

ORDINANCE NO. 150531

Amending Chapter 2, Article XI, Division 5, Code of Ordinances, entitled Payment of Special Assessments, to add a new Section 2-1726, and amending Chapter 68, Articles I through V, of the Code of Ordinances, entitled Taxation, by repealing certain sections and amending certain sections by enacting new sections in lieu thereof on the subject of assessment, levy, and collection of real and personal property taxes.

WHEREAS, the subject of Chapter 2, Article XI, Division 5, Code of Ordinances, is the special assessment levy and collection process; and

WHEREAS, various sections of Chapter 2, Article XI, Division 5, were recently modified pursuant to Ordinance No. 130937, passed December 19, 2013, to simplify and standardize the special assessment levy and collection process; and

WHEREAS, further refinement of the special assessment levy and collection process is necessary to allow for the abatement of special assessments that are no longer enforceable because the statute of limitations to file suit to enforce the lien has expired; and

WHEREAS, the subject of Chapter 68, Articles I through V, Code of Ordinances, is the assessment, levy, and collection of real and personal property taxes; and

WHEREAS, various sections in Chapter 68, Articles I through V, are obsolete because of provisions describing licenses or taxes which have been repealed or replaced, including the city motor vehicle license and the merchants and manufacturers tax; and

WHEREAS, various provisions contained in Chapter 68, Article II, on the assessment of real and personal property by the City have become obsolete because assessments are now performed by the counties and not by City officials; and

WHEREAS, Chapter 68, Articles III and IV, concerning the operation of the City Board of Equalization and the City Board of Delinquent Tax Adjustment are obsolete because these boards no longer exist; and

WHEREAS, Chapter 68, Article V, concerning the payment and collection of property taxes contains various outdated provisions, and needs to be amended to reflect current payment and collection practices; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That Chapter 2, Article XI, Division 5, Code of Ordinances of the City of Kansas City, Missouri, entitled Payment of Special Assessments, is hereby amended by adding a new Section 2-1726, entitled Abatement of special assessments, to read as follows:

ORDINANCE NO. 150531

Sec. 2-1726. Abatement of special assessments.

Pursuant to Section 818 of the City Charter, which allows the abatement of special taxes or assessments in correction of a clerical error or as otherwise provided by law, including by ordinance, the director of finance, upon the advice of the city attorney, shall have the authority to abate any special tax or assessment that the city attorney determines is legally unenforceable because the statute of limitations to file suit to enforce the lien has expired.

Section 2. That Chapter 68, Article I, Code of Ordinances of the City of Kansas City, Missouri, is hereby amended by repealing Sections 68-1 through 68-7 and enacting in their place new Sections 68-1 through 68-6 to read as follows:

ARTICLE I. IN GENERAL

Sec. 68-1. Owner on January 1 liable for payment of tax on property.

Every person owning or holding real property or tangible personal property subject to taxation for municipal purposes on January 1 of any calendar year, including all property on that day, shall be liable for taxes thereon for such year.

Sec. 68-2. Abatement of tax by director of finance.

The director of finance may, at any time prior to the sale of any lot or tract of land for delinquent taxes, or suit brought for tangible personal property taxes, abate any particular tax because the tax has been paid, or for mistake in entering it against the wrong lot or tract, or in case of any personal tax against the wrong person, and correct any mistake in computing or extending any tax so entered. Upon the advice of the city attorney the director of finance shall abate any city tax on real or personal property that the city attorney determines is legally unenforceable because the time to file suit to enforce the lien has expired under the statute of limitations. The director of finance shall in each case make a permanent record of the action in making such abatements and corrections and shall at once certify the abatements and corrections to the proper custodian of the books, who shall at once note such action on the proper land or personal tax book and other proper records of the city, in such a way as to show clearly what has been done, and when, but without erasing or altering the prior entries of taxes on the book or record.

Sec. 68-3. Use of copies of tax books and records as evidence.

