

FIRST REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
SENATE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 737

96TH GENERAL ASSEMBLY

1797S.03T

2011

AN ACT

To repeal sections 135.950, 135.963, and 137.010, RSMo, section 135.953 as enacted by conference committee substitute for senate committee substitute for house committee substitute for house bill no. 1965, ninety-fifth general assembly, second regular session, and section 135.953 as enacted by house committee substitute for senate committee substitute for senate bill no. 1155, ninety-second general assembly, second regular session, and to enact in lieu thereof four new sections relating to renewable energy.

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

Section A. Sections 135.950, 135.963, and 137.010, RSMo, section 135.953 as enacted
2 by conference committee substitute for senate committee substitute for house committee
3 substitute for house bill no. 1965, ninety-fifth general assembly, second regular session, and
4 section 135.953 as enacted by house committee substitute for senate committee substitute for
5 senate bill no. 1155, ninety-second general assembly, second regular session, are repealed and
6 four new sections enacted in lieu thereof, to be known as sections 135.950, 135.953, 135.963,
7 and 137.010, to read as follows:

135.950. The following terms, whenever used in sections 135.950 to 135.970 mean:

- 2 (1) "Average wage", the new payroll divided by the number of new jobs;
- 3 (2) "Blighted area", an area which, by reason of the predominance of defective or
4 inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements,
5 improper subdivision or obsolete platting, or the existence of conditions which endanger life or
6 property by fire and other causes, or any combination of such factors, retards the provision of
7 housing accommodations or constitutes an economic or social liability or a menace to the public

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.

8 health, safety, morals, or welfare in its present condition and use. **The term "blighted area"**
9 **shall also include any area which produces or generates or has the potential to produce or**
10 **generate electrical energy from a renewable energy resource, and which, by reason of**
11 **obsolescence, decadence, blight, dilapidation, deteriorating or inadequate site**
12 **improvements, substandard conditions, the predominance or defective or inadequate street**
13 **layout, unsanitary or unsafe conditions, improper subdivision or obsolete platting, or the**
14 **existence of conditions which endanger the life or property by fire or other means, or any**
15 **combination of such factors, is underutilized, unutilized, or diminishes the economic**
16 **usefulness of the land, improvements, or lock and dam site within such area for the**
17 **production, generation, conversion, and conveyance of electrical energy from a renewable**
18 **energy resource;**

19 (3) "Board", an enhanced enterprise zone board established pursuant to section 135.957;

20 (4) "Commencement of commercial operations" shall be deemed to occur during the first
21 taxable year for which the new business facility is first put into use by the taxpayer in the
22 enhanced business enterprise in which the taxpayer intends to use the new business facility;

23 (5) "County average wage", the average wages in each county as determined by the
24 department for the most recently completed full calendar year. However, if the computed county
25 average wage is above the statewide average wage, the statewide average wage shall be deemed
26 the county average wage for such county for the purpose of determining eligibility. The
27 department shall publish the county average wage for each county at least annually.
28 Notwithstanding the provisions of this subdivision to the contrary, for any taxpayer that in
29 conjunction with their project is relocating employees from a Missouri county with a higher
30 county average wage, such taxpayer shall obtain the endorsement of the governing body of the
31 community from which jobs are being relocated or the county average wage for their project shall
32 be the county average wage for the county from which the employees are being relocated;

33 (6) "Department", the department of economic development;

34 (7) "Director", the director of the department of economic development;

35 (8) "Employee", a person employed by the enhanced business enterprise that is scheduled
36 to work an average of at least one thousand hours per year, and such person at all times has
37 health insurance offered to him or her, which is partially paid for by the employer;

38 (9) "Enhanced business enterprise", an industry or one of a cluster of industries that is
39 either:

40 (a) Identified by the department as critical to the state's economic security and growth;
41 or

42 (b) Will have an impact on industry cluster development, as identified by the governing
43 authority in its application for designation of an enhanced enterprise zone and approved by the

