

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE NO. 2 FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 162
96TH GENERAL ASSEMBLY

0830L.06C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 144.010, 144.020, 144.030, 144.070, 263.190, 263.200, 263.205, 263.220, 263.230, 263.232, 263.240, 263.241, 263.450, 268.121, 275.360, 276.416, 276.421, 276.436, 276.441, 276.446, and 411.280, RSMo, and to enact in lieu thereof fifteen new sections relating to agriculture, with penalty provisions.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Sections 144.010, 144.020, 144.030, 144.070, 263.190, 263.200, 263.205, 263.220, 263.230, 263.232, 263.240, 263.241, 263.450, 268.121, 275.360, 276.416, 276.421, 276.436, 276.441, 276.446, and 411.280, RSMo, are repealed and fifteen new sections enacted in lieu thereof, to be known as sections 144.010, 144.020, 144.030, 144.070, 262.950, 263.190, 263.200, 263.220, 263.240, 268.121, 275.360, 276.421, 276.436, 276.441, and 411.280, to read as follows:

144.010. 1. The following words, terms, and phrases when used in sections 144.010 to 144.525 have the meanings ascribed to them in this section, except when the context indicates a different meaning:

(1) "Admission" includes seats and tables, reserved or otherwise, and other similar accommodations and charges made therefor and amount paid for admission, exclusive of any admission tax imposed by the federal government or by sections 144.010 to 144.525;

(2) "Business" includes any activity engaged in by any person, or caused to be engaged in by him, with the object of gain, benefit or advantage, either direct or indirect, and the classification of which business is of such character as to be subject to the terms of sections 144.010 to 144.525. The isolated or occasional sale of tangible personal property, service, substance, or thing, by a person not engaged in such business, does not constitute engaging in

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

12 business within the meaning of sections 144.010 to 144.525 unless the total amount of the gross
13 receipts from such sales, exclusive of receipts from the sale of tangible personal property by
14 persons which property is sold in the course of the partial or complete liquidation of a household,
15 farm or nonbusiness enterprise, exceeds three thousand dollars in any calendar year. The
16 provisions of this subdivision shall not be construed to make any sale of property which is
17 exempt from sales tax or use tax on June 1, 1977, subject to that tax thereafter;

18 (3) **"Captive wildlife", includes but is not limited to exotic partridges, gray**
19 **partridge, northern bobwhite quail, ring-necked pheasant, captive waterfowl, captive**
20 **white-tailed deer, captive elk, and captive furbearers held under permit issued by the**
21 **Missouri department of conservation for hunting purposes;**

22 (4) "Gross receipts", except as provided in section 144.012, means the total amount of
23 the sale price of the sales at retail including any services other than charges incident to the
24 extension of credit that are a part of such sales made by the businesses herein referred to, capable
25 of being valued in money, whether received in money or otherwise; except that, the term "gross
26 receipts" shall not include the sale price of property returned by customers when the full sale
27 price thereof is refunded either in cash or by credit. In determining any tax due under sections
28 144.010 to 144.525 on the gross receipts, charges incident to the extension of credit shall be
29 specifically exempted. For the purposes of sections 144.010 to 144.525 the total amount of the
30 sale price above mentioned shall be deemed to be the amount received. It shall also include the
31 lease or rental consideration where the right to continuous possession or use of any article of
32 tangible personal property is granted under a lease or contract and such transfer of possession
33 would be taxable if outright sale were made and, in such cases, the same shall be taxable as if
34 outright sale were made and considered as a sale of such article, and the tax shall be computed
35 and paid by the lessee upon the rentals paid;

36 [(4)] (5) "Livestock", cattle, calves, sheep, swine, ratite birds, including but not limited
37 to, ostrich and emu, aquatic products as defined in section 277.024, llamas, alpaca, buffalo, elk
38 documented as obtained from a legal source and not from the wild, goats, horses, other equine,
39 or rabbits raised in confinement for human consumption;

40 [(5)] (6) "Motor vehicle leasing company" shall be a company obtaining a permit from
41 the director of revenue to operate as a motor vehicle leasing company. Not all persons renting
42 or leasing trailers or motor vehicles need to obtain such a permit; however, no person failing to
43 obtain such a permit may avail itself of the optional tax provisions of subsection 5 of section
44 144.070, as hereinafter provided;

45 [(6)] (7) "Person" includes any individual, firm, copartnership, joint adventure,
46 association, corporation, municipal or private, and whether organized for profit or not, state,
47 county, political subdivision, state department, commission, board, bureau or agency, except the

48 state transportation department, estate, trust, business trust, receiver or trustee appointed by the
49 state or federal court, syndicate, or any other group or combination acting as a unit, and the plural
50 as well as the singular number;

51 ~~[(7)]~~ **(8)** "Purchaser" means a person who purchases tangible personal property or to
52 whom are rendered services, receipts from which are taxable under sections 144.010 to 144.525;

53 ~~[(8)]~~ **(9)** "Research or experimentation activities" are the development of an experimental
54 or pilot model, plant process, formula, invention or similar property, and the improvement of
55 existing property of such type. Research or experimentation activities do not include activities
56 such as ordinary testing or inspection of materials or products for quality control, efficiency
57 surveys, advertising promotions or research in connection with literary, historical or similar
58 projects;

59 ~~[(9)]~~ **(10)** "Sale" or "sales" includes installment and credit sales, and the exchange of
60 properties as well as the sale thereof for money, every closed transaction constituting a sale, and
61 means any transfer, exchange or barter, conditional or otherwise, in any manner or by any means
62 whatsoever, of tangible personal property for valuable consideration and the rendering,
63 furnishing or selling for a valuable consideration any of the substances, things and services
64 herein designated and defined as taxable under the terms of sections 144.010 to 144.525;

65 ~~[(10)]~~ **(11)** "Sale at retail" means any transfer made by any person engaged in business
66 as defined herein of the ownership of, or title to, tangible personal property to the purchaser, for
67 use or consumption and not for resale in any form as tangible personal property, for a valuable
68 consideration; except that, for the purposes of sections 144.010 to 144.525 and the tax imposed
69 thereby: (i) purchases of tangible personal property made by duly licensed physicians, dentists,
70 optometrists and veterinarians and used in the practice of their professions shall be deemed to
71 be purchases for use or consumption and not for resale; and (ii) the selling of computer printouts,
72 computer output or microfilm or microfiche and computer-assisted photo compositions to a
73 purchaser to enable the purchaser to obtain for his or her own use the desired information
74 contained in such computer printouts, computer output on microfilm or microfiche and
75 computer-assisted photo compositions shall be considered as the sale of a service and not as the
76 sale of tangible personal property. Where necessary to conform to the context of sections
77 144.010 to 144.525 and the tax imposed thereby, the term "sale at retail" shall be construed to
78 embrace:

79 (a) Sales of admission tickets, cash admissions, charges and fees to or in places of
80 amusement, entertainment and recreation, games and athletic events;

81 (b) Sales of electricity, electrical current, water and gas, natural or artificial, to domestic,
82 commercial or industrial consumers;

83 (c) Sales of local and long distance telecommunications service to telecommunications
84 subscribers and to others through equipment of telecommunications subscribers for the
85 transmission of messages and conversations, and the sale, rental or leasing of all equipment or
86 services pertaining or incidental thereto;

87 (d) Sales of service for transmission of messages by telegraph companies;

88 (e) Sales or charges for all rooms, meals and drinks furnished at any hotel, motel, tavern,
89 inn, restaurant, eating house, drugstore, dining car, tourist camp, tourist cabin, or other place in
90 which rooms, meals or drinks are regularly served to the public;

91 (f) Sales of tickets by every person operating a railroad, sleeping car, dining car, express
92 car, boat, airplane, and such buses and trucks as are licensed by the division of motor carrier and
93 railroad safety of the department of economic development of Missouri, engaged in the
94 transportation of persons for hire;

