STATE TAX COMMISSION OF MISSOURI

TWAIN GL III, LLC,	)	
	)	
Complainant,	)	
	)	Appeal No. 22-32162
v.	)	
	)	Parcel: 15405000200100
TRACY BALDWIN, ASSESSOR,	)	
CLAY COUNTY, MISSOURI,	)	
	)	
Respondent.	)	

DECISION AND ORDER

TWAIN GL III, LLC, (Complainant), appeals the Clay County Board of Equalization's (BOE) decision finding the subject property's market value was $12,986,700 as of January 1, 2022 based upon the interpretation of Section 137.082 RSMo as adopted by Clay County as Ordinance 38.01. Complainant is represented by counsel, Chris M. Mattix. Respondent is represented by counsel, Lucas Wallingford. An Evidentiary Hearing was held in this matter on May 20, 2026, via WebEx before Todd D. Wilson, Senior Hearing Officer. Parties were given until July 17, 2026 to file briefs and both parties did file Post-Hearing briefs.

Complainant produced substantial and persuasive evidence of improper valuation due to interpretation of Missouri statutes. The BOE decision is Set Aside. The true value in money (TVM) of the subject real property as of January 1, 2022, was $11,020,175 for an assessed value of $2,093,833.

Factual Background

1. The Subject Property. This appeal involves a 153 unit, senior living facility located on approximately 9.3 acres at 1051 Kent St., Liberty, Clay County, Missouri. The parcel ID number is 15405000200100. The improvements on the property were under construction on January 1, 2022. The completed facility has independent living, assisted living and memory care units.

2. Assessment and Valuation. The Assessor classified the subject properties as residential. The Assessor acknowledged that the improvements were under construction in 2022. The total TVM of the completed property was valued by the Assessor at $24,785,500, with the land value of $1,187,800 and the improvements valued at $23,597,700. The improvements were then reduced by 50% due to ongoing construction and added to the land value to arrive at a TVM of $12,986,700 as of January 1, 2022. The BOE classified the property as residential with TVM of $12,986,700. Complainant is not contesting the total value of $24,785,500, but the proportion of that amount that should be used to value the property as of January 1, 2022.

3. Complainant's Evidence. Complainant introduced the following Exhibits:

Exhibit	Description
A	Wellington Sr. Living Jan 2022 Status Report
B	Wellington Sr. Living Dec 2022 Rent Roll
C	City of Liberty, MO Permits
D	Clay County Property Record Card
E	Written Direct Testimony of Tim Moore
F	Written Direct Testimony of Stephanie Harris
G	Clay County Ordinance 38.01
H	137.016 RSMo
I	137.082 RSMo
J	Excerpts from STC Assessor's Manual
K	Clay County Ordinance 38.01 Certified Copy

On April 15, 2024, Respondent filed Objections to the Answers of Question 17 on Exhibit E and Exhibit F, the Written Direct Testimony of Tim Moore and Stephanie Harris and objected, generally, to all evidence of Complainant for the reason that Complainant had not answered discovery requests. An Order allowing Complainant to Dismiss the Overvaluation claim in this appeal that also dealt with some of the discovery issues was entered on June 20, 2025. The objection to the Answers of Question 17 of Exhibits E & F is overruled in part and sustained in part. The objection is overruled as to the explanation of the understanding of the affiant of the issue in this appeal; however, the objection is sustained as to the application of the law in this matter. No weight will be given to the affiants' interpretation of the law. Any remaining objections are overruled, Complainant was allowed to present its evidence and the evidence is given the weight due. Complainant's Exhibits are received and given the weight due.

Complainant presented the testimony of Tim Moore, regional director of Wellington Senior Living. Mr. Moore gave a brief description of the property and its function. Mr. Moore stated that upon review of Exhibit B, the rent roll, the earliest resident was in Independent Living on July 30, 2022, and the earliest Assisted Living resident was August 15, 2022. Mr. Moore then reviewed Exhibit C, which is the Temporary Certificate of Occupancy issued by the City of Liberty for Independent Living on July 29, 2022, and for Assisted Living on August 31, 2022. The Memory Care first resident was on October 5, 2022.

4. Respondent's Evidence. Respondent submitted the following Exhibits, all of which are received without objection. The Hearing Officer marked the Written Direct Testimony of Grant Knauff as Exhibit 13 and the Rebuttal Testimony of Grant Knauff as Exhibit 14 for ease of reference.

