

SECOND REGULAR SESSION

HOUSE BILL NO. 2755

103RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE COLEMAN.

6466H.01I

JOSEPH ENGLER, Chief Clerk

AN ACT

To repeal sections 137.016, 137.115, 137.1055, and 138.390, RSMo, and to enact in lieu thereof four new sections relating to property taxes.

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

Section A. Sections 137.016, 137.115, 137.1055, and 138.390, RSMo, are repealed
2 and four new sections enacted in lieu thereof, to be known as sections 137.016, 137.115,
3 137.1058, and 138.390, to read as follows:

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

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.

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.

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

- 71 (1) Immediate prior use, if any, of such property;
- 72 (2) Location of such property;

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

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

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

80 (6) Size of such property;

- 81 (7) Access of such property to public thoroughfares; and

82 (8) Any other factors relevant to a determination of the immediate most suitable
83 economic use of such property.

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

89 **7. An assessor shall not reclassify any real property without first conducting an**
90 **in-person consultation with the owner of record of such property. An assessor shall be**
91 **considered to have satisfied the provisions of this subsection if the assessor can**
92 **document that a good-faith effort was made to contact the owner of record, including,**
93 **but not limited to, documenting any mailings, phone calls, or electronic notifications**
94 **sent to the owner of record.**

137.115. 1. (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.

7 (2) The assessor shall annually assess all real property, including any new
8 construction and improvements to real property, and possessory interests in real property at
9 the percent of its true value in money set in subsection 5 of this section. The true value in
10 money of any possessory interest in real property in subclass (3), where such real property is
11 on or lies within the ultimate airport boundary as shown by a federal airport layout plan, as
12 defined by 14 CFR 151.5, of a commercial airport having a FAR Part 139 certification and
13 owned by a political subdivision, shall be the otherwise applicable true value in money of any
14 such possessory interest in real property, less the total dollar amount of costs paid by a party,
15 other than the political subdivision, towards any new construction or improvements on such
16 real property completed after January 1, 2008, and which are included in the above-
17 mentioned possessory interest, regardless of the year in which such costs were incurred or
18 whether such costs were considered in any prior year.

19 (3) The assessor shall annually assess all real property in the following manner: new
20 assessed values shall be determined as of January first of each odd-numbered year and shall
21 be entered in the assessor's books; those same assessed values shall apply in the following
22 even-numbered year, except for new construction and property improvements which shall be
23 valued as though they had been completed as of January first of the preceding odd-numbered
24 year.

25 (4) The assessor may call at the office, place of doing business, or residence of each
26 person required by this chapter to list property, and require the person to make a correct
27 statement of all taxable tangible personal property owned by the person or under his or her
28 care, charge or management, taxable in the county.

29 (5) On or before January first of each even-numbered year, the assessor shall prepare
30 and submit a two-year assessment maintenance plan to the county governing body and the
31 state tax commission for their respective approval or modification. The county governing

32 body shall approve and forward such plan or its alternative to the plan to the state tax
33 commission by February first. If the county governing body fails to forward the plan or its
34 alternative to the plan to the state tax commission by February first, the assessor's plan shall
35 be considered approved by the county governing body. If the state tax commission fails to
36 approve a plan and if the state tax commission and the assessor and the governing body of the
37 county involved are unable to resolve the differences, in order to receive state cost-share
38 funds outlined in section 137.750, the county or the assessor shall petition the administrative
39 hearing commission, by May first, to decide all matters in dispute regarding the assessment
40 maintenance plan. Upon agreement of the parties, the matter may be stayed while the parties
41 proceed with mediation or arbitration upon terms agreed to by the parties. The final decision
42 of the administrative hearing commission shall be subject to judicial review in the circuit
43 court of the county involved.

44 (6) In the event a valuation of subclass (1) real property within any county with a
45 charter form of government, or within a city not within a county, is made by a computer,
46 computer-assisted method or a computer program, the burden of proof, supported by clear,
47 convincing and cogent evidence to sustain such valuation, shall be on the assessor at any
48 hearing or appeal. In any such county, Unless the assessor proves otherwise, there shall be a
49 presumption that the assessment was made by a computer, computer-assisted method or a
50 computer program. Such evidence shall include, but shall not be limited to, the following:

51 [(+) (a) The findings of the assessor based on an appraisal of the property by
52 generally accepted appraisal techniques; and

53 [(+) (b) The purchase prices from sales of at least three comparable properties and
54 the address or location thereof. As used in this subdivision, the word "comparable" means
55 that:

56 [(+) a. Such sale was closed at a date relevant to the property valuation; and

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

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

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

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

69 (2) Livestock, twelve percent;

70 (3) Farm machinery, twelve percent;

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

75 (5) Poultry, twelve percent;

