

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 115
98TH GENERAL ASSEMBLY

0137H.04C

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal sections 94.902, 99.845, 137.076, 143.221, 143.801, 144.049, and 205.205, RSMo, and to enact in lieu thereof eight new sections relating to taxation.

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

Section A. Sections 94.902, 99.845, 137.076, 143.221, 143.801, 144.049, and 205.205, RSMo, are repealed and eight new sections enacted in lieu thereof, to be known as sections 94.860, 94.902, 99.845, 137.076, 143.221, 143.801, 144.049, and 205.205, to read as follows:

94.860. 1. Notwithstanding the provisions of subsection 1 of section 67.582, the governing body of a county with a charter form of government and with more than nine hundred fifty thousand inhabitants is authorized to impose by ordinance a sales tax in the amount of up to one-half of one percent on all retail sales made in the part of the county outside of incorporated cities, towns and villages which are subject to taxation pursuant to sections 144.010 to 144.525 for the purpose of providing law enforcement services to such county. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no ordinance imposing a sales tax pursuant to this section shall be effective unless the governing body of the county submits to the voters residing in the part of the county outside of incorporated cities, towns and villages, at a county or state general, primary or special election, a proposal to authorize the governing body of the county to impose a tax.

2. The ballot submission for the proposal to authorize imposition of the tax authorized by this section shall contain substantially the following language:

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.

51 which were collected in each county imposing a sales tax under this section, and the records
52 shall be open to the inspection of the officers of the county and the public. Not later than
53 the tenth day of each month the director of revenue shall distribute all moneys deposited
54 in the trust fund during each month to the county which levied the tax; such funds shall
55 be deposited with the county treasurer of each such county, and all expenditures of funds
56 arising from the tax authorized by this section shall be by an appropriation act to be
57 enacted by the governing body of each such county. Expenditures may be made from the
58 funds for any functions authorized in the ordinance adopted by the governing body
59 submitting the tax to the voters.

60 **5. The director of revenue may authorize the state treasurer to make refunds from**
61 **the amounts in the trust fund and credited to any county for erroneous payments and**
62 **overpayments made, and may redeem dishonored checks and drafts deposited to the credit**
63 **of such counties. If any county abolishes the tax, the county shall notify the director of**
64 **revenue of the action at least ninety days before the effective date of the repeal and the**
65 **director of revenue may order retention in the appropriate trust fund, for a period of one**
66 **year, or two percent of the amount collected after receipt of such notice to cover possible**
67 **refunds and overpayments of the tax and to redeem dishonored checks and drafts**
68 **deposited to the credit of such accounts. After one year has elapsed after the abolition of**
69 **the tax in such county, the director of revenue shall remit the balance in the account to the**
70 **county and close the accounts of that county established pursuant to this section. The**
71 **director of revenue shall notify each county of each instance of any amount refunded or**
72 **any check redeemed from the receipts due to the county.**

73 **6. Except as modified in this section, all provisions of sections 32.085 and 32.087**
74 **shall apply to the tax imposed pursuant to this section.**

94.902. 1. The governing [body] bodies of the following cities may impose a tax as
2 **provided in this section:**

3 **(1) Any city of the third classification with more than twenty-six thousand three hundred**
4 **but less than twenty-six thousand seven hundred inhabitants[, or] ;**

5 **(2) Any city of the fourth classification with more than thirty thousand three hundred but**
6 **fewer than thirty thousand seven hundred inhabitants[, or] ;**

7 **(3) Any city of the fourth classification with more than twenty-four thousand eight**
8 **hundred but fewer than twenty-five thousand inhabitants[.] ;**

9 **(4) Any special charter city with more than twenty-nine thousand but fewer than**
10 **thirty-two thousand inhabitants; or**

11 **(5) Any city of the third classification with more than four thousand but fewer than**
12 **four thousand five hundred inhabitants and located in any county of the first classification**

13 **with more than two hundred thousand but fewer than two hundred sixty thousand**
14 **inhabitants.**

15 **2. The governing body of any city listed in subsection 1 of this section** may impose,
16 by order or ordinance, a sales tax on all retail sales made in the city which are subject to taxation
17 under chapter 144. The tax authorized in this section may be imposed in an amount of up to one-
18 half of one percent, and shall be imposed solely for the purpose of improving the public safety
19 for such city, including but not limited to expenditures on equipment, city employee salaries and
20 benefits, and facilities for police, fire and emergency medical providers. The tax authorized in
21 this section shall be in addition to all other sales taxes imposed by law, and shall be stated
22 separately from all other charges and taxes. The order or ordinance imposing a sales tax under
23 this section shall not become effective unless the governing body of the city submits to the voters
24 residing within the city, at a county or state general, primary, or special election, a proposal to
25 authorize the governing body of the city to impose a tax under this section.

26 [2.] **3.** The ballot of submission for the tax authorized in this section shall be in
27 substantially the following form:

28 Shall the city of (city's name) impose a citywide sales tax at
29 a rate of (insert rate of percent) percent for the purpose of improving the public safety of
30 the city?

31 Yes No

32 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
33 to the question, place an "X" in the box opposite "NO".

34 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
35 of the proposal, then the ordinance or order and any amendments to the order or ordinance shall
36 become effective on the first day of the second calendar quarter after the director of revenue
37 receives notice of the adoption of the sales tax. If a majority of the votes cast on the proposal
38 by the qualified voters voting thereon are opposed to the proposal, then the tax shall not become
39 effective unless the proposal is resubmitted under this section to the qualified voters and such
40 proposal is approved by a majority of the qualified voters voting on the proposal. However, in
41 no event shall a proposal under this section be submitted to the voters sooner than twelve months
42 from the date of the last proposal under this section.

