

SECOND REGULAR SESSION

[PERFECTED]

# HOUSE BILL NO. 1710

## 100TH GENERAL ASSEMBLY

---

INTRODUCED BY REPRESENTATIVE EGGLESTON.

3601H.01P

DANA RADEMAN MILLER, Chief Clerk

---

### AN ACT

To repeal sections 53.010, 82.550, 137.115, 137.385, and 138.060, RSMo, and to enact in lieu thereof six new sections relating to taxation, with a contingent date for certain sections.

---

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

Section A. Sections 53.010, 82.550, 137.115, 137.385, and 138.060, RSMo, are repealed  
2 and six new sections enacted in lieu thereof, to be known as sections 53.010, 137.084, 137.115,  
3 137.385, 138.060, and 620.3700 to read as follows:

53.010. 1. At the general election in the year 1948 and every four years thereafter the  
2 qualified voters in each county in this state shall elect a county assessor. Such county assessors  
3 shall enter upon the discharge of their duties on the first day of September next after their  
4 election, and shall hold office for a term of four years, and until their successors are elected and  
5 qualified, unless sooner removed from office[; ~~provided, that~~]. This section shall ~~[not]~~ **also**  
6 apply to the City of St. Louis. The assessor shall be a resident of the county, **or of the city not**  
7 **within a county**, from which such person was elected.

8 2. The office of county assessor is created in each county having township organization  
9 and a county assessor shall be elected for each township organization county at the next general  
10 election, or at a special election called for that purpose by the governing body of such county.  
11 If a special election is called, the state and each political subdivision or special district submitting  
12 a candidate or question at such election shall pay its proportional share of the costs of the  
13 election, as provided by section 115.065. Such assessor shall assume office immediately upon  
14 his **or her** election and qualification, and shall serve until his **or her** successor is elected and

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

15 qualified under the provisions of subsection 1 of this section. Laws generally applicable to  
16 county assessors, their offices, clerks, and deputies shall apply to and govern county assessors  
17 in township organization counties, and laws applicable to county assessors, their offices, clerks,  
18 and deputies in third class counties and laws applicable to county assessors, their offices, clerks,  
19 and deputies in fourth class counties shall apply to and govern county assessors, their offices,  
20 clerks, and deputies in township organization counties of the respective classes, except that when  
21 such general laws and such laws applicable to third and fourth class counties conflict with the  
22 laws specially applicable to county assessors, their offices, clerks, and deputies in township  
23 organization counties, the laws specially applicable to county assessors, their offices, clerks, and  
24 deputies in township organization counties shall govern.

**137.084. 1. Notwithstanding the provisions of sections 137.075 and 137.080 to the  
2 contrary, a building or other structure that is used as commercial property, newly  
3 constructed and occupied on any parcel of real property, shall be assessed and taxed on  
4 such assessed valuation as of the first day of the month following the date of occupancy for  
5 the proportionate part of the remaining year at the tax rates established for that year, in  
6 all taxing jurisdictions located in the county adopting this section as provided in subsection  
7 8 of this section. Newly constructed commercial property that has never been occupied  
8 shall not be assessed as improved real property until such occupancy or January first of  
9 the year following the year in which construction of the improvements is completed. The  
10 provisions of this subsection shall apply in any county in which the governing body has  
11 previously adopted or hereafter adopts the provisions of this subsection. For purposes of  
12 this section, the term "county" shall include any county and any city not within a county.**

**13 2. The assessor may consider a property commercially occupied upon personal  
14 verification or if any two of the following conditions have been met:**

**15 (1) An occupancy permit has been issued for the property;**

**16 (2) A deed transferring ownership from one party to another has been filed with  
17 the recorder of deeds' office subsequent to the date of the first permanent utility service;**

**18 (3) A utility company providing service in the county has verified a transfer of  
19 service for property from one party to another;**

**20 (4) The person or persons occupying the newly constructed property have  
21 registered a change of address with any local, state, or federal governmental office or  
22 agency.**

**23 3. In implementing the provisions of this section, the assessor may use occupancy  
24 permits, building permits, warranty deeds, utility connection documents including  
25 telephone connections, or other official documents as may be necessary to discover the  
26 existence of newly constructed properties. No utility company shall refuse to provide**

27 verification monthly to the assessor of a utility connection to a newly occupied commercial  
28 property.