95 [(11)] (12) "Seller" means a person selling or furnishing tangible personal property or
96 rendering services, on the receipts from which a tax is imposed pursuant to section 144.020;

97 [(12)] (13) The noun "tax" means either the tax payable by the purchaser of a commodity
98 or service subject to tax, or the aggregate amount of taxes due from the vendor of such
99 commodities or services during the period for which he or she is required to report his or her
100 collections, as the context may require;

101 [(13)] (14) "Telecommunications service", for the purpose of this chapter, the
102 transmission of information by wire, radio, optical cable, coaxial cable, electronic impulses, or
103 other similar means. As used in this definition, "information" means knowledge or intelligence
104 represented by any form of writing, signs, signals, pictures, sounds, or any other symbols.
105 Telecommunications service does not include the following if such services are separately stated
106 on the customer's bill or on records of the seller maintained in the ordinary course of business:

107 (a) Access to the Internet, access to interactive computer services or electronic
108 publishing services, except the amount paid for the telecommunications service used to provide
109 such access;

110 (b) Answering services and one-way paging services;

111 (c) Private mobile radio services which are not two-way commercial mobile radio
112 services such as wireless telephone, personal communications services or enhanced specialized
113 mobile radio services as defined pursuant to federal law; or

114 (d) Cable or satellite television or music services; and

115 [(14)] (15) "Product which is intended to be sold ultimately for final use or consumption"
116 means tangible personal property, or any service that is subject to state or local sales or use taxes,
117 or any tax that is substantially equivalent thereto, in this state or any other state.

118 2. For purposes of the taxes imposed under sections 144.010 to 144.525, and any other
119 provisions of law pertaining to sales or use taxes which incorporate the provisions of sections
120 144.010 to 144.525 by reference, the term "manufactured homes" shall have the same meaning
121 given it in section 700.010.

122 3. Sections 144.010 to 144.525 may be known and quoted as the "Sales Tax Law".

144.020. 1. A tax is hereby levied and imposed upon all sellers for the privilege of
2 engaging in the business of selling tangible personal property or rendering taxable service at
3 retail in this state. The rate of tax shall be as follows:

4 (1) Upon every retail sale in this state of tangible personal property, including but not
5 limited to motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats and outboard
6 motors, a tax equivalent to four percent of the purchase price paid or charged, or in case such sale
7 involves the exchange of property, a tax equivalent to four percent of the consideration paid or
8 charged, including the fair market value of the property exchanged at the time and place of the
9 exchange, except as otherwise provided in section 144.025;

10 (2) A tax equivalent to four percent of the amount paid for admission and seating
11 accommodations, or fees paid to, or in any place of amusement, entertainment or recreation,
12 games and athletic events;

13 (3) A tax equivalent to four percent of the basic rate paid or charged on all sales of
14 electricity or electrical current, water and gas, natural or artificial, to domestic, commercial or
15 industrial consumers;

16 (4) A tax equivalent to four percent on the basic rate paid or charged on all sales of local
17 and long distance telecommunications service to telecommunications subscribers and to others
18 through equipment of telecommunications subscribers for the transmission of messages and
19 conversations and upon the sale, rental or leasing of all equipment or services pertaining or
20 incidental thereto; except that, the payment made by telecommunications subscribers or others,
21 pursuant to section 144.060, and any amounts paid for access to the Internet or interactive
22 computer services shall not be considered as amounts paid for telecommunications services;

23 (5) A tax equivalent to four percent of the basic rate paid or charged for all sales of
24 services for transmission of messages of telegraph companies;

25 (6) A tax equivalent to four percent on the amount of sales or charges for all rooms,
26 meals and drinks furnished at any hotel, motel, tavern, inn, restaurant, eating house, drugstore,
27 dining car, tourist cabin, tourist camp or other place in which rooms, meals or drinks are
28 regularly served to the public;

29 (7) A tax equivalent to four percent of the amount paid or charged for intrastate tickets
30 by every person operating a railroad, sleeping car, dining car, express car, boat, airplane and such
31 buses and trucks as are licensed by the division of motor carrier and railroad safety of the

32 department of economic development of Missouri, engaged in the transportation of persons for
33 hire;

34 (8) A tax equivalent to four percent of the amount paid or charged for rental or lease of
35 tangible personal property, provided that if the lessor or renter of any tangible personal property
36 had previously purchased the property under the conditions of "sale at retail" [as defined in
37 subdivision (8) of section 144.010] or leased or rented the property and the tax was paid at the
38 time of purchase, lease or rental, the lessor, sublessor, renter or subrenter shall not apply or
39 collect the tax on the subsequent lease, sublease, rental or subrental receipts from that property.
40 The purchase, rental or lease of motor vehicles, trailers, motorcycles, mopeds, motortricycles,
41 boats, and outboard motors shall be taxed and the tax paid as provided in this section and section
42 144.070. In no event shall the rental or lease of boats and outboard motors be considered a sale,
43 charge, or fee to, for or in places of amusement, entertainment or recreation nor shall any such
44 rental or lease be subject to any tax imposed to, for, or in such places of amusement,
45 entertainment or recreation. Rental and leased boats or outboard motors shall be taxed under the
46 provisions of the sales tax laws as provided under such laws for motor vehicles and trailers.
47 Tangible personal property which is exempt from the sales or use tax under section 144.030 upon
48 a sale thereof is likewise exempt from the sales or use tax upon the lease or rental thereof.

49 2. All tickets sold which are sold under the provisions of sections 144.010 to 144.525
50 which are subject to the sales tax shall have printed, stamped or otherwise endorsed thereon, the
51 words "This ticket is subject to a sales tax."

144.030. 1. There is hereby specifically exempted from the provisions of sections
2 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to
3 sections 144.010 to 144.525 such retail sales as may be made in commerce between this state and
4 any other state of the United States, or between this state and any foreign country, and any retail
5 sale which the state of Missouri is prohibited from taxing pursuant to the Constitution or laws
6 of the United States of America, and such retail sales of tangible personal property which the
7 general assembly of the state of Missouri is prohibited from taxing or further taxing by the
8 constitution of this state.

9 2. There are also specifically exempted from the provisions of the local sales tax law as
10 defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to
11 144.761 and from the computation of the tax levied, assessed or payable pursuant to the local
12 sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and
13 144.600 to 144.745:

14 (1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of
15 such excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be
16 consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing

17 water to be sold ultimately at retail; or feed for livestock [or] , poultry, **or captive wildlife**; or
18 grain to be converted into foodstuffs which are to be sold ultimately in processed form at retail;
19 or seed, limestone or fertilizer which is to be used for seeding, liming or fertilizing crops which
20 when harvested will be sold at retail or will be fed to livestock [or] , poultry, **or captive wildlife**
21 to be sold ultimately in processed form at retail; economic poisons registered pursuant to the
22 provisions of the Missouri pesticide registration law (sections 281.220 to 281.310) which are to
23 be used in connection with the growth or production of crops, fruit trees or orchards applied
24 before, during, or after planting, the crop of which when harvested will be sold at retail or will
25 be converted into foodstuffs which are to be sold ultimately in processed form at retail;

26 (2) Materials, manufactured goods, machinery and parts which when used in
27 manufacturing, processing, compounding, mining, producing or fabricating become a component
28 part or ingredient of the new personal property resulting from such manufacturing, processing,
29 compounding, mining, producing or fabricating and which new personal property is intended to
30 be sold ultimately for final use or consumption; and materials, including without limitation,
31 gases and manufactured goods, including without limitation slagging materials and firebrick,
32 which are ultimately consumed in the manufacturing process by blending, reacting or interacting
33 with or by becoming, in whole or in part, component parts or ingredients of steel products
34 intended to be sold ultimately for final use or consumption;

35 (3) Materials, replacement parts and equipment purchased for use directly upon, and for
36 the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock
37 or aircraft engaged as common carriers of persons or property;

