

SCHOOLS: In the event the assessed valuation of real
SCHOOL DISTRICTS: or personal property is increased by the
TAXES: action of the assessor by ten per cent or
more over the prior year's valuation and
such increase is permitted to stand by the
action of the county board of equalization and the State Tax
Commission, it is the duty of the various school boards of the
county to adjust the tax rates in accordance with and by vir-
tue of the provisions of Section 137.073, RSMo Cum.Supp. 1955.

September 20, 1956

Honorable Roy W. McGhee, Jr.
Assistant Prosecuting Attorney
Reynolds County
Centerville, Missouri



Dear Mr. McGhee:

Reference is made to your request for an official opinion
of this office, which request reads as follows:

"The school boards in Reynolds County set
their levies in April. The increase in
assessed valuation in Reynolds County was
made by the County Assessor. This assess-
ment was, of course, based on ownership
and valuations as of January 1, 1956. How-
ever, the assessor's books were not turned
over to the County Clerk until sometime in
June. Under these facts, must the school
boards make new levies by virtue of the
above statute? * * *"

Section 137.073, RSMo Cum.Supp. 1955, to which you refer,
provides as follows:

"Whenever the assessed valuation of real
or personal property within the county
has been increased by ten per cent or more
over the prior year's valuation, either by
an order of the state tax commission or by
other action, and such increase is made
after the rate of levy has been determined
and levied by the county court, city council,
school board, township board or other bodies
legally authorized to make levies, and cer-
tified to the county clerk, then such taxing
authorities shall immediately revise and lower
the rates of levy to the extent necessary to

Honorable Roy W. McGhee, Jr.

produce from all taxable property substantially the same amount of taxes as previously estimated to be produced by the original levy. Where the taxing authority is a school district it shall only be required hereby to revise and lower the rates of levy to the extent necessary to produce from all taxable property substantially the same amount of taxes as previously estimated to be produced by the original levy, plus such additional amounts as may be necessary approximately to offset said district's reduction in the apportionment of state school moneys due to its increased valuation. The lower rate of levy shall then be recertified to the county clerk and extended upon the tax books for the current year. The term 'rate of levy' as used herein shall include not only those rates the taxing authorities shall be authorized to levy without a vote, but also those rates which have been or may be authorized by elections for additional or special purposes. No levy for public schools or libraries shall be reduced below a point that would entitle them to participate in state funds."

School boards are specifically included in this section which provides that such boards shall revise and lower the rates of levy (subject to the limitations therein contained) to the extent necessary to produce substantially the same amount of taxes as previously estimated to be produced by the original levy where the assessed valuation of real or personal property within the county has been increased by ten per cent or more over the prior year's valuation and such increase is made after the rate of levy has been determined. It should be further noted that said action comes into operation where the increase is a result of an order of the State Tax Commission "or by other action."

You state that in the instant situation the increase (which we assume amounts to ten per cent or more over the prior year's valuation) was a result of the action of the assessor.

The school rates are required to be fixed in May of each year, Section 165.077, RSMo 1949. (The assessor is required to make up the tax books between the first day of January and the first day

Honorable Roy W. McGhee, Jr.

of June of each year, Section 137.115, RSMo Cum.Supp. 1955, and Section 137.245, RSMo 1949.) Thereafter, the property valuations are subject to the action of the State Tax Commission which meets June 20 of each year and the county boards of equalization which meet on the second Monday of July. The aggregate assessed valuation does not become final until it has received the attention of these two bodies. It clearly appears that such event does not occur until well after the time when the rates for school purposes have been fixed by the various school boards. Under such circumstances, we are of the opinion that an increase of the assessed valuation of real or personal property by ten per cent or more over the prior year's valuation effected by the action of the assessor, which increase is subsequently approved by the action of the State Tax Commission and the county board of equalization, would bring into operation the provisions of Section 137.073, supra, under which a school board would be required to adjust its tax rate.

CONCLUSION.

It is the opinion of this office that in the event the assessed valuation of real or personal property is increased by the action of the assessor by ten per cent or more over the prior year's valuation and such increase is permitted to stand by the action of the county board of equalization and the State Tax Commission, it is the duty of the various school boards of the county to adjust their tax rates in accordance with and by virtue of the provisions of Section 137.073, RSMo Cum.Supp. 1955.

The foregoing opinion, which I hereby approve, was prepared by my Assistant, Donal D. Guffey.

Yours very truly,

John M. Dalton
Attorney General

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