

SCHOOLS: If a junior college district includes
JUNIOR COLLEGES: parts of more than one county and the
ASSESSMENTS: State Tax Commission increases by more
than ten percent the assessed valuation
of only one county in the district, the district must revise its tax
rate pursuant to the requirements of Section 137.073, RSMo 1959. Such
a junior college district should revise its rate of levy to the extent
necessary to produce from all taxable property in the district sub-
stantially the same amount of taxes as had been previously estimated
to be produced by the original tax rate.

OPINION NO. 89

July 16, 1970

Honorable Robert S. Drake, Jr.
Prosecuting Attorney
Benton County Court House
Warsaw, Missouri 65355



Dear Mr. Drake:

This official opinion is issued in response to your request
for a ruling on the following questions:

"Whether or not a Junior College School
District established under 178.770 RSMo
should lower its levy under Section
137.073 RSMo. (1969) if its district
covers parts of more than one County and
the State Tax Commission increases the
assessed valuation of only one such
County by more than ten per cent (10%)
on real estate over the prior year's
valuation and such valuation increase
was made after the Junior College School
District made its levy and certified the
same to all County Collectors in its
district.

"2. If the Junior College School Dis-
trict should lower its rate what formula
should be used in arriving at the new
rate."

I.

Section 137.073, RSMo 1959 states as follows:

Honorable Robert S. Drake, Jr.

"Readjustment of prior levy when county assessment increased ten per cent.-- 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 certified to the county clerk, then such taxing authorities shall immediately 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. 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."

Initially, we must determine whether Section 137.073 applies to junior college districts. Although junior college districts are not specifically referred to in Section 137.073, reference is made

Honorable Robert S. Drake

to "other bodies legally authorized to make levies. . . ." Junior college districts do have taxing power and are authorized to levy taxes on property subject to their taxing power. See Section 178.870, RSMo 1967 Supp. Therefore, we conclude that junior college districts are included within the terms of Section 137.073.

Having reached this conclusion, does Section 137.073 require a junior college district to revise its levy if it includes parts of more than one county and the State Tax Commission increases by more than ten percent the assessed valuation of only one of the counties included in the district? We believe this question has been answered by Opinion No. 75 dated August 29, 1955, to the Honorable John M. Rice. In Opinion No. 75, we concluded that where the territory of a school district extends into more than one county and the assessed valuation of one of these counties is increased by more than 10 percent after the district's rate of levy has been determined, the school board must redetermine the rate of levy in accordance with Section 137.073. We see no reason why this same conclusion should not apply to a junior college district which covers more than one county.

II.

Your second inquiry is what formula a junior college district should use in revising its tax rate pursuant to Section 137.073. The basic formula is provided in Section 137.073, as follows:

" . . . then such taxing authority shall immediately 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. . . ."

Therefore, taking into account the increased valuation of one of the counties in the district, the junior college district in question must revise and lower its levy to the extent necessary to produce from all taxable property in the district the same amount of taxes as had been previously estimated to be produced by the original tax rate.

CONCLUSION

Therefore, it is the conclusion of this office that:

1. If a junior college district includes parts of more than one county and the State Tax Commission increases by more than ten

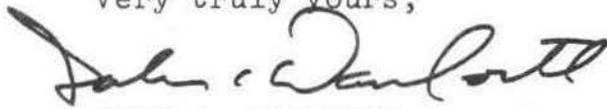
Honorable Robert S. Drake, Jr.

percent the assessed valuation of only one county in the district, the district must revise its tax rate pursuant to the requirements of Section 137.073, RSMo 1959.

2. Such a junior college district should revise its rate of levy to the extent necessary to produce from all taxable property in the district substantially the same amount of taxes as had been previously estimated to be produced by the original tax rate.

The foregoing opinion, which I hereby approve, was prepared by my Assistant, D. Brook Bartlett.

Very truly yours,



JOHN C. DANFORTH
Attorney General

Enclosure:

Op. No. 75
8-29-55, Rice