

IN THE CIRCUIT COURT OF COLE COUNTY, MISSOURI

ALOIS KIRCHHOFFER, as an)
 individual taxpayer,)

VIRGINIA SCHENCK, as an)
 individual taxpayer,)

WARREN COUNTY R-III SCHOOL)
 DISTRICT,)

CRAWFORD R-I SCHOOL DISTRICT,))

Case No.: _____

OZARK R-VI SCHOOL DISTRICT,)

OZARK FIRE PROTECTION)
 DISTRICT,)

MERAMEC VALLEY R-III SCHOOL)
 DISTRICT,)

GRANDVIEW R-II SCHOOL)
 DISTRICT,)

AND)

DONIPHAN R-I SCHOOL DISTRICT,))

Plaintiffs,)

v.)

STATE OF MISSOURI,)

Serve: Catherine Hanaway)
 Attorney General)
 Supreme Court Building)
 207 W. High Street)
 Jefferson City, MO 65102)
 (573) 751-3321)

CATHERINE HANAWAY,)
 Attorney General, State of Missouri)
)
 Serve: Catherine Hanaway)
 Attorney General)
 Supreme Court Building)
 207 W. High Street)
 Jefferson City, MO 65102)

**PLAINTIFFS' PETITION FOR DECLARATORY JUDGMENT
AND INJUNCTIVE RELIEF**

Alois Kirchhofer and Virginia Schenck (collectively, “Individual Taxpayer Plaintiffs”), along with Warren County R-III School District, Crawford R-I School District, Ozark R-VI School District, Ozark Fire Protection District, Meramec Valley R-III School District, Grandview R-II School District, and Doniphan R-I School District (collectively, “District Plaintiffs”) (collectively, “Plaintiffs”) for their Petition for Declaratory Judgment and Injunctive Relief state as follows:

INTRODUCTION

1. After the conclusion of the regular legislative session in May 2025, the General Assembly held an extraordinary session in June 2025 and passed Senate Bill 3 (SB 3).

2. SB 3 contains new Section 137.1055 RSMo known as the “Homestead Property Tax Credit,” Section 137.1055 RSMo.

3. Section 137.1055 divides Missouri counties into arbitrary categories by mandating a tax credit that effectively creates either a total property tax freeze, a property tax cap or no restrictions at all.

4. Counties were not classified in Section 137.1055 according to any objective measure or rational means. Instead, individual legislators were allowed simply to dictate how their county would be designated within the bill – choosing whether to impose a freeze, a cap, or exclude the county entirely.

5. No rational basis was used to categorize counties between those where the credit could result in a freeze on property tax revenue growth, a 5% cap on property tax revenue growth, or neither; it was simply the whim of individual legislators.

6. What the Constitution requires to be equal, Section 137.1055 makes unequal. What the Constitution requires to be secure, Section 137.1055 puts in peril.

7. Section 137.1055 destabilizes local funding, threatening essential services and undermines the will of the local voter regarding local taxes.

8. The State's approval of SB 3 is arbitrary, unconstitutional, and impermissible. Its passage undermines the Missouri Constitution, destabilizes local government funding, and jeopardizes the rights of voters and local communities across the state.

PARTIES

Plaintiff Alois Kirchhofer

9. Plaintiff Alois Kirchhofer is a registered voter in and resident of Saint Louis County, Missouri.

10. Plaintiff Alois Kirchhofer is an owner of record of a homestead and has a legal or equitable interest in such real property located within Saint Louis County, Missouri, within the Melville School District.

11. Plaintiff Alois Kirchhofer currently and for all relevant times herein occupies and resides in the homestead as his main and primary residence.

12. Plaintiff Alois Kirchhofer is liable for the payment of real property taxes on the homestead.

13. Plaintiff Alois Kirchhofer is a resident of Saint Louis County, Missouri, a county that is unable to adopt the property tax credit authorized under Section 137.1055, RSMo.

14. Saint Louis County, in which Plaintiff Alois Kirchhofer resides, does not meet the definition of a “five percent county” under Section 137.1055.1(2), RSMo., nor the definition of a “zero percent county” under Section 137.1055.1(7), RSMo.

