



Missouri House of Representatives

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CONTACT: Rep. Mike McGirl
(573) 751-2398
Mike.McGir@House.Mo.Gov

Missouri House Passes Legislation to Create Fairer Personal Property Taxation

JEFFERSON CITY, Mo. – The Missouri House has approved HB 2430, a bill sponsored by Representative Mike McGirl, which addresses concerns over the rising assessed values of motor vehicles. The legislation proposes adjustments to personal property assessment procedures, aligning them more closely with real estate practices, with the ultimate goal of potentially lowering personal property taxes for Missouri residents.

Under the current assessment procedures, determining the value of new construction or improvements to real property includes adding the assessed value of all improvements or additions initiated after the prior year's assessment. The bill specifically tackles the recent anomaly in vehicle value assessments by stipulating that any increase in value from the National Automobile Dealers Association (NADA) Official Used Car Guide from the previous year shall not be counted as new construction for personal property.

"This bill is a critical step towards addressing the challenges posed by the substantial increases in assessed values of motor vehicles in recent years," Rep. McGirl, R-Potosi, said. "By aligning personal property assessment procedures with real estate practices, we aim to create a fairer and more accurate representation of property values, providing potential relief for our residents."

The proposed changes in HB 2430 would have a direct impact on Missouri's property taxes. By incorporating personal property tax calculations into the rate levy certification process, the bill seeks to mitigate the effects of increased property values. When property evaluations rise, the levy is expected to decrease, thereby offsetting some of the property tax burdens on residents.

"Since January 2021, consumer prices, including vehicles, have increased 18% because of President Biden's handling of the economy. Representative McGirl's legislation seeks to address the dynamics of this inflationary cycle by adjusting the assessment procedures to adapt to changing property values. Property tax relief is a priority of the Majority Republican Caucus and we remain committed to delivering tax relief to Missourians," House Speaker Dean Plocher, R-Des Peres, said.

As HB 2430 progresses through the legislative process, further examination and consideration of its potential impact on taxpayers will be crucial. The bill now moves to the Missouri Senate for further deliberation and review.

Representative Mike McGirl, a Republican, represents Franklin and Washington counties (District 118) in the Missouri House of Representatives. He was elected to his first two-year term in November 2018. For more information, please contact Rep. McGirl's office at 573-751-2398 or by email at Mike.McGir@House.Mo.Gov.

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