

State Tax Commission Annual Report – 2009

CHAPTER II

ORIGINAL ASSESSMENT & APPELLATE FUNCTIONS

PROPERTY SUBJECT TO ORIGINAL ASSESSMENT

The State Tax Commission has the exclusive power of original assessment of the distributable property of railroads, railroad cars, rolling stock, street railroads, bridges, telegraph, telephone, electric power and light companies, pipeline companies, express companies and other similar public utility corporations, companies and firms. Additionally, the aircraft of airline companies, the aircraft of commercial airline companies (weighing more than three thousand pounds), and the flanged wheel equipment of private car companies are originally assessed.

The three classic approaches to value (cost, income and market), when applicable, are utilized to estimate the market value of originally assessed companies and corporations.

The Commission requires each company to provide an annual itemized report of physical property, a financial statement and such other information as will enable the Commission to study each particular company. When an assessment is made, dates are set for informal hearings. Each company is notified and given an opportunity to be heard before a final assessment is determined. Thereafter, the Commission certifies a final value to the companies. If a company wishes to formally contest the value, it must appeal to the Commission within thirty days after receiving the final assessment. The Commission, with the aid of an assistant attorney general, hears the case on the record. A decision is issued and, in the event of an unfavorable decision, the company may appeal to circuit court.

After determining the final value, the Commission allocates the valuation of each company among the counties, road districts, cities, towns, sewer districts, ambulance districts, county library districts, and nursing home districts, etc. in which the company has mileage or other taxing situs, and certifies the same to the county clerks and the companies subject to original assessment. Valuations as assessed by the State Tax Commission are shown in Chapter V, Table I of this report.

The State Tax Commission also is authorized to assess the real and personal property of assessing officers.

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PROPERTY TAX APPEALS

The State Tax Commission is empowered to hear appeals from the various local boards of equalization. In all counties and the City of St. Louis, the appeals must be filed with the State Tax Commission by September 30 or within thirty days of the final action of the board, whichever date is later. The State Tax Commission acknowledges receipt of the appeal, sends a copy of the complaint to the local assessing officials, and sets the matter for hearing in the county of origin. A Commission hearing officer hears the appeal and a record of the proceedings is made. An order is issued which either sets aside or sustains the decision of the local board and orders the assessment rolls to be amended to reflect the decision. The decision of the hearing officer may be appealed to the circuit court of the county in which the appeal originated.