

SECOND REGULAR SESSION

# HOUSE BILL NO. 1618

## 91ST GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES BEARDEN, HANAWAY, HUNTER, CRAWFORD, DEMPSEY,  
DOLAN (Co-sponsors), SHOEMAKER (8), REINHART, OSTMANN, LINTON, BEHNEN, MOORE,  
CROWELL, HENDRICKSON, BERKSTRESSER, NORDWALD, GASKILL, ROBIRDS, COOPER,  
HARTZLER AND JETTON.

Read 1<sup>st</sup> time January 24, 2002, and 1000 copies ordered printed.

TED WEDEL, Chief Clerk

2494L.01H

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### AN ACT

To repeal sections 137.073 and 137.115, RSMo, and to enact in lieu thereof two new sections relating to real and personal property assessment, with a contingent effective date.

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

Section A. Sections 137.073 and 137.115, RSMo, are repealed and two new sections  
2 enacted in lieu thereof, to be known as sections 137.073 and 137.115, to read as follows:

137.073. 1. As used in this section, the following terms mean:

2 (1) "General reassessment", changes in value, entered in the assessor's books, of a  
3 substantial portion of the parcels of real property within a county resulting wholly or partly from  
4 reappraisal of value or other actions of the assessor or county equalization body or ordered by  
5 the state tax commission or any court;

6 (2) "Tax rate", "rate", or "rate of levy", singular or plural, includes the tax rate for each  
7 purpose of taxation of property a taxing authority is authorized to levy without a vote and any  
8 tax rate authorized by election, including bond interest and sinking fund;

9 (3) "Tax rate ceiling", a tax rate as revised by the taxing authority to comply with the  
10 provisions of this section or when a court has determined the tax rate; except that, other  
11 provisions of law to the contrary notwithstanding, a school district may levy the operating levy  
12 for school purposes required for the current year pursuant to subsection 2 of section 163.021,  
13 RSMo, less all adjustments required pursuant to article X, section 22 of the Missouri  
14 Constitution, if such tax rate does not exceed the highest tax rate in effect subsequent to the 1980

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

15 tax year. This is the maximum tax rate that may be levied, unless a higher tax rate ceiling is  
16 approved by voters of the political subdivision as provided in this section;

17 (4) "Tax revenue", when referring to the previous year, means the actual receipts from  
18 ad valorem levies on all classes of property, including state-assessed property, in the immediately  
19 preceding fiscal year of the political subdivision, plus an allowance for taxes billed but not  
20 collected in the fiscal year and plus an additional allowance for the revenue which would have  
21 been collected from property which was annexed by such political subdivision but which was  
22 not previously used in determining tax revenue pursuant to this section. The term "tax revenue"  
23 shall not include any receipts from ad valorem levies on any property of a railroad corporation  
24 or a public utility, as these terms are defined in section 386.020, RSMo, which were assessed by  
25 the assessor of a county or city in the previous year but are assessed by the state tax commission  
26 in the current year. All school districts and those counties levying sales taxes pursuant to chapter  
27 67, RSMo, shall include in the calculation of tax revenue an amount equivalent to that by which  
28 they reduced property tax levies as a result of sales tax pursuant to section 67.505, RSMo, and  
29 section 164.013, RSMo, in the immediately preceding fiscal year but not including any amount  
30 calculated to adjust for prior years. For purposes of political subdivisions which were authorized  
31 to levy a tax in the prior year but which did not levy such tax or levied a reduced rate, the term  
32 "tax revenue", as used in relation to the revision of tax levies mandated by law, shall mean the  
33 revenues equal to the amount that would have been available if the voluntary rate reduction had  
34 not been made.

35 2. Whenever changes in assessed valuation are entered in the assessor's books, the county  
36 clerk in all counties and the assessor of St. Louis City shall notify each political subdivision  
37 wholly or partially within the county or St. Louis City of the change in valuation, exclusive of  
38 new construction and improvements. All political subdivisions shall immediately revise the rates  
39 of levy for each purpose for which taxes are levied to the extent necessary to produce from all  
40 taxable property, exclusive of new construction and improvements, substantially the same  
41 amount of tax revenue as was produced in the previous year, except that the rate may not exceed  
42 the greater of the rate in effect in the 1984 tax year or the most recent voter-approved rate. As  
43 provided in section 22 of article X of the constitution, a political subdivision may also revise  
44 each levy to allow for inflationary assessment growth occurring within the political subdivision.  
45 The inflationary growth factor shall be limited to the actual assessment growth within the  
46 political subdivision, exclusive of new construction and improvements, but not to exceed the  
47 [consumer price index or five percent, whichever is lower] **percentage change in the personal**  
48 **income of Missouri for the second previous calendar year before that assessment period.**