76 (6) Tools and equipment used for pollution control and tools and equipment used in
77 retooling for the purpose of introducing new product lines or used for making improvements
78 to existing products by any company which is located in a state enterprise zone and which is
79 identified by any standard industrial classification number cited in subdivision (7) of section
80 135.200, twenty-five percent; and

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

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

89 5. (1) All subclasses of real property, as such subclasses are established in Section 4
90 (b) of Article X of the Missouri Constitution and defined in section 137.016, shall be assessed
91 at the following percentages of true value:

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

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

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

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

101 6. Manufactured homes, as defined in section 700.010, which are actually used as
102 dwelling units shall be assessed at the same percentage of true value as residential real
103 property for the purpose of taxation. The percentage of assessment of true value for such
104 manufactured homes shall be the same as for residential real property. If the county collector
105 cannot identify or find the manufactured home when attempting to attach the manufactured

106 home for payment of taxes owed by the manufactured home owner, the county collector may
107 request the county commission to have the manufactured home removed from the tax books,
108 and such request shall be granted within thirty days after the request is made; however, the
109 removal from the tax books does not remove the tax lien on the manufactured home if it is
110 later identified or found. For purposes of this section, a manufactured home located in a
111 manufactured home rental park, rental community or on real estate not owned by the
112 manufactured home owner shall be considered personal property. For purposes of this
113 section, a manufactured home located on real estate owned by the manufactured home owner
114 may be considered real property.

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

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

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

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

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

153 12. ~~A physical inspection, as required by subsection 10 of this section, shall include,~~
154 ~~but not be limited to, an on-site personal observation and review of all exterior portions of the~~
155 ~~land and any buildings and improvements to which the inspector has or may reasonably and~~
156 ~~lawfully gain external access, and shall include an observation and review of the interior of~~
157 ~~any buildings or improvements on the property upon the timely request of the owner pursuant~~
158 ~~to subsection 11 of this section. Mere observation of the property via a drive-by inspection or~~
159 ~~the like shall not be considered sufficient to constitute a physical inspection as required by~~
160 ~~this section] An assessor shall not increase the assessed valuation of any parcel of~~
161 ~~subclass (1) real property by more than fifteen percent since the last assessment. A~~
162 ~~property owner may request the assessor to complete a physical inspection of the~~
163 ~~property owner's subclass (1) real property, which may include an interior inspection.~~
164 ~~An assessor shall not increase the assessed valuation of such property based on the~~
165 ~~physical inspection, but may reduce it.~~

166 ~~[13.] 11. A county or city collector may accept credit cards as proper form of payment~~
167 ~~of outstanding property tax or license due. No county or city collector may charge surcharge~~
168 ~~for payment by credit card which exceeds the fee or surcharge charged by the credit card~~
169 ~~bank, processor, or issuer for its service. A county or city collector may accept payment by~~
170 ~~electronic transfers of funds in payment of any tax or license and charge the person making~~
171 ~~such payment a fee equal to the fee charged the county by the bank, processor, or issuer of~~
172 ~~such electronic payment.~~

173 ~~[14.] 12. Any county or city not within a county in this state may, by an affirmative~~
174 ~~vote of the governing body of such county, opt out of the provisions of this section and~~
175 ~~sections 137.073, 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first~~
176 ~~general assembly, second regular session and section 137.073 as modified by house~~
177 ~~committee substitute for senate substitute for senate committee substitute for senate bill no.~~
178 ~~960, ninety-second general assembly, second regular session, for the next year of the general~~
179 ~~reassessment, prior to January first of any year. No county or city not within a county shall~~

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

197 **[15.] 13.** The governing body of any city of the third classification with more than
198 twenty-six thousand three hundred but fewer than twenty-six thousand seven hundred
199 inhabitants located in any county that has exercised its authority to opt out under subsection
200 14 of this section may levy separate and differing tax rates for real and personal property only
201 if such city bills and collects its own property taxes or satisfies the entire cost of the billing
202 and collection of such separate and differing tax rates. Such separate and differing rates shall
203 not exceed such city's tax rate ceiling.

204 **[16.] 14.** Any portion of real property that is available as reserve for strip, surface, or
205 coal mining for minerals for purposes of excavation for future use or sale to others that has
206 not been bonded and permitted under chapter 444 shall be assessed based upon how the real
207 property is currently being used. Any information provided to a county assessor, state tax
208 commission, state agency, or political subdivision responsible for the administration of tax
209 policies shall, in the performance of its duties, make available all books, records, and
210 information requested, except such books, records, and information as are by law declared
211 confidential in nature, including individually identifiable information regarding a specific
212 taxpayer or taxpayer's mine property. For purposes of this subsection, "mine property" shall
213 mean all real property that is in use or readily available as a reserve for strip, surface, or coal
214 mining for minerals for purposes of excavation for current or future use or sale to others that
215 has been bonded and permitted under chapter 444.

