

SECOND REGULAR SESSION

SENATE BILL NO. 1065

90TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR GOODE.

Read 1st time March 1, 2000, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

4643S.011

AN ACT

To amend chapter 144, RSMo, by adding thereto seven new sections relating to sales and use taxes.

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

Section A. Chapter 144, RSMo, is amended by adding thereto seven new sections, to be known as sections 144.830, 144.833, 144.836, 144.839, 144.842, 144.845 and 144.848, to read as follows:

144.830. Sections 144.830 to 144.848 may be cited as the "Streamlined Sales and Use Tax Simplification Act for the 21st Century".

144.833. The legislature finds that:

(1) The state should simplify sales and use taxes to reduce the administrative burden on collection of sales and use taxes by both single state and multi-state taxpayers and vendors;

(2) State and local tax systems should treat transactions in a competitively neutral manner;

(3) A simplified sales and use tax system that treats all transactions in a competitively neutral manner will strengthen and preserve the sales and use tax as vital state and local revenue sources and preserve state fiscal sovereignty;

(4) Remote sellers should not receive preferential tax treatment at the expense of local "main street" merchants, nor should such vendors be burdened with special, discriminatory or multiple taxes; and

(5) While states have the sovereign right to set their own tax policies, states working together have the opportunity to develop a more simple, uniform and fair system of state sales and use taxation without federal government mandates of interference.

144.836. The Missouri department of revenue shall enter into discussions with states regarding development of a multi-state, voluntary, streamlined system for sales and use tax collection and administration. These discussions shall focus on a system that would have the capability to determine whether the transaction is taxable or tax exempt, the appropriate tax rate applied to the transaction and the total tax due on the transaction, and shall provide a method on collection and remitting sales and use taxes to the state. Such system may provide compensation for the costs of collecting and remitting sales and use taxes. Discussions between the department and other states may include, but are not limited to:

(1) The development of a "joint request for information" from potential public and private parties governing the specifications for such system;

(2) The mechanism for compensating parties for the development and operation of such system;

(3) Establishment of minimum statutory simplification measures necessary for state participation in such system;

(4) Measures to preserve confidentiality of taxpayer information and privacy rights of consumers.

Following these discussions, the department may proceed to issue a joint request for information.

144.839. The department is authorized to participate in a sales tax pilot project with other states and selected businesses to test means for simplifying sales and use tax administration and may enter into joint agreements for that purpose.

(1) Agreements to participate in the test shall establish provisions for the administration, imposition and collection of sales and use taxes resulting in revenues paid that are the same as would be paid under chapter 144.010 to 144.807.

(2) Parties to the agreements are excused from complying with the provisions of sections 144.010 to 144.807 to the extent a different procedure is required by the agreements, except for confidentiality of taxpayer information pursuant to section 144.842.

(3) Agreements authorized under this section shall terminate no later than December 31, 2001.

144.842. Return information submitted to any party or parties action for and on behalf of the state shall be treated as confidential taxpayer information. Disclosure of confidential taxpayer information necessary under section 144.836 and 144.839 shall be pursuant to a written agreement between the department and the party or parties. Such party or parties shall be bound by the same requirements of confidentiality as the Missouri department of revenue under section 32.057, RSMo.

144.845. Legislative oversight of this effort shall be provided by the "Multi-state Tax Compact Advisory Committee" which is hereby created, consisting of two members of the senate appointed by the president pro tem, two members of the house appointed by the speaker, the director of revenue, the attorney general and his designee plus a member of the governor's staff designated by the governor. This committee shall meet on a monthly basis, at the request of the chairman, who shall be the director of revenue, or more often if requested by a majority of the committee. The committee shall provide a report to the president pro tem of the senate, the speaker of the house and the governor on a quarterly basis on the progress of the multi-state discussions and other tax simplification efforts.

144.848. The legislative review committee shall provide by October 1, 2001, a final report to the president pro tem of the senate, the speaker of the house and the governor the status of multi-state discussions and if a proposed system has been agreed upon by participating states, and whether or not Missouri should participate in such system.

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