43 [3.] **4.** Any sales tax imposed under this section shall be administered, collected,
44 enforced, and operated as required in section 32.087. All sales taxes collected by the director
45 of the department of revenue under this section on behalf of any city, less one percent for cost
46 of collection which shall be deposited in the state's general revenue fund after payment of
47 premiums for surety bonds as provided in section 32.087, shall be deposited in a special trust
48 fund, which is hereby created in the state treasury, to be known as the "City Public Safety Sales

49 Tax Trust Fund". The moneys in the trust fund shall not be deemed to be state funds and shall
 50 not be commingled with any funds of the state. The provisions of section 33.080 to the contrary
 51 notwithstanding, money in this fund shall not be transferred and placed to the credit of the
 52 general revenue fund. The director shall keep accurate records of the amount of money in the
 53 trust fund and which was collected in each city imposing a sales tax under this section, and the
 54 records shall be open to the inspection of officers of the city and the public. Not later than the
 55 tenth day of each month the director shall distribute all moneys deposited in the trust fund during
 56 the preceding month to the city which levied the tax. Such funds shall be deposited with the city
 57 treasurer of each such city, and all expenditures of funds arising from the trust fund shall be by
 58 an appropriation act to be enacted by the governing body of each such city. Expenditures may
 59 be made from the fund for any functions authorized in the ordinance or order adopted by the
 60 governing body submitting the tax to the voters. If the tax is repealed, all funds remaining in the
 61 special trust fund shall continue to be used solely for the designated purposes. Any funds in the
 62 special trust fund which are not needed for current expenditures shall be invested in the same
 63 manner as other funds are invested. Any interest and moneys earned on such investments shall
 64 be credited to the fund.

65 [4.] 5. The director of the department of revenue may authorize the state treasurer to
 66 make refunds from the amounts in the trust fund and credited to any city for erroneous payments
 67 and overpayments made, and may redeem dishonored checks and drafts deposited to the credit
 68 of such cities. If any city abolishes the tax, the city shall notify the director of the action at least
 69 ninety days before the effective date of the repeal, and the director may order retention in the
 70 trust fund, for a period of one year, of two percent of the amount collected after receipt of such
 71 notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and
 72 drafts deposited to the credit of such accounts. After one year has elapsed after the effective date
 73 of abolition of the tax in such city, the director shall remit the balance in the account to the city
 74 and close the account of that city. The director shall notify each city of each instance of any
 75 amount refunded or any check redeemed from receipts due the city.

76 [5.] 6. The governing body of any city that has adopted the sales tax authorized in this
 77 section may submit the question of repeal of the tax to the voters on any date available for
 78 elections for the city. The ballot of submission shall be in substantially the following form:

79 Shall (insert the name of the city) repeal the sales tax
 80 imposed at a rate of (insert rate of percent) percent for the purpose of improving the public
 81 safety of the city?

82 Yes No

83 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
 84 effective on December thirty-first of the calendar year in which such repeal was approved. If a

85 majority of the votes cast on the question by the qualified voters voting thereon are opposed to
86 the repeal, then the sales tax authorized in this section shall remain effective until the question
87 is resubmitted under this section to the qualified voters, and the repeal is approved by a majority
88 of the qualified voters voting on the question.

89 [6.] 7. Whenever the governing body of any city that has adopted the sales tax authorized
90 in this section receives a petition, signed by ten percent of the registered voters of the city voting
91 in the last gubernatorial election, calling for an election to repeal the sales tax imposed under this
92 section, the governing body shall submit to the voters of the city a proposal to repeal the tax. If
93 a majority of the votes cast on the question by the qualified voters voting thereon are in favor of
94 the repeal, that repeal shall become effective on December thirty-first of the calendar year in
95 which such repeal was approved. If a majority of the votes cast on the question by the qualified
96 voters voting thereon are opposed to the repeal, then the tax shall remain effective until the
97 question is resubmitted under this section to the qualified voters and the repeal is approved by
98 a majority of the qualified voters voting on the question.

99 [7.] 8. Except as modified in this section, all provisions of sections 32.085 and 32.087
100 shall apply to the tax imposed under this section.

99.845. 1. A municipality, either at the time a redevelopment project is approved or, in
2 the event a municipality has undertaken acts establishing a redevelopment plan and
3 redevelopment project and has designated a redevelopment area after the passage and approval
4 of sections 99.800 to 99.865 but prior to August 13, 1982, which acts are in conformance with
5 the procedures of sections 99.800 to 99.865, may adopt tax increment allocation financing by
6 passing an ordinance providing that after the total equalized assessed valuation of the taxable real
7 property in a redevelopment project exceeds the certified total initial equalized assessed
8 valuation of the taxable real property in the redevelopment project, the ad valorem taxes, and
9 payments in lieu of taxes, if any, arising from the levies upon taxable real property in such
10 redevelopment project by taxing districts and tax rates determined in the manner provided in
11 subsection 2 of section 99.855 each year after the effective date of the ordinance until
12 redevelopment costs have been paid shall be divided as follows:

13 (1) That portion of taxes, penalties and interest levied upon each taxable lot, block, tract,
14 or parcel of real property which is attributable to the initial equalized assessed value of each such
15 taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment
16 project shall be allocated to and, when collected, shall be paid by the county collector to the
17 respective affected taxing districts in the manner required by law in the absence of the adoption
18 of tax increment allocation financing;

19 (2) (a) Payments in lieu of taxes attributable to the increase in the current equalized
20 assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected

21 for the redevelopment project and any applicable penalty and interest over and above the initial
22 equalized assessed value of each such unit of property in the area selected for the redevelopment
23 project shall be allocated to and, when collected, shall be paid to the municipal treasurer who
24 shall deposit such payment in lieu of taxes into a special fund called the "Special Allocation
25 Fund" of the municipality for the purpose of paying redevelopment costs and obligations incurred
26 in the payment thereof. Beginning August 28, 2014, if the voters in a taxing district vote to
27 approve an increase in such taxing district's levy rate for ad valorem tax on real property, any
28 additional revenues generated within an existing redevelopment project area that are directly
29 attributable to the newly voter-approved incremental increase in such taxing district's levy rate
30 shall not be considered payments in lieu of taxes subject to deposit into a special allocation fund
31 without the consent of such taxing district. Revenues will be considered directly attributable to
32 the newly voter-approved incremental increase to the extent that they are generated from the
33 difference between the taxing district's actual levy rate currently imposed and the maximum
34 voter-approved levy rate at the time that the redevelopment project was adopted. Payments in
35 lieu of taxes which are due and owing shall constitute a lien against the real estate of the
36 redevelopment project from which they are derived and shall be collected in the same manner
37 as the real property tax, including the assessment of penalties and interest where applicable. The
38 municipality may, in the ordinance, pledge the funds in the special allocation fund for the
39 payment of such costs and obligations and provide for the collection of payments in lieu of taxes,
40 the lien of which may be foreclosed in the same manner as a special assessment lien as provided
41 in section 88.861. No part of the current equalized assessed valuation of each lot, block, tract,
42 or parcel of property in the area selected for the redevelopment project attributable to any
43 increase above the total initial equalized assessed value of such properties shall be used in
44 calculating the general state school aid formula provided for in section 163.031 until such time
45 as all redevelopment costs have been paid as provided for in this section and section 99.850.

46 (b) Notwithstanding any provisions of this section to the contrary, for purposes of
47 determining the limitation on indebtedness of local government pursuant to Article VI, Section
48 26(b) of the Missouri Constitution, the current equalized assessed value of the property in an area
49 selected for redevelopment attributable to the increase above the total initial equalized assessed
50 valuation shall be included in the value of taxable tangible property as shown on the last
51 completed assessment for state or county purposes.

52 (c) The county assessor shall include the current assessed value of all property within
53 the taxing district in the aggregate valuation of assessed property entered upon the assessor's
54 book and verified pursuant to section 137.245, and such value shall be utilized for the purpose
55 of the debt limitation on local government pursuant to Article VI, Section 26(b) of the Missouri
56 Constitution;

57 (3) For purposes of this section, "levies upon taxable real property in such redevelopment
58 project by taxing districts" shall not include the blind pension fund tax levied under the authority
59 of Article III, Section 38(b) of the Missouri Constitution, or the merchants' and manufacturers'
60 inventory replacement tax levied under the authority of subsection 2 of Section 6 of Article X
61 of the Missouri Constitution, except in redevelopment project areas in which tax increment
62 financing has been adopted by ordinance pursuant to a plan approved by vote of the governing
63 body of the municipality taken after August 13, 1982, and before January 1, 1998.

64 2. In addition to the payments in lieu of taxes described in subdivision (2) of subsection
65 1 of this section, for redevelopment plans and projects adopted or redevelopment projects
66 approved by ordinance after July 12, 1990, and prior to August 31, 1991, fifty percent of the total
67 additional revenue from taxes, penalties and interest imposed by the municipality, or other taxing
68 districts, which are generated by economic activities within the area of the redevelopment project
69 over the amount of such taxes generated by economic activities within the area of the
70 redevelopment project in the calendar year prior to the adoption of the redevelopment project by
71 ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales
72 or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant
73 to section 70.500, licenses, fees or special assessments other than payments in lieu of taxes and
74 any penalty and interest thereon, or, effective January 1, 1998, taxes levied pursuant to section
75 94.660, for the purpose of public transportation, shall be allocated to, and paid by the local
76 political subdivision collecting officer to the treasurer or other designated financial officer of the
77 municipality, who shall deposit such funds in a separate segregated account within the special
78 allocation fund. Any provision of an agreement, contract or covenant entered into prior to July
79 12, 1990, between a municipality and any other political subdivision which provides for an
80 appropriation of other municipal revenues to the special allocation fund shall be and remain
81 enforceable.

82 3. In addition to the payments in lieu of taxes described in subdivision (2) of subsection
83 1 of this section, for redevelopment plans and projects adopted or redevelopment projects
84 approved by ordinance after August 31, 1991, fifty percent of the total additional revenue from
85 taxes, penalties and interest which are imposed by the municipality or other taxing districts, and
86 which are generated by economic activities within the area of the redevelopment project over the
87 amount of such taxes generated by economic activities within the area of the redevelopment
88 project in the calendar year prior to the adoption of the redevelopment project by ordinance,
89 while tax increment financing remains in effect, but excluding personal property taxes, taxes
90 imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels,
91 taxes levied pursuant to section 70.500, taxes levied for the purpose of public transportation
92 pursuant to section 94.660, taxes imposed on sales pursuant to subsection 2 of section 67.1712

93 for the purpose of operating and maintaining a metropolitan park and recreation district, licenses,
94 fees or special assessments other than payments in lieu of taxes and penalties and interest
95 thereon, any sales tax imposed by a county with a charter form of government and with more
96 than six hundred thousand but fewer than seven hundred thousand inhabitants, for the purpose
97 of sports stadium improvement or levied by such county under section 238.410 for the purpose
98 of the county transit authority operating transportation facilities **or levied by such county under**
99 **section 67.547 for the purpose of an anti-drug tax to effectuate the arrest, prosecution,**
100 **incarceration, treatment, and prevention of drug-related offenses or violent crimes and the**
101 **judicial processing of adult and juvenile violators of such offenses,** or for redevelopment
102 plans and projects adopted or redevelopment projects approved by ordinance after August 28,
103 2013, taxes imposed on sales under and pursuant to section 67.700 or 650.399 for the purpose
104 of emergency communication systems, shall be allocated to, and paid by the local political
105 subdivision collecting officer to the treasurer or other designated financial officer of the
106 municipality, who shall deposit such funds in a separate segregated account within the special
107 allocation fund. Beginning August 28, 2014, if the voters in a taxing district vote to approve an
108 increase in such taxing district's sales tax or use tax, other than the renewal of an expiring sales
109 or use tax, any additional revenues generated within an existing redevelopment project area that
110 are directly attributable to the newly voter-approved incremental increase in such taxing district's
111 levy rate shall not be considered economic activity taxes subject to deposit into a special
112 allocation fund without the consent of such taxing district.