44 department; but excluding gambling establishments (NAICS industry group 7132), retail trade
45 (NAICS sectors 44 and 45), educational services (NAICS sector 61), religious organizations
46 (NAICS industry group 8131), public administration (NAICS sector 92), and food and drinking
47 places (NAICS subsector 722), however, notwithstanding provisions of this section to the
48 contrary, headquarters or administrative offices of an otherwise excluded business may qualify
49 for benefits if the offices serve a multistate territory. In the event a national, state, or regional
50 headquarters operation is not the predominant activity of a project facility, the new jobs and
51 investment of such headquarters operation is considered eligible for benefits under this section
52 if the other requirements are satisfied. Service industries may be eligible only if a majority of
53 its annual revenues will be derived from out of the state;

54 (10) "Existing business facility", any facility in this state which was employed by the
55 taxpayer claiming the credit in the operation of an enhanced business enterprise immediately
56 prior to an expansion, acquisition, addition, or replacement;

57 (11) "Facility", any building used as an enhanced business enterprise located within an
58 enhanced enterprise zone, including the land on which the facility is located and all machinery,
59 equipment, and other real and depreciable tangible personal property acquired for use at and
60 located at or within such facility and used in connection with the operation of such facility;

61 (12) "Facility base employment", the greater of the number of employees located at the
62 facility on the date of the notice of intent, or for the twelve-month period prior to the date of the
63 notice of intent, the average number of employees located at the facility, or in the event the
64 project facility has not been in operation for a full twelve-month period, the average number of
65 employees for the number of months the facility has been in operation prior to the date of the
66 notice of intent;

67 (13) "Facility base payroll", the total amount of taxable wages paid by the enhanced
68 business enterprise to employees of the enhanced business enterprise located at the facility in the
69 twelve months prior to the notice of intent, not including the payroll of owners of the enhanced
70 business enterprise unless the enhanced business enterprise is participating in an employee stock
71 ownership plan. For the purposes of calculating the benefits under this program, the amount of
72 base payroll shall increase each year based on the consumer price index or other comparable
73 measure, as determined by the department;

74 (14) "Governing authority", the body holding primary legislative authority over a county
75 or incorporated municipality;

76 (15) "Megaproject", any manufacturing or assembling facility, approved by the
77 department for construction and operation within an enhanced enterprise zone, which satisfies
78 the following:

79 (a) The new capital investment is projected to exceed three hundred million dollars over
80 a period of eight years from the date of approval by the department;

81 (b) The number of new jobs is projected to exceed one thousand over a period of eight
82 years beginning on the date of approval by the department;

83 (c) The average wage of new jobs to be created shall exceed the county average wage;

84 (d) The taxpayer shall offer health insurance to all new jobs and pay at least eighty
85 percent of such insurance premiums; and

86 (e) An acceptable plan of repayment, to the state, of the tax credits provided for the
87 megaproject has been provided by the taxpayer;

88 (16) "NAICS", the 1997 edition of the North American Industry Classification System
89 as prepared by the Executive Office of the President, Office of Management and Budget. Any
90 NAICS sector, subsector, industry group or industry identified in this section shall include its
91 corresponding classification in subsequent federal industry classification systems;

92 (17) "New business facility", a facility that **does not produce or generate electrical**
93 **energy from a renewable energy resource and** satisfies the following requirements:

94 (a) Such facility is employed by the taxpayer in the operation of an enhanced business
95 enterprise. Such facility shall not be considered a new business facility in the hands of the
96 taxpayer if the taxpayer's only activity with respect to such facility is to lease it to another person
97 or persons. If the taxpayer employs only a portion of such facility in the operation of an
98 enhanced business enterprise, and leases another portion of such facility to another person or
99 persons or does not otherwise use such other portions in the operation of an enhanced business
100 enterprise, the portion employed by the taxpayer in the operation of an enhanced business
101 enterprise shall be considered a new business facility, if the requirements of paragraphs (b), (c),
102 and (d) of this subdivision are satisfied;

