



NEWS RELEASE

FOR IMMEDIATE RELEASE

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RESOLUTION ANNOUNCES INTENTION TO ADJUST TAX RATE TO NEGATE WINDFALL CREATED BY INCREASED VEHICLE VALUES CAUSED BY NATIONAL SHORTAGE

ST. CHARLES COUNTY, MO – District 3 County Councilman Mike Elam is sponsoring a resolution that will pave the way for a tax rate ordinance later in the year which will voluntarily lower the overall tax rate to effectively keep flat the amount of tax the County collects in 2022 compared with tax year 2021 to address the effects of vehicle value inflation arising from vehicle shortages. The resolution will be presented at the Monday, July 11 Council meeting.

“Inflation has impacted the assessed value of vehicles and, as a result, the personal property tax residents will have to pay on automobiles will increase by more than 20 percent,” Councilman Elam says. “It’s not the fault of St. Charles County taxpayers, and I think this is a short-term issue. If we can offer some relief for taxpayers, we need to do it. It’s the right thing to do.”

The St. Charles County Assessor values and assesses motor vehicles based on trade-in value published the previous October by the National Automobile Dealers’ Association (NADA) Official Used Car Guide, pursuant to Missouri statutory requirements. While used vehicles do not normally greatly increase in value, with supply chain shortages affecting new vehicle availability and price, used vehicles have, on average, increased more than 20 percent. The Assessor’s preliminary assessed values submitted to County Administration on July 1 reflect an increase of 21 percent over 2021, largely due to that rise in used car values created by the shortage of new cars available.

While the County doesn’t collect personal or real property tax for its General Operating Fund, it does collect property tax for two dedicated purposes: Road and Bridge and Emergency Communication. If the County were to keep its tax rates the same as last year, these two taxes, together, would collect an additional \$600,000 in revenue created by the increase in used car values required in the statutory calculation used by all taxing jurisdictions.

The County’s intent is to voluntarily lower its property tax rates so residents aren’t paying any more personal property taxes to the County on vehicles in 2022 than they paid in 2021 because of the increase in vehicle values. An ordinance to set tax rates is required by statute after the Board of Equalization reviews and rules on taxpayer claims that their personal property assessments are incorrect, and the outcomes of the appeal process are certified. Setting the tax rate normally occurs in October.

“I am in support of this resolution,” says County Executive Steve Ehlmann. “Taxpayers should not have to face the burden of increased personal property taxation due to inflation caused by a national shortage of vehicles and the impact that has on the value reflected in the NADA car guide. I applaud Councilman Elam for being proactive on this issue and hope the entire Council will support it.”

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About St. Charles County:

St. Charles County, Missouri, founded in 1812, is one of the fastest growing counties in Missouri. With a population of 405,262, it is the state's third largest county. It is home to 21 scenic county parks of which four are in reserve, encompassing 4,197 acres.

With one of the largest economies in the state, St. Charles County is home to multinational companies including General Motors, Citi, MasterCard Worldwide and Boeing. It is ranked among the top 25 counties in the nation in high-tech job growth by the Progressive Policy Institute and consistently has the lowest unemployment rate in the Metropolitan St. Louis area.

St. Charles County Government has more than 1,170 employees in more than 30 departments and offices who work to make the county an excellent place to live, work and shop. For more information, please visit sccmo.org.