The tax books and all other books and papers made or kept by the treasurer, director of finance or other officer of the city, in any manner relating to any tax, shall be received in all courts as evidence of all the facts stated therein, and of the validity of the tax, costs, interest and penalty therein appearing, and a copy of so much of any of such books and papers as relates to the tax in question, certified to by the treasurer, director of

ORDINANCE NO. 150531

finance or any other officer of the city having the books and papers in charge, shall be received in evidence in like manner and with like effect.

Sec. 68-4. Time and rate of tangible personal property tax.

The tax to be levied upon all tangible personal property shall be levied at the same time and at the same rate as that levied upon real estate for the same fiscal year.

Sec. 68-5. Tax records.

The director of finance or his designee is hereby authorized and directed to keep all records pertaining to taxes on both real estate and tangible personal property on any permanent medium, including electronic medium. Such records shall be the official tax records of the city and shall constitute the tax books of the city, within the meaning of this chapter.

Sec. 68-6. Identification of real property.

(a) For the purpose of identifying real property for taxation purposes, it shall be permissible to employ a numerical system which will assign permanently to each parcel of land an individual tract number, which shall be used in lieu of the description of property on bills and receipts for taxes.

(b) Tract numbers shall be permanently assigned and shall correspond to the tract numbers of the numerical system of the county in which the parcel is situated. When such tract numbers have been once assigned, they shall be subject to change only when parcels of land are subsequently combined, apportioned or subdivided, or when such change is necessary for adaption to a county numerical system.

(c) Records in the department of finance shall include adequate legal descriptions for each parcel of real property which can be readily related to the tract numbers employed on tax bills and receipts as provided for in this section.

Section 3. That Chapter 68, Article II, of the Code of Ordinances is hereby amended by changing the title from "Assessor and Assessments" to "Assessments and Levy of Property Taxes, and further amended by repealing Sections 68-41 through 68-55 in their entirety and enacting in their place new Sections 68-41 through 68-45, to read as follows:

ARTICLE II. ASSESSMENTS AND LEVY OF PROPERTY TAXES

Sec. 68-41. Levy of property taxes.

(a) *Fixing levy rates at time of annual appropriation ordinance.* By authority of section 811 of the City Charter, the City Council shall fix the tax levies on all real and tangible personal property within the jurisdiction of the City subject to taxation under the

ORDINANCE NO. 150531

constitution and laws of Missouri. The levies shall be fixed at the time specified in Charter sections 805(g), 805(i), and section 2-1971 of the Code of Ordinances.

(b) *Adjusting levy rates.* After receipt of the notices of aggregate assessed valuation from the county clerks of the various counties in which the City is located, the Council will adjust or revise such levy rates to the extent provided by the constitution or laws of Missouri before certification of the rates for entry in the tax books of the various counties in which the City is located.

(c) *Director of finance to deliver certified levy rates to the counties.* The director of finance or his designee shall proceed in the manner provided by law to certify and deliver the annual levy rates not later than October first to the clerks of the various counties in which the City is located for entry in the tax books and for billing and collection.

Sec. 68-42. Assessed valuations for real and personal property.

In fixing the levies on all real and personal property within the jurisdiction of the city subject to taxation, and in revising the tax levies according to state law, the City Council shall rely on the aggregate assessed valuations listed in the tax books and supplied by the county clerks of the various counties in which the city is located.

Sec. 68-43. Manner of assessment and taxation of corporate property.

The real property and tangible personal property of all corporations and companies within the city, including incorporated banks and such other corporations as are not exempted by state law, shall be assessed and taxed as the property of individuals is assessed and taxed.

Sec. 68-44. Informalities or delay in assessment.

No assessment of property or charges for taxes thereon shall be considered illegal on account of any informality in making the assessment, equalization, levy or extension, or in the tax lists, or on account of the assessment not being completed or delivered within the time required by law.

Sec. 68-45. Nonbinding tax levies.

The director of finance or his designee is authorized and designated to act on behalf of the city to project such nonbinding tax levies as required by RSMo Section 137.243, and to return such nonbinding tax levies to the clerks of the various counties in which the city is situated by the date specified in the statute. The director of finance shall project such nonbinding tax levies in the manner prescribed by RSMo section 137.243 using the valuation information contained in the abstracts of the assessment books supplied by the county clerks pursuant to such statute.