113 4. Beginning January 1, 1998, for redevelopment plans and projects adopted or
114 redevelopment projects approved by ordinance and which have complied with subsections 4 to
115 12 of this section, in addition to the payments in lieu of taxes and economic activity taxes
116 described in subsections 1, 2 and 3 of this section, up to fifty percent of the new state revenues,
117 as defined in subsection 8 of this section, estimated for the businesses within the project area and
118 identified by the municipality in the application required by subsection 10 of this section, over
119 and above the amount of such taxes reported by businesses within the project area as identified
120 by the municipality in their application prior to the approval of the redevelopment project by
121 ordinance, while tax increment financing remains in effect, may be available for appropriation
122 by the general assembly as provided in subsection 10 of this section to the department of
123 economic development supplemental tax increment financing fund, from the general revenue
124 fund, for distribution to the treasurer or other designated financial officer of the municipality
125 with approved plans or projects.

126 5. The treasurer or other designated financial officer of the municipality with approved
127 plans or projects shall deposit such funds in a separate segregated account within the special
128 allocation fund established pursuant to section 99.805.

129 6. No transfer from the general revenue fund to the Missouri supplemental tax increment
130 financing fund shall be made unless an appropriation is made from the general revenue fund for
131 that purpose. No municipality shall commit any state revenues prior to an appropriation being
132 made for that project. For all redevelopment plans or projects adopted or approved after
133 December 23, 1997, appropriations from the new state revenues shall not be distributed from the
134 Missouri supplemental tax increment financing fund into the special allocation fund unless the
135 municipality's redevelopment plan ensures that one hundred percent of payments in lieu of taxes
136 and fifty percent of economic activity taxes generated by the project shall be used for eligible
137 redevelopment project costs while tax increment financing remains in effect. This account shall
138 be separate from the account into which payments in lieu of taxes are deposited, and separate
139 from the account into which economic activity taxes are deposited.

140 7. In order for the redevelopment plan or project to be eligible to receive the revenue
141 described in subsection 4 of this section, the municipality shall comply with the requirements of
142 subsection 10 of this section prior to the time the project or plan is adopted or approved by
143 ordinance. The director of the department of economic development and the commissioner of
144 the office of administration may waive the requirement that the municipality's application be
145 submitted prior to the redevelopment plan's or project's adoption or the redevelopment plan's or
146 project's approval by ordinance.

147 8. For purposes of this section, "new state revenues" means:

148 (1) The incremental increase in the general revenue portion of state sales tax revenues
149 received pursuant to section 144.020, excluding sales taxes that are constitutionally dedicated,
150 taxes deposited to the school district trust fund in accordance with section 144.701, sales and use
151 taxes on motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by
152 law. In no event shall the incremental increase include any amounts attributable to retail sales
153 unless the municipality or authority has proven to the Missouri development finance board and
154 the department of economic development and such entities have made a finding that the sales
155 tax increment attributable to retail sales is from new sources which did not exist in the state
156 during the baseline year. The incremental increase in the general revenue portion of state sales
157 tax revenues for an existing or relocated facility shall be the amount that current state sales tax
158 revenue exceeds the state sales tax revenue in the base year as stated in the redevelopment plan
159 as provided in subsection 10 of this section; or

160 (2) The state income tax withheld on behalf of new employees by the employer pursuant
161 to section 143.221 at the business located within the project as identified by the municipality.
162 The state income tax withholding allowed by this section shall be the municipality's estimate of
163 the amount of state income tax withheld by the employer within the redevelopment area for new
164 employees who fill new jobs directly created by the tax increment financing project.

165 9. Subsection 4 of this section shall apply only to blighted areas located in enterprise
166 zones, pursuant to sections 135.200 to 135.256, blighted areas located in federal empowerment
167 zones, or to blighted areas located in central business districts or urban core areas of cities which
168 districts or urban core areas at the time of approval of the project by ordinance, provided that the
169 enterprise zones, federal empowerment zones or blighted areas contained one or more buildings
170 at least fifty years old; and

171 (1) Suffered from generally declining population or property taxes over the twenty-year
172 period immediately preceding the area's designation as a project area by ordinance; or

173 (2) Was a historic hotel located in a county of the first classification without a charter
174 form of government with a population according to the most recent federal decennial census in
175 excess of one hundred fifty thousand and containing a portion of a city with a population
176 according to the most recent federal decennial census in excess of three hundred fifty thousand.

177 10. The initial appropriation of up to fifty percent of the new state revenues authorized
178 pursuant to subsections 4 and 5 of this section shall not be made to or distributed by the
179 department of economic development to a municipality until all of the following conditions have
180 been satisfied:

181 (1) The director of the department of economic development or his or her designee and
182 the commissioner of the office of administration or his or her designee have approved a tax
183 increment financing application made by the municipality for the appropriation of the new state
184 revenues. The municipality shall include in the application the following items in addition to the
185 items in section 99.810:

186 (a) The tax increment financing district or redevelopment area, including the businesses
187 identified within the redevelopment area;

188 (b) The base year of state sales tax revenues or the base year of state income tax withheld
189 on behalf of existing employees, reported by existing businesses within the project area prior to
190 approval of the redevelopment project;

191 (c) The estimate of the incremental increase in the general revenue portion of state sales
192 tax revenue or the estimate for the state income tax withheld by the employer on behalf of new
193 employees expected to fill new jobs created within the redevelopment area after redevelopment;

194 (d) The official statement of any bond issue pursuant to this subsection after December
195 23, 1997;

196 (e) An affidavit that is signed by the developer or developers attesting that the provisions
197 of subdivision (1) of subsection 1 of section 99.810 have been met and specifying that the
198 redevelopment area would not be reasonably anticipated to be developed without the
199 appropriation of the new state revenues;

