STATE TAX COMMISSION OF MISSOURI

CHRISTY OSAKWE,) Appeal No. 24-32503

Complainant(s),

v.

TRAVIS WELGE, ASSESSOR,

ST CHARLES, COUNTY, MISSOURI,

Respondent.

DECISION AND ORDER

Christy Osakwe, (Complainant), appeals the St. Charles County Board of Equalization's (BOE) decision finding the subject property is classified as a commercial property for 2024. Complainant claims the property is misclassified and proposes that the property should be residential. The BOE's decision is affirmed.[1]

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[1] Complainant timely filed a complaint for review of assessment. The State Tax Commission (STC) has authority to hear and decide Complainant's appeal. Mo. Const. art. X, Section 14; section 138.430.1, RSMo 2000. All statutory citations are to RSMo 2000, as amended.

An evidentiary hearing in this matter was held on June 16, 2026, via WebEx. Complainant, appeared pro se. Respondent was represented by counsel, Michael Mueth. The hearing was held before Senior Hearing Officer, Todd D. Wilson.

Complainant testified that she purchased the home in December of 2022. She stated that her intention was to make the property a long-term rental. Complainant stated that after she purchased the property, she had to move to a different state to take care of her parents, so she did not live in the property after her purchase. In 2023, Complainant obtained a business license from the City of St. Peters as she believed that this was required for her to rent the property. Complainant acknowledged that the property was listed on Airbnb and other sites as a short-term rental in 2023 and that continued into 2024. Complainant acknowledged that she did rent the property at various times for short-terms and received compensation for the rentals.

Respondent presented the following Exhibits, all of which were received without objection.

Exhibit Number	Description
1	General Business License for 51 Countryside Drive
2	Email from City of St. Peters 12-18-23
3	Email from City of St. Peters 1-29-24
4	Email from City of St. Peters 4-16-24
5	Notice of Violation
6	Email from City of St. Peters 6-10-24

Respondent presented the testimony of Leena Var Vera, a commercial appraisal analyst for the St. Charles County Assessor's Office. Ms. Var Vera testified that as of January 1, 2024, the property was listed on Airbnb as active for short-term rentals, not as a bed and breakfast. Ms. Var Vera stated that at the time of the BOE hearing in May of 2024, the property was still listed on Airbnb.

FINDINGS OF FACT

1. The property is a single-family home located at 51 Countryside Drive, St. Peters, St. Charles County, Missouri. The parcel number is 266740A125. The value set by the Assessor and BOE, which is not challenged by the Complainant was $229,115 for 2024. The property was purchased by Complainant in December of 2022.

2. Complainant did not use the property as her primary residence as of January 1, 2024. The property was not a bed and breakfast. The property was listed on websites, including Airbnb for short-term rental in 2024. The property was used as a short-term rental and Complainant received income from the short-term rental of the property in 2024.

3. The Assessor and BOE found that the property was commercial for 2024.

CONCLUSIONS OF LAW

1. Jurisdiction. The STC has jurisdiction to hear this appeal and shall correct any assessment or valuation that is shown to be unlawful, unfair, improper, arbitrary, or capricious. Section 138.430.1. The hearing officer shall issue a decision and order which may affirm, modify, or reverse the determination of the BOE. Section 138.431.5. The STC may make its decision regarding the assessment or valuation of the property based solely upon its inquiry and any evidence presented by the parties to the STC or based solely upon evidence presented by the parties to the STC. Section 138.430.2.

2. Assessment, Valuation, and Classification. Real property is assessed at set percentages of its TVM as of January first of each odd-numbered year. Section 137.115.1. Residential real property is assessed at 19% of its TVM. Section 137.115.5(1)(a). Commercial real property is assessed at 32% of its TVM. Section 137.115.5(1)(c). In this case, the relevant date for determining classification is January 1, 2024.

Under Missouri law, "residential property" is defined as:

> all real property improved by a structure which is used or intended to be used for residential living by human occupants, vacant land in connection with an airport, land used as a golf course, manufactured home parks, bed and breakfast inns in which the owner resides and uses as a primary residence with six or fewer rooms for rent, . . .