Exhibit Number	Description
1	2022 Property Record Card
2	Valuation Report prepared by Grant Knauff
3	2022 Occupancy Permits
4	2020 Warranty Deed to Liberty Senior Community LLC
5	2020 Warranty Deed to Twain GL III LLC
6	2020 Memorandum of Lease Agreement
7	Evergy emails
8	Spire emails
9	Articles of Organization of Twain GL III LLC
10	City of Liberty – Commercial Building Permit

11	City of Liberty – Water Utility Connection
12	Securities & Exchange Commission Form D
13	WDT of Grant Knauff
14	Rebuttal Testimony of Grant Knauff

Respondent presented the testimony of Grant Knauff. Mr. Knauff has been working in the assessment office for 14 years and created Exhibit 2, the valuation report of the subject property. Mr. Knauff stated that the property is classified as Residential property. Mr. Knauff stated that it is the policy of the Clay County Assessor's Office that if there are 5 or more units in a residential development, the property is treated as a commercial property and the methodology set out in Section 137.082 RSMo and Clay County Ordinance Section 38.01 as set out in Exhibits I & K, is not followed. Clay County values the property on a percentage complete basis as of January 1 of the valuation year rather than when the property is occupied. In the Rebuttal testimony of Mr. Knauff, Exhibit 14, he stated that according to Exhibit 10, the building permit issued by the City of Liberty expected a cost of construction of the project to be $25,988,961. Mr. Knauff valued the entire, completed, project at $24,785,500; $23,597,700 improvements and $1,187,800 land, as set out on page 12 of Exhibit 2. Mr. Knauff stated that he had spoken to the builder of the project who estimated that as of January 1, 2022, the project was 50% complete, so that is how he valued the property; 50% of the improvement value plus the land value. Mr. Knauff stated that it would be very difficult to determine occupancy of multi-unit residential structures and that the Assessor's Office has to have a value for the property without waiting to see at what point the property is occupied. Mr. Knauff agreed that a rent roll could be used to determine occupancy, but explained that property owners do not, generally, volunteer to provide this type of information to the Assessor's Office and that information was not available at the time that the property had to be valued by the Assessor's Office.

5. Value. The true value in money (TVM) of the subject real property as of January 1, 2022, was $11,020,175.

CONCLUSIONS OF LAW

1. Assessment and Valuation. Residential real property is assessed at 19% of its TVM as of January 1 of each odd-numbered year. Section 137.115.5(1)(a). The TVM is "the fair market value of the property on the valuation date[.]" *Snider v. Casino Aztar/Aztar Mo. Gaming Corp.*, 156 S.W.3d 341, 346 (Mo. banc 2005) (internal quotation omitted). The fair market value is "the price which the property would bring from a willing buyer when offered for sale by a willing seller." *Mo. Baptist Children's Home v. State Tax Comm'n*, 867 S.W.2d 510, 512 (Mo. banc 1993). "True value in money is defined in terms of value in exchange not value in use." *Tibbs v. Poplar Bluff Assocs. I, L.P.*, 599 S.W.3d 1, 7 (Mo. App. S.D. 2020) (internal quotation omitted). "Determining the true value in money is an issue of fact for the STC." *Cohen v. Bushmeyer*, 251 S.W.3d 345, 348 (Mo. App. E.D. 2008).

2. Method of Valuing Property. "For purposes of levying property taxes, the value of real property is typically determined using one or more of three generally accepted approaches." *Snider*, 156 S.W.3d at 346. The three generally accepted approaches are the cost approach, the income approach, and the comparable sales approach. *Id.* at 346-48.

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). "Although technical rules of evidence are not controlling in administrative hearings, fundamental rules of evidence are applicable." *Mo. Church of Scientology v. State Tax Comm'n*, 560 S.W.2d 837, 839 (Mo. banc 1977).

4. 137.082 RSMo

137.082. New construction, assessment of upon occupancy, how — payment of taxes, when — county assessor, duties — county option — natural disasters,

assessment reduction allowed, effect. — 1. Notwithstanding the provisions of sections 137.075 and 137.080 to the contrary, a building or other structure classified as residential property pursuant to section 137.016 newly constructed and occupied on any parcel of real property shall be assessed and taxed on such assessed valuation as of the first day of the month following the date of occupancy for the proportionate part of the remaining year at the tax rates established for that year, in all taxing jurisdictions located in the county adopting this section as provided in subsection 8 of this section. Newly constructed residential property which has never been occupied shall not be assessed as improved real property until such occupancy or the first day of January of the fourth year following the year in which construction of the improvements was completed. The provisions of this subsection shall apply in those counties including any city not within a county in which the governing body has previously adopted or hereafter adopts the provisions of this subsection.

2. The assessor may consider a property residentially occupied upon personal verification or when any two of the following conditions have been met:

(1) An occupancy permit has been issued for the property;

(2) A deed transferring ownership from one party to another has been filed with the recorder of deeds' office subsequent to the date of the first permanent utility service;

(3) A utility company providing service in the county has verified a transfer of service for property from one party to another;

(4) The person or persons occupying the newly constructed property has registered a change of address with any local, state or federal governmental office or agency.

3. In implementing the provisions of this section, the assessor may use occupancy permits, building permits, warranty deeds, utility connection documents, including telephone connections, or other official documents as may be necessary to discover the existence of newly constructed properties. No utility company shall refuse to provide verification monthly to the assessor of a utility connection to a newly occupied single family building or structure.