15. Plaintiff Alois Kirchhofer has an interest in ensuring that counties constitutionally allocate local tax dollars to political subdivisions in

all Missouri counties, including those that exist in Saint Louis County, Missouri.

Plaintiff Virginia Schenck

16. Plaintiff Virginia Schenck is a registered voter in and resident of Warren County, Missouri.

17. Plaintiff Virginia Schenck is an owner of record of a homestead and has a legal or equitable interest in such real property located in Warren County, Missouri and within the Warren County R-III School District, the Warrenton Fire Protection District, the Warren County Ambulance District, and the Scenic Regional Library District.

18. Plaintiff Virginia Schenck currently and for all relevant times herein occupies and resides in the homestead as her main and primary residence.

19. Plaintiff Virginia Schenck is liable for the payment of real property taxes on the homestead.

20. Warren County, in which Plaintiff Virginia Schenck resides, meets the definition of a “zero percent county” under Section 137.1055.1(7), RSMo.

21. Of the area served and taxed by the Scenic Regional Library District, Franklin, Gasconade, and Warren Counties meet the definition of a “zero percent county” under Section 137.1055.1(7), RSMo.

22. The Scenic Regional Library District also includes a portion of Crawford County, which meets the definition of a “five percent county” under Section 137.1055.1(2), RSMo.

23. Plaintiff Virginia Schenck has an interest in ensuring that counties constitutionally allocate local tax dollars to political subdivisions in all Missouri counties, including those that exist in Warren County, Missouri.

Plaintiff Warren County R-III School District

24. Plaintiff Warren R-III County School District is a school district within Warren and Lincoln Counties, Missouri.

25. Warren County, one of the counties in which Plaintiff Warren County R-III School District is located, meets the definition of a “zero percent county” under Section 137.1055.1(7), RSMo.

26. Lincoln County, one of the counties in which Plaintiff Warren County R-III School District is located, meets the definition of a “five percent county” under Section 137.1055.1(2), RSMo.

27. Plaintiff Warren County R-III School District receives property tax revenue collected by Warren and Lincoln Counties, Missouri, and relies on such revenue to pay the indebtedness of and provide services to the taxpayers within its jurisdiction.

28. The property-tax credit scheme authorized by Section 137.1055, RSMo, has and will continue to have a negative fiscal impact on Warren County R-III School District.

29. Plaintiff Warren County R-III School District has an interest in ensuring that counties constitutionally allocate local tax dollars to all political subdivisions, including Warren County R-III School District.

Plaintiff Crawford R-I School District

30. Plaintiff Crawford R-I School District is a school district within Crawford and Washington Counties, Missouri. Crawford and Washington Counties both meet the definition of “five percent county” under Section 137.1055.1(2), RSMo.

31. Plaintiff Crawford R-I School District receives property tax revenue collected by Crawford and Washington Counties, Missouri, and relies on such revenue to pay the indebtedness of and provide services to the taxpayers within its jurisdiction.

32. The property-tax credit scheme authorized by Section 137.1055, RSMo, has and will continue to have a negative fiscal impact on Crawford R-I School District.

33. Plaintiff Crawford R-I School District has an interest in ensuring that counties constitutionally allocate local tax dollars to all political subdivisions, including Crawford County R-I School District.

Plaintiff Ozark R-VI School District

34. Plaintiff Ozark R-VI School District is a school district within Christian County, Missouri.

35. Christian County meets the definition of “zero percent county” under Section 137.1055.1(7), RSMo.

36. Plaintiff Ozark R-VI School District receives property tax revenue collected by Christian County, Missouri, and relies on such revenue to pay the indebtedness of and provide services to the taxpayers within its jurisdiction.

37. The property-tax credit scheme authorized by Section 137.1055, RSMo, has and will continue to have a negative fiscal impact on Ozark R-VI School District.

38. Plaintiff Ozark R-VI School District has an interest in ensuring that counties constitutionally allocate local tax dollars to all political subdivisions, including Ozark R-VI School District.