137.1058. 1. For the purposes of this section, the following terms shall mean:

- 2 (1) "County", any county or city not within a county in this state;
- 3 (2) "Eligible credit amount", the difference between an eligible taxpayer's real
- 4 property tax liability for a given tax year, minus the real property tax liability in the
- 5 eligible taxpayer's initial credit year, provided that the real property tax liability as
- 6 determined in the taxpayer's initial credit year may be increased by no more than two
- 7 and one-half percent per year or the percent increase in inflation, whichever is lower;
- 8 (3) "Eligible taxpayer", a Missouri resident who:
- 9 (a) Is an owner of record of real property or has a legal or equitable interest in
- 10 such property as evidenced by a written instrument; and
- 11 (b) Is liable for the payment of real property taxes on such real property; or
- 12 (c) Is an owner of record of tangible personal property or has a legal or equitable
- 13 interest in such property as evidenced by a written instrument, and is liable for the
- 14 payment of personal property taxes on such tangible personal property;
- 15 (4) "Initial credit year", the 2024 tax year. If in any tax year subsequent to the
- 16 eligible taxpayer's initial credit year the eligible taxpayer's real property tax liability is
- 17 lower than such liability in the initial credit year, such tax year shall be considered the
- 18 eligible taxpayer's initial credit year for all subsequent tax years;
- 19 (5) "Personal property", all property in class 2 and each subclass thereof;
- 20 (6) "Personal property tax liability", all taxes owed to all taxing jurisdictions
- 21 during a tax year on an eligible taxpayer's personal property;
- 22 (7) "Real property", all property in class 1 and each subclass thereof;
- 23 (8) "Real property tax liability", all taxes owed to all taxing jurisdictions during
- 24 a tax year on an eligible taxpayer's real property.
- 25 2. (1) All eligible taxpayers in this state shall be authorized to claim a credit
- 26 against the eligible taxpayer's real property tax liability in an amount equal to the
- 27 taxpayer's eligible credit amount. A county shall apply the credit authorized pursuant
- 28 to this section when calculating the eligible taxpayer's property tax liability for the tax
- 29 year. The amount of the credit shall be noted on the statement of tax due sent to the
- 30 eligible taxpayer by the county collector. The county governing body may adopt
- 31 reasonable procedures in order to carry out the purposes and intent of this section,
- 32 provided that the county shall not adopt any procedure that limits the definition or
- 33 scope of eligible credit amount or eligible taxpayer as defined in this section.
- 34 (2) If an eligible taxpayer's real property is annexed into a taxing jurisdiction to
- 35 which such eligible taxpayer did not owe real property tax in the eligible taxpayer's
- 36 initial credit year, then the real property tax liability for the taxpayer's initial credit year
- 37 shall be increased to reflect the real property tax liability owed to the annexing taxing
- 38 jurisdiction.

39 **3. For the purposes of calculating property tax levies pursuant to section**
40 **137.073, the total amount of credits authorized pursuant to this section shall be**
41 **considered tax revenue, as such term is defined in section 137.073, actually received.**

42 **4. A county shall notify each political subdivision within such county of the total**
43 **credit amount applicable to such political subdivision by no later than November**
44 **thirtieth of each year.**

45 **5. No taxpayer shall be authorized to claim a property tax credit pursuant to this**
46 **section and section 137.1050 for the same real property.**

47 **6. Notwithstanding the provisions of subdivision (2) of subsection 1 of this**
48 **section to the contrary, in any county in which property in any subclass of class 1 is**
49 **considered to be valued below its true value in money, as determined in subdivision (2)**
50 **of subsection 2 of section 138.390, the amount by which a taxpayer's real property tax**
51 **liability may increase shall not exceed seven and one-half percent per year. The**
52 **provisions of this subsection shall no longer apply to a county once property in such**
53 **subclass of class 1 in such county is no longer considered to be valued below its true**
54 **value in money.**

55 **7. (1) Notwithstanding any provision of law to the contrary, the personal**
56 **property tax liability owed on any individual item of personal property shall not be**
57 **increased above the liability owed on such item during the 2024 tax year or the first year**
58 **an eligible taxpayer first incurs personal property tax liability on such personal**
59 **property, whichever occurs later. Any eligible taxpayer experiencing such an increase**
60 **shall be eligible for a credit on the eligible taxpayer's personal property tax liability in**
61 **an amount equal to such increase. Any credit granted pursuant to this subsection shall**
62 **comply with the procedural requirements provided in subsections 2 to 4 of this section.**