103 (b) Such facility is acquired by, or leased to, the taxpayer after December 31, 2004. A
104 facility shall be deemed to have been acquired by, or leased to, the taxpayer after December 31,
105 2004, if the transfer of title to the taxpayer, the transfer of possession pursuant to a binding
106 contract to transfer title to the taxpayer, or the commencement of the term of the lease to the
107 taxpayer occurs after December 31, 2004;

108 (c) If such facility was acquired by the taxpayer from another taxpayer and such facility
109 was employed immediately prior to the acquisition by another taxpayer in the operation of an
110 enhanced business enterprise, the operation of the same or a substantially similar enhanced
111 business enterprise is not continued by the taxpayer at such facility; and

112 (d) Such facility is not a replacement business facility, as defined in subdivision (25) of
113 this section;

114 (18) "New business facility employee", an employee of the taxpayer in the operation of
115 a new business facility during the taxable year for which the credit allowed by section 135.967
116 is claimed, except that truck drivers and rail and barge vehicle operators and other operators of
117 rolling stock for hire shall not constitute new business facility employees;

118 (19) "New business facility investment", the value of real and depreciable tangible
119 personal property, acquired by the taxpayer as part of the new business facility, which is used by
120 the taxpayer in the operation of the new business facility, during the taxable year for which the
121 credit allowed by 135.967 is claimed, except that trucks, truck-trailers, truck semitrailers, rail
122 vehicles, barge vehicles, aircraft and other rolling stock for hire, track, switches, barges, bridges,
123 tunnels, and rail yards and spurs shall not constitute new business facility investments. The total
124 value of such property during such taxable year shall be:

125 (a) Its original cost if owned by the taxpayer; or

126 (b) Eight times the net annual rental rate, if leased by the taxpayer. The net annual rental
127 rate shall be the annual rental rate paid by the taxpayer less any annual rental rate received by the
128 taxpayer from subrentals. The new business facility investment shall be determined by dividing
129 by twelve the sum of the total value of such property on the last business day of each calendar
130 month of the taxable year. If the new business facility is in operation for less than an entire
131 taxable year, the new business facility investment shall be determined by dividing the sum of the
132 total value of such property on the last business day of each full calendar month during the
133 portion of such taxable year during which the new business facility was in operation by the
134 number of full calendar months during such period;

135 (20) "New job", the number of employees located at the facility that exceeds the facility
136 base employment less any decrease in the number of the employees at related facilities below the
137 related facility base employment. No job that was created prior to the date of the notice of intent
138 shall be deemed a new job;

139 (21) "Notice of intent", a form developed by the department which is completed by the
140 enhanced business enterprise and submitted to the department which states the enhanced
141 business enterprise's intent to hire new jobs and request benefits under such program;

142 (22) "Related facility", a facility operated by the enhanced business enterprise or a
143 related company in this state that is directly related to the operation of the project facility;

144 (23) "Related facility base employment", the greater of:

145 (a) The number of employees located at all related facilities on the date of the notice of
146 intent; or

147 (b) For the twelve-month period prior to the date of the notice of intent, the average
148 number of employees located at all related facilities of the enhanced business enterprise or a
149 related company located in this state;