ORDINANCE NO. 150531

Section 4. That all of Chapter 68, Article III, Code of Ordinances of the City of Kansas City, Missouri, entitled Board of Equalization, Sections 68-91 through 68-98, is repealed.

Section 5. That all of Chapter 68, Article IV, Code of Ordinances of the City of Kansas City, Missouri, entitled Board of Delinquent Tax Adjustment, Sections 68-131 through 68-136, is repealed.

Section 6. That Chapter 68, Article V, Division 1, Code of Ordinances of the City of Kansas City, Missouri, is hereby amended by repealing Sections 68-171 and 68-172 and enacting in their place new Sections 68-171 and 68-172, to read as follows:

ARTICLE V. PAYMENT AND COLLECTION OF TAXES DIVISION 1. GENERALLY

Sec. 68-171. Time and place for payment; delinquency.

(a) *Real estate.* No demand for taxes on real estate shall be necessary; but it is the duty of every person subject to taxation to pay his or her real estate taxes at the office of the appropriate official as shown on the tax bill at some time between November 1 and December 31 in each year.

(b) *Personal property.* No demand for taxes upon personal property shall be necessary, but it is the duty of every person subject to taxation to pay his or her personal property taxes at the office of the appropriate official as shown on the tax bill at some time between November 1 and December 31 in each year.

(c) *Delinquent taxes.* If anyone neglects to pay his or her taxes during such times as listed in subsections (a) and (b) of this section following the levy of the tax, the tax shall be delinquent and shall thereafter bear a penalty of one percent per month or whatever charges shall be imposed by the official collecting such taxes. In computing the additional tax or penalty, a fractional part of a month shall be counted as a whole month. Taxes upon real property are hereby declared a perpetual lien thereon. The collector shall continue to receive taxes after they have become delinquent and until sale.

Sec. 68-172. - Receipts for taxes.

Required. When any person pays any tax on real estate or personal property, it shall be the duty of the appropriate official to cause to be issued a receipt therefor. If the tax is collected by the county collector under an agreement with the city, the tax receipt of the county collector shall satisfy the requirement of this section.

Section 7. That Chapter 68, Article V, Division 2, Code of Ordinances of the City of Kansas City, Missouri, is hereby amended by repealing Sections 68-201 through 68-208 and enacting in their place new Sections 68-201 and 68-208, to read as follows:

DIVISION 2. SUITS TO COLLECT TAXES

Sec. 68-201. Suit additional to other remedies.

In addition to any and all remedies, by sale or otherwise, provided in the Charter and this chapter, or under the laws of Missouri, the city shall have the power to enforce the collection of delinquent taxes on real and personal property with all interest, costs and penalties thereon, by suit brought in the name of the city by the city attorney in any court of competent jurisdiction. Where the city has made an agreement with a county for the collection of city taxes, the suit may be brought instead by the county counselor.

Sec. 68-202. Judgment when taxes are on personal property or property of public service corporation.

In suits for the collection of taxes on tangible personal property, and in suits to collect the taxes on the property of railroads and other public service corporations, it shall be sufficient to state the amount of tax, interest, cost and penalties claimed, the year or years for which it was levied, the owner or person liable, and that the tax has not been paid, and in such suits a personal judgment may be rendered against the person or corporation whose property has been taxed.

Sec. 68-203. Judgment when taxes are on other property.

In suits for the collection of taxes which are a lien upon any specific property, except as provided in section 68-202, no personal judgment shall be rendered, but the judgment shall be that the amount found due shall be levied on the real estate or property upon which the tax is a lien, which judgment shall have priority over all other liens and encumbrances, as to all parties to such suit.

Sec. 68-204. Interest on judgment; sale under execution.

Judgments for taxes shall bear the same rate of interest as did the tax sued on, and a sale under execution thereon shall be free from any redemption. The city may purchase such property at execution sale, take deed to itself and acquire the same title as any other purchaser.

Sec. 68-205. Inclusion of taxes for more than one year, for several parcels or for several owners in one suit.