38 (4) Replacement machinery, equipment, and parts and the materials and supplies solely
39 required for the installation or construction of such replacement machinery, equipment, and
40 parts, used directly in manufacturing, mining, fabricating or producing a product which is
41 intended to be sold ultimately for final use or consumption; and machinery and equipment, and
42 the materials and supplies required solely for the operation, installation or construction of such
43 machinery and equipment, purchased and used to establish new, or to replace or expand existing,
44 material recovery processing plants in this state. For the purposes of this subdivision, a "material
45 recovery processing plant" means a facility that has as its primary purpose the recovery of
46 materials into a useable product or a different form which is used in producing a new product and
47 shall include a facility or equipment which are used exclusively for the collection of recovered
48 materials for delivery to a material recovery processing plant but shall not include motor vehicles
49 used on highways. For purposes of this section, the terms motor vehicle and highway shall have
50 the same meaning pursuant to section 301.010. Material recovery is not the reuse of materials
51 within a manufacturing process or the use of a product previously recovered. The material

52 recovery processing plant shall qualify under the provisions of this section regardless of
53 ownership of the material being recovered;

54 (5) Machinery and equipment, and parts and the materials and supplies solely required
55 for the installation or construction of such machinery and equipment, purchased and used to
56 establish new or to expand existing manufacturing, mining or fabricating plants in the state if
57 such machinery and equipment is used directly in manufacturing, mining or fabricating a product
58 which is intended to be sold ultimately for final use or consumption;

59 (6) Tangible personal property which is used exclusively in the manufacturing,
60 processing, modification or assembling of products sold to the United States government or to
61 any agency of the United States government;

62 (7) Animals or poultry used for breeding or feeding purposes, **or captive wildlife**;

63 (8) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and
64 other machinery, equipment, replacement parts and supplies used in producing newspapers
65 published for dissemination of news to the general public;

66 (9) The rentals of films, records or any type of sound or picture transcriptions for public
67 commercial display;

68 (10) Pumping machinery and equipment used to propel products delivered by pipelines
69 engaged as common carriers;

70 (11) Railroad rolling stock for use in transporting persons or property in interstate
71 commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or
72 more or trailers used by common carriers, as defined in section 390.020, in the transportation of
73 persons or property;

74 (12) Electrical energy used in the actual primary manufacture, processing, compounding,
75 mining or producing of a product, or electrical energy used in the actual secondary processing
76 or fabricating of the product, or a material recovery processing plant as defined in subdivision
77 (4) of this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical
78 energy so used exceeds ten percent of the total cost of production, either primary or secondary,
79 exclusive of the cost of electrical energy so used or if the raw materials used in such processing
80 contain at least twenty-five percent recovered materials as defined in section 260.200. There
81 shall be a rebuttable presumption that the raw materials used in the primary manufacture of
82 automobiles contain at least twenty-five percent recovered materials. For purposes of this
83 subdivision, "processing" means any mode of treatment, act or series of acts performed upon
84 materials to transform and reduce them to a different state or thing, including treatment necessary
85 to maintain or preserve such processing by the producer at the production facility;

86 (13) Anodes which are used or consumed in manufacturing, processing, compounding,
87 mining, producing or fabricating and which have a useful life of less than one year;

88 (14) Machinery, equipment, appliances and devices purchased or leased and used solely
89 for the purpose of preventing, abating or monitoring air pollution, and materials and supplies
90 solely required for the installation, construction or reconstruction of such machinery, equipment,
91 appliances and devices;

92 (15) Machinery, equipment, appliances and devices purchased or leased and used solely
93 for the purpose of preventing, abating or monitoring water pollution, and materials and supplies
94 solely required for the installation, construction or reconstruction of such machinery, equipment,
95 appliances and devices;

96 (16) Tangible personal property purchased by a rural water district;

97 (17) All amounts paid or charged for admission or participation or other fees paid by or
98 other charges to individuals in or for any place of amusement, entertainment or recreation, games
99 or athletic events, including museums, fairs, zoos and planetariums, owned or operated by a
100 municipality or other political subdivision where all the proceeds derived therefrom benefit the
101 municipality or other political subdivision and do not inure to any private person, firm, or
102 corporation;

103 (18) All sales of insulin and prosthetic or orthopedic devices as defined on January 1,
104 1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of
105 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically
106 including hearing aids and hearing aid supplies and all sales of drugs which may be legally
107 dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to
108 administer those items, including samples and materials used to manufacture samples which may
109 be dispensed by a practitioner authorized to dispense such samples and all sales of medical
110 oxygen, home respiratory equipment and accessories, hospital beds and accessories and
111 ambulatory aids, all sales of manual and powered wheelchairs, stairway lifts, Braille writers,
112 electronic Braille equipment and, if purchased by or on behalf of a person with one or more
113 physical or mental disabilities to enable them to function more independently, all sales of
114 scooters, reading machines, electronic print enlargers and magnifiers, electronic alternative and
115 augmentative communication devices, and items used solely to modify motor vehicles to permit
116 the use of such motor vehicles by individuals with disabilities or sales of over-the-counter or
117 nonprescription drugs to individuals with disabilities;

118 (19) All sales made by or to religious and charitable organizations and institutions in
119 their religious, charitable or educational functions and activities and all sales made by or to all
120 elementary and secondary schools operated at public expense in their educational functions and
121 activities;

122 (20) All sales of aircraft to common carriers for storage or for use in interstate commerce
123 and all sales made by or to not-for-profit civic, social, service or fraternal organizations,

124 including fraternal organizations which have been declared tax-exempt organizations pursuant
125 to Section 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or
126 charitable functions and activities and all sales made to eleemosynary and penal institutions and
127 industries of the state, and all sales made to any private not-for-profit institution of higher
128 education not otherwise excluded pursuant to subdivision (19) of this subsection or any
129 institution of higher education supported by public funds, and all sales made to a state relief
130 agency in the exercise of relief functions and activities;

131 (21) All ticket sales made by benevolent, scientific and educational associations which
132 are formed to foster, encourage, and promote progress and improvement in the science of
133 agriculture and in the raising and breeding of animals, and by nonprofit summer theater
134 organizations if such organizations are exempt from federal tax pursuant to the provisions of the
135 Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any
136 fair conducted by a county agricultural and mechanical society organized and operated pursuant
137 to sections 262.290 to 262.530;

138 (22) All sales made to any private not-for-profit elementary or secondary school, all sales
139 of feed additives, medications or vaccines administered to livestock or poultry in the production
140 of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for
141 food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber,
142 all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying
143 agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as
144 defined in section 142.028, natural gas, propane, and electricity used by an eligible new
145 generation cooperative or an eligible new generation processing entity as defined in section
146 348.432, and all sales of farm machinery and equipment, other than airplanes, motor vehicles and
147 trailers, **and any freight charges on any exempt item.** As used in this subdivision, the term
148 "feed additives" means tangible personal property which, when mixed with feed for livestock or
149 poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term
150 "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and other assorted
151 pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark
152 the application of pesticides and herbicides for the production of crops, livestock or poultry. As
153 used in this subdivision, the term "farm machinery and equipment" means new or used farm
154 tractors and such other new or used farm machinery and equipment and repair or replacement
155 parts thereon **and any accessories for and upgrades to such farm machinery and equipment,**
156 **rotary mowers used exclusively for agricultural purposes,** and supplies and lubricants used
157 exclusively, solely, and directly for producing crops, raising and feeding livestock, fish, poultry,
158 pheasants, chukar, quail, or for producing milk for ultimate sale at retail, including field drain
159 tile, and one-half of each purchaser's purchase of diesel fuel therefor which is:

- 160 (a) Used exclusively for agricultural purposes;
- 161 (b) Used on land owned or leased for the purpose of producing farm products; and
- 162 (c) Used directly in producing farm products to be sold ultimately in processed form or
163 otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold
164 ultimately in processed form at retail;
- 165 (23) Except as otherwise provided in section 144.032, all sales of metered water service,
166 electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil
167 for domestic use and in any city not within a county, all sales of metered or unmetered water
168 service for domestic use:
- 169 (a) "Domestic use" means that portion of metered water service, electricity, electrical
170 current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not
171 within a county, metered or unmetered water service, which an individual occupant of a
172 residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility
173 service through a single or master meter for residential apartments or condominiums, including
174 service for common areas and facilities and vacant units, shall be deemed to be for domestic use.
175 Each seller shall establish and maintain a system whereby individual purchases are determined
176 as exempt or nonexempt;
- 177 (b) Regulated utility sellers shall determine whether individual purchases are exempt or
178 nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file
179 with and approved by the Missouri public service commission. Sales and purchases made
180 pursuant to the rate classification "residential" and sales to and purchases made by or on behalf
181 of the occupants of residential apartments or condominiums through a single or master meter,
182 including service for common areas and facilities and vacant units, shall be considered as sales
183 made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales
184 tax upon the entire amount of purchases classified as nondomestic use. The seller's utility
185 service rate classification and the provision of service thereunder shall be conclusive as to
186 whether or not the utility must charge sales tax;
- 187 (c) Each person making domestic use purchases of services or property and who uses any
188 portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day
189 of the fourth month following the year of purchase, and without assessment, notice or demand,
190 file a return and pay sales tax on that portion of nondomestic purchases. Each person making
191 nondomestic purchases of services or property and who uses any portion of the services or
192 property so purchased for domestic use, and each person making domestic purchases on behalf
193 of occupants of residential apartments or condominiums through a single or master meter,
194 including service for common areas and facilities and vacant units, under a nonresidential utility
195 service rate classification may, between the first day of the first month and the fifteenth day of

196 the fourth month following the year of purchase, apply for credit or refund to the director of
197 revenue and the director shall give credit or make refund for taxes paid on the domestic use
198 portion of the purchase. The person making such purchases on behalf of occupants of residential
199 apartments or condominiums shall have standing to apply to the director of revenue for such
200 credit or refund;

201 (24) All sales of handicraft items made by the seller or the seller's spouse if the seller or
202 the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such
203 sales do not constitute a majority of the annual gross income of the seller;

204 (25) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061, 4071,
205 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of
206 revenue shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales taxes
207 on such excise taxes;

208 (26) Sales of fuel consumed or used in the operation of ships, barges, or waterborne
209 vessels which are used primarily in or for the transportation of property or cargo, or the
210 conveyance of persons for hire, on navigable rivers bordering on or located in part in this state,
211 if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel while
212 it is afloat upon such river;

213 (27) All sales made to an interstate compact agency created pursuant to sections 70.370
214 to 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities of such
215 agency as provided pursuant to the compact;

216 (28) Computers, computer software and computer security systems purchased for use
217 by architectural or engineering firms headquartered in this state. For the purposes of this
218 subdivision, "headquartered in this state" means the office for the administrative management
219 of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;

220 (29) All livestock sales when either the seller is engaged in the growing, producing or
221 feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering
222 or leasing of such livestock;

223 (30) All sales of barges which are to be used primarily in the transportation of property
224 or cargo on interstate waterways;

225 (31) Electrical energy or gas, whether natural, artificial or propane, water, or other
226 utilities which are ultimately consumed in connection with the manufacturing of cellular glass
227 products or in any material recovery processing plant as defined in subdivision (4) of this
228 subsection;

229 (32) Notwithstanding other provisions of law to the contrary, all sales of pesticides or
230 herbicides used in the production of crops, aquaculture, livestock or poultry;

231 (33) Tangible personal property and utilities purchased for use or consumption directly
232 or exclusively in the research and development of agricultural/biotechnology and plant genomics
233 products and prescription pharmaceuticals consumed by humans or animals;

234 (34) All sales of grain bins for storage of grain for resale;

235 (35) All sales of feed which are developed for and used in the feeding of pets owned by
236 a commercial breeder when such sales are made to a commercial breeder, as defined in section
237 273.325, and licensed pursuant to sections 273.325 to 273.357;

238 (36) All purchases by a contractor on behalf of an entity located in another state,
239 provided that the entity is authorized to issue a certificate of exemption for purchases to a
240 contractor under the provisions of that state's laws. For purposes of this subdivision, the term
241 "certificate of exemption" shall mean any document evidencing that the entity is exempt from
242 sales and use taxes on purchases pursuant to the laws of the state in which the entity is located.
243 Any contractor making purchases on behalf of such entity shall maintain a copy of the entity's
244 exemption certificate as evidence of the exemption. If the exemption certificate issued by the
245 exempt entity to the contractor is later determined by the director of revenue to be invalid for any
246 reason and the contractor has accepted the certificate in good faith, neither the contractor or the
247 exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result
248 of use of the invalid exemption certificate. Materials shall be exempt from all state and local
249 sales and use taxes when purchased by a contractor for the purpose of fabricating tangible
250 personal property which is used in fulfilling a contract for the purpose of constructing, repairing
251 or remodeling facilities for the following:

252 (a) An exempt entity located in this state, if the entity is one of those entities able to issue
253 project exemption certificates in accordance with the provisions of section 144.062; or

254 (b) An exempt entity located outside the state if the exempt entity is authorized to issue
255 an exemption certificate to contractors in accordance with the provisions of that state's law and
256 the applicable provisions of this section;

257 (37) All sales or other transfers of tangible personal property to a lessor who leases the
258 property under a lease of one year or longer executed or in effect at the time of the sale or other
259 transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections
260 238.010 to 238.100;

261 (38) Sales of tickets to any collegiate athletic championship event that is held in a facility
262 owned or operated by a governmental authority or commission, a quasi-governmental agency,
263 a state university or college or by the state or any political subdivision thereof, including a
264 municipality, and that is played on a neutral site and may reasonably be played at a site located
265 outside the state of Missouri. For purposes of this subdivision, "neutral site" means any site that
266 is not located on the campus of a conference member institution participating in the event;

267 (39) All purchases by a sports complex authority created under section 64.920, and all
268 sales of utilities by such authority at the authority's cost that are consumed in connection with
269 the operation of a sports complex leased to a professional sports team;

270 (40) Beginning January 1, 2009, but not after January 1, 2015, materials, replacement
271 parts, and equipment purchased for use directly upon, and for the modification, replacement,
272 repair, and maintenance of aircraft, aircraft power plants, and aircraft accessories;

273 (41) Sales of sporting clays, wobble, skeet, and trap targets to any shooting range or
274 similar places of business for use in the normal course of business and money received by a
275 shooting range or similar places of business from patrons and held by a shooting range or similar
276 place of business for redistribution to patrons at the conclusion of a shooting event.

144.070. 1. At the time the owner of any new or used motor vehicle, trailer, boat, or
2 outboard motor which was acquired in a transaction subject to sales tax under the Missouri sales
3 tax law makes application to the director of revenue for an official certificate of title and the
4 registration of the motor vehicle, trailer, boat, or outboard motor as otherwise provided by law,
5 the owner shall present to the director of revenue evidence satisfactory to the director of revenue
6 showing the purchase price exclusive of any charge incident to the extension of credit paid by
7 or charged to the applicant in the acquisition of the motor vehicle, trailer, boat, or outboard
8 motor, or that no sales tax was incurred in its acquisition, and if sales tax was incurred in its
9 acquisition, the applicant shall pay or cause to be paid to the director of revenue the sales tax
10 provided by the Missouri sales tax law in addition to the registration fees now or hereafter
11 required according to law, and the director of revenue shall not issue a certificate of title for any
12 new or used motor vehicle, trailer, boat, or outboard motor subject to sales tax as provided in the
13 Missouri sales tax law until the tax levied for the sale of the same under sections 144.010 to
14 144.510 has been paid as provided in this section or is registered under the provisions of
15 subsection 5 of this section.