63 **(2) If an eligible taxpayer's personal property is annexed into a taxing**
64 **jurisdiction to which such eligible taxpayer did not owe personal property tax during**
65 **the 2024 tax year or the first year an eligible taxpayer first incurs personal property tax**
66 **liability on such personal property, whichever occurs later, then the personal property**
67 **tax liability for such item of personal property shall be increased to reflect the personal**
68 **property tax liability owed to the annexing taxing jurisdiction.**

138.390. 1. The state tax commission shall equalize the valuation of real and tangible
2 personal property among the several counties in the state in the following manner: with the
3 abstracts of all the taxable property in the several counties of the state and the abstracts of the
4 sales of real estate in such counties as returned by the respective county clerks and the
5 assessor of the city of St. Louis, the commission shall classify all real estate situate in cities,
6 towns, and villages, as town lots, and all other real estate as farming lands, and shall classify
7 all tangible personal property as follows: banking corporations, railroad corporations, street

8 railroad corporations, all other corporations, horses, mares and geldings, mules, asses and
9 jennets, neat cattle, sheep, swine, goats, ~~domesticated small animals and~~ all other livestock,
10 poultry, power machinery, farm implements, other tangible personal property.

11 2. (1) The state tax commission shall equalize the valuation of each class or subclass
12 of property thereof among the respective counties of the state in the following manner:

13 [(+) (a) It shall add to the valuation of each class, subclass, or portion thereof of the
14 property, real or tangible personal, of each county which it believes to be valued below its real
15 value in money such amount or percent as will increase the same in each case to its true value;

16 [(?) (b) It shall deduct from the valuation of each class, subclass, or portion thereof of the
17 property, real or tangible personal, of each county which it believes to be valued above
18 its real value in money such amount or percent as will reduce the same in each case to its true
19 value.

20 (2) (a) For the purposes of this subsection, the state tax commission shall utilize
21 ratio studies to determine whether a class or subclass of property is valued below or
22 above its true value in money.

23 (b) A class or subclass of property shall be considered to be valued below its true
24 value in money if:

25 a. The weighted median ratio is less than seventy-five percent and the coefficient
26 of dispersion is greater than twenty-five percent; or

27 b. The weighted median ratio is less than seventy-five percent and the upper
28 bound of the ninety-five percent confidence interval for the weighted median is less than
29 seventy-five percent.

30 (c) A class or subclass of property shall be considered to be valued above its true
31 value in money if:

32 a. The weighted median ratio is greater than one hundred percent and the
33 coefficient of dispersion is greater than twenty-five percent; or

34 b. The weighted median ratio is greater than one hundred percent and the upper
35 bound of the ninety-five percent confidence interval for the weighted median is greater
36 than one hundred percent.

1 [137.1055. 1. For the purposes of this section, the following terms
2 shall mean:

3 (1) "County", a five percent county or a zero percent county;

4 (2) "Five percent county":

5 (a) Any county with more than forty thousand but fewer than fifty
6 thousand inhabitants and with a county seat with more than fourteen thousand
7 but fewer than eighteen thousand inhabitants;

- (b) Any county with more than five thousand but fewer than six thousand inhabitants and with a county seat with fewer than nine hundred inhabitants;

(c) Any county with more than twenty five thousand but fewer than thirty thousand inhabitants and with a county seat with more than eight thousand but fewer than twelve thousand inhabitants;

(d) Any county with more than twelve thousand five hundred but fewer than fourteen thousand inhabitants and with a county seat with more than five thousand but fewer than six thousand inhabitants;

(e) Any county with more than fifteen thousand seven hundred but fewer than seventeen thousand six hundred inhabitants and with a county seat with more than two thousand but fewer than three thousand inhabitants;

(f) Any county with more than eight thousand but fewer than eight thousand nine hundred inhabitants and with a county seat with more than six hundred seventy but fewer than seven hundred thirty inhabitants;

(g) Any county with more than fourteen thousand but fewer than fifteen thousand seven hundred inhabitants and with a county seat with more than five thousand five hundred but fewer than eight thousand inhabitants;

(h) Any county with more than nine thousand nine hundred but fewer than eleven thousand inhabitants and with a county seat with more than one thousand five hundred but fewer than two thousand five hundred inhabitants;

(i) Any county with more than twenty five thousand but fewer than thirty thousand inhabitants and with a county seat with more than five hundred but fewer than two thousand five hundred inhabitants;

(j) Any county with more than nine thousand nine hundred but fewer than eleven thousand inhabitants and with a county seat with more than three hundred but fewer than six hundred inhabitants;

(k) Any county with more than seventeen thousand six hundred but fewer than nineteen thousand inhabitants and with a county seat with more than five thousand fifty but fewer than seven thousand inhabitants;