29       4. In the event that the assessment under subsections 1 and 2 of this section is not  
30 completed until after the deadline for filing appeals in a given tax year, the owner of the  
31 newly constructed property who is aggrieved by the assessment of the property may appeal  
32 this assessment the following year to the county board of equalization in accordance with  
33 chapter 138 and may pay any taxes under protest in accordance with section 139.031;  
34 provided, however, that such payment under protest shall not be required as a condition  
35 of appealing to the county board of equalization. The collector shall impound such  
36 protested taxes and shall not disburse such taxes until resolution of the appeal.

37       5. The increase in assessed valuation resulting from the implementation of the  
38 provisions of this section shall be considered new construction and improvements under  
39 the provisions of this chapter.

40       6. In counties that adopt the provisions of subsections 1 to 7 of this section, an  
41 amount not to exceed ten percent of all ad valorem property tax collections on newly  
42 constructed and occupied commercial property allocable to each taxing authority within  
43 counties of the first classification having a population of nine hundred thousand or more,  
44 one-tenth of one percent of all ad valorem property tax collections allocable to each taxing  
45 authority within all other counties of the first classification and one-fifth of one percent of  
46 all ad valorem property tax collections allocable to each taxing authority within counties  
47 of the second, third and fourth classifications and any county of the first classification  
48 having a population of at least eighty-two thousand inhabitants, but less than eighty-two  
49 thousand one hundred inhabitants, in addition to the amount prescribed by section 137.720  
50 shall be deposited into the assessment fund of the county for collection costs.

51       7. For purposes of calculating the tax due on such newly constructed commercial  
52 property, the assessor or the board of equalization shall place the full amount of the  
53 assessed valuation on the tax book upon the first day of the month following occupancy.  
54 Such assessed valuation shall be taxed for each month of the year following such date at  
55 its new assessed valuation, and for each month of the year preceding such date at its  
56 previous valuation. The percentage derived from dividing the number of months at which  
57 the property is taxed at its new valuation by twelve shall be applied to the total assessed  
58 valuation of the new construction and improvements, and such percentage shall be  
59 included in the next year's base for the purposes of calculating the next year's tax levy  
60 rollback. The untaxed percentage shall be considered as new construction and  
61 improvements in the following year and shall be exempt from the rollback provisions.

62           **8. The provisions of subsections 1 to 7 of this section shall be effective in any county**  
63 **in which the governing body of such county elects to adopt a proposal to implement such**  
64 **provisions. Such subsections shall become effective in such county on January first of the**  
65 **year following the election.**

66           **9. In any county that adopts the provisions of subsections 1 to 7 of this section prior**  
67 **to June first in any year under subsection 8 of this section, the assessor of such county**  
68 **shall, upon application of the property owner, remove on a pro rata basis from the tax**  
69 **book for the current year any commercial real property improvements destroyed by a**  
70 **natural disaster if such property is unoccupied and uninhabitable due to such destruction.**  
71 **On or after the first day of July, the board of equalization shall perform such duties. Any**  
72 **person claiming such destroyed property shall provide a list of such destroyed property to**  
73 **the county assessor. The assessor shall have available a supply of appropriate forms on**  
74 **which the claim shall be made. The assessor may verify all such destroyed property listed**  
75 **to ensure that the person made a correct statement. Any person who completes such a list**  
76 **and, with intent to defraud, includes property on the list that was not destroyed by a**  
77 **natural disaster shall, in addition to any other penalties provided by law, be assessed**  
78 **double the value of any property fraudulently listed. The list shall be filed by the assessor,**  
79 **after he or she has provided a copy of the list to the county collector and the board of**  
80 **equalization, in the office of the county clerk who, after entering the filing thereof, shall**  
81 **preserve and safely keep them. If the assessor, subsequent to such destruction, considers**  
82 **such property occupied as provided in subsection 2 of this section, the assessor shall**  
83 **consider such property new construction and improvements and shall assess such property**  
84 **accordingly as provided in subsection 1 of this section. For the purposes of this section, the**  
85 **term "natural disaster" means any disaster due to natural causes such as tornado, fire,**  
86 **flood, or earthquake.**

87           **10. Any political subdivision may recover the loss of revenue caused by subsection**  
88 **9 of this section by adjusting the rate of taxation, to the extent previously authorized by the**  
89 **voters of such political subdivision, for the tax year immediately following the year of such**  
90 **destruction in an amount not to exceed the loss of revenue caused by this section.**

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 and section 137.078, the assessor  
5 shall annually assess all personal property at thirty-three and one-third percent of its true value  
6 in money as of January first of each calendar year. The assessor shall annually assess all real  
7 property, including any new construction and improvements to real property, and possessory

