

Agricultural Property

- For the first time since the early 1980's, non-resident aliens may purchase agricultural property in Missouri.

Business Practices

- **Pre-Sale Inspections** - A political subdivision may not require an owner to conduct an inspection to list the property. *(HB 2062, 2024 session)*

Business Taxes

- Real estate licensees are exempt from employment security tax.
- Real estate licensees are exempt from workers compensation insurance tax.
- A city cannot require you to purchase a city business license unless you have an office in the city.
- No sales tax on commissions.

Certificate of Value/Sales Price Disclosure

- There is no statewide sales price disclosure.

Commissions

- A lien may be established to protect a broker's commission in a commercial transaction.
- The executor of an estate may pay a real estate sales commission for the sale of the real property of an estate.
- School districts may pay real estate sales commissions.
- No unearned referral fee demands.

COVID-19

- Legislation intended to protect small businesses by limiting litigation related to the transmittal of COVID 19. *(SCS for SB 51 and SB 42, 2021 Session)*

Credit Availability

- There is a statutory system for creating a maintenance agreement for private roads. This allows long term fixed rate financing on affected properties.
- Local political subdivisions are prohibited from enacting local ordinances on real estate lending.

Earnest Money Disputes

- Earnest money dispute resolution sends disputed funds to the Office of the State Treasurer and allows them to deal with the problem.

Employment Security

- Modified the longstanding exemption that real estate licensees enjoyed for the payment of unemployment compensation insurance taxes to make it more closely match the federal exemption.

For Sale Signs

- Cities cannot prohibit real estate *For Sale* signs.

Infrastructure Funding

- Missouri REALTORS[®] supported the successful passage of SB 262 that, when fully implemented, will increase available highway funding by more than \$500 million. *(SB 262, 2021 Session)*

Immunity

- Real estate agents are immune from liability for statements made by certain 3rd party inspectors unless they employed or recommended the inspector, or knew prior to closing the statement was false.
- Real estate licensees receive limited immunity when dealing with issues of the area or square footage of a property. If the licensee obtained the information on area or square footage from a third party and disclosed the source of the information to the buyer before an offer to purchase is transmitted then they

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are not subject to litigation. If the licensee knew the information was false or the licensee acted with reckless disregard as to whether the information was true or false, they lose the immunity.

(SB 36, 2019 Session)

Landlord/Tenant Issues

- Property owner identity protected from disclosure to tenants.
- Possession cases in landlord/tenant disputes only require the property be posted with summons.
- No local political subdivision may impose rent control.
- Reduced liability for landlord when removing tenants property under a court ordered eviction.
- The defense of "claim of right" is not available to any tenant who willfully or wantonly destroys, defaces, damages, impairs, or removes any part of a leased structure or dwelling unit.
- Landlords may now seek an order of execution ten days after judgement.
- Landlords and tenants may agree on funds to be withheld for carpet cleaning and landlord may withhold those funds from the security deposit. Within 30 days after the expiration of tenancy, the landlord must give the tenant a receipt for the actual cost of carpet cleaning. *(HB 1862, 2016 Session)*
- In nuisance abatement actions, the city must give notice to both the occupant of the property and the owner at their last known address. *(SB 572, 2016 Session)*
- If a person has been the victim of domestic violence, sexual assault or stalking they must be released from a residential lease if they request to be released and show evidence of the violence, assault or stalking. A landlord may charge a reasonable termination fee. *(SCS HCS HB 243 and 544, 2019 Session)*
- The City of St. Joseph may now require LLC's that own or rent property in the city to provide the name and address of a natural person who has management or control of the property. *(SS SCS HCS HB 959, 2019 Session)*
- SB 644 made significant changes in the law dealing with service animals. It is now a class C misdemeanor to knowingly misrepresent a dog as a service dog for the purpose of receiving accommodation under the Americans with Disabilities Act. Subsequent

misrepresentations move it to a class B misdemeanor. *(SB 644, 2020 Session)*

- Unlawful occupation of real property (anti-squatting) legislation empowers property owners by allowing them to file an action with a court to remove a person unlawfully occupying their property. Once the order to remove the person is approved by the judge, a law enforcement officer with probable cause to believe that the person has violated the order may arrest the person, and the officer or officers have immunity from civil liability. This measure ensures the protection of property rights, with violation of the order being a Class A misdemeanor, a strong deterrent against unlawful occupation. *(HB 2062, 2024 session)*
- Prohibition on eviction moratorium prohibits a county, municipality, or political subdivision from imposing a moratorium on eviction proceedings unless specifically authorized by state law. *(HB 2062 and SB 895, 2024 session)*
- Local governments are prohibited from mandating that property owners accept Section 8 housing vouchers. *(HB 595, 2025 Session)*

License Law

- *The Fresh Start Act* removed references to "good moral character" and "crimes of moral turpitude" from real estate license law but it did not change the ability of the Missouri Real Estate Commission to refuse to license individuals convicted of a list of serious crimes that had been agreed to in 2005. *(HB 2046, 2020 Session)*
- Provided for minimum services and prohibited certain felons and sexual predators from being licensed. *(HB 174, 2005 Session)*
- Moved the regulation dealing with advertising from the rules to the statute. *(HB 1339, 2006 Session)*
- Clarified the exemption for newspapers and other media when the underlying purpose isn't advertising real estate.
- Required a person be licensed two years as a salesperson and complete an approved school before they can be licensed as broker.
- Real Estate Commission may now impose fines of up to \$2,500 per occurrence on individuals and companies who violate the real estate

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license law. Fines can be imposed after a hearing before the Administrative Hearing Commission on both licensed and unlicensed entities.