49 3. (1) Where the taxing authority is a school district, it shall be required to revise the  
50 rates of levy to the extent necessary to produce from all taxable property, including state-assessed

51 railroad and utility property, which shall be separately estimated in addition to other data  
52 required in complying with section 164.011, RSMo, substantially the amount of tax revenue  
53 permitted in this section. In the year following tax rate reduction, the tax rate ceiling may be  
54 adjusted to offset such district's reduction in the apportionment of state school moneys due to its  
55 reduced tax rate. However, in the event any school district, in calculating a tax rate ceiling  
56 pursuant to this section, requiring the estimating of effects of state-assessed railroad and utility  
57 valuation or loss of state aid, discovers that the estimates used result in receipt of excess  
58 revenues, which would have required a lower rate if the actual information had been known, the  
59 school district shall reduce the tax rate ceiling in the following year to compensate for the excess  
60 receipts, and the recalculated rate shall become the tax rate ceiling for purposes of this section.

61 (2) For any political subdivision which experiences a reduction in the amount of assessed  
62 valuation relating to a prior year, due to decisions of the state tax commission or a court pursuant  
63 to sections 138.430 to 138.433, RSMo, or due to clerical errors or corrections in the calculation  
64 or recordation of any assessed valuation:

65 (a) Such political subdivision may revise the tax rate ceiling for each purpose it levies  
66 taxes to compensate for the reduction in assessed value occurring after the political subdivision  
67 calculated the tax rate ceiling in the prior year. Such revision by the political subdivision shall  
68 be made at the time of the next calculation of the tax rate after the reduction in assessed valuation  
69 has been determined and shall be calculated in a manner that results in the revised tax rate ceiling  
70 being the same as it would have been had the corrected or finalized assessment been available  
71 at the time of the prior calculation;

72 (b) In addition, for up to three years following the determination of the reduction in  
73 assessed valuation as a result of circumstances defined in this subdivision, such political  
74 subdivision may levy a tax rate for each purpose it levies taxes above the revised tax rate ceiling  
75 provided in paragraph (a) of this subdivision to recoup any revenues it was entitled to receive for  
76 the three-year period preceding such determination.

77 4. (1) In order to implement the provisions of this section and section 22 of article X of  
78 the Constitution of Missouri, the term "improvements" shall apply to both real and personal  
79 property. In order to determine the value of new construction and improvements, each county  
80 assessor shall maintain a record of real property valuations in such a manner as to identify each  
81 year the increase in valuation for each political subdivision in the county as a result of new  
82 construction and improvements. The value of new construction and improvements shall include  
83 the additional assessed value of all improvements or additions to real property which were begun  
84 after and were not part of the prior year's assessment, except that the additional assessed value  
85 of all improvements or additions to real property which had been totally or partially exempt from  
86 ad valorem taxes pursuant to sections 99.800 to 99.865, RSMo, sections 135.200 to 135.255,

87 RSMo, and section 353.110, RSMo, shall be included in the value of new construction and  
88 improvements when the property becomes totally or partially subject to assessment and payment  
89 of all ad valorem taxes. The aggregate increase in valuation of personal property for the current  
90 year over that of the previous year is the equivalent of the new construction and improvements  
91 factor for personal property. The assessor shall certify the amount of new construction and  
92 improvements for each political subdivision to the county clerk in order that political  
93 subdivisions shall have this information for the purpose of calculating tax rates pursuant to this  
94 section and section 22, article X, Constitution of Missouri. In addition, the state tax commission  
95 shall certify each year to each county clerk the increase in the general price level as measured by  
96 the Consumer Price Index for All Urban Consumers for the United States, or its successor  
97 publications, as defined and officially reported by the United States Department of Labor, or its  
98 successor agency. The state tax commission shall certify the increase in such index on the latest  
99 twelve-month basis available on June first of each year over the immediately preceding prior  
100 twelve-month period in order that political subdivisions shall have this information available in  
101 setting their tax rates according to law and section 22 of article X of the Constitution of Missouri.  
102 For purposes of implementing the provisions of this section and section 22 of article X of the  
103 Missouri Constitution, the term "property" means all taxable property, including state assessed  
104 property.