(l) Any county with more than five thousand but fewer than six thousand inhabitants and with a county seat with more than nine hundred but fewer than one thousand six hundred inhabitants;

(m) Any county with more than eight thousand but fewer than eight thousand nine hundred inhabitants and with a county seat with fewer than three hundred inhabitants;

(n) Any county with more than eight thousand but fewer than eight thousand nine hundred inhabitants and with a county seat with more than three thousand three hundred but fewer than five thousand inhabitants;

(o) Any county with more than seven thousand but fewer than eight thousand inhabitants and with a county seat with fewer than four hundred eighty inhabitants;

(p) Any county with more than nineteen thousand but fewer than twenty two thousand inhabitants and with a county seat with more than two thousand two hundred twenty but fewer than two thousand five hundred inhabitants;

- 54 (q) Any county with more than eight thousand but fewer than eight
55 thousand nine hundred inhabitants and with a county seat with more than one
56 thousand three hundred but fewer than two thousand inhabitants;
57 (r) Any county with more than eleven thousand but fewer than twelve
58 thousand five hundred inhabitants and with a county seat with more than one
59 thousand but fewer than two thousand inhabitants;
60 (s) Any county with more than six thousand but fewer than seven
61 thousand inhabitants and with a county seat with more than one thousand but
62 fewer than one thousand eight hundred inhabitants;
63 (t) Any county with more than eight thousand nine hundred but fewer
64 than nine thousand nine hundred inhabitants and with a county seat with more
65 than five thousand but fewer than six thousand inhabitants;
66 (u) Any county with more than eight thousand but fewer than eight
67 thousand nine hundred inhabitants and with a county seat with more than two
68 thousand but fewer than three thousand three hundred inhabitants;
69 (v) Any county with more than four thousand but fewer than four
70 thousand five hundred inhabitants and with a county seat with more than eight
71 hundred inhabitants;
72 (w) Any county with more than eleven thousand but fewer than twelve
73 thousand five hundred inhabitants and with a county seat with more than one
74 hundred but fewer than five hundred inhabitants;
75 (x) Any county with more than fourteen thousand but fewer than
76 fifteen thousand seven hundred inhabitants and with a county seat with more
77 than eight thousand but fewer than ten thousand inhabitants;
78 (y) Any county with more than two thousand but fewer than three
79 thousand six hundred inhabitants;
80 (z) Any county with more than nineteen thousand but fewer than
81 twenty two thousand inhabitants and with a county seat with more than ten
82 thousand but fewer than thirteen thousand inhabitants;
83 (aa) Any county with more than five thousand but fewer than six
84 thousand inhabitants and with a county seat with more than one thousand six
85 hundred but fewer than two thousand six hundred inhabitants;
86 (bb) Any county with fewer than two thousand inhabitants;
87 (cc) Any county with more than nineteen thousand but fewer than
88 twenty two thousand inhabitants and with a county seat with more than one
89 thousand but fewer than two thousand two hundred twenty inhabitants;
90 (dd) Any county with more than fourteen thousand but fewer than
91 fifteen thousand seven hundred inhabitants and with a county seat with more
92 than one thousand but fewer than two thousand inhabitants;
93 (ee) Any county with more than fifteen thousand seven hundred but
94 fewer than seventeen thousand six hundred inhabitants and with a county seat
95 with more than three thousand but fewer than three thousand six hundred
96 inhabitants;
97 (ff) Any county with more than nineteen thousand but fewer than
98 twenty two thousand inhabitants and with a county seat with more than eight
99 thousand five hundred but fewer than ten thousand inhabitants;

- (gg) Any county with more than eight thousand but fewer than eight thousand nine hundred inhabitants and with a county seat with more than six hundred but fewer than six hundred seventy inhabitants;

(hh) Any county with more than forty thousand but fewer than fifty thousand inhabitants and with a county seat with more than twenty one thousand but fewer than thirty one thousand inhabitants;

(ii) Any county with more than thirty thousand but fewer than thirty five thousand inhabitants and with a county seat with more than nine thousand but fewer than thirteen thousand inhabitants;

(jj) Any county with more than eight thousand nine hundred but fewer than nine thousand nine hundred inhabitants and with a county seat with fewer than one thousand inhabitants;

(kk) Any county with more than nineteen thousand but fewer than twenty two thousand inhabitants and with a county seat with more than six thousand but fewer than eight thousand five hundred inhabitants;

(ll) Any county with more than fifteen thousand seven hundred but fewer than seventeen thousand six hundred inhabitants and with a county seat with more than seven thousand but fewer than nine thousand inhabitants;

(mm) Any county with more than twenty two thousand but fewer than twenty five thousand inhabitants and with a county seat with more than twelve thousand five hundred but fewer than sixteen thousand inhabitants;