Plaintiff Ozark Fire Protection District

39. Plaintiff Ozark Fire Protection District is a fire protection district within Christian County, Missouri.

40. Christian County meets the definition of “zero percent county” under Section 137.1055.1(7), RSMo.

41. Plaintiff Ozark Fire Protection District receives property tax revenue collected by Christian County, Missouri, and relies on such revenue to pay the indebtedness of and provide services to the taxpayers within its jurisdiction.

42. The property-tax credit scheme authorized by Section 137.1055, RSMo, has and will continue to have a negative fiscal impact on Ozark Fire Protection District.

43. Plaintiff Ozark Fire Protection District has an interest in ensuring that counties constitutionally allocate local tax dollars to all political subdivisions, including Ozark Fire Protection District.

Plaintiff Meramec Valley R-III School District

44. Plaintiff Meramec Valley R-III School District is a school district located within three different counties: Franklin County, Jefferson County, and Saint Louis County, Missouri.

45. Franklin County and Jefferson County meet the definition of “zero percent county” under Section 137.1055.1(7), RSMo.

46. Saint Louis County does not meet the definition of “zero percent county” under Section 137.1055.1(7), RSMo, nor the definition of “five percent county” under Section 137.1055.1(2), RSMo.

47. Plaintiff Meramec Valley R-III School District receives property tax revenue collected by Franklin County, Jefferson County, and Saint Louis

County, Missouri, and relies on such revenue to pay the indebtedness of and provide services to the taxpayers within its jurisdiction.

48. The property-tax credit scheme authorized by Section 137.1055, RSMo, has and will continue to have a negative fiscal impact on Meramec Valley R-III School District.

49. Plaintiff Meramec Valley R-III School District has an interest in ensuring that counties constitutionally allocate local tax dollars to all political subdivisions, including Meramec Valley R-III School District.

Plaintiff Grandview R-II School District

50. Plaintiff Grandview R-II School District is a school district located within Jefferson County, Missouri.

51. Jefferson County meets the definition of a “zero percent county” under Section 137.1055.1(7), RSMo.

52. Plaintiff Grandview R-II School District receives property tax revenue collected by Jefferson County, Missouri, and relies on such revenue to pay the indebtedness of and provide services to the taxpayers within its jurisdiction.

53. The property-tax credit scheme authorized by Section 137.1055, RSMo, has and will continue to have a negative fiscal impact on Grandview R-II School District.

54. Plaintiff Grandview R-II School District has an interest in ensuring that counties constitutionally allocate local tax dollars to all political subdivisions, including Grandview R-II School District.

Plaintiff Doniphan R-I School District

55. Plaintiff Doniphan R-I School District is a school district located within Ripley County and Butler County, Missouri.

56. Ripley County and Butler County meet the definition of a “five percent county” under Section 137.1055.1(2), RSMo.

57. Plaintiff Doniphan R-I School District receives property tax revenue collected by Ripley County and Butler County, Missouri, and relies on such revenue to pay the indebtedness of and provide services to the taxpayers within its jurisdiction.

58. The property-tax credit scheme authorized by Section 137.1055, RSMo, has and will continue to have a negative fiscal impact on Doniphan R-I School District.

59. Plaintiff Doniphan R-I School District has an interest in ensuring that counties constitutionally allocate local tax dollars to all political subdivisions, including Doniphan R-I School District.

Defendant State of Missouri

60. Defendant State of Missouri enacted Section 137.1055, RSMo.

61. Defendant State is responsible for the execution of these statutory provisions.

62. The seat of Missouri government is Jefferson City, Cole County, Missouri. *See* § 508.010.2, RSMo.

Defendant Attorney General Catherine Hanaway

63. Defendant Catherine Hanaway is the Attorney General of Missouri.

64. The Attorney General is the state's chief legal officer and has general authority to enforce all laws of the state. *See* § 27.060, RSMo.

65. Defendant Hanaway maintains her principal office in Cole County, Missouri.

66. Defendant Hanaway intends to enforce the provisions detailed in Section 137.1055, RSMo.

JURISDICTION AND VENUE

67. Plaintiffs bring this action pursuant to Sections 527.010 and 526.010, RSMo, and Rules 87 and 92, which permit this Court to issue declaratory judgments and enter injunctions.

68. Venue is proper in this Court because Defendants State and Hanaway maintain their respective main offices in Jefferson City, Missouri, which is in Cole County.

