

SECOND REGULAR SESSION

# HOUSE BILL NO. 1057

## 91ST GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE BYRD.

Pre-filed December 3, 2001, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

3183L.011

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### AN ACT

To repeal section 137.115, RSMo, and to enact in lieu thereof one new section relating to real and personal property assessment.

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

Section A. Section 137.115, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 137.115, to read as follows:

137.115. 1. All other laws to the contrary notwithstanding, the assessor or the assessor's deputies in all counties of this state including the city of St. Louis shall annually make a list of all real and tangible personal property taxable in the assessor's city, county, town, or district. Except as otherwise provided in subsection 3 of this section, the assessor shall annually assess all personal property at thirty-three and one-third percent of its true value in money as of January first of each calendar year. The assessor shall annually assess all real property, including any new construction and improvements to real property, and possessory interests in real property at the percent of its true value in money set in subsection 5 of this section. The assessor shall annually assess all real property in the following manner: new assessed values shall be determined as of January first of each odd-numbered year and shall be entered in the assessor's books; those same assessed values shall apply in the following even-numbered year, except for new construction and property improvements which shall be valued as though they had been completed as of January first of the preceding odd-numbered year. The assessor may call at the office, place of doing business, or residence of each person required by this chapter to list property, and require the person to make a correct statement of all taxable real property in the county owned by the person, or under his or her care, charge, or management, and all taxable

**EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.**

17 tangible personal property owned by the person or under his or her care, charge, or management,  
18 taxable in the county. On or before January first of each even-numbered year, the assessor shall  
19 prepare and submit a two-year assessment maintenance plan to the county governing body and  
20 the state tax commission for their respective approval or modification. The county governing  
21 body shall approve and forward such plan or its alternative to the plan to the state tax  
22 commission by February first. If the county governing body fails to forward the plan or its  
23 alternative to the plan to the state tax commission by February first, the assessor's plan shall be  
24 considered approved by the county governing body. If the state tax commission fails to approve  
25 a plan and if the state tax commission and the assessor and the governing body of the county  
26 involved are unable to resolve the differences, in order to receive state cost-share funds outlined  
27 in section 137.750, the county or the assessor shall petition the administrative hearing  
28 commission, by May first, to decide all matters in dispute regarding the assessment maintenance  
29 plan. Upon agreement of the parties, the matter may be stayed while the parties proceed with  
30 mediation or arbitration upon terms agreed to by the parties. The final decision of the  
31 administrative hearing commission shall be subject to judicial review in the circuit court of the  
32 county involved. In the event a valuation of subclass (1) real property within any county of the  
33 first classification with a charter form of government, or within a city not within a county, is  
34 made by a computer, computer-assisted method, or a computer program, the burden of proof,  
35 supported by clear, convincing, and cogent evidence to sustain such valuation, shall be on the  
36 assessor at any hearing or appeal. In any such county, unless the assessor proves otherwise, there  
37 shall be a presumption that the assessment was made by a computer, computer-assisted method,  
38 or a computer program. Such evidence shall include, but shall not be limited to, the following:  
39       (1) The findings of the assessor based on an appraisal of the property by generally  
40 accepted appraisal techniques; and  
41       (2) The purchase prices from sales of at least three comparable properties and the address  
42 or location thereof. As used in this paragraph, the word "comparable" means that:  
43       (a) Such sale was closed at a date relevant to the property valuation; and  
44       (b) Such properties are not more than one mile from the site of the disputed property,  
45 except where no similar properties exist within one mile of the disputed property, the nearest  
46 comparable property shall be used. Such property shall be within five hundred square feet in size  
47 of the disputed property, and resemble the disputed property in age, floor plan, number of rooms,  
48 and other relevant characteristics.  
49       2. Assessors in each county of this state and the city of St. Louis may send personal  
50 property assessment forms through the mail.  
51       3. The following items of personal property shall each constitute separate subclasses of  
52 tangible personal property and shall be assessed and valued for the purposes of taxation at the

53 following [percents] **percentages** of their true value in money:

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

56 (2) Livestock, twelve percent;

57 (3) Farm machinery, twelve percent;

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

62 (5) Poultry, twelve percent; and

63 (6) Tools and equipment used for pollution control and tools and equipment used in  
64 retooling for the purpose of introducing new product lines or used for making improvements to  
65 existing products by any company which is located in a state enterprise zone and which is  
66 identified by any standard industrial classification number cited in subdivision (6) of section  
67 135.200, RSMo, twenty-five percent.