105 (2) Each political subdivision required to revise rates of levy pursuant to this section or  
106 section 22 of article X of the Constitution of Missouri shall calculate each tax rate it is authorized  
107 to levy and, in establishing each tax rate, shall consider each provision for tax rate revision  
108 provided in this section and section 22 of article X of the Constitution of Missouri, separately  
109 and without regard to annual tax rate reductions provided in section 67.505, RSMo, and section  
110 164.013, RSMo. Each political subdivision shall set each tax rate it is authorized to levy using  
111 the calculation that produces the lowest tax rate ceiling. It is further the intent of the general  
112 assembly, pursuant to the authority of section 10(c) of article X of the Constitution of Missouri,  
113 that the provisions of such section be applicable to tax rate revisions mandated pursuant to  
114 section 22 of article X of the Constitution of Missouri as to reestablishing tax rates as revised in  
115 subsequent years, enforcement provisions, and other provisions not in conflict with section 22  
116 of article X of the Constitution of Missouri. Annual tax rate reductions provided in section  
117 67.505, RSMo, and section 164.013, RSMo, shall be applied to the tax rate as established  
118 pursuant to this section and section 22 of article X of the Constitution of Missouri, unless  
119 otherwise provided by law.

120 5. (1) In all political subdivisions, the tax rate ceiling established pursuant to this section  
121 shall not be increased unless approved by a vote of the people. Approval of the higher tax rate  
122 shall be by at least a majority of votes cast. When a proposed higher tax rate requires approval

123 by more than a simple majority pursuant to any provision of law or the constitution, the tax rate  
124 increase must receive approval by at least the majority required.

125 (2) When voters approve an increase in the tax rate, the amount of the increase shall be  
126 added to the tax rate ceiling as calculated pursuant to this section to the extent the total rate does  
127 not exceed any maximum rate prescribed by law. If a ballot question presents a stated tax rate  
128 for approval rather than describing the amount of increase in the question, the stated tax rate  
129 approved shall be the current tax rate ceiling. The increased tax rate ceiling as approved may be  
130 applied to the total assessed valuation of the political subdivision at the setting of the next tax  
131 rate.

132 (3) The governing body of any political subdivision may levy a tax rate lower than its  
133 tax rate ceiling and may increase that lowered tax rate to a level not exceeding the tax rate ceiling  
134 without voter approval.

135 6. Each taxing authority proposing to levy a tax rate in any year shall notify the clerk of  
136 the county commission in the county or counties where the tax rate applies of its tax rate ceiling  
137 and its proposed tax rate. Each taxing authority shall express its proposed tax rate in a fraction  
138 equal to the nearest one/one hundredth of a cent. A taxing authority shall round up a fraction  
139 greater than or equal to five/one thousandth of one cent to the next higher one/one hundredth of  
140 a cent. Any taxing authority levying a property tax rate shall provide data, in such form as shall  
141 be prescribed by the state auditor by rule, substantiating such tax rate complies with Missouri  
142 law. In addition, each taxing authority proposing to levy a tax rate for debt service shall provide  
143 data, in such form as shall be prescribed by the state auditor by rule, substantiating the tax rate  
144 for debt service complies with Missouri law. A tax rate proposed for annual debt service  
145 requirements will be prima facie valid if, after making the payment for which the tax was levied,  
146 bonds remain outstanding and the debt fund reserves do not exceed the following year's  
147 payments. The county clerk shall keep on file and available for public inspection all such  
148 information for a period of three years. The clerk shall, within three days of receipt, forward a  
149 copy of the notice of a taxing authority's tax rate ceiling and proposed tax rate and any  
150 substantiating data to the state auditor. The state auditor shall, within fifteen days of the date of  
151 receipt, examine such information and return to the county clerk his or her findings as to  
152 compliance of the tax rate ceiling with this section and as to compliance of any proposed tax rate  
153 for debt service with Missouri law. If the state auditor believes that a taxing authority's proposed  
154 tax rate does not comply with Missouri law, then the state auditor's findings shall include a  
155 recalculated tax rate, and the state auditor may request a taxing authority to submit  
156 documentation supporting such taxing authority's proposed tax rate. The county clerk shall  
157 immediately forward a copy of the auditor's findings to the taxing authority and shall file a copy  
158 of the findings with the information received from the taxing authority. The taxing authority

159 shall have fifteen days from the date of receipt from the county clerk of the state auditor's  
160 findings and any request for supporting documentation to accept or reject in writing the rate  
161 change certified by the state auditor and to submit all requested information to the state auditor.  
162 A copy of the taxing authority's acceptance or rejection and any information submitted to the  
163 state auditor shall also be mailed to the county clerk. If a taxing authority rejects a rate change  
164 certified by the state auditor and the state auditor does not receive supporting information which  
165 justifies the taxing authority's original or any subsequent proposed tax rate, then the state auditor  
166 shall refer the perceived violations of such taxing authority to the attorney general's office and  
167 the attorney general is authorized to obtain injunctive relief to prevent the taxing authority from  
168 levying a violative tax rate.

