

HB 1800 -- REAL PROPERTY ASSESSMENTS (Matthiesen)

COMMITTEE OF ORIGIN: Special Committee on Tax Reform

This bill provides a definition for "assessment value" as it relates to real property assessment purposes (Section 137.016, RSMo).

The bill modifies the manner in which a political subdivision can revise each tax levy to allow for inflationary assessment growth for all subclasses of real and personal property.

Currently, the inflationary growth factor for any subclass of real and personal property is limited to the actual assessment growth, exclusive of new construction and improvements, but not to exceed the Consumer Price Index, or 5%, whichever is lower.

This bill limits the inflationary growth factor for any subclass of real or personal property to the actual assessment growth, but not to exceed the lower of the following:

- (1) The Consumer Price Index; or
- (2) The following percentages:
  - (a) For tax levy revisions before January 1, 2027, 5%; or
  - (b) For tax levy revisions on or after January 1, 2027, 3% (Section 137.073).

The bill provides that, for the purpose of equalizing the valuation of real property and tangible personal property among counties, the State Tax Commission must use ratio studies to determine whether a class or subclass of property is valued below or above its true value in money. A class or subclass of property must be considered below or above its true value in money if the weighted mean ratio is less than 70% or greater than 100% (Section 138.390).

This bill is similar to HB 517 (2025).