- 150 (24) "Related taxpayer":
151 (a) A corporation, partnership, trust, or association controlled by the taxpayer;
152 (b) An individual, corporation, partnership, trust, or association in control of the
153 taxpayer; or
154 (c) A corporation, partnership, trust or association controlled by an individual,
155 corporation, partnership, trust or association in control of the taxpayer. "Control of a
156 corporation" shall mean ownership, directly or indirectly, of stock possessing at least fifty
157 percent of the total combined voting power of all classes of stock entitled to vote, "control of a
158 partnership or association" shall mean ownership of at least fifty percent of the capital or profits
159 interest in such partnership or association, and "control of a trust" shall mean ownership, directly
160 or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such
161 trust; ownership shall be determined as provided in Section 318 of the Internal Revenue Code
162 of 1986, as amended;
- 163 (25) **"Renewable energy generation zone", an area which has been found, by a**
164 **resolution or ordinance adopted by the governing authority having jurisdiction of such**
165 **area, to be a blighted area and which contains land, improvements, or a lock and dam site**
166 **which is unutilized or underutilized for the production, generation, conversion, and**
167 **conveyance of electrical energy from a renewable energy resource;**
- 168 (26) **"Renewable energy resource", shall include:**
169 (a) **Wind;**
170 (b) **Solar thermal sources or photovoltaic cells and panels;**
171 (c) **Dedicated crops grown for energy production;**
172 (d) **Cellulosic agricultural residues;**
173 (e) **Plant residues;**
174 (f) **Methane from landfills, agricultural operations, or wastewater treatment;**
175 (g) **Thermal depolymerization or pyrolysis for converting waste material to energy;**
176 (h) **Clean and untreated wood such as pallets;**
177 (i) **Hydroelectric power, which shall include electrical energy produced or**
178 **generated by hydroelectric power generating equipment, as such term is defined in section**
179 **137.010;**
180 (j) **Fuel cells using hydrogen produced by one or more of the renewable resources**
181 **provided in paragraphs (a) to (i) of this subdivision; or**
182 (k) **Any other sources of energy, not including nuclear energy, that are certified as**
183 **renewable by rule by the department of natural resources;**
- 184 (27) "Replacement business facility", a facility otherwise described in subdivision (17)
185 of this section, hereafter referred to in this subdivision as "new facility", which replaces another

186 facility, hereafter referred to in this subdivision as "old facility", located within the state, which
187 the taxpayer or a related taxpayer previously operated but discontinued operating on or before
188 the close of the first taxable year for which the credit allowed by this section is claimed. A new
189 facility shall be deemed to replace an old facility if the following conditions are met:

190 (a) The old facility was operated by the taxpayer or a related taxpayer during the
191 taxpayer's or related taxpayer's taxable period immediately preceding the taxable year in which
192 commencement of commercial operations occurs at the new facility; and

193 (b) The old facility was employed by the taxpayer or a related taxpayer in the operation
194 of an enhanced business enterprise and the taxpayer continues the operation of the same or
195 substantially similar enhanced business enterprise at the new facility. Notwithstanding the
196 preceding provisions of this subdivision, a facility shall not be considered a replacement business
197 facility if the taxpayer's new business facility investment, as computed in subdivision (19) of this
198 section, in the new facility during the tax period for which the credits allowed in section 135.967
199 are claimed exceed one million dollars and if the total number of employees at the new facility
200 exceeds the total number of employees at the old facility by at least two;

201 [(26)] **(28)** "Same or substantially similar enhanced business enterprise", an enhanced
202 business enterprise in which the nature of the products produced or sold, or activities conducted,
203 are similar in character and use or are produced, sold, performed, or conducted in the same or
204 similar manner as in another enhanced business enterprise.

[135.953. 1. For purposes of sections 135.950 to 135.970, an area shall
2 meet the following criteria in order to qualify as an enhanced enterprise zone:

3 (1) The area shall be a blighted area, have pervasive poverty,
4 unemployment and general distress; and

5 (2) At least sixty percent of the residents living in the area have incomes
6 below ninety percent of the median income of all residents:

7 (a) Within the state of Missouri, according to the United States Census
8 Bureau's American Community Survey, based on the most recent of five-year
9 period estimate data in which the final year of the estimate ends in either zero or
10 five or other appropriate source as approved by the director; or

11 (b) Within the county or city not within a county in which the area is
12 located, according to the last decennial census or other appropriate source as
13 approved by the director; and

14 (3) The resident population of the area shall be at least five hundred but
15 not more than one hundred thousand at the time of designation as an enhanced
16 enterprise zone if the area lies within a metropolitan statistical area, as
17 established by the United States Census Bureau, or if the area does not lie within
18 a metropolitan statistical area, the resident population of the area at the time of
19 designation shall be at least five hundred but not more than forty thousand
20 inhabitants. If the population of the jurisdiction of the governing authority does
21 not meet the minimum population requirements set forth in this subdivision, the