8 interests in real property at the percent of its true value in money set in subsection 5 of this  
9 section. The true value in money of any possessory interest in real property in subclass (3),  
10 where such real property is on or lies within the ultimate airport boundary as shown by a federal  
11 airport layout plan, as defined by 14 CFR 151.5, of a commercial airport having a FAR Part 139  
12 certification and owned by a political subdivision, shall be the otherwise applicable true value  
13 in money of any such possessory interest in real property, less the total dollar amount of costs  
14 paid by a party, other than the political subdivision, towards any new construction or  
15 improvements on such real property completed after January 1, 2008, and which are included in  
16 the above-mentioned possessory interest, regardless of the year in which such costs were incurred  
17 or whether such costs were considered in any prior year. The assessor shall annually assess all  
18 real property in the following manner: new assessed values shall be determined as of January  
19 first of each odd-numbered year and shall be entered in the assessor's books; those same assessed  
20 values shall apply in the following even-numbered year, except for new construction and  
21 property improvements which shall be valued as though they had been completed as of January  
22 first of the preceding odd-numbered year. The assessor may call at the office, place of doing  
23 business, or residence of each person required by this chapter to list property, and require the  
24 person to make a correct statement of all taxable tangible personal property owned by the person  
25 or under his or her care, charge or management, taxable in the county. On or before January first  
26 of each even-numbered year, the assessor shall prepare and submit a two-year assessment  
27 maintenance plan to the county governing body and the state tax commission for their respective  
28 approval or modification. The county governing body shall approve and forward such plan or  
29 its alternative to the plan to the state tax commission by February first. If the county governing  
30 body fails to forward the plan or its alternative to the plan to the state tax commission by  
31 February first, the assessor's plan shall be considered approved by the county governing body.  
32 If the state tax commission fails to approve a plan and if the state tax commission and the  
33 assessor and the governing body of the county involved are unable to resolve the differences, in  
34 order to receive state cost-share funds outlined in section 137.750, the county or the assessor  
35 shall petition the administrative hearing commission, by May first, to decide all matters in  
36 dispute regarding the assessment maintenance plan. Upon agreement of the parties, the matter  
37 may be stayed while the parties proceed with mediation or arbitration upon terms agreed to by  
38 the parties. The final decision of the administrative hearing commission shall be subject to  
39 judicial review in the circuit court of the county involved. ~~[In the event a]~~ **For any** valuation of  
40 subclass (1) real property within any county **of the first classification, within any county** with  
41 a charter form of government, or within a city not within a county, ~~[is made by a computer,~~  
42 ~~computer-assisted method or a computer program,]~~ the burden of proof, supported by clear,  
43 convincing and cogent evidence to sustain such valuation, shall be on the assessor at any hearing

44 or appeal. ~~[In any such county, unless the assessor proves otherwise, there shall be a presumption~~  
45 ~~that the assessment was made by a computer, computer-assisted method or a computer program.]~~

46 Such evidence shall include, but shall not be limited to, the following:

47 (1) The findings of the assessor based on an appraisal of the property by generally  
48 accepted appraisal techniques; and

49 (2) The purchase prices from sales of at least three comparable properties and the address  
50 or location thereof. As used in this subdivision, the word "comparable" means that:

51 (a) Such sale was closed at a date relevant to the property valuation; and

52 (b) Such properties are not more than one mile from the site of the disputed property,  
53 except where no similar properties exist within one mile of the disputed property, the nearest  
54 comparable property shall be used. Such property shall be within five hundred square feet in size  
55 of the disputed property, and resemble the disputed property in age, floor plan, number of rooms,  
56 and other relevant characteristics.

57 2. Assessors in each county of this state and the City of St. Louis may send personal  
58 property assessment forms through the mail.

59 3. The following items of personal property shall each constitute separate subclasses of  
60 tangible personal property and shall be assessed and valued for the purposes of taxation at the  
61 following percentages of their true value in money:

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

64 (2) Livestock, twelve percent;

65 (3) Farm machinery, twelve percent;

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

70 (5) Poultry, twelve percent; and

71 (6) Tools and equipment used for pollution control and tools and equipment used in  
72 retooling for the purpose of introducing new product lines or used for making improvements to  
73 existing products by any company which is located in a state enterprise zone and which is  
74 identified by any standard industrial classification number cited in subdivision (5) of section  
75 135.200, twenty-five percent.