- 200 (f) The cost-benefit analysis required by section 99.810 includes a study of the fiscal
201 impact on the state of Missouri; and
- 202 (g) The statement of election between the use of the incremental increase of the general
203 revenue portion of the state sales tax revenues or the state income tax withheld by employers on
204 behalf of new employees who fill new jobs created in the redevelopment area;
- 205 (h) The name, street and mailing address, and phone number of the mayor or chief
206 executive officer of the municipality;
- 207 (i) The street address of the development site;
- 208 (j) The three-digit North American Industry Classification System number or numbers
209 characterizing the development project;
- 210 (k) The estimated development project costs;
- 211 (l) The anticipated sources of funds to pay such development project costs;
- 212 (m) Evidence of the commitments to finance such development project costs;
- 213 (n) The anticipated type and term of the sources of funds to pay such development
214 project costs;
- 215 (o) The anticipated type and terms of the obligations to be issued;
- 216 (p) The most recent equalized assessed valuation of the property within the development
217 project area;
- 218 (q) An estimate as to the equalized assessed valuation after the development project area
219 is developed in accordance with a development plan;
- 220 (r) The general land uses to apply in the development area;
- 221 (s) The total number of individuals employed in the development area, broken down by
222 full-time, part-time, and temporary positions;
- 223 (t) The total number of full-time equivalent positions in the development area;
- 224 (u) The current gross wages, state income tax withholdings, and federal income tax
225 withholdings for individuals employed in the development area;
- 226 (v) The total number of individuals employed in this state by the corporate parent of any
227 business benefitting from public expenditures in the development area, and all subsidiaries
228 thereof, as of December thirty-first of the prior fiscal year, broken down by full-time, part-time,
229 and temporary positions;
- 230 (w) The number of new jobs to be created by any business benefitting from public
231 expenditures in the development area, broken down by full-time, part-time, and temporary
232 positions;
- 233 (x) The average hourly wage to be paid to all current and new employees at the project
234 site, broken down by full-time, part-time, and temporary positions;

235 (y) For project sites located in a metropolitan statistical area, as defined by the federal
236 Office of Management and Budget, the average hourly wage paid to nonmanagerial employees
237 in this state for the industries involved at the project, as established by the United States Bureau
238 of Labor Statistics;

239 (z) For project sites located outside of metropolitan statistical areas, the average weekly
240 wage paid to nonmanagerial employees in the county for industries involved at the project, as
241 established by the United States Department of Commerce;

242 (aa) A list of other community and economic benefits to result from the project;

243 (bb) A list of all development subsidies that any business benefitting from public
244 expenditures in the development area has previously received for the project, and the name of
245 any other granting body from which such subsidies are sought;

246 (cc) A list of all other public investments made or to be made by this state or units of
247 local government to support infrastructure or other needs generated by the project for which the
248 funding pursuant to this section is being sought;

249 (dd) A statement as to whether the development project may reduce employment at any
250 other site, within or without the state, resulting from automation, merger, acquisition, corporate
251 restructuring, relocation, or other business activity;

252 (ee) A statement as to whether or not the project involves the relocation of work from
253 another address and if so, the number of jobs to be relocated and the address from which they
254 are to be relocated;

255 (ff) A list of competing businesses in the county containing the development area and
256 in each contiguous county;

257 (gg) A market study for the development area;

258 (hh) A certification by the chief officer of the applicant as to the accuracy of the
259 development plan;

260 (2) The methodologies used in the application for determining the base year and
261 determining the estimate of the incremental increase in the general revenue portion of the state
262 sales tax revenues or the state income tax withheld by employers on behalf of new employees
263 who fill new jobs created in the redevelopment area shall be approved by the director of the
264 department of economic development or his or her designee and the commissioner of the office
265 of administration or his or her designee. Upon approval of the application, the director of the
266 department of economic development or his or her designee and the commissioner of the office
267 of administration or his or her designee shall issue a certificate of approval. The department of
268 economic development may request the appropriation following application approval;

269 (3) The appropriation shall be either a portion of the estimate of the incremental increase
270 in the general revenue portion of state sales tax revenues in the redevelopment area or a portion

271 of the estimate of the state income tax withheld by the employer on behalf of new employees
272 who fill new jobs created in the redevelopment area as indicated in the municipality's application,
273 approved by the director of the department of economic development or his or her designee and
274 the commissioner of the office of administration or his or her designee. At no time shall the
275 annual amount of the new state revenues approved for disbursements from the Missouri
276 supplemental tax increment financing fund exceed thirty-two million dollars;

277 (4) Redevelopment plans and projects receiving new state revenues shall have a duration
278 of up to fifteen years, unless prior approval for a longer term is given by the director of the
279 department of economic development or his or her designee and the commissioner of the office
280 of administration or his or her designee; except that, in no case shall the duration exceed twenty-
281 three years.

282 11. In addition to the areas authorized in subsection 9 of this section, the funding
283 authorized pursuant to subsection 4 of this section shall also be available in a federally approved
284 levee district, where construction of a levee begins after December 23, 1997, and which is
285 contained within a county of the first classification without a charter form of government with
286 a population between fifty thousand and one hundred thousand inhabitants which contains all
287 or part of a city with a population in excess of four hundred thousand or more inhabitants.

288 12. There is hereby established within the state treasury a special fund to be known as
289 the "Missouri Supplemental Tax Increment Financing Fund", to be administered by the
290 department of economic development. The department shall annually distribute from the
291 Missouri supplemental tax increment financing fund the amount of the new state revenues as
292 appropriated as provided in the provisions of subsections 4 and 5 of this section if and only if the
293 conditions of subsection 10 of this section are met. The fund shall also consist of any gifts,
294 contributions, grants or bequests received from federal, private or other sources. Moneys in the
295 Missouri supplemental tax increment financing fund shall be disbursed per project pursuant to
296 state appropriations.

