

HCS HBs 3253 & 3254 -- PROPERTY TAXES

SPONSOR: Steinhoff

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Special Committee on Property Tax Reform by a vote of 11 to 0.

The following is a summary of the House Committee Substitute for HBs 3253 & 3254.

ASSESSORS (Section 53.255, 137.121, 137.180, 137.355, 137.490)

Currently, the State Tax Commission (STC) must set classroom time totaling at least 32 hours for each course of study for assessors and assessor-elects. This bill adds that the State Tax Commission must either set classroom time totaling at least 32 hours or at least 40 hours for any new assessor or assessor-elect and at least 40 hours of training for any newly elected assessor.

The bill requires each assessor to attend at least one additional approved course of study within each 2-year period to remain certified.

Currently, the Director of Revenue must suspend payments of assessment costs by the State to the county in which the assessor is serving once notified by the Commission that the assessor has failed to properly comply with certification requirements and until the assessor complies or is no longer in office. This bill repeals this provision and allows an assessor to:

- (1) Create, maintain, and store certain information in an electronic format;
- (2) Establish electronic notification and record delivery systems;
- (3) Notify property owners of an increased valuation or projected tax liability via first-class mail or by electronic means; and
- (4) Provide other official communication electronically.

Currently, when an assessor increases the valuation of any real property they must notify the record owner of the increase, either in person, or by mail to the last known address of the owner, this bill specifies first-class mail and adds that the valuation may be sent by electronic means, including email or

secure electronic delivery, as long as the property owner has consented to electronic delivery or has provided an email address to the assessor's office.

PAYMENT OF PROPERTY TAXES (Section 139.031 and 139.053)

The bill allows the governing body of any county to provide for partial payments on residential real property taxes assessed and in dispute in certain circumstances. The county may enter into an agreement with a taxpayer to require the taxpayer to make a minimum payment as described in the bill. If a taxpayer fails to make the initial approved partial payment on or before the due date in the agreement, the county must charge the taxpayer interest and penalties on the amount of property taxes still owed.

Currently, any county other than a township county may, by order or ordinance, allow its taxpayers the option to pay any part of their real and personal property taxes on an annual, semiannual, or quarterly basis. This bill allows township counties the option to pass such an order or ordinance.

The bill also requires the governing body of each county or city not within a county to allow for pre-payment of current real property taxes owed on an annual, semi-annual, quarterly, or monthly basis.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROponents: Supporters say that the bill addresses topics that were discussed during the property tax hearings that occurred across the state. Those in support of the bill say it addresses per parcel rate to fund assessment resources, payment requirements when an assessment is under appeal, training for assessors, use of technology during assessments, and property tax levies by subclass. Supporters state that giving additional resources to assessors, requiring additional training for assessors, and provisions that help taxpayers to make their payments will be good for special districts.

Testifying in person for the bill were Representative Steinhoff; and Missouri Special Districts Association.

OPponents: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say that the idea for state reimbursement to counties is good, but the question is where the funds for this reimbursement will come from. Those testifying state that the State Tax Commission (STC) must be responsible for ensuring there is fairness in assessments via equalization. Others testifying on the bill say that commissioners from the STC do not have mandatory trainings, but they do often attend trainings.

Testifying in person on the bill were Missouri Council Of School Administrators; and Dan Hutton, State Tax Commission/State Ombudsman.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.