

FIRST REGULAR SESSION
[TRULY AGREED TO AND FINALLY PASSED]
SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 49

99TH GENERAL ASSEMBLY

2017

0432S.05T

AN ACT

To repeal sections 67.505, 67.547, 94.510, and 144.026, RSMo, and to enact in lieu thereof four new sections relating to local sales taxes.

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

Section A. Sections 67.505, 67.547, 94.510, and 144.026, RSMo, are
2 repealed and four new sections enacted in lieu thereof, to be known as sections
3 67.505, 67.547, 94.510, and 144.026, to read as follows:

67.505. 1. Any county may, by a majority vote of its governing body,
2 impose a county sales tax, in conjunction with a property tax reduction for each
3 year in which the sales tax is imposed, for the benefit of such county in
4 accordance with the provisions of sections 67.500 to 67.545; provided, however,
5 that no ordinance or order enacted pursuant to the authority granted by the
6 provisions of sections 67.500 to 67.545 shall be effective unless the governing
7 body of the county submits to the voters of the county, at a county or state
8 general, primary or special election, a proposal to authorize the governing body
9 of the county to impose a tax and reduce property taxes under the provisions of
10 sections 67.500 to 67.545.

11 2. The ballot of submission shall contain, but need not be limited to, the
12 following language:

13 Shall the county of _____ (county's name) impose a countywide
14 sales tax of _____ (insert amount) and reduce its total property tax
15 levy annually by _____ (insert amount) percent of the total amount
16 of sales tax revenue collected in the same tax year?

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

17 YES NO

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

21 If a majority of the votes cast on the proposal by the qualified voters voting
22 thereon are in favor of the proposal, then the ordinance or order and any
23 amendments thereto shall be in effect. If a majority of the votes cast by the
24 qualified voters voting are opposed to the proposal, then the governing body of the
25 county shall have no power to impose the sales tax and reduce the property tax
26 as herein authorized unless and until the governing body of the county shall
27 again have submitted another proposal to authorize the governing body of the
28 county to impose the sales tax and reduce the property tax under the provisions
29 of sections 67.500 to 67.545 and such proposal is approved by a majority of the
30 qualified voters voting thereon.

31 3. The sales tax may be imposed at a rate of one-fourth of one percent,
32 three-eighths of one percent or one-half of one percent on the receipts from the
33 sale at retail of all tangible personal property or taxable services at retail within
34 any county adopting such tax, if such property and services are subject to
35 taxation by the state of Missouri under the provisions of sections 144.010 to
36 144.525. Each year in which a sales tax is imposed under the provisions of
37 sections 67.500 to 67.545, the county shall, after determining its budget,
38 excluding funds required to be set aside and placed to the credit of special road
39 districts, within the limits set by the constitution and laws of this state for the
40 following calendar year and the total property tax levy needed to raise the
41 revenues required by such budget, reduce that total property tax levy in an
42 amount sufficient to decrease the total property taxes it will collect by an amount
43 equal to one of the following:

44 (1) Fifty percent of the sales tax revenue collected in the tax year for
45 which the property taxes are being levied;

46 (2) Sixty percent of the sales tax revenue collected in the tax year for
47 which the property taxes are being levied;

48 (3) Seventy percent of the sales tax revenue collected in the tax year for
49 which the property taxes are being levied;

50 (4) Eighty percent of the sales tax revenue collected in the tax year for
51 which the property taxes are being levied;

52 (5) Ninety percent of the sales tax revenue collected in the tax year for

53 which the property taxes are being levied;

54 (6) One hundred percent of the sales tax revenue collected in the tax year
55 for which the property taxes are being levied;

56 provided that, in the event that in the immediately preceding year a county
57 actually collected more or less sales tax revenue than the amount determined
58 under subdivision (4) of section 67.500, the county shall adjust its total property
59 tax levy for the current year to reflect such increase or decrease.

60 **4. No county in this state shall impose a tax under this section**
61 **for the purpose of funding in whole or in part the construction,**
62 **operation, or maintenance of any zoological activities, zoological**
63 **facilities, zoological organizations, the metropolitan zoological park**
64 **and museum district as created under section 184.350, or any zoological**
65 **boards.**

67.547. 1. In addition to the tax authorized by section 67.505, any county
2 **as defined in 67.750** may, by a majority vote of its governing body, impose an
3 additional county sales tax on all sales which are subject to taxation under the
4 provisions of sections 144.010 to 144.525. The tax authorized by this section shall
5 be in addition to any and all other sales tax allowed by law; except that no
6 ordinance or order imposing a sales tax under the provisions of this section shall
7 be effective unless the governing body of the county submits to the voters of the
8 county, at a county or state general, primary or special election, a proposal to
9 authorize the governing body of the county to impose such tax.

