

House _____ Amendment NO. _____

Offered By

1 AMEND House Committee Bill No. 23, Page 36, Section 108.120, Line 14, by inserting after all of
2 said line the following:

3
4 "137.010. The following words, terms and phrases when used in laws governing taxation
5 and revenue in the state of Missouri shall have the meanings ascribed to them in this section, except
6 when the context clearly indicates a different meaning:

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

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

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

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

32 (5) "Reliever airport", any land and improvements, exclusive of structures, on privately
33 owned airports that qualify as reliever airports under the National Plan of Integrated Airports
34 System that may receive federal airport improvement project funds through the Federal Aviation
35 Administration;

36 (6) "Tangible personal property" includes every tangible thing being the subject of

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1 ownership or part ownership whether animate or inanimate, other than money, and not forming part
 2 or parcel of real property as herein defined, but does not include household goods, furniture,
 3 wearing apparel and articles of personal use and adornment, as defined by the state tax commission,
 4 owned and used by a person in his home or dwelling place.

5 137.016. 1. As used in Section 4(b) of Article X of the Missouri Constitution, the following
 6 terms mean:

7 (1) "Residential property", all real property improved by a structure which is used or
 8 intended to be used for residential living by human occupants, vacant land in connection with an
 9 airport, land used as a golf course, manufactured home parks, bed and breakfast inns in which the
 10 owner resides and uses as a primary residence with six or fewer rooms for rent, and time-share units
 11 as defined in section 407.600, except to the extent such units are actually rented and subject to sales
 12 tax under subdivision (6) of subsection 1 of section 144.020, but residential property shall not
 13 include other similar facilities used primarily for transient housing. For the purposes of this section,
 14 "transient housing" means all rooms available for rent or lease for which the receipts from the rent
 15 or lease of such rooms are subject to state sales tax pursuant to subdivision (6) of subsection 1 of
 16 section 144.020;

17 (2) "Agricultural and horticultural property", all real property used for agricultural purposes
 18 and devoted primarily to the raising and harvesting of crops; to the feeding, breeding and
 19 management of livestock which shall include breeding, showing, and boarding of horses; to
 20 dairying, or to any other combination thereof; and buildings and structures customarily associated
 21 with farming, agricultural, and horticultural uses. Agricultural and horticultural property shall also
 22 include land devoted to and qualifying for payments or other compensation under a soil
 23 conservation or agricultural assistance program under an agreement with an agency of the federal
 24 government. Agricultural and horticultural property shall further include ~~land and improvements,~~
 25 ~~exclusive of structures, on privately owned airports that qualify as reliever airports under the~~
 26 ~~National Plan of Integrated Airports System, to receive federal airport improvement project funds~~
 27 ~~through the Federal Aviation Administration] any reliever airport.~~ Real property classified as forest
 28 croplands shall not be agricultural or horticultural property so long as it is classified as forest
 29 croplands and shall be taxed in accordance with the laws enacted to implement Section 7 of Article
 30 X of the Missouri Constitution. Agricultural and horticultural property shall also include any
 31 sawmill or planing mill defined in the U.S. Department of Labor's Standard Industrial Classification
 32 (SIC) Manual under Industry Group 242 with the SIC number 2421;

33 (3) "Utility, industrial, commercial, railroad and other real property", all real property used
 34 directly or indirectly for any commercial, mining, industrial, manufacturing, trade, professional,
 35 business, or similar purpose, including all property centrally assessed by the state tax commission
 36 but shall not include floating docks, portions of which are separately owned and the remainder of
 37 which is designated for common ownership and in which no one person or business entity owns
 38 more than five individual units. All other real property not included in the property listed in
 39 subclasses (1) and (2) of Section 4(b) of Article X of the Missouri Constitution, as such property is
 40 defined in this section, shall be deemed to be included in the term "utility, industrial, commercial,
 41 railroad and other real property".