4. In the event that the assessment under subsections 1 and 2 of this section is not completed until after the deadline for filing appeals in a given tax year, the owner of the newly constructed property who is aggrieved by the assessment of the property may appeal this assessment the following year to the county board of equalization in accordance with chapter 138 and may pay any taxes under protest in accordance with section 139.031; provided however, that such payment under protest shall not be required as a condition of appealing to the county board of equalization. The collector shall impound such protested taxes and shall not disburse such taxes until resolution of the appeal.

5. 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 overvalued. *Westwood P'ship v. Gogarty*, 103 S.W.3d 152, 161 (Mo. App. E.D. 2003). The BOE value is presumptively correct. *Tibbs*, 599 S.W.3d at 7. The "taxpayer may rebut this presumption by presenting substantial and persuasive evidence that the valuation is erroneous." *Id.* (internal quotation omitted). The taxpayer also must prove "the value that should have been placed on the property." *Id*. "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 the "party's duty to convince the factfinder to view the facts in a way that favors that party").

6. Discussion.

There is no dispute that Clay County adopted the provisions of Missouri Revised Statute Section 137.082 as set out in Exhibit K, a certified copy of the Clay County Ordinance Section 38.01. There is no dispute that the property is residential as that term is defined in Section 137.016. There is no dispute that the final, finished value of the property is $24,785,500.

This appeal turns on the interpretation of Missouri Revised Statute 137.082 and its applicability to multi-unit residential properties.

Respondent argues that Complainant should not be allowed to appeal because Subparagraph 4 of 137.082 provides that any appeal shall be brought in the year after assessment. The statute provides that if the assessment is not completed until after the deadline for filing appeals, the owner may appeal in the following year. This is not a mandatory provision; it is a savings provision for taxpayers to ensure that the taxpayer has the opportunity to appeal the assessment if the taxpayer does not have enough information to file an appeal before the deadline. In the present case, the property was valued, and the notice of the value was sent to the owner who timely filed an appeal. This argument is without merit.

Complainant argues that since Clay County adopted the provisions of 137.082, and determined that the property was residential the proportional valuation procedure in the statute applies to the property. Respondent argues that the statute only applies to single family residences and multi-family units of 4 or fewer units. Prior to 1995, Section 137.016.1(1) defined residential structures as containing four or fewer units. The definition of residential property in Section 137.016 was amended in 1995 and no longer contains a unit-count threshold. The current definition encompasses all structures used or intended to be used for residential living by human occupants. To find otherwise, would be to create a separate category of property in addition to the existing categories of residential, agricultural and commercial, which would be analogous to amending the provisions of the current language of 137.016. The subject property shall be assessed under the provisions of 137.082.

The question then becomes, at what point was the property occupied? Once the property is occupied, the property is to be assessed and taxed on such assessed valuation as of the first day of the month following occupancy for the proportionate part of the remaining year, 137.082(1). Subparagraph 2 provides that the assessor may consider a property residentially occupied upon personal verification or when two conditions are met as set out in the statute. Mr. Knauff expressed the difficulty that the Assessor's Office will face attempting to ascertain personal verification of residency for a multi-unit residential complex. Unfortunately, that statute does not provide for a simpler, quicker, or more efficient manner for determining occupancy. Complainant argues that at any time during the appeal process to the BOE or to the STC, the Assessor has the opportunity to amend its valuation based upon information provided by the taxpayer as to occupancy.

Complainant provided substantial and persuasive evidence of the time of occupancy of the property so that the proportional formula contained in 137.082 can be applied. Through the testimony of Tim Moore who explained the rent roll, Exhibit B, and the City of Liberty Occupancy

Permits, Exhibit C, it was shown that the property was first occupied by a person in Independent Living on July 30, 2022. This is verification sufficient to find that the first day of occupancy of the residential property was July 30, 2022. The property, therefore, shall be assessed and taxed as of August 1, 2022 or for 5 of the 12 months of 2022. Section 137.082(1) provides that a newly constructed building shall be prorated, this does not include the land value, which shall be taxed at full value. The land value is $1,187,800. The proportionate value of the improvements is $23,597,700 x 5/12 = $9,832,375. The TVM of the property as of January 1, 2022 was $1,187,800 + $9,832,375 = $11,020,175.

CONCLUSION AND ORDER

The BOE's decision is Set Aside. The true value in money (TVM) of the subject property as of January 1, 2022, was $11,020,175. The Assessed value is, therefore, $2,093,833.

Application for Review

A party may file 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 of Missouri, 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 Clay County, and 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 the disputed taxes have been disbursed pursuant to a court order under the provisions of section 139.031.

SO ORDERED August 20th, 2026.

STATE TAX COMMISSION OF MISSOURI

Todd D. Wilson
Senior Hearing Officer

Certificate of Service

I hereby certify that a copy of the foregoing has been electronically mailed and/or sent by U.S. Mail on August 21st, 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