FACTUAL ALLEGATIONS

Section 137.1055 treats counties differently, requiring and allowing only certain counties to vote on whether to impose a property tax credit cap or freeze

69. During the First Extraordinary Session of the First Regular Session (June 2025), the legislature passed, and the governor signed, Senate Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 3 (“SB 3”), which enacts new Section 137.1055.

70. Exhibit 1 is a true and correct copy of Section 137.1055 and is incorporated herein.

71. Without rhyme or reason, Section 137.1055 separates out the 114 different counties of Missouri into three distinct categories.

72. Section 137.1055 treats those three distinct categories of counties differently, imposing on some, but not all, obligations related to elections and property tax credits.

73. Specifically, Section 137.1055 requires certain counties to ask county voters whether to adopt a property-tax credit cap or freeze, no later than the municipal election in April 2026.

74. The counties that are required to place the question before voters are defined as either a “five percent county” or a “zero percent county.”

75. “Five percent county” is defined in the 75 individual subsections of Section 137.1055.1(2)(a)-(www).

76. Each of the 75 subsections comprising the definition of “five percent county” includes targeted population parameters and county seat details, such that each subsection matches only one county in Missouri.

77. Based on the statutory parameters, the following 75 counties are five-percent counties: Adair, Andrew, Atchison, Audrain, Bates, Benton, Bollinger, Buchanan, Butler, Caldwell, Callaway, Cape Girardeau, Carroll, Carter, Cedar, Chariton, Clark, Clinton, Cooper, Crawford, Dallas, Daviess, DeKalb, Dunklin, Gentry, Grundy, Harrison, Henry, Hickory, Holt, Iron, Jasper, Knox, Lafayette, Lewis, Lincoln, Linn, Livingston, Macon, Madison, Marion, Mercer, Mississippi, Monroe, Montgomery, New Madrid, Newton, Nodaway, Oregon, Pemiscot, Perry, Pettis, Pike, Platte, Polk, Putnam, Ralls, Randolph, Ray, Reynolds, Ripley, Saint Clair, Saint Francois, Saint Genevieve, Saline, Schuyler, Scotland, Scott, Shelby, Stoddard, Sullivan, Vernon, Washington, Wayne, and Worth.

78. “Zero percent county” is defined in the 22 subsections of Section 137.1055.1(7)(a)-(v).

79. Like the “five percent county” definition, each of the 22 subsections comprising the definition of “zero percent county” includes targeted population parameters and county seat details, such that each subsection matches only one county in Missouri.

80. Based on the statutory parameters, the following 22 counties are zero-percent counties: Barry, Barton, Cass, Christian, Dade, Douglas, Franklin, Gasconade, Howell, Jefferson, Johnson, Lawrence, McDonald, Osage, Ozark, Saint Charles, Shannon, Stone, Taney, Texas, Warren, and Webster.

81. In total, there are 97 five- and zero-percent counties.

82. Counties that do not meet the definition of either five- or zero-percent counties are not able to place the property tax credit question before voters under Section 137.1055.

83. The following 17 counties and the City of St. Louis are excluded from the definition of five- or zero-percent counties under Section 137.1055: Boone, Camden, Clay, Cole, Dent, Greene, Howard, Jackson, Laclede, Maries, Miller, Moniteau, Morgan, Phelps, Pulaski, Saint Louis, and Wright.

Section 137.1055 requires certain counties to place a proposition on the ballot that would prevent local taxing entities from collecting previously approved local revenue

84. If approved by voters, five-percent counties will be required to grant a tax credit that prevents local taxing authorities within those counties

from collecting the total value of an eligible taxpayer's real property tax liability.

85. Despite previous approval by voters of the amount of local revenue to be collected by local taxing authorities, the required tax credits in five-percent counties would prevent increases in tax liability on an eligible taxpayer's homestead by more than "five percent per year or the percent increase in the Consumer Price Index for All Urban Consumers, as published by the Bureau of Labor Statistics, whichever is greater[.]" RSMo. § 137.1055.1(3).

86. Likewise, if approved by voters, zero-percent counties will be required to grant a tax credit that prevents local taxing authorities within those counties from collecting the total value of an eligible taxpayer's real property tax liability.