169         7. No tax rate shall be extended on the tax rolls by the county clerk unless the political  
170 subdivision has complied with the foregoing provisions of this section.

171         8. Whenever a taxpayer has cause to believe that a taxing authority has not complied  
172 with the provisions of this section, the taxpayer may make a formal complaint with the  
173 prosecuting attorney of the county. Where the prosecuting attorney fails to bring an action within  
174 ten days of the filing of the complaint, the taxpayer may bring a civil action pursuant to this  
175 section and institute an action as representative of a class of all taxpayers within a taxing  
176 authority if the class is so numerous that joinder of all members is impracticable, if there are  
177 questions of law or fact common to the class, if the claims or defenses of the representative  
178 parties are typical of the claims or defenses of the class, and if the representative parties will  
179 fairly and adequately protect the interests of the class. In any class action maintained pursuant  
180 to this section, the court may direct to the members of the class a notice to be published at least  
181 once each week for four consecutive weeks in a newspaper of general circulation published in  
182 the county where the civil action is commenced and in other counties within the jurisdiction of  
183 a taxing authority. The notice shall advise each member that the court will exclude him or her  
184 from the class if he or she so requests by a specified date, that the judgment, whether favorable  
185 or not, will include all members who do not request exclusion, and that any member who does  
186 not request exclusion may, if he or she desires, enter an appearance. In any class action brought  
187 pursuant to this section, the court, in addition to the relief requested, shall assess against the  
188 taxing authority found to be in violation of this section the reasonable costs of bringing the  
189 action, including reasonable attorney's fees, provided no attorney's fees shall be awarded any  
190 attorney or association of attorneys who receive public funds from any source for their services.  
191 Any action brought pursuant to this section shall be set for hearing as soon as practicable after  
192 the cause is at issue.

193         9. If in any action, including a class action, the court issues an order requiring a taxing  
194 authority to revise the tax rates as provided in this section or enjoins a taxing authority from the

195 collection of a tax because of its failure to revise the rate of levy as provided in this section, any  
196 taxpayer paying his or her taxes when an improper rate is applied has erroneously paid his or her  
197 taxes in part, whether or not the taxes are paid under protest as provided in section 139.031,  
198 RSMo. The part of the taxes paid erroneously is the difference in the amount produced by the  
199 original levy and the amount produced by the revised levy. The township or county collector of  
200 taxes or the collector of taxes in any city shall refund the amount of the tax erroneously paid.  
201 The taxing authority refusing to revise the rate of levy as provided in this section shall make  
202 available to the collector all funds necessary to make refunds pursuant to this subsection. No  
203 taxpayer shall receive any interest on any money erroneously paid by him or her pursuant to this  
204 subsection. Effective in the 1994 tax year, nothing in this section shall be construed to require  
205 a taxing authority to refund any tax erroneously paid prior to or during the third tax year  
206 preceding the current tax year.

207 10. A taxing authority, including but not limited to a township, county collector, or  
208 collector of taxes, responsible for determining and collecting the amount of residential real  
209 property tax levied in its jurisdiction, shall report such amount of tax collected by December  
210 thirty-first of each year such property is assessed, to the state tax commission. The state tax  
211 commission shall compile the tax data by county or taxing jurisdiction and submit a report to the  
212 general assembly no later than January thirty-first of the following year.

137.115. 1. All other laws to the contrary notwithstanding, the assessor or the assessor's  
2 deputies in all counties of this state including the city of St. Louis shall annually make a list of  
3 all real and tangible personal property taxable in the assessor's city, county, town, or district.  
4 Except as otherwise provided in subsection 3 of this section, the assessor shall annually assess  
5 all personal property at thirty-three and one-third percent of its true value in money as of January  
6 first of each calendar year. The assessor shall annually assess all real property, including any  
7 new construction and improvements to real property, and possessory interests in real property  
8 at the percent of its true value in money set in subsection 5 of this section. The assessor shall  
9 annually assess all real property in the following manner: new assessed values shall be  
10 determined as of January first of each odd-numbered year and shall be entered in the assessor's  
11 books; those same assessed values shall apply in the following even-numbered year, except for  
12 new construction and property improvements which shall be valued as though they had been  
13 completed as of January first of the preceding odd-numbered year. The assessor may call at the  
14 office, place of doing business, or residence of each person required by this chapter to list  
15 property, and require the person to make a correct statement of all taxable real property in the  
16 county owned by the person, or under his or her care, charge, or management, and all taxable  
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           **10. A homestead exemption pursuant to article X, section 6(a) of the Missouri**  
113 **Constitution shall be allowed for certain real property pursuant to this subsection.**

