

Commissioners



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**STATE TAX COMMISSION  
OF MISSOURI**

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R. Randall Turley  
Chief Counsel

February 23, 2010

Dear Assessors:

We are writing to address the concern which has surfaced regarding the proper method to value certain vehicles for 2010. The concern stems from the fact that the values of some vehicles, according to the National Automobile Dealers' Association's (NADA's) guides, have increased above the values established for the 2009 tax year.

Subsection 137.115.9, RSMo sets out what is statutorily required of assessors:

The assessor of each county and each city not within a county shall use the trade-in value published in the October issue of the National Automobile Dealers' Association Official Used Car Guide, or its successor publication, as the recommended guide of information for determining the true value of motor vehicles described in such publication. In the absence of a listing for a particular motor vehicle in such publication, the assessor shall use such information or publications which in the assessor's judgment will fairly estimate the true value in money of the motor vehicle.

On January 27, 2010, assessors were notified in an email by Personal Property Chairs Wendy Nordwald and Scott Shipman that the 2010 values for many trucks and sport utility vehicles manufactured after 2003 are higher than the 2009 values and that the Missouri Assessors' State Valuation Guides reflected this. These values were determined in compliance with subsection 137.115.9, RSMo.

To many assessors (and, no doubt, taxpayers) an increase in the value of personal property seems counterintuitive and illogical. However, presumably the high gasoline prices of 2008 drove down the values for these particular low gas mileage vehicles, and this decrease was manifested in the 2009 values (derived from the October 2008 guide). By October 2009, lower fuel prices caused the values to rebound, thus creating the unusual circumstance of an increase for the 2010 tax year.

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It is the Commission's position that because the 2010 values are derived from the 2009 NADA's October 2009 Official Used Car Guide's trade-in values, assessors should follow the requirements of the statute and utilize the values provided in the Missouri Assessors' Association's State Valuation Guides. Using these NADA derived values will carry out the intent of the statute by ensuring that assessments for like vehicles will be fair and uniform throughout the state.

Handwritten signature of Bruce E. Davis in black ink.

Bruce E. Davis  
Chairman

Handwritten signature of Jennifer Tidwell in black ink.

Jennifer Tidwell  
Commissioner

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