22 population of the area must be at least fifty percent of the population of the
 23 jurisdiction. However, no enhanced enterprise zone shall be created which
 24 consists of the total area within the political boundaries of a county; and

25 (4) The level of unemployment of persons, according to the most recent
 26 data available from the United States Bureau of Census and approved by the
 27 director, within the area is equal to or exceeds the average rate of unemployment
 28 for:

29 (a) The state of Missouri over the previous twelve months; or

30 (b) The county or city not within a county over the previous twelve
 31 months.

32 2. Notwithstanding the requirements of subsection 1 of this section to the
 33 contrary, an enhanced enterprise zone may be established in an area located
 34 within a county for which public and individual assistance has been requested by
 35 the governor pursuant to Section 401 of the Robert T. Stafford Disaster Relief
 36 and Emergency Assistance Act, 42 U.S.C. 5121, et seq., for an emergency
 37 proclaimed by the governor pursuant to section 44.100 due to a natural disaster
 38 of major proportions, if the area to be designated is blighted and sustained severe
 39 damage as a result of such natural disaster, as determined by the state emergency
 40 management agency. An application for designation as an enhanced enterprise
 41 zone pursuant to this subsection shall be made before the expiration of one year
 42 from the date the governor requested federal relief for the area sought to be
 43 designated.

44 3. Notwithstanding the requirements of subsection 1 of this section to the
 45 contrary, an enhanced enterprise zone may be designated in a county of declining
 46 population if it meets the requirements of subdivisions (1), (3) and either (2) or
 47 (4) of subsection 1 of this section. For the purposes of this subsection, a "county
 48 of declining population" is one that has lost one percent or more of its population
 49 as demonstrated by comparing the most recent decennial census population to the
 50 next most recent decennial census population for the county.

51 4. In addition to meeting the requirements of subsection 1, 2, or 3 of this
 52 section, an area, to qualify as an enhanced enterprise zone, shall be demonstrated
 53 by the governing authority to have either:

54 (1) The potential to create sustainable jobs in a targeted industry; or

55 (2) A demonstrated impact on local industry cluster development.]

135.953. 1. For purposes of sections 135.950 to 135.970, an area shall meet the
 2 following criteria in order to qualify as an enhanced enterprise zone:

3 (1) The area shall be a blighted area, have pervasive poverty, unemployment and general
 4 distress; and

5 (2) At least sixty percent of the residents living in the area have incomes below ninety
 6 percent of the median income of all residents:

7 (a) Within the state of Missouri, according to the last decennial census or other
 8 appropriate source as approved by the director; or

9 (b) Within the county or city not within a county in which the area is located, according
10 to the last decennial census or other appropriate source as approved by the director; and

11 (3) The resident population of the area shall be at least five hundred but not more than
12 one hundred thousand at the time of designation as an enhanced enterprise zone if the area lies
13 within a metropolitan statistical area, as established by the United States Census Bureau, or if
14 the area does not lie within a metropolitan statistical area, the resident population of the area at
15 the time of designation shall be at least five hundred but not more than forty thousand
16 inhabitants. If the population of the jurisdiction of the governing authority does not meet the
17 minimum population requirements set forth in this subdivision, the population of the area must
18 be at least fifty percent of the population of the jurisdiction. However, no enhanced enterprise
19 zone shall be created which consists of the total area within the political boundaries of a county;
20 and

21 (4) The level of unemployment of persons, according to the most recent data available
22 from the United States Bureau of Census and approved by the director, within the area is equal
23 to or exceeds the average rate of unemployment for:

24 (a) The state of Missouri over the previous twelve months; or

25 (b) The county or city not within a county over the previous twelve months.