16 2. As used in subsection 1 of this section, the term "purchase price" shall mean the total
17 amount of the contract price agreed upon between the seller and the applicant in the acquisition
18 of the motor vehicle, trailer, boat, or outboard motor, regardless of the medium of payment
19 therefor.

20 3. In the event that the purchase price is unknown or undisclosed, or that the evidence
21 thereof is not satisfactory to the director of revenue, the same shall be fixed by appraisalment by
22 the director.

23 4. The director of the department of revenue shall endorse upon the official certificate
24 of title issued by the director upon such application an entry showing that such sales tax has been
25 paid or that the motor vehicle, trailer, boat, or outboard motor represented by such certificate is
26 exempt from sales tax and state the ground for such exemption.

27 5. Any person, company, or corporation engaged in the business of renting or leasing
28 motor vehicles, trailers, boats, or outboard motors, which are to be used exclusively for rental
29 or lease purposes, and not for resale, may apply to the director of revenue for authority to operate
30 as a leasing company. Any company approved by the director of revenue may pay the tax due
31 on any motor vehicle, trailer, boat, or outboard motor as required in section 144.020 at the time
32 of registration thereof or in lieu thereof may pay a sales tax as provided in sections 144.010,
33 144.020, 144.070 and 144.440. A sales tax shall be charged to and paid by a leasing company
34 which does not exercise the option of paying in accordance with section 144.020, on the amount
35 charged for each rental or lease agreement while the motor vehicle, trailer, boat, or outboard
36 motor is domiciled in this state. Any motor vehicle, trailer, boat, or outboard motor which is
37 leased as the result of a contract executed in this state shall be presumed to be domiciled in this
38 state.

39 6. Any corporation may have one or more of its divisions separately apply to the director
40 of revenue for authorization to operate as a leasing company, provided that the corporation:

41 (1) Has filed a written consent with the director authorizing any of its divisions to apply
42 for such authority;

43 (2) Is authorized to do business in Missouri;

44 (3) Has agreed to treat any sale of a motor vehicle, trailer, boat, or outboard motor from
45 one of its divisions to another of its divisions as a sale at retail [within the meaning of
46 subdivision (9) of subsection 1 of section 144.010];

47 (4) Has registered under the fictitious name provisions of sections 417.200 to 417.230
48 each of its divisions doing business in Missouri as a leasing company; and

49 (5) Operates each of its divisions on a basis separate from each of its other divisions.
50 However, when the transfer of a motor vehicle, trailer, boat or outboard motor occurs within a
51 corporation which holds a license to operate as a motor vehicle or boat dealer pursuant to
52 sections 301.550 to 301.573 the provisions in subdivision (3) of this subsection shall not apply.

53 7. If the owner of any motor vehicle, trailer, boat, or outboard motor desires to charge
54 and collect sales tax as provided in this section, the owner shall make application to the director
55 of revenue for a permit to operate as a motor vehicle, trailer, boat, or outboard motor leasing
56 company. The director of revenue shall promulgate rules and regulations determining the
57 qualifications of such a company, and the method of collection and reporting of sales tax charged
58 and collected. Such regulations shall apply only to owners of motor vehicles, trailers, boats, or
59 outboard motors, electing to qualify as motor vehicle, trailer, boat, or outboard motor leasing
60 companies under the provisions of subsection 5 of this section, and no motor vehicle renting or
61 leasing, trailer renting or leasing, or boat or outboard motor renting or leasing company can come

62 under sections 144.010, 144.020, 144.070 and 144.440 unless all motor vehicles, trailers, boats,
63 and outboard motors held for renting and leasing are included.

64 8. Beginning July 1, 2010, any motor vehicle dealer licensed under section 301.560
65 engaged in the business of selling motor vehicles or trailers may apply to the director of revenue
66 for authority to collect and remit the sales tax required under this section on all motor vehicles
67 sold by the motor vehicle dealer. A motor vehicle dealer receiving authority to collect and remit
68 the tax is subject to all provisions under sections 144.010 to 144.525. Any motor vehicle dealer
69 authorized to collect and remit sales taxes on motor vehicles under this subsection shall be
70 entitled to deduct and retain an amount equal to two percent of the motor vehicle sales tax
71 pursuant to section 144.140. Any amount of the tax collected under this subsection that is
72 retained by a motor vehicle dealer pursuant to section 144.140 shall not constitute state revenue.
73 In no event shall revenues from the general revenue fund or any other state fund be utilized to
74 compensate motor vehicle dealers for their role in collecting and remitting sales taxes on motor
75 vehicles. In the event this subsection or any portion thereof is held to violate article IV, section
76 30(b) of the Missouri Constitution, no motor vehicle dealer shall be authorized to collect and
77 remit sales taxes on motor vehicles under this section. No motor vehicle dealer shall seek
78 compensation from the state of Missouri or its agencies if a court of competent jurisdiction
79 declares that the retention of two percent of the motor vehicle sales tax is unconstitutional and
80 orders the return of such revenues.

262.950. 1. As used in this section, the following terms shall mean:

2 (1) "Locally grown agricultural products", food or fiber produced or processed by
3 a small agribusiness or small farm;

4 (2) "Small agribusiness", an independent agribusiness located in Missouri with
5 gross annual sales of less than five million dollars;

6 (3) "Small farm", an independent family-owned farm in Missouri with at least one
7 family member working in the day-to-day operation of the farm.

8 2. There is hereby created an advisory board, which shall be known as the "Farm-
9 to-Table Advisory Board". The board shall be made up of at least one representative from
10 the following agencies: the University of Missouri-extension service, the department of
11 agriculture, the department of elementary and secondary education, the department of
12 health and senior services, the department of economic development, the department of
13 corrections, and the office of administration. In addition, the director of the department
14 of agriculture shall appoint one person actively engaged in the practice of small
15 agribusiness. The representative for the department of agriculture shall serve as the
16 chairperson for the board and shall coordinate the board meetings. The board shall hold

17 at least two meetings, but may hold more as it deems necessary to fulfill its requirements
18 under this section. Staff of the department of agriculture may provide administrative
19 assistance to the board if such assistance is required.

20 **3. The mission of the board is to provide recommendations for strategies that:**

21 **(1) Allow schools and state institutions to more easily incorporate locally grown**
22 **agricultural products into their cafeteria offerings, salad bars, and vending machines; and**

23 **(2) Increase public awareness of local agricultural practices and the role that local**
24 **agriculture plays in sustaining healthy communities and supporting healthy lifestyles.**

25 **4. In fulfilling its mission under this section, the board shall:**

26 **(1) Investigate the status and availability of local, state, federal, and any other**
27 **public or private resources that may be used to:**

28 **(a) Link schools and state institutions with local and regional farms for the**
29 **purchase of locally grown agricultural products;**

30 **(b) Increase market opportunities for locally grown agricultural products;**

31 **(c) Assist schools and other entities with education campaigns that teach children**
32 **and the general public about the concepts of food production and consumption; the**
33 **interrelationships between nutrition, food choices, obesity, and health; and the value of**
34 **having an accessible supply of locally grown food;**

35 **(2) Identify any type of barrier, which may include legal, logistical, technical, social,**
36 **or financial, that prevents or hinders:**

37 **(a) Schools and state institutions from purchasing more locally grown agricultural**
38 **products;**

39 **(b) The expansion of market opportunities for locally grown agricultural products;**

40 **(c) Schools and other entities from engaging in education campaigns to teach people**
41 **about the concepts of food production and consumption; the interrelationships between**
42 **nutrition, food choices, obesity, and health; and the value of having an accessible supply**
43 **of locally grown food; and**

44 **(3) Develop recommendations for:**

45 **(a) The maximization of existing public and private resources to accomplish the**
46 **objectives in subsection 3 of this section;**

