

HB 3253 -- PROPERTY TAXES

SPONSOR: Steinhoff

ASSESSORS (Section 53.255, 137.121, 137.180, 137.355, and 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 STC must set classroom time totaling at least 40 hours for any new assessor or assessor-elect beginning January 1, 2027. Any newly elected assessor must complete at least 40 hours of training before assuming office.

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

Currently, once the state director of revenue is notified by the STC that an assessor has failed to comply with certification requirements, the state director of revenue must immediately suspend payments of assessment costs to the county in which the assessor is serving. These payments must be suspended until one of the following occurs:

- (1) The assessor complies with certification requirements;
- (2) The assessor resigns from office;
- (3) The assessor is removed from office by appropriate legal action; or
- (4) The assessor's successor is qualified.

The bill repeals this provision.

This bill requires the assessor to conduct a physical inspection of any parcel of utility, industrial, commercial, railroad, or other real property before the assessor can increase the assessed valuation of such parcel of real property by more than 15%.

The bill allows county assessors to use technology to determine the true value in money of real property if it is used in accordance with accepted mass appraisal standards. This bill also allows authorized technology to be used to satisfy any physical inspection requirements.

The bill allows assessors to:

- (1) Create, maintain, and store certain information in an electronic format and be deemed as official records under current law;
- (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 .

PROPERTY TAX RATES (Section 137.073, 137.079, 137.115)

Currently, any political subdivision that received approval for a tax rate increase may levy a property tax rate to collect substantially the same amount of tax revenue as the amount of revenue that would have been derived by applying the voter-approved increased tax rate ceiling to the total assessed valuation of the political subdivision. However, the tax rate must not exceed the greater of the most recent voter-approved rate or the most recent adjusted voter-approved rate.

The bill removes mention of the single tax rate in the exception and provides that the rates of levy for each subclass of real property, individually, and personal property, in the aggregate, must not exceed the greater of the most recent voter-approved rate or most recent adjusted voter approved rate.

Currently, if the tax revenue from various tax rates is different than the tax revenue that would have been determined from a single tax rate, then the political subdivision must revise the tax rates of those subclasses of real property, individually, and/or personal property, in the aggregate that had a tax rate reduction. This revision must yield an amount equal to the difference and must be apportioned among the subclasses of real property, individually, and/or personal property, in the aggregate, based on the relative assessed valuation of the class or subclasses that experienced the tax rate reduction. Additionally, for school districts that levy separate tax rates on each subclass of real property and personal property, in the

aggregate, or that had voter-approved ballots that set or increased the subclass rates differently prior to 2011, a blended tax rate must be used to calculate the single tax rate.

This bill repeals this language. Political subdivisions are no longer required to compare revenues generated by multiple levies to a single-rate baseline or to adjust multiple levies based on a single-rate baseline.

As it relates to setting property tax rates, the bill repeals mention of a single property tax rate and replaces such language with that relating to multiple tax rates.

Currently, any county and city not within a county can opt out of implementing the provisions of certain Sections of House bill no. 1150 (2002) and certain provisions of Senate bill no. 960, which includes setting separate levies to be calculated for each subclass of real property and for personal property using the assessed valuation for each class of real property and of personal property. Any county and city not within a county can also opt out of implementing certain provisions of House bill no. 1150 (2002) and certain provisions of Senate bill no. 960 as they relate to tax rate ceilings, blended tax rates, tax rate calculations, and credit card usage to pay property taxes.

This bill repeals the references to the provisions of House bill no. 1150 (2002) and Senate bill no. 960 (2004), as well as the corresponding procedures to opt out of or to implement such provisions.

The bill requires, beginning January 1, 2027, each county and city not within a county to determine the assessed valuation, set and revise rates of levy, and make adjustments to current levies for each subclass of real property, individually, and personal property, in the aggregate.

ASSESSMENT MAINTENANCE PLANS (Section 137.750)

Currently, the State must reimburse each eligible county a minimum of \$3.00 per parcel for up to 20,000 parcels if the county has an approved assessment maintenance plan. This bill increases the minimum to \$4.00 per parcel.

PROPERTY TAX CREDITS (Section 137.1050 and 137.1055)

Currently, any county that is authorized to impose a property tax may grant a property tax credit to seniors who own a qualifying homestead. The bill requires the State to reimburse any political subdivision for any decrease in revenue due to this authorized tax credit.

Currently, certain counties must place on the ballot a question whether to grant a homestead property tax credit to limit the increase of an eligible taxpayer's real property tax liability on his or her homestead. This bill requires the State to reimburse any political subdivision for any decrease in revenue due to this authorized tax credit.

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. Such county can 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 stated in the agreement, the county must charge the taxpayer interest on the amount of property taxes still owed.

Currently, the governing body of any county can allow, by ordinance or order, the option for taxpayers to pay any part of their real and personal property taxes on an annual, semiannual, or quarterly basis. However, township counties are excluded from the ability to allow taxpayers these payment options. 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, semiannual, or quarterly basis.