

SCS HCS HB 1316 -- PROPERTY TAXES AND ASSESSMENTS

This bill changes the laws regarding the collection of property taxes and the assessment of property. In its main provisions, the bill:

(1) Changes the laws regarding the sale of real property for the collection of delinquent taxes. A county collector is required to send up to three notices to the publicly recorded owner of record of the real property prior to the publishing of a tax sale with the first notice being by first class mail. A collector of revenue or other collection authority may refuse to accept a delinquent tax payment submitted without a copy of the tax statement. If the county collector determines that an adequate legal description of tax sale property cannot be obtained from documents available through the recorder of deeds, the collector may commission a professional land surveyor to prepare an adequate legal description of the property. The certificate of purchase will be conveyed to an agent if the purchaser is a nonresident, and the agent must convey the property to the nonresident. The highest bid at a sale on the third successive year must be at least equal to the sum of the delinquent taxes, interest, penalties, and costs as it is required when it was initially offered and at the second successive year it was offered. After the third offering, the collector's deed or trustee's deed will have priority over all other liens or encumbrances on the property sold except for real property taxes. Within 120 days prior to receiving a collector's deed, a tax sale purchaser must obtain a title search report from a licensed attorney or title company detailing the ownership and encumbrances on the property (Sections 52.230, 139.040, 140.110, 140.150, 140.170, 140.190, 140.230, 140.250, 140.260, 140.290, 140.310, 140.340, 140.405, and 140.420, RSMo);

(2) Specifies that in counties adopting a charter form of government after January 1, 2008, the county collector will continue to collect a 7% fee for the collection of delinquent and back taxes if provided for by the charter and requires these counties to establish a tax maintenance fund. Currently, these provisions only apply to Jefferson County (Sections 52.290 and 52.312);

(3) Authorizes first classification counties without a charter form of government and second classification counties to collect and disburse property taxes using electronic records (Sections 52.361, 52.370, and 55.190);

(4) Specifies that the county collector-treasurer will assume all duties, compensation, fee schedules, and requirements of the collector-treasurer if a county of the third or fourth

classification abolishes its township form of government (Section 54.010);

(5) Requires county auditors in first classification counties without a charter form of government and auditors in second classification counties to have access to all records, collections, and settlements for county-issued licenses and to receive a monthly listing of the licenses issued with the specified related information from each county office issuing the licenses. Currently, these county auditors are required to countersign all county-issued licenses and keep a record of them (Section 55.140);

(6) Changes the deadline from September 1 to October 1 for charter counties and the City of St. Louis to set ad valorem property tax rates (Sections 67.100 and 134.243);

(7) Increases the monthly interest rate charged from 1% to 2%, increases the maximum annual interest rate from 10% to 18%, and repeals the prime rate limitation on the interest rate for delinquent property taxes in the City of St. Louis (Sections 92.715, 140.100, and 141.830);

(8) Extends the effective date for the projected tax liability notice requirements for assessors in counties without a charter form of government and Jefferson County from January 1, 2011, to January 1 of the year following receipt of the necessary software from the State Tax Commission for the implementation of the requirement and requires all assessors in these counties and Jefferson County to provide property owners additional information with the notice of increased assessed valuation. The notice must include the previous assessed value and any increase, a statement indicating that the change in assessed value may impact the record owner's tax liability, and information regarding the processes and deadlines for appealing determinations of the assessed valuation. Beginning January 1, 2011, the assessor in St. Louis County must provide taxpayers with a notice that information regarding the assessment method and computation of the value for real property is available on the assessor's web site, the web site address, and the assessor's contact information so taxpayers without Internet access can request and received the information (Sections 137.180 and 137.355);

(9) Authorizes each party to an appeal that is scheduled to be heard before the State Tax Commission to request one change of the assigned hearing officer by filing a written application to disqualify the officer within 30 days of the assignment (Section 138.431);

(10) Requires county collectors in first and second classification counties to file with the county clerk and auditor by the fifteenth day of each month a detailed statement, verified by affidavit, of all taxes and license fees collected during the preceding month and to disburse those funds, less commissions, to the appropriate taxing entities and the Director of the Department of Revenue. Taxing authorities are required to request notification of current taxes paid under protest by February 1, and county collectors must provide the information by March 1 (Sections 139.031, 139.140, 139.150, 139.210, 139.220, 140.050, 140.070, 140.080, 140.160, and 165.071);

(11) Changes the laws regarding taxes and penalties for properties subject to certain actions as abandoned property in Jackson County (Section 141.535);

(12) Authorizes the establishment of the Kansas City Zoological District. The voters of the counties of Cass, Clay, Jackson, and Platte may choose to have their county be a part of the district. Each member county may impose, upon voter approval, a sales tax of up to 0.25% for the financial support of zoological activities within the district (Sections 184.500 - 184.512); and

(13) Specifies that the provisions of Section 262.802 regarding the abeyance of water and sewer district assessments until certain farmland property is connected to the system will not apply to any drainage or levee district established under state law (Section 246.310).