47 **(b) The development of new or expanded resources deemed necessary to accomplish**
48 **the objectives in subsection 3 of this section, which may include resources such as training**
49 **programs, grant programs, or database development; and**

50 (c) **The elimination of barriers that hinder the objectives in subsection 3 of this**
51 **section, which may include changes to school or state institution procurement policies or**
52 **procedures.**

53 **5. The board shall prepare a report containing its findings and recommendations**
54 **and shall deliver such report to the governor, the general assembly, and to the director of**
55 **each agency represented on the board by no later than August 31, 2012.**

56 **6. In conducting its work, the board may hold public meetings at which it may**
57 **invite testimony from experts or it may solicit information from any party it deems may**
58 **have information relevant to its duties under this section.**

59 **7. This section shall expire on August 31, 2012.**

263.190. 1. [The plants musk thistle (*Carduus nutans* L.), Scotch thistle (*Onoprodum*
2 *acanthium* L.) and Canada thistle (*Cirsium arvense*) are hereby designated as noxious weeds. All
3 owners of land shall control all such plants growing upon their land] **As used in sections**
4 **263.190 to 263.474, "noxious weed" means any weed designated as noxious by rules**
5 **promulgated by the director of the department of agriculture. The department shall**
6 **maintain a list of such noxious weeds and shall make such list available to the public. The**
7 **department of agriculture shall promulgate rules necessary to implement this provision.**
8 **Any rule or portion of a rule, as that term is defined in section 536.010, that is created**
9 **under the authority delegated in this section shall become effective only if it complies with**
10 **and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028.**
11 **This section and chapter 536 are nonseverable and if any of the powers vested with the**
12 **general assembly pursuant to chapter 536 to review, to delay the effective date, or to**
13 **disapprove and annul a rule are subsequently held unconstitutional, then the grant of**
14 **rulemaking authority and any rule proposed or adopted after August 28, 2011, shall be**
15 **invalid and void.**

16 2. It shall be the duty of every owner of lands in this state, **including but not limited to**
17 **any person, association of persons, corporation, partnership, state highways and**
18 **transportation commission, state department, state agency, county commission, township**
19 **board, school board, drainage board, governing body of an incorporated city, railroad**
20 **company or other transportation company and such company's authorized agent, and any**
21 **person supervising state-owned lands, to control all [Canada, musk, or Scotch thistles]**
22 **noxious weeds** growing thereon so often in each and every year as shall be sufficient to prevent
23 [said thistles] **such noxious weeds** from going to seed. If any owner of such land shall
24 knowingly allow any [Canada, musk, or Scotch thistles] **noxious weeds** to grow thereon, such
25 owner shall forfeit and pay the sum of one hundred dollars to the county commission for every

26 such offense, and such sum forfeited plus court costs may be recovered by civil action instituted
27 by the prosecuting attorney in the name of the county commission before any associate circuit
28 judge of the county in which the offense is committed. All sums recovered by virtue of this
29 section shall be paid to the use of the county control fund.

30 3. Before initiating any civil action under this section, the prosecuting attorney of the
31 county in which the land, or the greater part thereof, is located shall notify the owner of the land
32 of the requirements of this law, by certified mail, return receipt requested, from a list supplied
33 by the officer who prepares the tax list, and shall allow the owner of the land fifteen days from
34 acknowledgment date of return receipt, or date of refusal of acceptance, as the case may be, to
35 **initiate control of** all such plants growing upon [his] **the owner's** land. Failure of the owner to
36 **initiate control of** such plants within the fifteen-day period shall be prima facie evidence of the
37 owner's knowledge that [he] **the owner** is in violation of this law, and each fifteen days the
38 violation continues after the initial fifteen-day period shall, for the purpose of forfeiture and
39 penalty herein, be considered a separate offense.

40 **4. All sales of noxious weed species are prohibited.**

263.200. 1. In addition to the remedies provided in section 263.190, when [Canada,
2 musk, or Scotch thistles] **noxious weeds** are discovered growing on any lands in the county, it
3 shall be the duty of the county commission to control such [thistles] **noxious weeds** so as to
4 prevent the seed from ripening, and for that purpose the county commission, or its agents,
5 servants, or employees shall have authority to enter on such lands without being liable to an
6 action of trespass therefor, and shall have such official immunity as exists at common law for
7 any misfeasance or damages occurring in connection with the attempt to control [Canada, musk,
8 or Scotch thistles] **noxious weeds**. Notwithstanding any provision of law to the contrary, the
9 county shall be liable for any misfeasance or actual damages caused by its agents, servants, or
10 employees in connection with the attempt to control [Canada, musk, or Scotch thistles] **noxious**
11 **weeds**. The landowner shall owe no duty of care to such persons, except that which the
12 landowner owes to trespassers. The county commission shall keep an accurate account of the
13 expenses incurred in controlling the [thistles] **noxious weeds**, and shall verify such statement
14 under seal of the county commission, and transmit the same to the officer whose duty it is or may
15 be to extend state and county taxes on tax books or bills against real estate; and such officer shall
16 extend the aggregate expenses so charged against each tract of land as a special tax, which shall
17 then become a lien on the lands, and be collected as state and county taxes are collected by law
18 and paid to the county commission and credited to the county control fund.

19 2. Before proceeding to control [Canada, musk, or Scotch thistles] **noxious weeds** as
20 provided in this section, the county commission of the county in which the land, or the greater

21 part thereof, is located shall notify the owner of the land of the requirements of this law, by
22 certified mail, return receipt requested, from a list supplied by the officer who prepares the tax
23 list, and shall allow the owner of the land fifteen days from acknowledgment date of return
24 receipt, or date of refusal of acceptance of delivery, as the case may be, to control all such
25 [plants] **noxious weeds** growing upon [his] **the owner's** land.

26 3. Any land or properties that are owned solely by a political subdivision in a city not
27 within a county shall be subject to all provisions of sections 263.190, 263.200, and 263.240.

263.220. It shall be the duty of the prosecuting attorney of the county to prosecute all
2 actions brought under [sections 263.190 to 263.240] **section 263.190**.

263.240. Any person who shall violate any of the provisions of [sections 263.210 to
2 263.240 shall, upon conviction, be] **section 263.190 is, upon conviction**, guilty of a
3 misdemeanor.

268.121. It shall be the duty of the director from time to time to [cause to be published
2 in book form] **create** a list of all brands on record at [the time of the publication] **that time and**
3 **make such list available to the public on a publicly-accessible website**. The [lists may be
4 supplemented] **list shall be updated** from time to time. The [publication] **list** shall contain a
5 facsimile of all brands recorded and the owner's name and post-office address. The records shall
6 be arranged in convenient form for reference. [It shall be the duty of the director to send one
7 copy of the brand book and supplements to the county recorder of deeds of each county and to
8 each licensed livestock market and slaughter plant in the state. The books and supplements shall
9 be furnished without cost to the livestock market or slaughter plant or to the county and shall be
10 kept as a matter of public record.] The [books and supplements] **list** may be sold to the general
11 public at the cost of **its** printing and mailing [each book].

275.360. Any producer or grower may, by the use of forms provided by the director, have
2 the fee paid and all future fees paid or collected from him pursuant to sections 275.300 to
3 275.370 refunded to him, provided such request for refund is in the office of the director within
4 sixty days following the payment of such fee. Apples **and rice** will be exempt from this
5 provision.