297 13. Redevelopment project costs may include, at the prerogative of the state, the portion
298 of salaries and expenses of the department of economic development and the department of
299 revenue reasonably allocable to each redevelopment project approved for disbursements from
300 the Missouri supplemental tax increment financing fund for the ongoing administrative functions
301 associated with such redevelopment project. Such amounts shall be recovered from new state
302 revenues deposited into the Missouri supplemental tax increment financing fund created under
303 this section.

304 14. For redevelopment plans or projects approved by ordinance that result in net new
305 jobs from the relocation of a national headquarters from another state to the area of the
306 redevelopment project, the economic activity taxes and new state tax revenues shall not be based

307 on a calculation of the incremental increase in taxes as compared to the base year or prior
308 calendar year for such redevelopment project, rather the incremental increase shall be the amount
309 of total taxes generated from the net new jobs brought in by the national headquarters from
310 another state. In no event shall this subsection be construed to allow a redevelopment project
311 to receive an appropriation in excess of up to fifty percent of the new state revenues.

137.076. In establishing the value of a parcel of real property the county assessor shall
2 consider current market conditions and previous decisions of the county board of equalization,
3 the state tax commission or a court of competent jurisdiction that affected the value of such
4 parcel. For purposes of this section, the term "current market conditions", shall include:

- 5 (1) The impact upon the housing market of foreclosures and bank sales;
- 6 (2) **Existing use of the property, including any restrictions or limitations on the use**
7 **of the property resulting from state or federal law or rules and regulations adopted**
8 **pursuant to the authority of state or federal law;**
- 9 (3) **Existing covenants or restrictions in deed dedicating the property to a particular**
10 **use;**
- 11 (4) **Rent limitations, operational requirements, and any other restrictions imposed**
12 **upon the property in connection with the property being eligible for any income tax credits**
13 **under section 42 of the Internal Revenue Code of 1986 as amended or receiving any other**
14 **state or federal subsidies provided with respect to use of the property as residential rental**
15 **property.**

143.221. 1. Every employer required to deduct and withhold tax under sections 143.011
2 to 143.996 shall, for each calendar quarter, on or before the last day of the month following the
3 close of such calendar quarter, file a withholding return as prescribed by the director of revenue
4 and pay over to the director of revenue or to a depository designated by the director of revenue
5 the taxes so required to be deducted and withheld.

6 2. Where the aggregate amount required to be deducted and withheld by any employer
7 exceeds [fifty] **one hundred** dollars for at least two of the preceding twelve months, the director,
8 by regulation, may require a monthly return. The due dates of the monthly return and the
9 monthly payment or deposit for the first two months of each quarter shall be by the fifteenth day
10 of the succeeding month. The due dates of the monthly return and the monthly payment or
11 deposit for the last month of each quarter shall be by the last day of the succeeding month. The
12 director may increase the amount required for making a monthly employer withholding payment
13 and return to more than [fifty] **one hundred** dollars or decrease such required amount, however,
14 the decreased amount shall not be less than [fifty] **one hundred** dollars.

15 3. Where the aggregate amount required to be deducted and withheld by any employer
16 is less than [twenty] **one hundred** dollars in each of the four preceding quarters, **and to the**

17 **extent the employer does not meet the requirements in subsection 1 or 2 of this section for**
18 **filing a withholding return on a quarterly or monthly basis,** the employer shall file a
19 withholding return for a calendar year. The director, by regulation, may also allow other
20 employers to file annual returns. The return shall be filed and the taxes if any paid on or before
21 January thirty-first of the succeeding year. The director may increase the amount required for
22 making an annual employer withholding payment and return to more than [twenty] **one hundred**
23 dollars or decrease such required amount, however, the decreased amount shall not be less than
24 [twenty] **one hundred** dollars.

25 4. If the director of revenue finds that the collection of taxes required to be deducted and
26 withheld by an employer may be jeopardized by delay, he may require the employer to pay over
27 the tax or make a return at any time. A lien outstanding with regard to any tax administered by
28 the director shall be a sufficient basis for this action.

29 **5. Any change in the filing threshold amounts in subsections 2 and 3 of this section**
30 **shall be effective beginning January 1 of the following year.**

143.801. 1. A claim for credit or refund of an overpayment of any tax imposed by
2 sections 143.011 to 143.996 shall be filed by the taxpayer within three years from the time the
3 return was filed or two years from the time the tax was paid, whichever of such periods expires
4 the later; or if no return was filed by the taxpayer, within two years from the time the tax was
5 paid. No credit or refund shall be allowed or made after the expiration of the period of limitation
6 prescribed in this subsection for the filing of a claim for credit or refund, unless a claim for credit
7 or refund is filed by the taxpayer within such period.

8 2. If the claim is filed by the taxpayer during the three-year period prescribed in
9 subsection 1 **of this section,** the amount of the credit or refund shall not exceed the portion of
10 the tax paid within the three years immediately preceding the filing of the claim plus the period
11 of any extension of time for filing the return. If the claim is not filed within such three-year
12 period, but is filed within the two-year period, the amount of the credit or refund shall not exceed
13 the portion of the tax paid during the two years immediately preceding the filing of the claim.
14 If no claim is filed, the credit or refund shall not exceed the amount which would be allowable
15 under either of the preceding sentences, as the case may be, if a claim was filed on the date the
16 credit or refund is allowed.

17 3. If pursuant to subsection 6 of section 143.711 an agreement for an extension of the
18 period for assessment of income taxes is made within the period prescribed in subsection 1 of
19 this section for the filing of a claim for credit or refund, the period for filing a claim for credit
20 or for making a credit or refund if no claim is filed, shall not expire prior to six months after the
21 expiration of the period within which an assessment may be made pursuant to the agreement or
22 any extension thereof. The amount of such credit or refund shall not exceed the portion of the

23 tax paid after the execution of the agreement and before the filing of the claim or the making of
24 the credit or refund, as the case may be, plus the portion of the tax paid within the period which
25 would be applicable under subsection 1 of this section if a claim had been filed on the date the
26 agreement was executed.