(nn) Any county with more than thirty thousand but fewer than thirty five thousand inhabitants and with a county seat with more than three thousand eight hundred but fewer than six thousand inhabitants;

(oo) Any county with more than twenty two thousand but fewer than twenty five thousand inhabitants and with a county seat with more than five thousand but fewer than eight thousand inhabitants;

(pp) Any county with more than twenty two thousand but fewer than twenty five thousand inhabitants and with a county seat with more than one thousand four hundred but fewer than one thousand nine hundred inhabitants;

(qq) Any county with more than sixty thousand but fewer than seventy thousand inhabitants;

(rr) Any county with more than seventeen thousand six hundred but fewer than nineteen thousand inhabitants and with a county seat with more than four thousand but fewer than five thousand fifty inhabitants;

(ss) Any county with more than twenty two thousand but fewer than twenty five thousand inhabitants and with a county seat with more than two thousand three hundred but fewer than four thousand inhabitants;

(tt) Any county with more than one hundred thousand but fewer than one hundred twenty thousand inhabitants and with a county seat with more than four thousand but fewer than six thousand inhabitants;

(uu) Any county with more than eighty thousand but fewer than one hundred thousand inhabitants and with a county seat with more than seventy thousand but fewer than eighty thousand inhabitants;

(vv) Any county with more than twenty five thousand but fewer than thirty thousand inhabitants and with a county seat with more than fourteen thousand but fewer than twenty thousand inhabitants;

- 147 (ww) Any county with more than twenty two thousand but fewer than
148 twenty five thousand inhabitants and with a county seat with more than nine
149 thousand but fewer than twelve thousand five hundred inhabitants;
- 150 (xx) Any county with more than six thousand but fewer than seven
151 thousand inhabitants and with a county seat with more than one thousand eight
152 hundred but fewer than two thousand five hundred inhabitants;
- 153 (yy) Any county with more than three thousand six hundred but fewer
154 than four thousand inhabitants;
- 155 (zz) Any county with more than nine thousand nine hundred but fewer
156 than eleven thousand inhabitants and with a county seat with fewer than two
157 hundred inhabitants;
- 158 (aaa) Any county with more than fourteen thousand but fewer than
159 fifteen thousand seven hundred inhabitants and with a county seat with more
160 than four thousand nine hundred but fewer than five thousand five hundred
161 inhabitants;
- 162 (bbb) Any county with more than twenty five thousand but fewer than
163 thirty thousand inhabitants and with a county seat with more than two
164 thousand five hundred but fewer than six thousand inhabitants;
- 165 (ccc) Any county with more than eight thousand but fewer than eight
166 thousand nine hundred inhabitants and with a county seat with more than eight
167 hundred but fewer than one thousand three hundred inhabitants;
- 168 (ddd) Any county with more than four thousand five hundred but
169 fewer than five thousand inhabitants and with a county seat with more than
170 one thousand seven hundred thirty three inhabitants;
- 171 (eee) Any county with more than nine thousand nine hundred but
172 fewer than eleven thousand inhabitants and with a county seat with more than
173 six hundred but fewer than one thousand inhabitants;
- 174 (fff) Any county with more than twenty two thousand but fewer than
175 twenty five thousand inhabitants and with a county seat with more than nine
176 hundred but fewer than one thousand four hundred inhabitants;
- 177 (ggg) Any county with more than four thousand but fewer than four
178 thousand five hundred inhabitants and with a county seat with fewer than eight
179 hundred inhabitants;
- 180 (hhh) Any county with more than four thousand five hundred but
181 fewer than five thousand inhabitants and with a county seat with fewer than
182 one thousand seven hundred thirty three inhabitants;
- 183 (iii) Any county with more than six thousand but fewer than seven
184 thousand inhabitants and with a county seat with more than four hundred but
185 fewer than one thousand inhabitants;
- 186 (jjj) Any county with more than one hundred twenty thousand but
187 fewer than one hundred fifty thousand inhabitants;
- 188 (kkk) Any county with more than fifty thousand but fewer than sixty
189 thousand inhabitants and with a county seat with more than ten thousand but
190 fewer than twelve thousand six hundred inhabitants;
- 191 (lll) Any county with more than nine thousand nine hundred but fewer
192 than eleven thousand inhabitants and with a county seat with more than one
193 thousand but fewer than one thousand five hundred inhabitants;

194 (mmm) Any county with more than eighty thousand but fewer than
195 one hundred thousand inhabitants and with a county seat with more than
196 thirteen thousand but fewer than seventeen thousand inhabitants;

197 (nnn) Any county with more than eight thousand nine hundred but
198 fewer than nine thousand nine hundred inhabitants and with a county seat with
199 more than one thousand but fewer than two thousand inhabitants;