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

80           5. (1) All subclasses of real property, as such subclasses are established in Section 4(b)  
81 of Article X of the Missouri Constitution and defined in section 137.016, shall be assessed at the  
82 following percentages of true value:

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

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

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

86           (2) A taxpayer may apply to the county assessor, or, if not located within a county, then  
87 the assessor of such city, for the reclassification of such taxpayer's real property if the use or  
88 purpose of such real property is changed after such property is assessed under the provisions of  
89 this chapter. If the assessor determines that such property shall be reclassified, he or she shall  
90 determine the assessment under this subsection based on the percentage of the tax year that such  
91 property was classified in each subclassification.

92           6. Manufactured homes, as defined in section 700.010, which are actually used as  
93 dwelling units shall be assessed at the same percentage of true value as residential real property  
94 for the purpose of taxation. The percentage of assessment of true value for such manufactured  
95 homes shall be the same as for residential real property. If the county collector cannot identify  
96 or find the manufactured home when attempting to attach the manufactured home for payment  
97 of taxes owed by the manufactured home owner, the county collector may request the county  
98 commission to have the manufactured home removed from the tax books, and such request shall  
99 be granted within thirty days after the request is made; however, the removal from the tax books  
100 does not remove the tax lien on the manufactured home if it is later identified or found. For  
101 purposes of this section, a manufactured home located in a manufactured home rental park, rental  
102 community or on real estate not owned by the manufactured home owner shall be considered  
103 personal property. For purposes of this section, a manufactured home located on real estate  
104 owned by the manufactured home owner may be considered real property.

105           7. Each manufactured home assessed shall be considered a parcel for the purpose of  
106 reimbursement pursuant to section 137.750, unless the manufactured home is real estate as  
107 defined in subsection 7 of section 442.015 and assessed as a realty improvement to the existing  
108 real estate parcel.

109           8. Any amount of tax due and owing based on the assessment of a manufactured home  
110 shall be included on the personal property tax statement of the manufactured home owner unless  
111 the manufactured home is real estate as defined in subsection 7 of section 442.015, in which case  
112 the amount of tax due and owing on the assessment of the manufactured home as a realty  
113 improvement to the existing real estate parcel shall be included on the real property tax statement  
114 of the real estate owner.

115           9. The assessor of each county and each city not within a county shall use the trade-in  
116 value published in the October issue of the National Automobile Dealers' Association Official  
117 Used Car Guide, or its successor publication, as the recommended guide of information for  
118 determining the true value of motor vehicles described in such publication. The assessor shall  
119 not use a value that is greater than the average trade-in value in determining the true value of the  
120 motor vehicle without performing a physical inspection of the motor vehicle. For vehicles two  
121 years old or newer from a vehicle's model year, the assessor may use a value other than average  
122 without performing a physical inspection of the motor vehicle. In the absence of a listing for a  
123 particular motor vehicle in such publication, the assessor shall use such information or  
124 publications which in the assessor's judgment will fairly estimate the true value in money of the  
125 motor vehicle.

126           10. Before the assessor may increase the assessed valuation of any parcel of subclass (1)  
127 real property by more than ~~[fifteen]~~ **ten** percent since the last assessment, ~~[excluding increases~~  
128 ~~due to new construction or improvements,]~~ the assessor shall conduct a physical inspection of  
129 such property.

130           11. If a physical inspection is required, pursuant to subsection 10 of this section, the  
131 assessor shall notify the property owner of that fact in writing and shall provide the owner clear  
132 written notice of the owner's rights relating to the physical inspection. If a physical inspection  
133 is required, the property owner may request that an interior inspection be performed during the  
134 physical inspection. The owner shall have no less than thirty days to notify the assessor of a  
135 request for an interior physical inspection.

136           12. A physical inspection, as required by subsection 10 of this section, shall include, but  
137 not be limited to, an on-site personal observation and review of all exterior portions of the land  
138 and any buildings and improvements to which the inspector has or may reasonably and lawfully  
139 gain external access, and shall include an observation and review of the interior of any buildings  
140 or improvements on the property upon the timely request of the owner pursuant to subsection 11  
141 of this section. Mere observation of the property via a drive-by inspection or the like shall not  
142 be considered sufficient to constitute a physical inspection as required by this section.

143           13. The provisions of subsections 11 and 12 of this section shall ~~[only]~~ apply in ~~[any~~  
144 ~~county with a charter form of government with more than one million inhabitants]~~ **all counties**  
145 **of this state including the City of St. Louis.**

146           14. A county or city collector may accept credit cards as proper form of payment of  
147 outstanding property tax or license due. No county or city collector may charge surcharge for  
148 payment by credit card which exceeds the fee or surcharge charged by the credit card bank,  
149 processor, or issuer for its service. A county or city collector may accept payment by electronic  
150 transfers of funds in payment of any tax or license and charge the person making such payment



151 a fee equal to the fee charged the county by the bank, processor, or issuer of such electronic  
152 payment.