276.421. 1. All applications shall be accompanied by a true and accurate financial
2 statement of the applicant, prepared within six months of the date of application, setting forth
3 all the assets, liabilities and net worth of the applicant. **In the event that the applicant has been**
4 **engaged in business as a grain dealer for at least one year, the financial statement shall set**
5 **forth the aggregate dollar amount paid for grain purchased in Missouri and those states**
6 **with whom Missouri has entered into contracts or agreements as authorized by section**
7 **276.566 during the last completed fiscal period of the applicant. In the event the applicant**

8 **has been engaged in business for less than one year or has not previously engaged in**
9 **business as a grain dealer, the financial statement shall set forth the estimated aggregate**
10 **dollar amount to be paid for grain purchased in Missouri and those states with whom**
11 **Missouri has entered into contracts or agreements as authorized by section 276.566 during**
12 **the applicant's initial fiscal period.** All applications shall also be accompanied by a true and
13 accurate statement of income and expenses for the applicant's most recently completed fiscal
14 year. The financial statements required by this chapter shall be prepared in conformity with
15 generally accepted accounting principles; except that, the director may promulgate rules allowing
16 for the valuation of assets by competent appraisal.

17 2. The financial statement required by subsection 1 of this section shall be audited or
18 reviewed by a certified public accountant. The financial statement may not be audited or
19 reviewed by the applicant, or an employee of the applicant, if an individual, or, if the applicant
20 is a corporation or partnership, by an officer, shareholder, partner, or a direct employee of the
21 applicant.

22 3. The director may require any additional information or verification with respect to the
23 financial resources of the applicant as he deems necessary for the effective administration of this
24 chapter. The director may promulgate rules setting forth minimum standards of acceptance for
25 the various types of financial statements filed in accordance with the provisions of this chapter.
26 The director may promulgate rules requiring a statement of retained earnings, a statement of
27 changes in financial position, and notes and disclosures to the financial statements for all
28 licensed grain dealers or all grain dealers required to be licensed. The additional information or
29 verification referred to herein may include, but is not limited to, requiring that the financial
30 statement information be reviewed or audited in accordance with standards established by the
31 American Institute of Certified Public Accountants.

32 4. All grain dealers shall provide the director with a copy of all financial statements and
33 updates to financial statements utilized to secure the bonds required by sections 276.401 to
34 276.582.

35 5. All financial statements submitted to the director for the purposes of this chapter shall
36 be accompanied by a certification by the applicant or the chief executive officer of the applicant,
37 subject to the penalty provision set forth in subsection 4 of section 276.536, that to the best of
38 his knowledge and belief the financial statement accurately reflects the financial condition of the
39 applicant for the fiscal period covered in the statement.

40 6. Any person who knowingly prepares or assists in the preparation of an inaccurate or
41 false financial statement which is submitted to the director for the purposes of this chapter, or
42 who during the course of providing bookkeeping services or in reviewing or auditing a financial

43 statement which is submitted to the director for the purposes of this chapter, becomes aware of
44 false information in the financial statement and does not disclose in notes accompanying the
45 financial statements that such false information exists, or does not disassociate himself from the
46 financial statements prior to submission, is guilty of a class C felony. Additionally, such persons
47 are liable for any damages incurred by sellers of grain selling to a grain dealer who is licensed
48 or allowed to maintain his license based upon inaccuracies or falsifications contained in the
49 financial statement.

50 7. [Except as set forth in section 276.511 which mandates higher requirements for class
51 I grain dealers,] Any licensed grain dealer or applicant for a grain dealer's license [who purchases
52 less than four hundred thousand dollars worth of grain, during the dealer's last completed fiscal
53 year, in the state of Missouri and those states with whom Missouri has entered into contracts or
54 agreements as authorized by section 276.566 must] **shall** maintain a minimum net worth equal
55 to [the greater of ten thousand dollars or] five percent of [such] **annual** grain purchases[. If grain
56 purchases during the dealer's last completed fiscal year are four hundred thousand dollars or
57 more, the dealer must maintain a net worth equal to the greater of twenty thousand dollars or one
58 percent of grain purchases] **as set forth in the financial statements required by this chapter.**
59 If the dealer or applicant is deficient in meeting this net worth requirement, he must post
60 additional bond as required in section 276.436.

61 **8. Any licensed grain dealer or applicant for a grain dealer's license shall have and**
62 **maintain current assets at least equal to one hundred percent of current liabilities. The**
63 **financial statement required by this chapter shall set forth positive working capital in the**
64 **form of a current ratio of the total adjusted current assets to the total adjusted current**
65 **liabilities of at least one to one.**

66 **(1) The director may allow applicants to offset negative working capital by**
67 **increasing the grain dealer surety bond required by section 276.426 up to the total amount**
68 **of negative working capital at the discretion of the director.**

69 **(2) Adjusted current assets shall be calculated by deducting from the stated current**
70 **assets shown on the financial statement submitted by the applicant any current asset**
71 **resulting from notes receivable from related persons, accounts receivable from related**
72 **persons, stock subscriptions receivable, and any other related person receivables.**

73 **(3) A disallowed current asset shall be netted against any related liability and the**
74 **net result, if an asset, shall be subtracted from the current assets.**

276.436. 1. The total amount of the surety bond required of a dealer licensed pursuant
2 to sections 276.401 to 276.582 shall be established by the director by rule, but in no event shall

3 such bond be less than [twenty] **fifty** thousand dollars nor more than [three] **six** hundred
4 thousand dollars, except as authorized by other provisions of sections 276.401 to 276.582.

5 2. The formula for determining the amount of bond shall be established by the director
6 by rule and shall be computed at a rate of no less than the principal amount to the nearest one
7 thousand dollars, equal to [not less than one percent and not more than five] **two** percent of the
8 aggregate dollar amount paid by the dealer for grain purchased in the state of Missouri and those
9 states with whom Missouri has entered into contracts or agreements as authorized by section
10 276.566 during the dealer's last completed fiscal year, or, in the case of a dealer who has been
11 engaged in business as a grain dealer for less than one year or who has not previously engaged
12 in such business, [not less than one percent and not more than five] **two** percent of the estimated
13 aggregate dollar amount to be paid by the dealer for grain purchased in the state of Missouri and
14 those states with whom Missouri has entered into contracts or agreements as authorized by
15 section 276.566 during the applicant's initial fiscal year.

16 3. Any licensed grain dealer or applicant who has, at any time, a net worth less than the
17 amount required by subsection 7 of section 276.421, shall be required to obtain a surety bond in
18 the amount of one thousand dollars for each one thousand dollars or fraction thereof of the net
19 worth deficiency. Failure to post such additional bond is grounds for refusal to license or the
20 suspension or revocation of a license issued under sections 276.401 to 276.582. This additional
21 bond can be in addition to or greater than or both in addition to and greater than the maximum
22 bond as set by this section.

23 4. The director may, when the question arises as to a grain dealer's ability to pay for grain
24 purchased, require a grain dealer to post an additional bond in a dollar amount deemed
25 appropriate by the director. Such additional bond can be in addition to or greater than or both
26 in addition to and greater than the maximum bond as set by this section. The director must
27 furnish to the dealer, by certified mail, a written statement of the reasons for requesting
28 additional bond and the reasons for questioning the dealer's ability to pay. Failure to post such
29 additional bond is a ground for modification, suspension or revocation by the director of a license
30 issued under sections 276.401 to 276.582. The determination of insufficiency of a bond and of
31 the amount of the additional bond shall be based upon evidence presented to the director that a
32 dealer:

- 33 (1) Is or may be unable to meet his dollar or grain obligations as they become due;
34 (2) Has acted or is acting in a way which might lead to the impairment of his capital;
35 (3) As a result of his activity, inactivity, or purchasing and pricing practices and
36 procedures, including, but not limited to, the dealer's deferred pricing or deferred payment
37 practices and procedures, is or may be unable to honor his grain purchase obligations arising out

38 of his dealer business. The amount of the additional bond required under this subsection shall
39 not exceed the amount of the dealer's current loss position. Current loss position shall be the
40 sum of the dealer's current liabilities less current assets or the amount by which he is currently
41 unable to meet the grain purchase obligations arising out of his dealer business.