87. Again, despite previous approval by voters of the amount of local revenue to be collected by local taxing authorities, the required tax credits in zero-percent counties would prevent increases in tax liability on an eligible taxpayer's homestead "above the liability incurred during the initial credit year." *Id.*

88. Section 137.1055 went into effect on September 9, 2025.

89. No later than the municipal election in April 2026, five- and zero-percent counties are required to place before voters the question of whether to adopt the property tax credit authorized under Section 137.1055.

90. The General Assembly has not appropriated any funds to pay for the elections required by Section 137.1055.

91. Defendants State and Hanaway intend to enforce the requirement that five- and zero-percent counties place this issue before voters.

92. Plaintiffs and Defendants disagree about the permissible scope of the tax-credit provisions.

93. Plaintiffs and Defendants likewise disagree about whether the property-tax credit provisions are constitutional.

94. Plaintiffs seek a declaration of their rights, status, and other legal relations. *See* § 527.010, RSMo.

Plaintiffs Are Entitled to Injunctive Relief

95. Plaintiffs have no adequate remedy at law.

96. Plaintiffs face irreparable harm because being subjected to an unconstitutional statute “for even minimal periods of time, unquestionably constitutes irreparable injury.” *Rebman v. Parson*, 576 S.W.3d 605, 612 (Mo. banc 2019).

97. Defendants face no harm if an injunction is issued because Defendants will be able to carry out all necessary duties to serve the public.

98. If the law is eventually determined to be constitutional, Defendants can then enforce its provisions.

99. The public interest is served by restraining the implementation of unconstitutional laws.

100. The public is entitled to fair, lawful, and orderly enforcement of Missouri's statutory and constitutional provisions.

COUNT 1

Section 137.1055 violates Article X, §§ 4(a), and 4(b) of the Missouri Constitution by further dividing subclasses of real property (Classification of Taxable Property)

101. Plaintiffs incorporate by reference all preceding paragraphs.

102. Article X, Section 4(a) of the Missouri Constitution establishes the parameters for the classification of property and, in pertinent part, provides: "All taxable property shall be classified for tax purposes as follows: class 1, real property; class 2, tangible personal property; class 3, intangible personal property. The general assembly, by general law, may provide for further classification within classes 2 and 3, based solely on the nature and characteristics of the property, and not on the nature, residence or business of the owner, or the amount owned."

103. Section 4(b) details the basis of assessment and limitations thereof for tangible and intangible property and further specifies how real property can be further subclassed.

104. With respect to how property can be further classified, Article X, § 4(b) provides: “Property in class 1 shall be subclassed in the following classifications: (1) Residential property; (2) Agricultural and horticultural property; (3) Utility, industrial, commercial, railroad, and all other property not included in subclasses (1) and (2) of class 1. Property in the subclasses of class 1 may be defined by law, however subclasses (1), (2) and (3) shall not be further divided, provided, land in subclass (2) may by general law be assessed for tax purposes on its productive capability.”

105. The Constitution prohibits the General Assembly from further dividing residential property into new subclasses.

106. Section 137.1055 impermissibly further divides residential property by creating new subclasses of residential property: homesteads owned by taxpayers in five percent, zero percent, and ineligible counties.

107. Section 137.1055 also stipulates that an authorized tax credit will apply unless the property is improved. If the property is improved, the taxpayer will be responsible for paying a tax attributable to the amount of the improvement.

108. Thus, Section 137.1055 impermissibly creates additional subclasses of residential property by imposing varying tax treatment based upon whether the eligible taxpayer has improved the taxpayer's homestead.

109. Section 137.1055 also impermissibly creates subclasses that are based on the residence of the owner.

110. Section 137.1055 is unconstitutional because it further divides residential property.

COUNT 2
Section 137.1055 violates Article X, § 3 of the Missouri Constitution
(Uniformity in Taxation)

111. Plaintiffs incorporate by reference all preceding paragraphs.

112. Article X, Section 3 of the Missouri Constitution provides, in relevant part, that: "Taxes may be levied and collected for public purposes only, and shall be uniform upon the same class or subclass of subjects within the territorial limits of the authority levying the tax."