200 (ooo) Any county with more than twelve thousand five hundred but
201 fewer than fourteen thousand inhabitants and with a county seat with more
202 than four thousand but fewer than five thousand inhabitants;

203 (ppp) Any county with more than seventeen thousand six hundred but
204 fewer than nineteen thousand inhabitants and with a county seat with more
205 than eight thousand but fewer than ten thousand inhabitants;

206 (qqq) Any county with more than six thousand but fewer than seven
207 thousand inhabitants and with a county seat with fewer than three hundred
208 inhabitants;

209 (rrr) Any county with more than thirty five thousand but fewer than
210 forty thousand inhabitants and with a county seat with more than five hundred
211 but fewer than two thousand inhabitants;

212 (sss) Any county with more than fifteen thousand seven hundred but
213 fewer than seventeen thousand six hundred inhabitants and with a county seat
214 with more than four thousand two hundred ten but fewer than six thousand
215 inhabitants;

216 (ttt) Any county with more than forty thousand but fewer than fifty
217 thousand inhabitants and with a county seat with more than ten thousand but
218 fewer than fourteen thousand inhabitants;

219 (uuu) Any county with more than fifty thousand but fewer than sixty
220 thousand inhabitants and with a county seat with more than twelve thousand
221 six hundred but fewer than fifteen thousand inhabitants;

222 (vvv) Any county with more than eleven thousand but fewer than
223 twelve thousand five hundred inhabitants and with a county seat with more
224 than two thousand but fewer than two thousand eight hundred fifty inhabitants;

225 (www) Any county with more than fifteen thousand seven hundred but
226 fewer than seventeen thousand six hundred inhabitants and with a county seat
227 with more than three thousand six hundred but fewer than four thousand two
228 hundred ten inhabitants;

229 (3) "Eligible credit amount", the difference between an eligible
230 taxpayer's real property tax liability on such taxpayer's homestead for a given
231 tax year, minus the real property tax liability on such homestead in the eligible
232 taxpayer's initial credit year, provided that, for five percent counties, the real
233 property tax liability on an eligible taxpayer's homestead as determined in the
234 taxpayer's initial credit year may be increased by no more than five percent per
235 year or the percent increase in the Consumer Price Index for All Urban
236 Consumers, as published by the Bureau of Labor Statistics, whichever is
237 greater, and for zero percent counties, the real property tax liability on an
238 eligible taxpayer's homestead shall not be increased above the liability
239 incurred during the initial credit year. For all counties, an eligible taxpayer's
240 real property tax liability shall be increased to reflect any increase in tax
241 liability derived from any new property tax levy or an increase in an existing

242 property tax levy approved by the voters subsequent to an eligible taxpayer's
243 initial credit year, provided that, for five percent counties, such increase shall
244 not be considered for the purposes of calculating the allowable increase in an
245 eligible taxpayer's real property tax liability as provided in this subdivision;

246 (4) "Eligible taxpayer", a Missouri resident who:

247 (a) Is an owner of record of a homestead or has a legal or equitable
248 interest in such property as evidenced by a written instrument; and

249 (b) Is liable for the payment of real property taxes on such homestead;

250 (5) "Homestead", real property actually occupied by an eligible
251 taxpayer as the primary residence. An eligible taxpayer shall not claim more
252 than one primary residence;

253 (6) "Initial credit year", the 2024 tax year.

254

255 If in any tax year subsequent to the eligible taxpayer's initial credit year the
256 eligible taxpayer's real property tax liability is lower than such liability in the
257 initial credit year, such tax year shall be considered the eligible taxpayer's
258 initial credit year for all subsequent tax years;

259 (7) "Zero percent county":

260 (a) Any county with more than one hundred thousand but fewer than
261 one hundred twenty thousand inhabitants and with a county seat with more
262 than nine thousand but fewer than eleven thousand inhabitants;

263 (b) Any county with more than fifty thousand but fewer than sixty
264 thousand inhabitants and with a county seat with more than seventeen
265 thousand but fewer than twenty one thousand inhabitants;

266 (c) Any county with more than one hundred thousand but fewer than
267 one hundred twenty thousand inhabitants and with a county seat with more
268 than twelve thousand but fewer than fourteen thousand inhabitants;

269 (d) Any county with more than fourteen thousand but fewer than
270 fifteen thousand seven hundred inhabitants and with a county seat with more
271 than two thousand but fewer than three thousand inhabitants;

272 (e) Any county with more than twelve thousand five hundred but
273 fewer than fourteen thousand inhabitants and with a county seat with more
274 than one thousand but fewer than two thousand inhabitants;

275 (f) Any county with more than thirty five thousand but fewer than
276 forty thousand inhabitants and with a county seat with more than eight
277 thousand but fewer than ten thousand inhabitants;