114           **(1) The assessed value of real property satisfying the following criteria shall not be**  
115 **increased by the annual assessments made of real property by the assessor if:**

116           **(a) The real property is owned by a person sixty-five years of age or older, or**  
117 **jointly owned by persons all of whom are sixty-five years of age or older;**

118           **(b) The real property is used by the owner as the owner's principal residence, or,**  
119 **when jointly owned, the property is used by all joint owners as their principal residence;**

120           **(c) Any owner of the real property has a Missouri adjusted gross income not in**  
121 **excess of twenty-five thousand dollars on the most recently filed single income tax return**  
122 **or not in excess of fifty thousand dollars on the most recently filed combined income tax**  
123 **return; and**

124           **(d) The owner of the real property attests that the property shall, in the year for**  
125 **which the homestead exemption is requested, have no improvements or new construction**  
126 **made to such property which have a value equal to fifteen percent or greater of the**

property's market value prior to the improvements or new construction;

(2) The exemption shall be for that portion of the assessed valuation of the homestead which exceeds the assessed valuation of the homestead in the year the owner reaches sixty-five years of age or on the effective date of this section, whichever is later;

(3) For land subclassed as agricultural and horticultural property in section 4(b) of article X of the Missouri Constitution and defined in subdivision (2) of subsection 1 of section 137.016, the exemption allowed pursuant to this section shall include only the owner's principal residence and the adjacent real property not to exceed three acres of land as is reasonably necessary for use of the residence as a dwelling home;

(4) An eligible property owner may file for such an exemption with the county clerk, on a form provided by the state tax commission, by June first of the year preceding the first year for which the exemption is to be made. The property owner filing the form shall sign such form attesting to the truth of the information provided by such owner. If the property for which the homestead exemption is sought has joint owners, then any such joint owner may file for the exemption. When any joint owner has elected to file for an exemption all other joint owners shall be bound by such election, and the other joint owners shall not subsequently be eligible to file for an exemption for the jointly owned property. No provision of this section shall be construed to deny the granting of an exemption to property owned by married joint owners when only one of such owners is eligible for the exemption. The applicant shall state on the request that all requirements of subdivision (1) of this subsection are satisfied. The applicant shall file a copy of the person's birth certificate or notarized affidavit with the county clerk to establish eligibility for the exemption. The applicant shall also file as part of the request a copy of the applicant's most recent Missouri income tax return. The applicant shall sign such request attesting to the truth of the information provided. Once an exemption has been granted, the property owners who filed for the exemption shall not be required to refile for any succeeding year and the property shall remain exempted unless or until the property has a new owner;

(5) The county clerk shall verify from the birth certificate or notarized affidavit that the applicant is eligible for such exemption, and if the applicant is so eligible, the county clerk shall notify the county assessor, county collector, and the state tax commission. In addition, the county clerk shall annually deliver to each political subdivision or other taxing jurisdiction which has levied ad valorem property taxes on the properties for which exemptions are granted under this section a listing of each parcel of real property for which the exemptions are granted;

(6) Any exemption granted pursuant to this subsection shall have no effect on the

163 **tax levied for the blind pension fund, pursuant to section 38(b) of article III of the Missouri**  
164 **Constitution, on the property for which the exemption is granted. A credit shall be allowed**  
165 **for the amount of tax levied for the blind pension fund during the taxable year for which**  
166 **a Missouri income tax return is filed by the person paying such tax. Such credit shall be**  
167 **considered an overpayment of tax and shall be refundable even if the amount of the credit**  
168 **exceeds an individual's tax liability.**

Section B. Section A of this act shall become effective upon the passage and approval  
2 by the qualified voters of this state of an amendment to the Constitution of the state of Missouri  
3 limiting the increase in assessed value of real property to the percentage change in personal  
4 income of Missouri for the second previous calendar year before each assessment period and not  
5 otherwise.