27 4. If a taxpayer is required by section 143.601 to report a change or correction in federal
28 taxable income reported on his federal income tax return, or to report a change or correction
29 which is treated in the same manner as if it were an overpayment for federal income tax
30 purposes, an amended return or a claim for credit or refund of any resulting overpayment of tax
31 shall be filed by the taxpayer within one year from the time the notice of such change or
32 correction or such amended return was required to be filed with the director of revenue. If the
33 report or amended return required by section 143.601 is not filed within the ninety-day period
34 therein specified, interest on any resulting refund or credit shall cease to accrue after such
35 ninetieth day. The amount of such credit or refund shall not exceed the amount of the reduction
36 in tax attributable to:

37 (1) The issues on which such federal change or correction or the items amended on the
38 taxpayer's amended federal income tax return are based, and

39 (2) Any change in the amount of [his] **the taxpayer's** federal income tax deduction
40 under the provisions of subsection 1 of section 143.171. No effect shall be given in the
41 preceding sentence to any federal change or correction or to any item on an amended return
42 unless it is timely under the applicable federal period of limitations. The time and amount
43 provisions of this subsection shall be in lieu of any other provisions of this section. This
44 subsection shall not affect the time within which or the amount for which a claim for credit or
45 refund may be filed apart from this subsection.

46 5. If the claim for credit or refund relates to an overpayment of tax on account of the
47 deductibility by the taxpayer of a debt as a debt which became worthless or a loss from
48 worthlessness of a security or the effect that the deductibility of a debt or of a loss has on the
49 application to the taxpayer of a carryover, the claim may be made, under regulations prescribed
50 by the director of revenue within seven years from the date prescribed by law for filing the return
51 for the year with respect to which the claim is made.

52 6. If the claim for credit or refund relates to an overpayment attributable to a net
53 operating loss carryback or a capital loss carryback, in lieu of the three-year period of limitations
54 prescribed in subsection 1 of this section, the period shall be that period which ends with the
55 expiration of the fifteenth day of the fortieth month (or the thirty-ninth month, in the case of a
56 corporation) following the end of the taxable year of the net operating loss or net capital loss
57 which results in such carryback, or the period prescribed in subsection 3 of this section in respect
58 of such taxable year, whichever expires later. In the case of such a claim, the amount of the

59 credit or refund may exceed the portion of the tax paid within the period provided in subsections
60 2, 3 and 4 of this section, whichever is applicable, to the extent of the amount of the overpayment
61 attributable to such carryback.

62 **7. (1) No period of limitations provided in subsections 1 to 6 of this section shall**
63 **apply if a taxpayer amends, or the federal Internal Revenue Service or its successor agency**
64 **changes, the taxpayer's federal income tax return for the same tax period and:**

65 **(a) Such amendment or change occurs after any period of limitations provided in**
66 **subsections 1 to 6 of this section has expired;**

67 **(b) Such amendment or change reveals that the taxpayer is eligible to claim a credit**
68 **or refund of an overpayment of any tax imposed under this chapter; and**

69 **(c) A period of limitations provided in subsections 1 to 6 of this section prohibits**
70 **the taxpayer from claiming such credit or refund.**

71 **(2) If the taxpayer files a claim for such credit or refund, the claim shall be filed in**
72 **the manner provided in this chapter and shall be filed within one year from the time the**
73 **taxpayer amends or the federal Internal Revenue Service changes the taxpayer's federal**
74 **income tax return.**

144.049. 1. For purposes of this section, the following terms mean:

2 (1) "Clothing", any article of wearing apparel, including footwear, intended to be worn
3 on or about the human body. The term shall include but not be limited to cloth and other
4 material used to make school uniforms or other school clothing. Items normally sold in pairs
5 shall not be separated to qualify for the exemption. The term shall not include watches,
6 watchbands, jewelry, handbags, handkerchiefs, umbrellas, scarves, ties, headbands, or belt
7 buckles; and

8 (2) "Personal computers", a laptop, desktop, or tower computer system which consists
9 of a central processing unit, random access memory, a storage drive, a display monitor, and a
10 keyboard and devices designed for use in conjunction with a personal computer, such as a disk
11 drive, memory module, compact disk drive, daughterboard, [digitalizer] **digitizer**, microphone,
12 modem, motherboard, mouse, multimedia speaker, printer, scanner, single-user hardware, single-
13 user operating system, soundcard, or video card;

14 (3) "School supplies", any item normally used by students in a standard classroom for
15 educational purposes, including but not limited to textbooks, notebooks, paper, writing
16 instruments, crayons, art supplies, rulers, book bags, backpacks, handheld calculators, chalk,
17 maps, and globes. The term shall not include watches, radios, CD players, headphones, sporting
18 equipment, portable or desktop telephones, copiers or other office equipment, furniture, or
19 fixtures. School supplies shall also include computer software having a taxable value of three

20 hundred fifty dollars or less **and any graphing calculator having a taxable value of one**
21 **hundred fifty dollars or less.**

22 2. In each year beginning on or after January 1, 2005, there is hereby specifically
23 exempted from state sales tax law all retail sales of any article of clothing having a taxable value
24 of one hundred dollars or less, all retail sales of school supplies not to exceed fifty dollars per
25 purchase, all computer software with a taxable value of three hundred fifty dollars or less, **all**
26 **graphing calculators having a taxable value of one hundred fifty dollars or less**, and all
27 retail sales of personal computers or computer peripheral devices not to exceed [three] **one**
28 thousand five hundred dollars, during a three-day period beginning at 12:01 a.m. on the first
29 Friday in August and ending at midnight on the Sunday following.