113. The uniformity provision requires that all similarly situated taxpayers (those within the same class or subclass) within the territorial limits of the taxing authority be treated alike.

114. Section 137.1055 creates a taxing scheme distinguishing between taxpayers who live in five percent, zero percent, and ineligible counties.

115. Sections 137.1055 excludes certain real residential property owners from the property tax credit scheme.

116. Counties must uniformly tax the same class of taxpayers within the territorial limits of its jurisdiction, meaning the county boundaries.

117. Other political subdivisions, including District Plaintiffs, must also uniformly tax the same class of taxpayers within the territorial limits of their jurisdiction, meaning the district boundaries.

118. As applied, Section 137.1055 may result in disparate treatment of otherwise similarly situated taxpayers because certain taxpayers for a single district may reside in political subdivisions that cover multiple counties—counties that may be subject to different property tax credit schemes under the challenged sections.

119. The result is that the tax imposed by any district will differ among district taxpayers depending on the county in which they reside.

120. Likewise, Section 137.1055.3(2) offers differing levels of relief to otherwise similarly situated eligible taxpayers within the same territorial limits of the taxing authority based upon whether the eligible taxpayer makes new construction and improvements on the taxpayer's homestead.

121. Section 137.1055 violates Article X, Section 3 by imposing varying levels of tax relief on the same classes and subclasses of taxpayers.

COUNT 3

Section 137.1055 violates Article I, § 2 of the Missouri Constitution
(Equal Rights and Opportunity)

122. Plaintiffs incorporate by reference all preceding paragraphs.

123. Article I, Section 2 of the Missouri Constitution provides that “all persons have a natural right to life, liberty, the pursuit of happiness and the enjoyment of the gains of their own industry; that all persons are created equal and are entitled to equal rights and opportunity under the law[.]”

124. Section 137.1055 requires certain counties to vote on whether to provide a real property tax credit.

125. However, Section 137.1055 stipulates that only registered voters in certain counties may vote to adopt the scheme, excluding registered voters in counties that are not defined as a five- or zero-percent county.

126. This section further mandates varying levels of tax relief—either a cap of a five percent increase or no increase—denying all other similarly situated taxpayers the same level of tax relief thereby violating their equal rights and opportunity under the law.

127. Finally, Section 137.1055 offers differing levels of relief to otherwise similarly situated eligible taxpayers within the same territorial limits of the taxing authority based upon whether the eligible taxpayer makes new construction and improvements on the taxpayer’s homestead.

128. Section 137.1055 violates Article I, Section 2 of the Missouri Constitution by treating similarly situated taxpayers differently without achieving any governmental objective.

COUNT 4

Section 137.1055 is an impermissible special law in violation of Article III, Section 40(30) of the Missouri Constitution

129. Plaintiffs incorporate by reference all preceding paragraphs.

130. Article III, Section 40(30) of the Missouri Constitution prohibits the General Assembly from passing special laws, and provides: “The general assembly shall not pass any local or special law: (30) where a general law can be made applicable, and whether a general law could have been made applicable is a judicial question to be judicially determined without regard to any legislative assertion on that subject.”

131. Section 137.1055 creates five- and zero-percent counties and excludes all others that do not fall within the definition of a five- or zero-percent county.

132. The following 75 counties fall within the definition of “five percent county” in Section 137.1055.1(2): Adair, Andrew, Atchison, Audrain, Bates, Benton, Bollinger, Buchanan, Butler, Caldwell, Callaway, Cape Girardeau, Carroll, Carter, Cedar, Chariton, Clark, Clinton, Cooper, Crawford, Dallas, Daviess, DeKalb, Dunklin, Gentry, Grundy, Harrison, Henry, Hickory, Holt, Iron, Jasper, Knox, Lafayette, Lewis, Lincoln, Linn, Livingston, Macon,

Madison, Marion, Mercer, Mississippi, Monroe, Montgomery, New Madrid, Newton, Nodaway, Oregon, Pemiscot, Perry, Pettis, Pike, Platte, Polk, Putnam, Ralls, Randolph, Ray, Reynolds, Ripley, Saint Clair, Saint Francois, Saint Genevieve, Saline, Schuyler, Scotland, Scott, Shelby, Stoddard, Sullivan, Vernon, Washington, Wayne, and Worth.