26 2. Notwithstanding the requirements of subsection 1 of this section to the contrary, an
27 enhanced enterprise zone may be established in an area located within a county for which public
28 and individual assistance has been requested by the governor pursuant to Section 401 of the
29 Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121 et seq., for
30 an emergency proclaimed by the governor pursuant to section 44.100 due to a natural disaster
31 of major proportions, if the area to be designated is blighted and sustained severe damage as a
32 result of such natural disaster, as determined by the state emergency management agency. An
33 application for designation as an enhanced enterprise zone pursuant to this subsection shall be
34 made before the expiration of one year from the date the governor requested federal relief for the
35 area sought to be designated.

36 3. Notwithstanding the requirements of subsection 1 of this section to the contrary, an
37 enhanced enterprise zone may be designated in a county of declining population if it meets the
38 requirements of subdivisions (1), (3) and either (2) or (4) of subsection 1 of this section. For the
39 purposes of this subsection, a "county of declining population" is one that has lost one percent
40 or more of its population as demonstrated by comparing the most recent decennial census
41 population to the next most recent decennial census population for the county.

42 4. In addition to meeting the requirements of subsection 1, 2, or 3 of this section, an area,
43 to qualify as an enhanced enterprise zone, shall be demonstrated by the governing authority to
44 have either:

45 (1) The potential to create sustainable jobs in a targeted industry; or

46 (2) A demonstrated impact on local industry cluster development.

47 **5. Notwithstanding the requirements of subsections 1 and 4 of this section to the**
48 **contrary, a renewable energy generation zone may be designated as an enhanced enterprise**
49 **zone if the renewable energy generation zone meets the criteria set forth in subdivision (25)**
50 **of section 135.950.**

135.963. 1. Improvements made to real property as such term is defined in section
2 137.010 which are made in an enhanced enterprise zone subsequent to the date such zone or
3 expansion thereto was designated, may, upon approval of an authorizing resolution **or ordinance**
4 by the governing authority having jurisdiction of the area in which the improvements are made,
5 be exempt, in whole or in part, from assessment and payment of ad valorem taxes of one or more
6 affected political subdivisions. **Improvements made to real property, as such term is defined**
7 **in section 137.010, which are locally assessed and in a renewable energy generation zone**
8 **designated as an enhanced enterprise zone, subsequent to the date such enhanced**
9 **enterprise zone or expansion thereto was designated, may, upon approval of an authorizing**
10 **resolution or ordinance by the governing authority having jurisdiction of the area in which**
11 **the improvements are made, be exempt, in whole or in part, from assessment and payment**
12 **of ad valorem taxes of one or more affected political subdivisions.** In addition to enhanced
13 business enterprises, a speculative industrial or warehouse building constructed by a public entity
14 or a private entity if the land is leased by a public entity may be subject to such exemption.

15 2. Such authorizing resolution shall specify the percent of the exemption to be granted,
16 the duration of the exemption to be granted, and the political subdivisions to which such
17 exemption is to apply and any other terms, conditions, or stipulations otherwise required. A copy
18 of the resolution shall be provided to the director within thirty calendar days following adoption
19 of the resolution by the governing authority.

20 3. No exemption shall be granted until the governing authority holds a public hearing
21 for the purpose of obtaining the opinions and suggestions of residents of political subdivisions
22 to be affected by the exemption from property taxes. The governing authority shall send, by
23 certified mail, a notice of such hearing to each political subdivision in the area to be affected and
24 shall publish notice of such hearing in a newspaper of general circulation in the area to be
25 affected by the exemption at least twenty days prior to the hearing but not more than thirty days
26 prior to the hearing. Such notice shall state the time, location, date, and purpose of the hearing.

