed shall be considered a parcel for the purpose of  
127 reimbursement pursuant to section 137.750, unless the manufactured home is deemed to be

128 real estate as defined in subsection 7 of section 442.015 and assessed as a realty improvement  
129 to the existing real estate parcel.

130         8. Any amount of tax due and owing based on the assessment of a manufactured  
131 home shall be included on the personal property tax statement of the manufactured home  
132 owner unless the manufactured home is deemed to be real estate as defined in subsection 7 of  
133 section 442.015, in which case the amount of tax due and owing on the assessment of the  
134 manufactured home as a realty improvement to the existing real estate parcel shall be  
135 included on the real property tax statement of the real estate owner.

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

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

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

164           12. A physical inspection, as required by subsection 10 of this section, shall include,  
165 but not be limited to, an on-site personal observation and review of all exterior portions of the  
166 land and any buildings and improvements to which the inspector has or may reasonably and  
167 lawfully gain external access, and shall include an observation and review of the interior of  
168 any buildings or improvements on the property upon the timely request of the owner pursuant  
169 to subsection 11 of this section. Mere observation of the property via a drive-by inspection or  
170 the like shall not be considered sufficient to constitute a physical inspection as required by  
171 this section.

172           13. A county or city collector may accept credit cards as proper form of payment of  
173 outstanding property tax or license due. No county or city collector may charge surcharge for  
174 payment by credit card which exceeds the fee or surcharge charged by the credit card bank,  
175 processor, or issuer for its service. A county or city collector may accept payment by  
176 electronic transfers of funds in payment of any tax or license and charge the person making  
177 such payment a fee equal to the fee charged the county by the bank, processor, or issuer of  
178 such electronic payment.

179           14. Any county or city not within a county in this state may, by an affirmative vote of  
180 the governing body of such county, opt out of the provisions of this section and sections  
181 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first general  
182 assembly, second regular session and section 137.073 as modified by house committee  
183 substitute for senate substitute for senate committee substitute for senate bill no. 960, ninety-  
184 second general assembly, second regular session, for the next year of the general  
185 reassessment, prior to January first of any year. No county or city not within a county  
186 shall exercise this opt-out provision after implementing the provisions of this section and  
187 sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first  
188 general assembly, second regular session and section 137.073 as modified by house  
189 committee substitute for senate substitute for senate committee substitute for senate bill no.  
190 960, ninety-second general assembly, second regular session, in a year of general  
191 reassessment. For the purposes of applying the provisions of this subsection, a political  
192 subdivision contained within two or more counties where at least one of such counties has  
193 opted out and at least one of such counties has not opted out shall calculate a single tax rate as  
194 in effect prior to the enactment of house bill no. 1150 of the ninety-first general assembly,  
195 second regular session. A governing body of a city not within a county or a county that has  
196 opted out under the provisions of this subsection may choose to implement the provisions of  
197 this section and sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of  
198 the ninety-first general assembly, second regular session, and section 137.073 as modified by  
199 house committee substitute for senate substitute for senate committee substitute for senate bill  
200 no. 960, ninety-second general assembly, second regular session, for the next year of general

201 reassessment, by an affirmative vote of the governing body prior to December thirty-first of  
202 any year.

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

210           16. Any portion of real property that is available as reserve for strip, surface, or coal  
211 mining for minerals for purposes of excavation for future use or sale to others that has not  
212 been bonded and permitted under chapter 444 shall be assessed based upon how the real  
213 property is currently being used. Any information provided to a county assessor, state tax  
214 commission, state agency, or political subdivision responsible for the administration of tax  
215 policies shall, in the performance of its duties, make available all books, records, and  
216 information requested, except such books, records, and information as are by law declared  
217 confidential in nature, including individually identifiable information regarding a specific  
218 taxpayer or taxpayer's mine property. For purposes of this subsection, "mine property" shall  
219 mean all real property that is in use or readily available as a reserve for strip, surface, or coal  
220 mining for minerals for purposes of excavation for current or future use or sale to others that  
221 has been bonded and permitted under chapter 444.

✓