278 (g) Any county with more than two hundred thousand but fewer than
279 two hundred thirty thousand inhabitants;

280 (h) Any county with more than eleven thousand but fewer than twelve
281 thousand five hundred inhabitants and with a county seat with more than two
282 thousand eight hundred fifty but fewer than four thousand inhabitants;

283 (i) Any county with more than thirty five thousand but fewer than
284 forty thousand inhabitants and with a county seat with more than ten thousand
285 but fewer than fourteen thousand inhabitants;

286 (j) Any county with more than eight thousand but fewer than eight
287 thousand nine hundred inhabitants and with a county seat with more than
288 seven hundred thirty but fewer than eight hundred inhabitants;

- (k) Any county with more than seven thousand but fewer than eight thousand inhabitants and with a county seat with more than four hundred eighty but fewer than one thousand inhabitants;

(l) Any county with more than thirty thousand but fewer than thirty five thousand inhabitants and with a county seat with more than two hundred but fewer than nine hundred inhabitants;

(m) Any county with more than fifty thousand but fewer than sixty thousand inhabitants and with a county seat with more than one thousand but fewer than four thousand inhabitants;

(n) Any county with more than twenty two thousand but fewer than twenty five thousand inhabitants and with a county seat with more than one thousand nine hundred but fewer than two thousand three hundred inhabitants;

(o) Any county with more than thirty thousand but fewer than thirty five thousand inhabitants and with a county seat with more than two thousand but fewer than three thousand eight hundred inhabitants;

(p) Any county with more than eighty thousand but fewer than one hundred thousand inhabitants and with a county seat with more than twenty thousand but fewer than twenty five thousand inhabitants;

(q) Any county with more than thirty five thousand but fewer than forty thousand inhabitants and with a county seat with more than two thousand but fewer than five thousand inhabitants;

(r) Any county with more than twenty two thousand but fewer than twenty five thousand inhabitants and with a county seat with more than five hundred but fewer than nine hundred inhabitants;

(s) Any county with more than four hundred thousand but fewer than five hundred thousand inhabitants;

(t) Any county with more than eleven thousand but fewer than twelve thousand five hundred inhabitants and with a county seat with more than four thousand but fewer than five thousand inhabitants;

(u) Any county with more than seven thousand but fewer than eight thousand inhabitants and with a county seat with more than one thousand but fewer than two thousand inhabitants;

(v) Any county with more than thirty five thousand but fewer than forty thousand inhabitants and with a county seat with more than five thousand but fewer than eight thousand inhabitants.

2. By no later than the municipal election in April 2026, a county shall place on the ballot a question of whether to grant a property tax credit pursuant to this section to eligible taxpayers residing in such county in an amount equal to the taxpayer's eligible credit amount. If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then the credit shall be in effect and the county shall grant such property tax credit to eligible taxpayers residing in such county in an amount equal to the taxpayer's eligible credit amount.

3. (1) A county granting a credit pursuant to this section shall apply such credit when calculating the eligible taxpayer's property tax liability for the tax year. The amount of the credit shall be noted on the statement of tax due sent to the eligible taxpayer by the county collector. The county governing body may adopt reasonable procedures in order to carry out the purposes and

337 ~~intent of this section, provided that the county shall not adopt any procedure~~
338 ~~that limits the definition or scope of eligible credit amount or eligible taxpayer~~
339 ~~as defined in this section.~~

340 (2) ~~If an eligible taxpayer makes new construction and improvements~~
341 ~~to such eligible taxpayer's homestead, the real property tax liability for the~~
342 ~~taxpayer's initial credit year shall be increased to reflect the real property tax~~
343 ~~liability attributable to such new construction and improvements.~~

344 (3) ~~If an eligible taxpayer's homestead is annexed into a taxing~~
345 ~~jurisdiction to which such eligible taxpayer did not owe real property tax in the~~
346 ~~eligible taxpayer's initial credit year, then the real property tax liability for the~~
347 ~~taxpayer's initial credit year shall be increased to reflect the real property tax~~
348 ~~liability owed to the annexing taxing jurisdiction.~~

349 4. ~~For the purposes of calculating property tax levies pursuant to~~
350 ~~section 137.073, the total amount of credits authorized by a county pursuant to~~
351 ~~this section shall be considered tax revenue, as such term is defined in section~~
352 ~~137.073, actually received.~~

353 5. ~~A county granting a tax credit pursuant to this section shall notify~~
354 ~~each political subdivision within such county of the total credit amount~~
355 ~~applicable to such political subdivision by no later than November thirtieth of~~
356 ~~each year.~~

357 6. ~~No taxpayer shall be authorized to claim a property tax credit~~
358 ~~pursuant to this section and section 137.1050 for the same homestead.]~~

✓