42 2. Pursuant to Article X of the state constitution, any taxing district may adjust its operating
 43 levy to recoup any loss of property tax revenue, except revenues from the surtax imposed pursuant
 44 to Article X, Subsection 2 of Section 6 of the constitution, as the result of changing the
 45 classification of structures intended to be used for residential living by human occupants which
 46 contain five or more dwelling units if such adjustment of the levy does not exceed the highest tax
 47 rate in effect subsequent to the 1980 tax year. For purposes of this section, loss in revenue shall
 48 include the difference between the revenue that would have been collected on such property under

1 its classification prior to enactment of this section and the amount to be collected under its
 2 classification under this section. The county assessor of each county or city not within a county
 3 shall provide information to each taxing district within its boundaries regarding the difference in
 4 assessed valuation of such property as the result of such change in classification.

5 3. All reclassification of property as the result of changing the classification of structures
 6 intended to be used for residential living by human occupants which contain five or more dwelling
 7 units shall apply to assessments made after December 31, 1994.

8 4. Where real property is used or held for use for more than one purpose and such uses
 9 result in different classifications, the county assessor shall allocate to each classification the
 10 percentage of the true value in money of the property devoted to each use; except that, where
 11 agricultural and horticultural property, as defined in this section, also contains a dwelling unit or
 12 units, the farm dwelling, appurtenant residential-related structures and up to five acres immediately
 13 surrounding such farm dwelling shall be residential property, as defined in this section. This
 14 subsection shall not apply to any reliever airport.

15 5. All real property which is vacant, unused, or held for future use; which is used for a
 16 private club, a not-for-profit or other nonexempt lodge, club, business, trade, service organization,
 17 or similar entity; or for which a determination as to its classification cannot be made under the
 18 definitions set out in subsection 1 of this section, shall be classified according to its immediate most
 19 suitable economic use, which use shall be determined after consideration of:

- 20 (1) Immediate prior use, if any, of such property;
- 21 (2) Location of such property;
- 22 (3) Zoning classification of such property; except that, such zoning classification shall not
 23 be considered conclusive if, upon consideration of all factors, it is determined that such zoning
 24 classification does not reflect the immediate most suitable economic use of the property;
- 25 (4) Other legal restrictions on the use of such property;
- 26 (5) Availability of water, electricity, gas, sewers, street lighting, and other public services
 27 for such property;
- 28 (6) Size of such property;
- 29 (7) Access of such property to public thoroughfares; and
- 30 (8) Any other factors relevant to a determination of the immediate most suitable economic
 31 use of such property.

32 6. All lands classified as forest croplands shall not, for taxation purposes, be classified as
 33 subclass (1), subclass (2), or subclass (3) real property, as such classes are prescribed in Section 4(b)
 34 of Article X of the Missouri Constitution and defined in this section, but shall be taxed in
 35 accordance with the laws enacted to implement Section 7 of Article X of the Missouri Constitution.

36 137.017. 1. For general property assessment purposes, the true value in money of land
 37 which is in use as agricultural and horticultural property, as defined in section 137.016, shall be that
 38 value which such land has for agricultural or horticultural use. The true value of buildings or other
 39 structures customarily associated with farming, agricultural, and horticultural uses, excluding
 40 residential dwellings and related land, shall be added to the use value of the agricultural and
 41 horticultural land to determine the value of the agricultural and horticultural property under sections
 42 137.017 to 137.021.

43 2. After it has been established that the land is actually agricultural and horticultural
 44 property, as defined in section 137.016, and is being valued and assessed accordingly, the land shall
 45 remain in this category as long as the owner of the land complies with the provisions of sections
 46 137.017 to 137.021.

47 3. Continuance of valuation and assessment for general property taxation under the
 48 provisions of sections 137.017 to 137.021 shall depend upon continuance of the land being used as

1 agricultural and horticultural property, as defined in section 137.016, and compliance with the other
2 requirements of sections 137.017 to 137.021 and not upon continuance in the same owner of title to
3 the land.

4 4. For general property assessment purposes, the true value in money of vacant and unused
5 land which is classified as agricultural and horticultural property under subsection 3 of section
6 137.016 shall be its fair market value. This subsection shall not apply to any reliever airport.

7 5. For general property assessment purposes, the true value in money of a reliever airport
8 shall be that value which such land has for agricultural or horticultural use."; and

9
10 Further amend said bill by amending the title, enacting clause, and intersectional references
11 accordingly.