133. The following 22 counties fall within the definition of “zero percent county” in Section 137.1055.1(7), RSMo: Barry, Barton, Cass, Christian, Dade, Douglas, Franklin, Gasconade, Howell, Jefferson, Johnson, Lawrence, McDonald, Osage, Ozark, Saint Charles, Shannon, Stone, Taney, Texas, Warren, and Webster.

134. The following 17 counties and the City of Saint Louis are excluded from the provisions of Section 137.1055, RSMo: Boone, Camden, Clay, Cole, Dent, Greene, Howard, Jackson, Laclede, Maries, Miller, Moniteau, Morgan, Phelps, Pulaski, Saint Louis, and Wright.

135. There is no conceivable state of facts that connects the five-percent counties.

136. There is no conceivable state of facts that connects the zero-percent counties.

137. There is no conceivable state of facts that connects the excluded counties.

138. The adopted scheme in Section 137.1055 treats similarly situated counties differently and does so arbitrarily.

139. A law may not include less than all who are similarly situated.

140. The special law adopted in Section 137.1055 does not further the social or economic interests of the state.

141. A general law could have been made applicable.

142. Section 137.1055 violates Article III, Section 40 because it is a special law and a general law could have been made applicable.

143. Moreover, regardless of whether a general law could have been made applicable, no notice of the introduction of SB 3 was published pursuant to Article III, Section 42.

COUNT 5

In the alternative, if the property tax credit scheme is constitutional, Article X, § 6(a) of the Missouri Constitution requires that the General Assembly provide restitution to the respective political subdivisions of any revenues lost because of the tax credits

144. Plaintiffs incorporate by reference paragraphs 1-100.

145. Article X, Section 6(a) of the Missouri Constitution authorizes the General Assembly to “provide that a portion of the assessed valuation of real property actually occupied by the owner or owners thereof as a homestead, be exempted from the payment of taxes thereon, in such amounts and upon such conditions as may be determined by law[.]”

146. This section further specifies that the “general assembly may provide for certain tax credits or rebates in lieu of or in addition to such exemption, but any law shall further provide for restitution to the respective political subdivisions of revenues lost, if any, by reason of the exemption[.]”

147. Article X, Section 6(a) permits the General Assembly to authorize property tax credits, including the type of credits permitted under Section 137.1055, so long as the enactment complies with other provisions of the Missouri Constitution.

148. Without the authority enumerated in Article X, Section 6(a), the General Assembly would lack the power to exempt real property from taxation or to provide tax credits or rebates thereon, as it has done under Section 137.1055.

149. If the property tax credit created under Section 137.1055 is otherwise lawful, Article X, Section 6(a) requires the General Assembly to provide restitution to political subdivisions of any revenues lost because of the property tax credit schemes authorized in Section 137.1055.

150. The General Assembly has not enacted a law providing for or authorizing restitution to political subdivisions of any revenues lost because of the property tax credit scheme authorized in Section 137.1055.

151. For fiscal year 2026, which began on July 1, 2025, to June 30, 2026, the General Assembly has not appropriated any funds to provide

restitution to political subdivisions of any revenues lost because of the property tax credit schemes authorized in Section 137.1055.

PRAYER FOR RELIEF

WHEREFORE, Plaintiffs pray that this Court:

(1) Declare that Section 137.1055, RSMo, violates the following sections of the Missouri Constitution:

- a. Article X, Sections 4(a) and 4(b);
- b. Article X, Section 3; and
- c. Article I, Section 2.
- d. Article III, Section 40(30).

(2) Enjoin Defendants from implementing or enforcing any provisions of Section 137.1055, RSMo.

(3) In the alternative, declare:

a. that the General Assembly must provide restitution to the respective political subdivisions of any revenues lost because of the tax credits created by and adopted pursuant to Section 137.1055, RSMo. and

b. that counties cannot implement those tax credit provisions in a manner that affects taxes collected for the District Plaintiffs and other political subdivisions unless and until the General Assembly provides for restitution to those political subdivisions.

Respectfully submitted,

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