153           15. Any county or city not within a county in this state may, by an affirmative vote of  
154 the governing body of such county, opt out of the provisions of this section and sections 137.073,  
155 138.060, and 138.100 as enacted by house bill no. 1150 of the ninety-first general assembly,  
156 second regular session and section 137.073 as modified by house committee substitute for senate  
157 substitute for senate committee substitute for senate bill no. 960, ninety-second general  
158 assembly, second regular session, for the next year of the general reassessment, prior to January  
159 first of any year. No county or city not within a county shall exercise this opt-out provision after  
160 implementing the provisions of this section and sections 137.073, 138.060, and 138.100 as  
161 enacted by house bill no. 1150 of the ninety-first general assembly, second regular session and  
162 section 137.073 as modified by house committee substitute for senate substitute for senate  
163 committee substitute for senate bill no. 960, ninety-second general assembly, second regular  
164 session, in a year of general reassessment. For the purposes of applying the provisions of this  
165 subsection, a political subdivision contained within two or more counties where at least one of  
166 such counties has opted out and at least one of such counties has not opted out shall calculate a  
167 single tax rate as in effect prior to the enactment of house bill no. 1150 of the ninety-first general  
168 assembly, second regular session. A governing body of a city not within a county or a county  
169 that has opted out under the provisions of this subsection may choose to implement the  
170 provisions of this section and sections 137.073, 138.060, and 138.100 as enacted by house bill  
171 no. 1150 of the ninety-first general assembly, second regular session, and section 137.073 as  
172 modified by house committee substitute for senate substitute for senate committee substitute for  
173 senate bill no. 960, ninety-second general assembly, second regular session, for the next year of  
174 general reassessment, by an affirmative vote of the governing body prior to December thirty-first  
175 of any year.

176           16. The governing body of any city of the third classification with more than twenty-six  
177 thousand three hundred but fewer than twenty-six thousand seven hundred inhabitants located  
178 in any county that has exercised its authority to opt out under subsection 15 of this section may  
179 levy separate and differing tax rates for real and personal property only if such city bills and  
180 collects its own property taxes or satisfies the entire cost of the billing and collection of such  
181 separate and differing tax rates. Such separate and differing rates shall not exceed such city's tax  
182 rate ceiling.

183           17. Any portion of real property that is available as reserve for strip, surface, or coal  
184 mining for minerals for purposes of excavation for future use or sale to others that has not been  
185 bonded and permitted under chapter 444 shall be assessed based upon how the real property is  
186 currently being used. Any information provided to a county assessor, state tax commission, state

187 agency, or political subdivision responsible for the administration of tax policies shall, in the  
188 performance of its duties, make available all books, records, and information requested, except  
189 such books, records, and information as are by law declared confidential in nature, including  
190 individually identifiable information regarding a specific taxpayer or taxpayer's mine property.  
191 For purposes of this subsection, "mine property" shall mean all real property that is in use or  
192 readily available as a reserve for strip, surface, or coal mining for minerals for purposes of  
193 excavation for current or future use or sale to others that has been bonded and permitted under  
194 chapter 444.

137.385. Any person aggrieved by the assessment of his property may appeal to the  
2 county board of equalization. An appeal shall be in writing and the forms to be used for this  
3 purpose shall be furnished by the county clerk. Such appeal shall be lodged with the county clerk  
4 as secretary of the board of equalization before the ~~third~~ **second** Monday in ~~June~~ **July**;  
5 provided, that the board may in its discretion extend the time for filing such appeals.

