

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 460
91ST GENERAL ASSEMBLY

Reported from the Committee on Ways and Means, April 26, 2001, with recommendation that the House Committee Substitute for Senate Bill No. 460 Do Pass.

TED WEDEL, Chief Clerk

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AN ACT

To repeal section 144.815, RSMo 2000, and to enact in lieu thereof six new sections relating to sales tax.

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

Section A. Section 144.815, RSMo 2000, is repealed and six new sections enacted in lieu thereof, to be known as sections 144.815, 144.1050, 144.1053, 144.1059, 144.1065 and 144.1068, to read as follows:

144.815. In addition to the exemptions granted pursuant to the provisions of section 144.030, there shall also be specifically exempted from [the provisions of sections 66.600 to 66.635, RSMo, sections 67.500 to 67.545, 67.547, 67.581, 67.582, 67.671 to 67.685, 67.700 to 67.729, 67.730 to 67.739, 67.782, RSMo, sections 92.400 to 92.420, RSMo, sections 94.500 to 94.570, 94.600 to 94.655, 94.700 to 94.755, RSMo,] **local sales tax law as defined in section 32.085, RSMo,** and sections 144.010 to 144.510 and 144.600 to [144.745] **144.757**, and from the computation of the tax levied, assessed or payable pursuant to [sections 66.600 to 66.635, RSMo, sections 67.500 to 67.545, 67.547, 67.581, 67.582, 67.671 to 67.685, 67.700 to 67.729, 67.730 to 67.739, 67.782, RSMo, sections 92.400 to 92.420, RSMo, sections 94.500 to 94.570, 94.600 to 94.655, 94.700 to 94.755, RSMo,] **local sales tax law as defined in section 32.085, RSMo,** and sections 144.010 to [144.510] **144.525** and 144.600 to [144.745] **144.811**, purchases of bullion and investment coins. For purposes of this section, the following terms shall mean:

(1) "Bullion", gold, silver, platinum or palladium in a bulk state, where its value depends on its content rather than its form, with a purity of not less than nine hundred parts per one thousand; and

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

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(2) "Investment coins", numismatic coins or other forms of money and legal tender manufactured of gold, silver, platinum, palladium or metals with a fair market value greater than the face value of the coins.

144.1050. Sections 144.1050 to 144.1068 shall be known as and referred to as the "Simplified Sales and Use Tax Administration Act".

144.1053. As used in sections 144.1050 to 144.1068, the following terms shall mean:

(1) "Agreement", the Streamlined Sales and Use Tax Agreement;

(2) "Certified automated system", software certified jointly by the states that are signatories to the agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to remit to the appropriate state, and maintain a record of the transaction;

(3) "Certified service provider", an agent certified jointly by the states that are signatories to the agreement to perform all of the seller's sales tax functions;

(4) "Person", an individual, trust, estate, fiduciary, partnership, limited liability company, limited liability partnership, corporation, or any other legal entity;

(5) "Sales tax", any sales tax levied pursuant to this chapter, section 32.085, RSMo, or any other sales tax authorized by statute and levied by this state or its political subdivisions;

(6) "Seller", any person making sales, leases or rentals of personal property or services;

(7) "State", any state of the United States, and the District of Columbia;

(8) "Use tax", the use tax levied pursuant to this chapter.

144.1059. For the purposes of reviewing and if necessary amending the agreement embodying the simplification requirements as contained in section 144.1068, the state shall enter into multistate discussions. For purposes of such discussions, the state shall be represented by no more than four delegates, two of whom shall be appointed by the governor, one member of the house of representatives appointed by the speaker of the house and one member of the senate appointed by the pro tempore of the senate.

144.1065. No provision of the agreement authorized by sections 144.1050 to 144.1068 in whole or in part invalidates or amends any provision of the law of this state. Implementation of any condition of this agreement in this state, whether adopted before, at, or after membership of this state in the agreement, must be by the action of the general assembly.

144.1068. The director of revenue shall not enter into the streamlined sales and use tax agreement unless the agreement requires each state to abide by the following requirements:

(1) The agreement must set restrictions to limit over time the number of state rates;

(2) The agreement must establish uniform standards for the following:

(a) The sourcing of transactions to taxing jurisdictions;

(b) The administration of exempt sales; and

(c) Sales and use tax returns and remittances;

(3) The agreement must provide a central, electronic registration system that allows a seller to register to collect and remit sales and use taxes for all signatory states;

(4) The agreement must provide that registration with the central registration system and the collection of sales and use taxes in the signatory states will not be used as a factor in determining whether the seller has nexus with a state for any tax;

(5) The agreement must provide for reduction of the burdens of complying with local sales and use taxes through the following:

- (a) Restricting variances between the state and local tax bases;**
- (b) Requiring states to administer any sales and use taxes levied by local jurisdictions within the state so that sellers collecting and remitting these taxes will not have to register or file returns with, remit funds to, or be subject to independent audits from local taxing jurisdictions;**
- (c) Restricting the frequency of changes in the local sales and use tax rates and setting effective dates for the application of local jurisdictional boundary changes to local sales and use taxes; and**
- (d) Providing notice of changes in local sales and use tax rates and of changes in the boundaries of local taxing jurisdictions;**
- (6) The agreement must outline any monetary allowances that are to be provided by the states to sellers or certified service providers. The agreement must allow for a joint public and private sector study of the compliance cost on sellers and certified service providers to collect sales and use taxes for state and local governments under various levels of complexity, to be completed by July 1, 2002;**
- (7) The agreement must require each state to certify compliance with the terms of the agreement prior to joining and to maintain compliance, under the laws of the member state, with all provisions of the agreement while a member;**
- (8) The agreement must require each state to adopt a uniform policy for certified service providers that protects the privacy of consumers and maintains the confidentiality of tax information; and**
- (9) The agreement must provide for the appointment of an advisory council of private sector representatives and an advisory council of nonmember state representatives to consult with in the administration of the agreement.**

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