30 3. If the governing body of any political subdivision adopted an ordinance that applied
31 to the 2004 sales tax holiday to prohibit the provisions of this section from allowing the sales tax
32 holiday to apply to such political subdivision's local sales tax, then, notwithstanding any
33 provision of a local ordinance to the contrary, the 2005 sales tax holiday shall not apply to such
34 political subdivision's local sales tax. However, any such political subdivision may enact an
35 ordinance to allow the 2005 sales tax holiday to apply to its local sales taxes. A political
36 subdivision must notify the department of revenue not less than forty-five calendar days prior
37 to the beginning date of the sales tax holiday occurring in that year of any ordinance or order
38 rescinding an ordinance or order to opt out.

39 4. This section shall not apply to any sales which take place within the Missouri state
40 fairgrounds.

41 5. This section applies to sales of items bought for personal use only.

42 6. After the 2005 sales tax holiday, any political subdivision may, by adopting an
43 ordinance or order, choose to prohibit future annual sales tax holidays from applying to its local
44 sales tax. After opting out, the political subdivision may rescind the ordinance or order. The
45 political subdivision must notify the department of revenue not less than forty-five calendar days
46 prior to the beginning date of the sales tax holiday occurring in that year of any ordinance or
47 order rescinding an ordinance or order to opt out.

48 7. This section may not apply to any retailer when less than two percent of the retailer's
49 merchandise offered for sale qualifies for the sales tax holiday. The retailer shall offer a sales
50 tax refund in lieu of the sales tax holiday.

205.205. 1. The governing body of any hospital district established under sections
2 205.160 to 205.379 in any county of the third classification without a township form of
3 government and with more than ten thousand six hundred but fewer than ten thousand seven
4 hundred inhabitants, [or] any county of the third classification without a township form of
5 government and with more than eleven thousand seven hundred fifty but fewer than eleven

6 thousand eight hundred fifty inhabitants, **or any county of the third classification with a**
7 **township form of government and with more than twelve thousand but fewer than fourteen**
8 **thousand inhabitants and with a city of the fourth classification with more than four**
9 **thousand five hundred but fewer than five thousand inhabitants as the county seat** may,
10 by resolution, abolish the property tax authorized in such district under this chapter and impose
11 a sales tax on all retail sales made within the district which are subject to sales tax under chapter
12 144 and all sales of metered water services, electricity, electrical current and natural, artificial
13 or propane gas, wood, coal, or home heating oil for domestic use only as provided under section
14 144.032. The tax authorized in this section shall be not more than one percent, and shall be
15 imposed solely for the purpose of funding the hospital district. The tax authorized in this section
16 shall be in addition to all other sales taxes imposed by law, and shall be stated separately from
17 all other charges and taxes.

18 2. No such resolution adopted under this section shall become effective unless the
19 governing body of the hospital district submits to the voters residing within the district at a state
20 general, primary, or special election a proposal to authorize the governing body of the district to
21 impose a tax under this section. If a majority of the votes cast on the question by the qualified
22 voters voting thereon are in favor of the question, then the tax shall become effective on the first
23 day of the second calendar quarter after the director of revenue receives notification of adoption
24 of the local sales tax. If a majority of the votes cast on the question by the qualified voters voting
25 thereon are opposed to the question, then the tax shall not become effective unless and until the
26 question is resubmitted under this section to the qualified voters and such question is approved
27 by a majority of the qualified voters voting on the question.

28 3. All revenue collected under this section by the director of the department of revenue
29 on behalf of the hospital district, except for one percent for the cost of collection which shall be
30 deposited in the state's general revenue fund, shall be deposited in a special trust fund, which is
31 hereby created and shall be known as the "Hospital District Sales Tax Fund", and shall be used
32 solely for the designated purposes. Moneys in the fund shall not be deemed to be state funds,
33 and shall not be commingled with any funds of the state. The director may make refunds from
34 the amounts in the fund and credited to the district for erroneous payments and overpayments
35 made, and may redeem dishonored checks and drafts deposited to the credit of such district. Any
36 funds in the special fund which are not needed for current expenditures shall be invested in the
37 same manner as other funds are invested. Any interest and moneys earned on such investments
38 shall be credited to the fund.

39 4. The governing body of any hospital district that has adopted the sales tax authorized
40 in this section may submit the question of repeal of the tax to the voters on any date available for
41 elections for the district. If a majority of the votes cast on the question by the qualified voters

42 voting thereon are in favor of the repeal, that repeal shall become effective on December thirty-
43 first of the calendar year in which such repeal was approved. If a majority of the votes cast on
44 the question by the qualified voters voting thereon are opposed to the repeal, then the sales tax
45 authorized in this section shall remain effective until the question is resubmitted under this
46 section to the qualified voters and the repeal is approved by a majority of the qualified voters
47 voting on the question.

48 5. Whenever the governing body of any hospital district that has adopted the sales tax
49 authorized in this section receives a petition, signed by a number of registered voters of the
50 district equal to at least ten percent of the number of registered voters of the district voting in the
51 last gubernatorial election, calling for an election to repeal the sales tax imposed under this
52 section, the governing body shall submit to the voters of the district a proposal to repeal the tax.
53 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor
54 of the repeal, the repeal shall become effective on December thirty-first of the calendar year in
55 which such repeal was approved. If a majority of the votes cast on the question by the qualified
56 voters voting thereon are opposed to the repeal, then the sales tax authorized in this section shall
57 remain effective until the question is resubmitted under this section to the qualified voters and
58 the repeal is approved by a majority of the qualified voters voting on the question.

59 6. If the tax is repealed or terminated by any means, all funds remaining in the special
60 trust fund shall continue to be used solely for the designated purposes, and the hospital district
61 shall notify the director of the department of revenue of the action at least ninety days before the
62 effective date of the repeal and the director may order retention in the trust fund, for a period of
63 one year, of two percent of the amount collected after receipt of such notice to cover possible
64 refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the
65 credit of such accounts. After one year has elapsed after the effective date of abolition of the tax
66 in such district, the director shall remit the balance in the account to the district and close the
67 account of that district. The director shall notify each district of each instance of any amount
68 refunded or any check redeemed from receipts due the district.

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