138.060. 1. The county board of equalization shall, in a summary way, determine all  
2 appeals from the valuation of property made by the assessor, and shall correct and adjust the  
3 assessment accordingly. There shall be no presumption that the assessor's valuation is correct.  
4 In any county with a charter form of government with a population greater than two hundred  
5 eighty thousand inhabitants but less than two hundred eighty-five thousand inhabitants, ~~and~~ in  
6 any county with a charter form of government with greater than one million inhabitants, ~~and~~  
7 in any city not within a county, **and in any other county for any property whose assessed**  
8 **valuation increased at least ten percent from the previous assessment unless the increase**  
9 **is due to new construction or improvement**, the assessor shall have the burden to prove that  
10 the assessor's valuation does not exceed the true market value of the subject property. In such  
11 county or city, in the event a physical inspection of the subject property is required by subsection  
12 10 of section 137.115, the assessor shall have the burden to establish the manner in which the  
13 physical inspection was performed and shall have the burden to prove that the physical  
14 inspection was performed in accordance with section 137.115. In such county or city, in the  
15 event the assessor fails to provide sufficient evidence to establish that the physical inspection  
16 was performed in accordance with section 137.115, the property owner shall prevail on the  
17 appeal as a matter of law. At any hearing before the state tax commission or a court of  
18 competent jurisdiction of an appeal of assessment from a first class **county**, charter county, or  
19 a city not within a county, the assessor shall not advocate nor present evidence advocating a  
20 valuation higher than that value finally determined by the assessor or the value determined by  
21 the board of equalization, whichever is higher, for that assessment period.

22 2. The county clerk shall keep an accurate record of the proceedings and orders of the  
23 board, and the assessor shall correct all erroneous assessments, and the clerk shall adjust the tax

24 book according to the orders of such board and the orders of the state tax commission, except  
25 that in adding or deducting such percent to each tract or parcel of real estate as required by such  
26 board or state tax commission, he shall add or deduct in each case any fractional sum of less than  
27 fifty cents, so that the value of any separate tract shall contain no fractions of a dollar.

**620.3700. 1. For the purposes of this section, the following terms shall mean:**

2           **(1) "Blighted area", an area which, by reason of the predominance of defective or**  
3 **inadequate street layout, insanitary or unsafe conditions, deterioration of site**  
4 **improvements, improper subdivision or obsolete platting, or the existence of conditions**  
5 **which endanger life or property by fire and other causes, or any combination of such**  
6 **factors, retards the provision of housing accommodations or constitutes an economic or**  
7 **social liability or a menace to the public health, safety, morals, or welfare in its present**  
8 **condition and use;**

9           **(2) "Department", the department of economic development;**

10           **(3) "Eligible project", the improvement or expansion of the project facility of an**  
11 **existing Missouri business, or the relocation to Missouri if not an existing Missouri**  
12 **business, commenced no later than December 31, 2022, that results in the creation of ten**  
13 **or more new jobs and a commitment by a qualified company to make at least one hundred**  
14 **thousand dollars in new capital investment at the project facility within two years of**  
15 **approval of the eligible project;**

16           **(4) "Existing Missouri business", a qualified company that, for the tax year**  
17 **preceding submission of a notice of intent to the department, had a physical location in**  
18 **Missouri and full-time employees who routinely performed job duties within Missouri;**

19           **(5) "New capital investment", costs incurred by the qualified company at the**  
20 **project facility after acceptance by the qualified company of the proposal for benefits from**  
21 **the department, for real or personal property, and may include the value of finance or**  
22 **capital leases for real or personal property for the term of such lease at the project facility**  
23 **executed after acceptance by the qualified company of the proposal for benefits from the**  
24 **department or the approval of the notice of intent;**

25           **(6) "New job", the number of full-time employees located at the project facility that**  
26 **exceeds the project facility base employment less any decrease in the number of full-time**  
27 **employees at related facilities below the related facility base employment. No job that was**  
28 **created prior to the date of the notice of intent shall be deemed a new job;**

29           **(7) "Notice of intent", a form developed by the department and available online,**  
30 **completed by the qualified company, and submitted to the department stating the qualified**  
31 **company's intent to request benefits pursuant to this section;**

32           (8) "Project facility", the building or buildings used by a qualified company at  
33 which new jobs and new capital investment are or will be located. A project facility may  
34 include separate buildings located within sixty miles of each other such that their purpose  
35 and operations are interrelated. Upon approval by the department, a subsequent project  
36 facility may be designated if the qualified company demonstrates a need to relocate to the  
37 subsequent project facility at any time during the project period;

38           (9) "Project facility base employment", the greater of the number of full-time  
39 employees located at the project facility on the date of the notice of intent or, for the twelve-  
40 month period prior to the date of the notice of intent, the average number of full-time  
41 employees located at the project facility. In the event the project facility has not been in  
42 operation for a full twelve-month period, the average number of full-time employees for  
43 the number of months the project facility has been in operation prior to the date of the  
44 notice of intent;

45           (10) "Project period", the ten-year period beginning on the date of the qualified  
46 company's acceptance of the department's proposal for benefits;

47           (11) "Qualified company", a firm, partnership, joint venture, association, private  
48 or public corporation whether organized for profit or not, or headquarters of such entity  
49 registered to do business in Missouri that is the owner or operator of a project facility, and  
50 that is any of the following:

51           (a) Medical equipment and supplies manufacturing (NAICS 3391);

52           (b) Pharmaceutical and medicine manufacturing (NAICS 32541); or

53           (c) Any other NAICS industry code determined by the department, in consultation  
54 with the department of health and senior services, to be vital to the healthcare system in  
55 the state;

56           (12) "Related facility", a facility operated by the qualified company or a related  
57 company located in this state that is directly related to the operations of the project facility  
58 or in which operations substantially similar to the operations of the project facility are  
59 performed;

60           (13) "Related facility base employment", the greater of the number of full-time  
61 employees located at all related facilities on the date of the notice of intent or, for the  
62 twelve-month period prior to the date of the notice of intent, the average number of full-  
63 time employees located at all related facilities of the qualified company or a related  
64 company located in this state;

65           (14) "State tax liability", any liability incurred by a qualified company pursuant  
66 to the provisions of chapter 143 or chapter 148, exclusive of the provisions relating to the  
67 withholding of tax as provided for in sections 143.191 to 143.265 and related provisions;

68           (15) "Withholding tax", the state tax imposed by sections 143.191 to 143.265. For  
69 purposes of this section, the withholding tax shall be computed using a schedule as  
70 determined by the department based on average wages.

71           2. A qualified company may, for the duration of the project period for an eligible  
72 project, retain one hundred percent of the withholding tax from the new jobs that would  
73 otherwise be withheld and remitted by the qualified company under the provisions of  
74 sections 143.191 to 143.265. An employee of a qualified company shall receive full credit  
75 for the amount of tax withheld as provided in section 143.211.

76           3. In addition to the benefits available pursuant to subsection 2 of this section, all  
77 purchases of real and personal property related to the eligible project made during the  
78 project period shall be specifically exempted from the provisions of chapter 144, the local  
79 sales tax law as defined in section 32.085, and section 238.235, and from the computation  
80 of the tax levied, assessed, or payable pursuant to chapter 144, the local sales tax law as  
81 defined in section 32.085, and section 238.235.

82           4. Notwithstanding any provision of law to the contrary, in addition to the benefits  
83 available pursuant to subsections 2 and 3 of this section, for the duration of the project  
84 period, the state tax liability of the qualified company shall not exceed such qualified  
85 company's state tax liability for the tax year prior to the tax year in which the qualified  
86 company's project period for an eligible project begins. The department of revenue shall  
87 promulgate rules and regulations to implement the provisions of this subsection. Any rule  
88 or portion of a rule, as that term is defined in section 536.010, that is created under the  
89 authority delegated in this section shall become effective only if it complies with and is  
90 subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This  
91 section and chapter 536 are nonseverable and if any of the powers vested with the general  
92 assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove  
93 and annul a rule are subsequently held unconstitutional, then the grant of rulemaking  
94 authority and any rule proposed or adopted after August 28, 2020, shall be invalid and  
95 void.

96           5. In addition to the benefits available pursuant to subsections 2 to 4 of this section,  
97 improvements to real property, as such term is defined in section 137.010, made during the  
98 project period for an eligible project at a project facility determined by the local governing  
99 body to be located in a blighted area may, upon approval of an authorizing resolution by  
100 the governing authority having jurisdiction of the area in which the improvements are  
101 made, be exempt, in whole or in part, from assessment and payment of ad valorem taxes  
102 of one or more affected political subdivisions. Such authorizing resolution shall specify the  
103 percent of the exemption to be granted, the political subdivisions to which such exemption

104 is to apply, the duration of the exemption to be granted, provided the exemption shall not  
105 apply after the end of the project period, and any other terms, conditions or stipulations  
106 otherwise required. A copy of the resolution shall be provided to the department within  
107 thirty calendar days following adoption of the resolution by the governing authority.

108         6. A qualified company that intends to seek benefits pursuant to this section shall  
109 submit to the department a notice of intent. The department shall respond within thirty  
110 days to a notice of intent with a proposal of benefits or a written response refusing to  
111 provide such a proposal and stating the reasons for such refusal, provided that the  
112 department may withhold approval or provide a contingent approval until it is satisfied  
113 that proper documentation of eligibility has been provided. A qualified company that has  
114 been refused a proposal of benefits may resubmit a notice of intent for the eligible project.  
115 Failure to respond on behalf of the department shall result in the notice of intent being  
116 deemed approved.