When the taxes for more than one year are due the city upon any parcel of property, they may all be included in one suit, and when taxes on more than one parcel of land owned by the same person are due, all such parcels may be included in one suit. Owners of undivided interest may be sued jointly or severally, and each, together with his interests, charged with the proper portion of the tax, though such tax may have been assessed as a whole. When any parcel of land has been included in the assessment in a

ORDINANCE NO. 150531

large parcel or tract, such smaller parcel shall be charged with its fair and just portion of the tax, which shall be determined by the court. The owners of the whole of the larger parcel may be made defendants, and each parcel charged with a proper share of the tax or the owners of any one or more of the smaller parcels may be sued separately. In all such cases, the several taxes and parcels of land may be set out in one cause of action, and judgment entered against each parcel for the tax, interest, costs and penalties found due thereon.

Sec. 68-206. Jurisdiction, venue, issuance of summons, service of process and execution.

In all cases for the collection of real estate and personal property taxes due the city, jurisdiction, venue, issuance of summons, service of process and execution on judgments shall be the same as prescribed by Missouri law in other civil actions.

Sec. 68-207. Procedure.

The proceedings in suits for the collection of taxes shall, in all respects not otherwise provided for in this article, conform as near as may be to the practice and procedure in civil cases.

Sec. 68-208. Fee to be taxed as costs.

As provided in Section 817 of the City Charter, a fee of ten percent on the amount of the delinquent taxes and penalties shall be taxed as costs in every proceeding for the collection of delinquent taxes under this chapter, to be taxed and collected in the same manner as other costs in the case.

Section 8. That all of Chapter 68, Article V, Division 3, Code of Ordinances of the City of Kansas City, Missouri, entitled Delinquent Personal Property Taxes, Sections 68-231 through 68-241, is repealed.

Section 9. That Chapter 68, Article V, Division 4, Code of Ordinances of the City of Kansas City, Missouri, is hereby amended by repealing Section 68-271 and enacting in its place new Section 68-271 to read as follows:

DIVISION 4. - SALE OF REAL PROPERTY FOR DELINQUENT TAXES .

Sec. 68-271. Authority of director of finance

The director of finance is hereby authorized and directed to collect delinquent real property taxes by the sale of the real property upon which the taxes are levied by filing with the county collector in each county in which the city is located a list of parcels in that county with delinquent city real estate taxes. Following the delivery of the delinquent tax list, all such delinquent city real estate taxes shall be collected by sale by the county collector of the real property upon which taxes are levied, according to the procedure

ORDINANCE NO. 150531

under Missouri law applicable in that county, specifically: all real property sold for taxes and all tax deeds in that part of the city where the Land Tax Collection Act is applicable shall be sold and deeds issued subject to the provisions of such act; all real property sold for taxes in parts of the city located in counties in which the county has not adopted or is not subject to the Land Tax Collection Act, shall be sold and deeds issued according to the provisions of chapter 140 of the Missouri Revised Statutes.

Section 10. That Chapter 68, Article V, Division 4, Code of Ordinances of the City of Kansas City, Missouri, is further amended by repealing Sections 68-272 through 68-284.

Section 11. That all of Chapter 68, Article V, Division 5, Code of Ordinances of the City of Kansas City, Missouri, entitled Redemption of Real Property Sold for Taxes, Sections 68-311 through 68-313, is repealed.

Section 12. That all of Chapter 68, Article V, Division 6, Code of Ordinances of the City of Kansas City, Missouri, entitled Tax Deeds, Sections 68-341 through 68-350, is repealed.

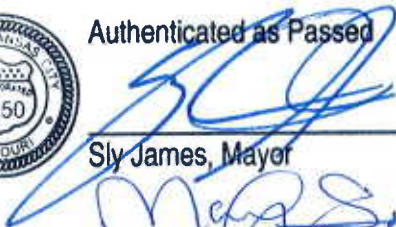
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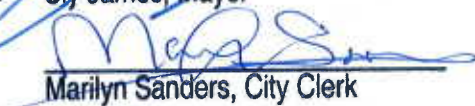
Stephen Walsh
Assistant City Attorney



Authenticated as Passed



Sly James, Mayor



Marilyn Sanders, City Clerk

JUL 9 2015

Date Passed