42 5. One bond, cumulative as to minimum requirements, may be given where a dealer has
43 multiple licenses; except however, that in computing the amount of the single bond the grain
44 dealer may add together the total purchases of grain of all locations to be covered thereby and
45 use the aggregate total purchases for the fiscal year for the purpose of computing bond.
46 However, this single cumulative bond must be at least equal to [twenty] **fifty** thousand dollars
47 per dealer license issued up to the [three] **six** hundred thousand dollar maximum bond amount
48 specified in subsection 1 of this section. When a grain dealer elects to provide a single bond for
49 a number of licensed locations, the total assets of all the licensed locations shall be subject to
50 liabilities of each individual licensed location.

51 6. Failure of a grain dealer to provide and file a bond and financial statement and to keep
52 such bond in force shall be grounds for the suspension or revocation, by the director, of a license
53 issued under sections 276.401 to 276.582.

54 7. A dealer shall be required to post additional surety bond when he surpasses the
55 estimated aggregate dollar amount to be paid for grain purchased as set forth in subsection 2 of
56 this section. Such additional bond shall be determined by the director so as to effectively protect
57 sellers of grain dealing with such dealer.

276.441. 1. Any grain dealer who is of the opinion that his net worth is sufficient to
2 guarantee payment for grain purchased by him may make a formal, written request to the director
3 that he be relieved of the obligation of filing a bond in excess of the minimum bond of [twenty]
4 **fifty** thousand dollars. Such request shall be accompanied by a financial statement of the
5 applicant, prepared within four months of the date of such request and accompanied by such
6 additional information concerning the applicant and his finances as the director may require
7 which may include the request for submission of a financial statement audited by a public
8 accountant.

9 2. If such financial statement discloses a net worth equal to at least five times the amount
10 of the bond otherwise required by sections 276.401 to 276.582, and the director is otherwise
11 satisfied as to the financial ability and resources of the applicant, the director may waive that
12 portion of the required bond in excess of [twenty] **fifty** thousand dollars for each license issued.

411.280. Every warehouseman licensed under the provisions of this chapter shall have
2 and maintain a net worth equal to the greater of ten thousand dollars or the amount which results
3 from multiplying the storage capacity of the warehouse by [fifteen] **twenty-five** cents per bushel.

4 Capital stock, for the purpose of determining the net worth, shall not be considered a liability.
5 Any deficiency in required net worth above the ten thousand dollar minimum requirement may
6 be met by supplying additional bond in an amount equal to one thousand dollars for each one
7 thousand dollars or fraction thereof of deficiency.

2 [263.205. 1. The plant multiflora rose (*rosa multiflora*) is hereby
3 declared to be a noxious weed; except, notwithstanding any other provision of
4 this section, multiflora rose (*rosa multiflora*) shall not be considered a noxious
5 weed when cultivated for or used as understock for cultivated roses.

6 2. The governing body of any county of this state may opt to establish a
7 "County Noxious Weed Fund" for the purpose of making grants on a cost share
8 basis for the control of any noxious weed, as the plant may be designated under
9 this section.

10 3. Any county opting to establish a county noxious weed fund, shall
11 establish a noxious weed control program. No resident or owner of land of any
12 county shall be required to participate in a county noxious weed control program;
13 however, any resident or landowner making application for cost share grants
14 under this section shall participate in said program.

15 4. For the purpose of administering the county noxious weed fund, the
16 county governing body shall have sole discretion of awarding cost share grants
17 under this section.

18 5. For the purpose of funding the county noxious weed fund, the county
19 governing body may appropriate county funds, and/or solicit municipality, state
20 agency, state general revenue, and federal agency funds. All such funds shall be
21 deposited in the county noxious weed fund to be expended for the sole purpose
22 of controlling noxious weeds so designated under this section.

23 6. Any county opting to establish a county noxious weed control program
24 under this section may make rules and regulations governing said program, and
25 any county opting to establish a county noxious weed fund under this section
26 shall establish a cost share ratio on an annual basis beginning with the creation
27 of the fund.]

2 [263.230. It shall be the duty of any person or persons, association of
3 persons, corporations, partnerships, the state highways and transportation
4 commission, the county commissions, the township boards, school boards,
5 drainage boards, the governing bodies of incorporated cities, railroad companies
6 and other transportation companies or their authorized agents and those
7 supervising state-owned lands to control the spread of and to eradicate by
8 methods approved by the state department of agriculture field bindweed
9 (*convolvulus arvensis*) hereby designated as a noxious and dangerous weed to
10 agriculture.]

2 [263.232. It shall be the duty of any person or persons, association of
3 persons, corporations, partnerships, the state highways and transportation
4 commission, any state department, any state agency, the county commissions, the
5 township boards, school boards, drainage boards, the governing bodies of
6 incorporated cities, railroad companies and other transportation companies or
7 their authorized agents and those supervising state-owned lands:

8 (1) To control and eradicate the spread of cut-leaved teasel (*Dipsacus*
9 *laciniatus*) and common teasel (*Dipsacus fullonum*), which are hereby designated
10 as noxious and dangerous weeds to agriculture, by methods in compliance with
11 the manufacturer's label instructions when chemical herbicides are used for such
12 purposes;

13 (2) To control the spread of kudzu vine (*Pueraria lobata*), which is hereby
14 designated as a noxious and dangerous weed to agriculture, by methods in
15 compliance and conformity with the manufacturer's label instructions when
16 chemical herbicides are used for such purposes; and

17 (3) To control the spread of spotted knapweed (*Centaurea stoebe* ssp.
18 *micranthos*, including all subspecies), which is hereby designated as a noxious
19 and dangerous weed to agriculture, by methods in compliance and conformity
20 with the manufacturer's label instructions when chemical herbicides are used for
21 such purposes.]

2 [263.241. The plant, purple loosestrife (*Lythrum salicaria*), and any
3 hybrids thereof, is hereby designated a noxious weed. No person shall buy, sell,
4 offer for sale, distribute or plant seeds, plants or parts of plants of purple
5 loosestrife without a permit issued by the Missouri department of conservation.
6 Such permits shall be issued only for experiments to control and eliminate
7 nuisance weeds. Any person who violates the provisions of this section shall be
8 guilty of a class A misdemeanor.]

2 [263.450. As used in sections 263.450 to 263.474, the term "noxious
3 weed" includes bindweed (*Convolvulus arvensis*), Johnson grass (*Sorghum*
4 *halepense*), multiflora rose (*Rosa multiflora*) except when cultivated for or used
5 as understock for cultivated roses, Canada thistle (*Cirsium arvense*), musk thistle
6 (*Carduus nutans* L.), Scotch thistle (*Onoprodum acanthium* L.), purple loosestrife
7 (*Lythrum salicaria*), and any other weed designated as noxious by rules and
8 regulations promulgated by the director of the department of agriculture.]

2 [276.416. In the event that the applicant has been engaged in business as
3 a grain dealer for at least one year, the application shall set forth the aggregate
4 dollar amount paid for grain purchased in Missouri and those states with whom
5 Missouri has entered into contracts or agreements as authorized by section
276.566 during the last completed fiscal period of the applicant. In the event the

6 applicant has been engaged in business for less than one year or has not
7 previously engaged in business as a grain dealer, the application shall set forth the
8 estimated aggregate dollar amount to be paid for grain purchased in Missouri and
9 those states with whom Missouri has entered into contracts or agreements as
10 authorized by section 276.566 during the applicant's initial fiscal period.]
11

2 [276.446. Any grain dealer whose total purchases of grain within
3 Missouri and those states with whom Missouri has entered into contracts or
4 agreements as authorized by section 276.566 during any fiscal year, do not
5 exceed an aggregate dollar amount of four hundred thousand dollars may satisfy
6 the bonding requirements of sections 276.401 to 276.581 by filing with the
7 director a bond at the rate of one thousand dollars for each twenty thousand
8 dollars or fraction thereof of the dollar amount to be purchased, with a minimum
bond of ten thousand dollars required.]

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