117         7. In evaluating a qualified company's notice of intent pursuant to this section, the  
118 department shall consider the following factors:

119             (1) The significance of the qualified company's need for program benefits;

120             (2) The amount of projected net fiscal benefit to the state of the project and the  
121 period in which the state would realize such net fiscal benefit;

122             (3) The overall size and quality of the proposed project, including the number of  
123 new jobs, new capital investment, proposed wages, growth potential of the qualified  
124 company, the potential multiplier effect of the project, and similar factors;

125             (4) The financial stability and creditworthiness of the qualified company;

126             (5) The level of economic distress in the area;

127             (6) An evaluation of the competitiveness of alternative locations for the project  
128 facility, as applicable; and

129             (7) Any other factor required by the department.

130         8. Upon approval of a notice of intent and issuance of a proposal of benefits, the  
131 department and the qualified company shall enter into a written agreement covering the  
132 applicable project period. The agreement shall specify, at a minimum:

133             (1) The committed number of new jobs and new capital investment for each year  
134 during the project period;

135             (2) Clawback provisions, as may be required by the department;

136             (3) Financial guarantee provisions as may be required by the department; and

137             (4) Any other provisions the department may require.

138         9. A qualified company receiving benefits pursuant to this section shall provide an  
139 annual report to the department of the number of jobs, new capital investment, and such

140 other information as may be required by the department to document the basis for  
141 program benefits by no later than ninety days prior to the end of the qualified company's  
142 tax year immediately following the tax year for which the benefits provided pursuant to  
143 this section are attributed. If the department determines the qualifying company fails to  
144 satisfy the provisions of the notice of intent, the qualified company shall not receive any  
145 benefits for the balance of the project period. Failure to timely file the annual report  
146 required pursuant to this subsection shall result in the recapture of withholding taxes  
147 retained by the qualified company during such year. Qualified companies approved for  
148 benefits pursuant to this section shall provide to the department, upon request, any and  
149 all information and records reasonably required to monitor compliance with program  
150 requirements.

151       10. Any qualified company that is awarded benefits pursuant to this section that  
152 knowingly hires individuals who are not allowed to work legally in the United States shall  
153 immediately forfeit such benefits and shall repay the state and local taxing jurisdictions,  
154 as applicable, an amount equal to any state or local tax benefits awarded pursuant to this  
155 section.

156       11. Notwithstanding any provision of law to the contrary, no qualified company  
157 shall simultaneously receive benefits pursuant to any other program for the capital  
158 investment or new jobs created for which the qualified company is seeking benefits  
159 pursuant to this section.

160       12. The department shall adopt rules and regulations to carry out the provisions  
161 of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that  
162 is created under the authority delegated in this section shall become effective only if it  
163 complies with and is subject to all of the provisions of chapter 536 and, if applicable,  
164 section 536.028. This section and chapter 536 are nonseverable and if any of the powers  
165 vested with the general assembly pursuant to chapter 536 to review, to delay the effective  
166 date, or to disapprove and annul a rule are subsequently held unconstitutional, then the  
167 grant of rulemaking authority and any rule proposed or adopted after August 28, 2020,  
168 shall be invalid and void.

169       13. Under section 23.253 of the Missouri sunset act:

170       (1) The provisions of the new program authorized under this section shall  
171 automatically sunset five years after the effective date of this section unless reauthorized  
172 by an act of the general assembly;

173       (2) If such program is reauthorized, the program authorized under this section  
174 shall automatically sunset ten years after the effective date of the reauthorization of this  
175 section;

176           **(3) This section shall terminate on September first of the calendar year immediately**  
 177 **following the calendar year in which the program authorized under this section is sunset;**  
 178 **and**

179           **(4) Nothing in this subsection shall prevent a qualified company from receiving**  
 180 **benefits awarded pursuant to this section during the project period.**

~~[82.550. An assessor shall be appointed at the convenience of the mayor  
 and shall hold office for the term for which the mayor was elected and until his  
 successor is duly qualified.]~~

Section B. The repeal and reenactment of section 137.115 and section 138.060 of section  
 2 A of this act shall become effective only upon the passage and approval by the voters of a  
 3 constitutional amendment submitted to them by the general assembly allowing for a statutory  
 4 limitation on the amount by which the assessed value of residential real property may be  
 5 increased.

Section C. The repeal of section 82.550 and the repeal and reenactment of section 53.010  
 2 of section A of this act shall become effective only upon the passage and approval by the voters  
 3 of a constitutional amendment submitted to them by the general assembly allowing for all county  
 4 assessors to be elected.

✓