

SECOND REGULAR SESSION

# HOUSE BILL NO. 1571

## 92ND GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES WALLACE (Sponsor), PORTWOOD, CUNNINGHAM (86), BAKER, BOUGH, ERVIN, YOUNG, STEFANICK, TAYLOR, REINHART, HOBBS, MORRIS, WHORTON, MYERS, KINGERY, SHOEMAKER, ANGST, CROWELL, VIEBROCK, SCHNEIDER, GOODMAN, HUNTER, HAMPTON, CORCORAN, DAVIS (122), BISHOP, HOLAND, KUESSNER, SWINGER, SHOEMYER, WITTE, SANDER, KING, BEAN, THRELKELD AND MAYER (Co-sponsors).

Read 1<sup>st</sup> time February 25, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

3815L.011

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### AN ACT

To repeal sections 139.050, 139.052, 139.053, and 443.453, RSMo, and to enact in lieu thereof three new sections relating to installment payments of property taxes.

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

Section A. Sections 139.050, 139.052, 139.053, and 443.453, RSMo, are repealed and  
2 three new sections enacted in lieu thereof, to be known as sections 139.050, 139.053, and  
3 443.453, to read as follows:

139.050. 1. In all constitutional charter cities in this state which have seven hundred  
2 thousand inhabitants or more, all current and all delinquent general, school and city taxes may  
3 be paid entirely, or in installments of at least twenty-five percent of the taxes, and the delinquent  
4 taxes shall bear interest at the rate provided by section 140.100, RSMo, and shall be subject to  
5 the fees provided by law.

6 2. The director of revenue shall issue receipts for the partial payments.

7 3. Subsection 1 of this section shall not apply to payment for real property taxes by  
8 financial institutions, as defined in section 381.410, RSMo, who pay tax obligations which they  
9 service from escrow accounts, as defined in Title 24, Part 3500, Section 17, Code of Federal  
10 Regulation, as amended, **or to the payment for real or personal property taxes as governed**  
11 **by section 139.053.**

139.053. 1. The governing body of [any] every county[, excluding township counties,

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

2 may] **shall** by ordinance or order provide for the payment of all or any part of current real and  
3 personal property taxes which are owed, [at the option of the taxpayer,] on [an annual,] a  
4 semiannual [or quarterly] basis, at such times as determined by such governing body.

5         2. The ordinance shall provide the method by which the amount of property taxes owed  
6 for the current tax year in which the payments are to be made shall be estimated. The collector  
7 shall submit to the governing body the procedures by which taxes will be collected pursuant to  
8 the ordinance or order. The estimate shall be based on the previous tax year's liability. A  
9 taxpayer's payment schedule shall be based on the estimate divided by the number of pay periods  
10 in which payments are to be made. The taxpayer shall at the end of the tax year pay any amounts  
11 owed in excess of the estimate for such year. The county shall at the end of the tax year refund  
12 to the taxpayer any amounts paid in excess of the property tax owed for such year. No interest  
13 shall be paid by the county on excess amounts owed to the taxpayer. Any refund paid the  
14 taxpayer pursuant to this subsection shall be an amount paid by the county only once in a  
15 calendar year.

16         3. If a taxpayer fails to make an installment payment of a portion of the real or personal  
17 property taxes owed to the county, then such county may charge the taxpayer interest on the  
18 amount of property taxes still owed for that year.

19         4. Any governing body enacting the ordinance or order specified in this section shall first  
20 agree to provide the county collector with reasonable and necessary funds to implement the  
21 ordinance or order.

22         [5. Subsection 1 of this section shall not apply to payment for real property taxes by  
23 financial institutions, as defined in section 381.410, RSMo, who pay tax obligations which they  
24 service from escrow accounts, as defined in Title 24, Part 3500, Section 17, Code of Federal  
25 Regulation, as amended.]

443.453. Financial institutions, as defined in section 381.410, RSMo, which are  
2 mortgage servicers, shall pay property tax obligations which they service from escrow accounts,  
3 as defined in Title 24, Part 3500, Section 17, Code of Federal Regulations, in [one annual  
4 payment before the first day of January of the year following the year for which the tax is levied]  
5 **semiannual payments in the same manner as provided in section 139.053, RSMo.** Escrow  
6 accounts established between such financial institutions and borrowers are contractually binding  
7 [and may disallow the payment of property taxes more than once a year as such payments are  
8 authorized in section 139.053, RSMo].

[139.052. 1. The governing body of any county may by  
2 ordinance or order provide for the payment of all or any part of  
3 current and delinquent real property taxes, in such installments and  
4 on such terms as the governing body deems appropriate.  
5 Additionally, the county legislative body may limit the right to pay

6 such taxes in installments to certain classes of taxpayers, as may be  
7 prescribed by ordinance or order. Any delinquent taxes shall bear  
8 interest at the rate provided by section 140.100, RSMo, and shall be  
9 subject to the fees provided by law.

10 2. The county official charged with the duties of the collector  
11 shall issue receipts for any installment payments.

12 3. Installment payments made at any time during a tax year  
13 shall not affect the taxpayer's right to protest the amount of such tax  
14 payments under applicable provisions of law.

15 4. Subsection 1 of this section shall not apply to payment for  
16 real property taxes by financial institutions, as defined in section  
17 381.410, RSMo, who pay tax obligations which they service from  
18 escrow accounts, as defined in Title 24, Part 3500, Section 17, Code  
19 of Federal Regulation, as amended.]