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

72 5. All subclasses of real property, as such subclasses are established in section 4(b) of  
73 article X of the Missouri Constitution and defined in section 137.016, shall be assessed at the  
74 following percentages of true value:

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

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

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

78 6. Manufactured homes, as defined in section 700.010, RSMo, which are actually used  
79 as dwelling units shall be assessed at the same percentage of true value as residential real  
80 property for the purpose of taxation. The percentage of assessment of true value for such  
81 manufactured homes shall be the same as for residential real property. If the county collector  
82 cannot identify or find the manufactured home when attempting to attach the manufactured home  
83 for payment of taxes owed by the manufactured home owner, the county collector may request  
84 the county commission to have the manufactured home removed from the tax books, and such  
85 request shall be granted within thirty days after the request is made; however, the removal from  
86 the tax books does not remove the tax lien on the manufactured home if it is later identified or  
87 found. A manufactured home located in a manufactured home rental park, rental community,  
88 or on real estate not owned by the manufactured home owner shall be considered personal

89 property. A manufactured home located on real estate owned by the manufactured home owner  
90 may be considered real property.

91 7. Each manufactured home assessed shall be considered a parcel for the purpose of  
92 reimbursement pursuant to section 137.750, unless the manufactured home has been converted  
93 to real property in compliance with section 700.111, RSMo, and assessed as a realty  
94 improvement to the existing real estate parcel.

95 8. Any amount of tax due and owing based on the assessment of a manufactured home  
96 shall be included on the personal property tax statement of the manufactured home owner unless  
97 the manufactured home has been converted to real property in compliance with section 700.111,  
98 RSMo, in which case the amount of tax due and owing on the assessment of the manufactured  
99 home as a realty improvement to the existing real estate parcel shall be included on the real  
100 property tax statement of the real estate owner.

101 9. The assessor of each county and each city not within a county shall use the trade-in  
102 value published in the October issue of the National Automobile Dealers' Association Official  
103 Used Car Guide, or its successor publication, as the recommended guide of information for  
104 determining the true value of motor vehicles described in such publication. In the absence of a  
105 listing for a particular motor vehicle in such publication, the assessor shall use such information  
106 or publications which in the assessor's judgment will fairly estimate the true value in money of  
107 the motor vehicle.

108 10. If the assessor increases the assessed valuation of any parcel of subclass (1) real  
109 property by more than seventeen percent since the last assessment, excluding increases due to  
110 new construction or improvements, then the assessor shall conduct a physical inspection of such  
111 property.

112 **11. If an owner of any parcel of subclass (1) real property, including a joint owner**  
113 **or tenant in common, is sixty-five years of age or older and resides at such parcel, the**  
114 **assessor shall not increase the assessed valuation of such parcel by more than the increase**  
115 **in the personal income of Missouri as defined in section 17 of article X of the Missouri**  
116 **Constitution since the most recent assessment of such parcel, excluding increases due to**  
117 **new construction, intervening sale of such parcel, or improvements.**

118 **12. As used in subsections 10 and 11 of this section, "improvements" means interior**  
119 **or exterior improvements made in any one year, the cost of which improvements exceed**  
120 **more than ten percent of the assessed value of such parcel of land and shall not include**  
121 **maintenance or repair of damage.**

122 **13. As used in subsection 10 of this section, "physical inspection of such property"**  
123 **means that the assessor shall, at a minimum:**

124 **(1) Personally observe all sides, roof, and foundation that are viewable from the**

- 125 exterior of all improvements on the parcel of land;
- 126       (2) Make notations concerning the condition of the exterior walls, roof, and  
127 foundation, if viewable from the exterior;
- 128       (3) Measure the exterior walls of all improvements on the property;
- 129       (4) Provide written notice by mail to the owner of record of the property of the  
130 opportunity to schedule an interior inspection of the improvements on the parcel, if the  
131 owner of record desires such an interior inspection to be conducted; and
- 132       (5) Record the date, beginning and ending time of the inspection, the observed  
133 condition of the property, and the name of the assessor or deputy assessor who conducted  
134 the inspection.
- 135       14. If the assessor or deputy assessor fails to fully conduct the physical inspection  
136 of such property as required by subsection 10 of this section, then the increase in valuation  
137 of such parcel shall be no greater than seventeen percent.