

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR

SENATE JOINT RESOLUTION NO. 46

90TH GENERAL ASSEMBLY

Reported from the Committee on Commerce and Environment, February 17, 2000, with recommendation that the Senate Committee Substitute do pass.

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TERRY L. SPIELER, Secretary.

JOINT RESOLUTION

Submitting to the qualified voters of Missouri, an amendment to article X of the Constitution of Missouri, relating to utility taxation and adopting one new section relating to the same subject.

Be it resolved by the Senate, the House of Representatives concurring therein:

That at the next general election to be held in the state of Missouri, on Tuesday next following the first Monday in November, 2000, or at a special election to be called by the governor for that purpose, there is hereby submitted to the qualified voters of this state, for adoption or rejection, the following amendment to article X of the Constitution of the state of Missouri:

Section A. Article X, Constitution of Missouri, is amended by adding thereto one new section, to be known as section 25, to read as follows:

Section 25. (a) To provide uniformity and fairness regarding the taxation of electricity and natural gas and payments in lieu of taxes made by municipal utilities, for any year beginning after December 31, 2001, the general assembly is authorized to impose by law replacement taxes and fees for the following taxes and fees: local taxes or payments in lieu of taxes imposed on the gross receipts derived from sales of electricity and natural gas, including license or occupational taxes; franchise fees based on gross receipts from sales of electricity and natural gas; local sales and use taxes imposed by any political subdivision upon sales and purchases of electricity and natural gas; and taxes on real or tangible personal property used directly for the generation, transmission or distribution, as defined by law, of electricity. Upon the effective date of any such replacement tax or fee, the tax or fee being replaced shall be repealed or become void, and the replacement tax or fee shall be deemed as being authorized by law on the date of adoption of section 22 of this article. Each such replacement tax or fee shall be imposed on any distributor or other person who delivers

electricity or natural gas to the user, or upon the user if the electricity or natural gas is received other than from a distributor or other person who has paid the replacement taxes or fees. The general assembly shall establish rates for each electricity replacement tax or fee that are designed to produce revenues which are equivalent, to the greatest extent practicable, to the amount of revenues that were produced by the tax or fee being replaced during the base year, as provided by law, for each generally recognized group of like users. The general assembly shall also establish rates for each natural gas replacement tax or fee that are designed to produce revenues which are equivalent, to the greatest extent practicable, to the amount of revenues that were produced by the tax or fee being replaced during the base year, and to impose a proportionate tax burden among generally recognized groups of like users that is equivalent, to the greatest extent practicable, to the proportionate tax burden imposed by the taxes or fees being replaced as if the replaced tax applied in the base year to all charges for natural gas, including all natural gas commodity charges.

(b) For purposes of determining limitations on indebtedness pursuant to article VI, section 26(b) of this constitution, if replacement taxes are imposed or replacement revenues are provided for taxes on real or tangible personal property used directly for the generation, transmission or distribution of electricity, as defined by law, a county or other political subdivision may include in its calculation of taxable tangible property the value of such property as shown in the last completed assessment for state and county purposes prior to the imposition of any replacement taxes or the provision of any replacement revenues, and such value may be adjusted for changes in the general price level as provided by law. Except for revenue which may be distributed to funds established for pensions for the blind pursuant to section 38(a) of article III of this constitution, no replacement taxes as authorized by this section which are collected by the state of Missouri shall be considered part of total state revenue for purposes of section 17 or 18 of this article. Nothing contained in this section shall be deemed to constitute a new activity or service or an increase in the level of any activity or service beyond that required by existing law as provided in section 21 of this article. In addition, for purposes of calculating property taxes levied pursuant to section 22 of this article and any related statutory provisions, any county or other political subdivision which has levied a sales tax for the purpose of reducing property taxes shall include in its calculation of gross property tax revenues the amount of revenue resulting from any replacement tax, if the repealed tax would have reduced property taxes in calendar year 2000. Upon the enactment of a replacement tax for the property taxes on real and tangible personal property used directly for the generation, transmission or distribution of electricity, a county or other political subdivision shall include in its calculation of gross property tax revenues the amount of revenue resulting from the

replacement tax.

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