27 4. Notwithstanding subsection 1 of this section, at least one-half of the ad valorem taxes
28 otherwise imposed on subsequent improvements to real property located in an enhanced
29 enterprise zone of enhanced business enterprises or speculative industrial or warehouse buildings
30 as indicated in subsection 1 of this section shall become and remain exempt from assessment and

31 payment of ad valorem taxes of any political subdivision of this state or municipality thereof for
32 a period of not less than ten years following the date such improvements were assessed, provided
33 the improved properties are used for enhanced business enterprises. The exemption for
34 speculative buildings is subject to the approval of the governing authority for a period not to
35 exceed two years if the building is owned by a private entity and five years if the building is
36 owned or ground leased by a public entity. This shall not preclude the building receiving an
37 exemption for the remaining time period established by the governing authority if it was
38 occupied by an enhanced business enterprise. The two- and five-year time periods indicated for
39 speculative buildings shall not be an addition to the local abatement time period for such facility.

40 5. No exemption shall be granted for a period more than twenty-five years following the
41 date on which the original enhanced enterprise zone was designated by the department.

42 6. The provisions of subsection 1 of this section shall not apply to improvements made
43 to real property begun prior to August 28, 2004.

44 7. The abatement referred to in this section shall not relieve the assessor or other
45 responsible official from ascertaining the amount of the equalized assessed value of all taxable
46 property annually as required by section 99.855, 99.957, or 99.1042 and shall not have the effect
47 of reducing the payments in lieu of taxes referred to in subdivision (2) of subsection 1 of section
48 99.845, subdivision (2) of subsection 3 of section 99.957, or subdivision (2) of subsection 3 of
49 section 99.1042 unless such reduction is set forth in the plan approved by the governing body
50 of the municipality pursuant to subdivision (1) of subsection 1 of section 99.820, section 99.942,
51 or section 99.1027.

137.010. The following words, terms and phrases when used in laws governing taxation
2 and revenue in the state of Missouri shall have the meanings ascribed to them in this section,
3 except when the context clearly indicates a different meaning:

4 (1) "Grain and other agricultural crops in an unmanufactured condition" shall mean
5 grains and feeds including, but not limited to, soybeans, cow peas, wheat, corn, oats, barley,
6 kafir, rye, flax, grain sorghums, cotton, and such other products as are usually stored in grain and
7 other elevators and on farms; but excluding such grains and other agricultural crops after being
8 processed into products of such processing, when packaged or sacked. The term "processing"
9 shall not include hulling, cleaning, drying, grating, or polishing;

10 (2) **"Hydroelectric power generating equipment", very-low-head turbine**
11 **generators with a nameplate generating capacity of at least four hundred kilowatts but not**
12 **more than six hundred kilowatts and machinery and equipment used directly in the**
13 **production, generation, conversion, storage, or conveyance of hydroelectric power to land-**
14 **based devices and appurtenances used in the transmission of electrical energy;**

15 (3) "Intangible personal property", for the purpose of taxation, shall include all property
16 other than real property and tangible personal property, as defined by this section;

17 [(3)] (4) "Real property" includes land itself, whether laid out in town lots or otherwise,
18 and all growing crops, buildings, structures, improvements and fixtures of whatever kind
19 thereon, **hydroelectric power generating equipment**, the installed poles used in the
20 transmission or reception of electrical energy, audio signals, video signals or similar purposes,
21 provided the owner of such installed poles is also an owner of a fee simple interest, possessor
22 of an easement, holder of a license or franchise, or is the beneficiary of a right-of-way dedicated
23 for public utility purposes for the underlying land; attached wires, transformers, amplifiers,
24 substations, and other such devices and appurtenances used in the transmission or reception of
25 electrical energy, audio signals, video signals or similar purposes when owned by the owner of
26 the installed poles, otherwise such items are considered personal property; and stationary
27 property used for transportation of liquid and gaseous products, including, but not limited to,
28 petroleum products, natural gas, water, and sewage;

29 [(4)] (5) "Tangible personal property" includes every tangible thing being the subject
30 of ownership or part ownership whether animate or inanimate, other than money, and not
31 forming part or parcel of real property as herein defined, but does not include household goods,
32 furniture, wearing apparel and articles of personal use and adornment, as defined by the state tax
33 commission, owned and used by a person in his home or dwelling place.

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