Section 137.016.1(1).

"Commercial property" is defined as:

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

Section 137.016.1(3).

3. Evidence. The hearing officer is the finder of fact and determines the credibility and weight of the evidence. *Kelly v. Mo. Dep't of Soc. Servs., Family Support Div.*, 456 S.W.3d 107, 111 (Mo. App. W.D. 2015). The hearing officer "may inquire of the owner of the property or of any other party to the appeal regarding any matter or issue relevant to the valuation, subclassification or assessment of the property." Section 138.430.2. The Hearing Officer's decision regarding the assessment or valuation of the property may be based solely upon his inquiry and any evidence presented by the parties, or based solely upon evidence presented by the parties. Id.

4. Complainant's Burden of Proof. The taxpayer bears the burden of proof and must show by a preponderance of the evidence that the property was misclassified. *Westwood P'ship* *v. Gogarty*, 103 S.W.3d 152, 161 (Mo. App. E.D. 2003). The BOE's classification of the subject property is presumptively correct. *Rinehart v. Bateman,* 363 S.W.3d 357, 367 (Mo. App. W.D. 2012). "Substantial and persuasive controverting evidence is required to rebut the presumption, with the burden of proof resting on the taxpayer." *Id*. (internal quotation omitted). "Substantial evidence is that evidence which, if true, has probative force upon the issues, and from which the trier of fact can reasonably decide the case on the fact issues." *Savage v. State Tax Comm'n*, 722 S.W.2d 72, 77 (Mo. banc 1986) (internal quotation omitted). Evidence is persuasive when it has "sufficient weight and probative value to convince the trier of fact." *Daly v. P.D. George Co*., 77 S.W.3d 645, 651 (Mo. App. E.D. 2002); *see also White v. Dir. of Revenue*, 321 S.W.3d 298, 305 (Mo. banc 2010) (noting the burden of persuasion is a "party's duty to convince the fact-finder to view the facts in a way that favors that party"). "Determining whether a property's use falls within one of the subclassification definitions set forth in section 137.016.1 is an issue of fact for the STC." *Rinehart*, 363 S.W.3d at 366.

5. Complainant Did Not Prove Misclassification. In this appeal, Complainant failed to produce substantial and persuasive evidence that the subject property should have been classified as residential. Complainant testified that it was her intention to make the property available for long-term rental which would be considered residential, however, the facts show that the property was available for short-term rental. The property was not Complainant's principal residence and the property was not a bed and breakfast as the statute defines it. Complainant used the subject property as an income-producing property for all or part of 2024. The property was rented through nightly rental website to generate income.

Consequently, the evidence established that the BOE's determination of classification regarding the subject property in the instant case was not unlawful, unfair, improper, arbitrary, or capricious.

CONCLUSION AND ORDER

The BOE decision is affirmed. The classification of the subject property as of January 1, 2024, was commercial.

Application for Review

A party may file with the Commission an application for review of this decision within 30 days of the mailing date set forth in the certificate of service for this decision. The application "shall contain specific detailed grounds upon which it is claimed the decision is erroneous." Section 138.432. The application must be in writing, and may be mailed to the State Tax Commission, P.O. Box 146, Jefferson City, MO 65102-0146, or emailed to Legal@stc.mo.gov. A copy of the application must be sent to each person listed below in the certificate of service.

Failure to state specific facts or law upon which the application for review is based will result in summary denial. Section 138.432.

Disputed Taxes

The Collector of St. Charles County, as well as the collectors of all affected political subdivisions therein, shall continue to hold the disputed taxes pending the possible filing of an application for review, unless said taxes have been disbursed pursuant to a court order under the provisions of section 139.031.

SO ORDERED June 29, 2026
STATE TAX COMMISSION OF MISSOURI

Todd D. Wilson
Senior Hearing Officer

<u>Certificate of Service</u>

I hereby certify that a copy of the foregoing has been electronically mailed and/or sent by U.S. Mail on June 29, 2026, to:

Complainant(s) and/or Counsel for Complainant(s), the County Assessor and/or Counsel for Respondent, and County Collector.

Stacy M. Ingle
Legal Assistant