(HB 780 and SB 308, 2007 Session)

- Enactment of Commercial Portability *(SB 788, 2008 Session)* which:
 - Allows both broker and sales licensees to use a broad range of business organizations like LLC, PC, etc. in their business.
 - If MREC disciplines a licensee it must notify the supervising broker.
 - All state agencies are required to accept electronic payments.
 - Licensees do not have to keep copies of written or electronic communication that is ephemeral in nature such as text messages, instant messages or other communication that is not designed to be retained or create a permanent record.
 - The word "sold" means the title to the real estate has been transferred or the real estate has become subject to a bona fide sale contract or purchase agreement. This change makes it clear a real estate licensee may place a "sold" sign on a property prior to closing.
- A real estate broker may now pay commissions earned by their associated licensees to an unlicensed business entity. The associated licensee may recognize those commissions as recommended by their tax professional. *(Introduced as HB 695 and SB 435, passed in HB 273 and HB 476, 2021 Session)*
- When advertising as an individual or team, you may not use the words "realty," "brokerage," "company" or any other term that could be construed as a real estate company separate from the associated broker's company. *(Introduced as HB 1124 and SB 473, passed in HB 273 and HB 476, 2021 Session)*
- Requires a written contract with a buyer's agent before real estate activities are performed on behalf of a client. *(HB 596, 2025 Session)*

Notary/Electronic Notary/Remote Online Notary

- The notary law was updated to accommodate our rapidly changing business environment by implementing both electronic and remote online notary. The last update was in the late 1970's. *(HB 1655, 2020 Session)*

Nuisance Ordinances

- Gives property owners additional tools to protect the value of their property because of action or lack thereof by negligent and irresponsible neighbors. *(SB 731, 2014 Session)*
- Providing further tools for owners to protect the value of their property, HCS SCS SB 203 modified SB 731 (above) and extends it to Kansas City. The bill also allows a person who, in good faith, believes a property to be abandoned to enter into the property but not into a structure on the property, and remove trash and debris; remove or paint over graffiti; mow and maintain the property. *(HCS SCS SB 203, 2019 Session)*
- As metal scrap prices continue to rise, there are increased reports of vacant property being vandalized for the metal in their plumbing, wiring systems and HVAC systems. HB 69 provides additional safe guards during the scrap buying process that should reduce these incidents. *(HB 69, 2021 Session)*

Property Assessed Clean Energy

- The PACE (Property Assessed Clean Energy) program received significant consumer protection. *(HB 697, 2021 Session)*

Psychologically Impacted Property

- The fact that a property is psychologically impacted or close to one that is, shall not be a material or substantial fact required to be disclosed in a real estate transaction. Psychologically impacted property includes:
 - Certain diseases
 - Real Property that was the site of a homicide or other felony or, a suicide.

Restrictive Covenants

- After August 28, 2022, no deed may contain a reference to a restrictive covenant that restricts the ownership or use of real property based upon race, color, religion or national origin.
- Any prohibited covenants contained in the deed are to be removed by the person who prepares such deed for recording. The recorder of deeds may refuse to accept any deed for recording that references the specific portion of any such restrictive covenant.

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- A current owner may release the prohibited covenants by recording a certificate of release of prohibited covenants. The form for such release is provided under subsection 4 of section 442.403 RSMo. *(HB 1662, 2022 Session)*

Taxation

- Expanded protections for individuals who face an increase in valuation of more than 15% and makes changes that assure individuals have an opportunity to appeal an increased assessment. *(SB 676, 2020 Session)*
- Wayfair - Supported language that now requires collecting sales tax by entities that do over \$100,000 in business in Missouri, no matter where they are located. *(SB 153, 2021 Session)*
- Missourians can deduct capital gains taxes from their state taxes. *(HB 594, 2025 Session)*

Tax Credits for Real Estate Development

- Both Historic and Low Income Housing Tax credits have been protected by the Association.
- **Historic Tax Credits** legislation streamlines the approval process and requires the government agency to make decisions promptly. For example, the *"State Historic Preservation Office must determine whether a rehabilitation satisfies the standards within 60 days of filing the initial application for credits."* *(HB 2062, 2024 Session)*

Title Insurance

- Amendments to law passed in 2007 require title agents to place funds in their possession in escrow accounts. Amendments to the 2007 law, passed in 2008, insure up to \$2,500 in non-certified funds may be accepted by a title agent at closing.
- Complete re-write of Mechanics Lien law as applies to residential property.
- Secretary of State must promulgate rules for notarized digital signatures. *(SB 932, 2016 Session)*
- Title insurance companies may issue closing protection letters and charge a fee for all transactions where its title insurance policies are issued and where its issuing agent or agency is

performing settlement services. Closing protection letters may not be waived. *(SB 833, 2016 Session)*

- Nothing in the statute dealing with surveyors precludes work done in the usual practice of title insurance as set out in Chapter 381 or the practice of law as governed by the Missouri Supreme Court. *(SB 833, 2016 Session)*
- If a property is subdivided and a new description is created, that description must include the name and professional license number, if applicable, of the person who created the description. It also prohibits the recording of any such property unless the property description contains the information as to who created the description. *(Amendment to SB 36, 2019 Session)*

Transfer Fee Covenants

- Private transfer fee covenants are prohibited in Missouri.

Transfer Taxes

- We defeated an attempt to impose additional recording fees in counties of the second or third class. These recording fees were viewed as a tax imposed on the transfer of real property which is prohibited by Article X, Section 25 of the Missouri Constitution.