10 2. The ballot of submission shall contain, but need not be limited to the
11 following language:

12 Shall the county of (county's name) impose a
13 countywide sales tax of (insert rate) percent **for the**
14 **purpose of (insert purpose)?**

15 YES NO

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

19 If a majority of the votes cast on the proposal by the qualified voters voting
20 thereon are in favor of the proposal, then the ordinance or order and any
21 amendments thereto shall be in effect. If a majority of the votes cast by the
22 qualified voters voting are opposed to the proposal, then the governing body of the
23 county shall have no power to impose the sales tax as herein authorized unless

24 and until the governing body of the county submits another proposal to authorize
25 the governing body of the county to impose the sales tax under the provisions of
26 this section and such proposal is approved by a majority of the qualified voters
27 voting thereon. **A county shall not submit to the voters a proposed sales**
28 **tax under this section for a period of two years from the date of an**
29 **election in which the county previously submitted to the voters a**
30 **proposed sales tax under this section, regardless of whether the initial**
31 **proposed sales tax was approved or disapproved by the voters. The**
32 **revenue collected from the sales tax authorized under this section shall**
33 **only be used for the purpose approved by voters of the county.**

34 3. The sales tax may be imposed at a rate of one-eighth of one percent,
35 one-fourth of one percent, three-eighths of one percent, or one-half of one percent
36 on the receipts from the sale at retail of all tangible personal property or taxable
37 services at retail within any county adopting such tax[,] if such property and
38 services are subject to taxation by the state of Missouri under the provisions of
39 sections 144.010 to 144.525. **In any city not within a county or any county**
40 **described in subsection 5 of this section, no sales tax for the purpose**
41 **of funding zoological activities and zoological facilities as those terms**
42 **are defined in section 184.500 shall exceed a rate of one-eighth of one**
43 **percent unless the sales tax was levied and collected before August 28,**
44 **2017. Beginning August 28, 2017, no county shall submit to the voters**
45 **any proposal that results in a combined rate of sales taxes adopted**
46 **under this section in excess of one percent.**

47 4. Except as modified in this section, all provisions of sections 32.085 and
48 32.087 shall apply to the tax imposed under this section.

49 5. In any first class county having a charter form of government and
50 having a population of nine hundred thousand or more, the proceeds of the sales
51 tax authorized by this section shall be distributed so that an amount equal to
52 three-eighths of the proceeds of the tax shall be distributed to the county and the
53 remaining five-eighths shall be distributed to the cities, towns and villages and
54 the unincorporated area of the county on the ratio that the population of each
55 bears to the total population of the county. **Three-eighths of the tax rate**
56 **adopted by such a county shall be included in the calculation of the**
57 **county's one percent combined tax rate ceiling provided in subsection**
58 **3 of this section.** The population of each city, town or village and the
59 unincorporated area of the county and the total population of the county shall be

60 determined on the basis of the most recent federal decennial census. **The**
61 **provisions of this subsection shall not apply if the revenue collected is**
62 **used to support zoological activities of the zoological subdistrict as**
63 **defined under section 184.352.**

64 **6. Except as prohibited under section 184.353, residents of any**
65 **county that does not adopt a sales tax under this section for the**
66 **purpose of supporting zoological activities may be charged an**
67 **admission fee for zoological facilities, programs, or events that are not**
68 **part of the zoological subdistrict defined under subsection 15 of section**
69 **184.352 as of August 28, 2017.**

70 **7.** In any county of the second classification with more than nineteen
71 thousand seven hundred but fewer than nineteen thousand eight hundred
72 inhabitants, the proceeds of the sales tax authorized by this section shall be
73 distributed so that an amount equal to three-fourths of the proceeds of the tax
74 shall be distributed to the county and the remaining one-fourth shall be
75 distributed equally among the incorporated cities, towns, and villages of the
76 county. Upon request from any city, town, or village within the county, the
77 county shall make available for inspection the distribution report provided to the
78 county by the department of revenue. Any expenses incurred by the county in
79 supplying such report to a city, town, or village shall be paid by such city, town,
80 or village.

81 **[7.] 8.** In any first class county having a charter form of government and
82 having a population of nine hundred thousand or more, no tax shall be imposed
83 pursuant to this section for the purpose of funding in whole or in part the
84 construction, operation or maintenance of a sports stadium, field house, indoor
85 or outdoor recreational facility, center, playing field, parking facility or anything
86 incidental or necessary to a complex suitable for any type of professional sport or
87 recreation, either upon, above or below the ground.

88 **[8.] 9.** **No county in this state, other than a county with a charter**
89 **form of government and with more than nine hundred fifty thousand**
90 **inhabitants and a city not within a county, shall impose a tax under**
91 **this section for the purpose of funding in whole or in part the**
92 **construction, operation, or maintenance of any zoological activities,**
93 **zoological facilities, zoological organizations, the metropolitan**
94 **zoological park and museum district as created under section 184.350,**
95 **or any zoological boards.**

96 **10.** The director of revenue may authorize the state treasurer to make
 97 refunds from the amounts in the trust fund and credited to any county for
 98 erroneous payments and overpayments made, and may redeem dishonored checks
 99 and drafts deposited to the credit of such counties. If any county abolishes the
 100 tax, the county shall notify the director of revenue of the action at least ninety
 101 days prior to the effective date of the repeal and the director of revenue may
 102 order retention in the trust fund, for a period of one year, of two percent of the
 103 amount collected after receipt of such notice to cover possible refunds or
 104 overpayment of the tax and to redeem dishonored checks and drafts deposited to
 105 the credit of such accounts. After one year has elapsed after the effective date of
 106 abolition of the tax in such county, the director of revenue shall remit the balance
 107 in the account to the county and close the account of that county. The director
 108 of revenue shall notify each county of each instance of any amount refunded or
 109 any check redeemed from receipts due the county.

110 **11. No revenue received from a tax for the purpose of funding**
 111 **zoological activities in any county shall be used for the benefit of any**
 112 **entity that has ever been named Grant's Farm or is located at ten**
 113 **thousand five hundred one Gravois Road, Saint Louis, Missouri, or**
 114 **successor address, or to supplant any funding received from the**
 115 **metropolitan zoological park and museum district established under**
 116 **section 184.350.**

94.510. 1. Any city may, by a majority vote of its council or governing
 2 body, impose a city sales tax for the benefit of such city in accordance with the
 3 provisions of sections 94.500 to 94.550; provided, however, that no ordinance
 4 enacted pursuant to the authority granted by the provisions of sections 94.500 to
 5 94.550 shall be effective unless the legislative body of the city submits to the
 6 voters of the city, at a public election, a proposal to authorize the legislative body
 7 of the city to impose a tax under the provisions of sections 94.500 to 94.550. The
 8 ballot of submission shall be in substantially the following form:

9 Shall the city of _____ (insert name of city) impose a city sales tax
 10 of _____ (insert rate of percent) percent?

11 YES NO

12 If a majority of the votes cast on the proposal by the qualified voters voting
 13 thereon are in favor of the proposal, then the ordinance and any amendments
 14 thereto shall be in effect. If a majority of the votes cast by the qualified voters
 15 voting are opposed to the proposal, then the legislative body of the city shall have

16 no power to impose the tax herein authorized unless and until the legislative
17 body of the city shall again have submitted another proposal to authorize the
18 legislative body of the city to impose the tax under the provisions of sections
19 94.500 to 94.550, and such proposal is approved by a majority of the qualified
20 voters voting thereon.

21 2. The sales tax may be imposed at a rate of one-half of one percent,
22 seven-eighths of one percent or one percent on the receipts from the sale at retail
23 of all tangible personal property or taxable services at retail within any city
24 adopting such tax, if such property and services are subject to taxation by the
25 state of Missouri under the provisions of sections 144.010 to 144.525; except that,
26 each city not within a county may impose such tax at a rate not to exceed one and
27 three-eighths percent. **Beginning August 28, 2017, no city shall submit to**
28 **the voters any proposal that results in a combined rate of sales taxes**
29 **adopted under this section in excess of two percent.**

30 3. If any city in which a city tax has been imposed in the manner provided
31 for in sections 94.500 to 94.550 shall thereafter change or alter its boundaries,
32 the city clerk of the city shall forward to the director of revenue by United States
33 registered mail or certified mail a certified copy of the ordinance adding or
34 detaching territory from the city. The ordinance shall reflect the effective date
35 thereof, and shall be accompanied by a map of the city clearly showing the
36 territory added thereto or detached therefrom. Upon receipt of the ordinance and
37 map, the tax imposed by the act shall be effective in the added territory or
38 abolished in the detached territory on the effective date of the change of the city
39 boundary.

40 4. If any city abolishes the tax authorized under this section, the repeal
41 of such tax shall become effective December thirty-first of the calendar year in
42 which such abolishment was approved. Each city shall notify the director of
43 revenue at least ninety days prior to the effective date of the expiration of the
44 sales tax authorized by this section and the director of revenue may order
45 retention in the trust fund, for a period of one year, of two percent of the amount
46 collected after receipt of such notice to cover possible refunds or overpayment of
47 such tax and to redeem dishonored checks and drafts deposited to the credit of
48 such accounts. After one year has elapsed after the date of expiration of the tax
49 authorized by this section in such city, the director of revenue shall remit the
50 balance in the account to the city and close the account of that city. The director
51 of revenue shall notify each city of each instance of any amount refunded or any

52 check redeemed from receipts due the city.

144.026. The director of revenue shall not send notice to any taxpayer
2 under subsection 2 of section 144.021 regarding the decision in IBM Corporation
3 v. Director of Revenue, [Case No. 94999] **491 S.W.3d 535** (Mo. banc 2016) prior
4 to August 28, [2017] **2018**.

✓

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Bill

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