

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 754
92ND GENERAL ASSEMBLY

Reported from the Committee on Tourism and Cultural Affairs, April 7, 2004, with recommendation that the House Committee Substitute for Senate Committee Substitute for Senate Bill No. 754 Do Pass.

2769L.12C

STEPHEN S. DAVIS, Chief Clerk

AN ACT

To repeal sections 67.793, 67.799, 67.1706, and 67.1754, RSMo, and to enact in lieu thereof twelve new sections relating to the creation of exhibition center and recreational facility districts.

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

Section A. Sections 67.793, 67.799, 67.1706, and 67.1754, RSMo, are repealed and twelve new sections enacted in lieu thereof, to be known as sections 67.793, 67.799, 67.1706, 67.1754, 67.2000, 67.2500, 67.2505, 67.2510, 67.2515, 67.2520, 67.2525, and 67.2530, to read as follows:

67.793. 1. Whenever the creation of a regional recreational district is desired, one hundred or more persons residing in the proposed district may file with the county clerk in which the greater part of the proposed district's population resides a petition requesting the creation of the regional recreational district. In case the proposed district is situated in two or more counties, the petition shall be filed in the office of the county clerk of the county in which the greater part of the proposed district's population resides, and the governing body of that county shall set the petition for public hearing and conduct such hearing. The petition shall set forth:

- (1) A description of the territory to be embraced in the proposed district;
- (2) The names of the municipalities located within the proposed district;
- (3) The name of the proposed district;
- (4) The population of the proposed district;
- (5) The assessed valuation of the proposed district;
- (6) The type and rate of tax proposed to be levied; and

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

(7) A request that the question be submitted to the voters residing within the limits of the proposed regional recreational district whether they will establish a regional recreational district pursuant to the provisions of sections 67.792 to 67.799 to be known as "..... Regional Recreational District" for the purpose of establishing, operating and maintaining public parks, neighborhood trails and recreational facilities within the boundaries of the district.

2. Whenever one hundred or more persons residing in an area contiguous to an existing regional recreational district desire to become part of that contiguous district, such persons may file a petition with the county clerk of the county in which the greater part of the population within the proposed addition to the district resides, and the governing body of that county shall set the petition for public hearing and conduct such hearing. The petition for the addition to a district shall set forth the same facts required for the creation of such a district pursuant to subdivisions (1) to (7) of subsection 1 of this section, except that:

(1) Subdivision (6) of subsection 1 of this section shall only permit the imposition of a tax on the real property located within the addition to the district; and

(2) Subdivision (7) of subsection 1 of this section shall, in the petition for the addition, be a request that the question be submitted to the voters residing within the limits of the proposed addition to the "..... regional recreational district" as to whether or not they will become a part of the "..... regional recreational district" for the purpose of establishing, operating and maintaining public parks, neighborhood trails and recreational facilities within the boundaries of such district.

3. The petition shall, after having been filed pursuant to this section, receive a hearing by the governing body of the county of filing pursuant to section 67.794.

4. The governing body of any county otherwise eligible to participate in a regional recreational district may directly authorize, by ordinance, the creation of a regional recreational district or an addition to an existing regional recreational district without the submission of a petition. The governing body of each such county shall, upon the enactment of such ordinance, submit the question of its approval to the voters in such county. If less than an entire county is proposed to participate in such a regional recreational district, the question may be submitted to the **registered and qualified** voters residing in the proposed [area, provided, that any regional recreational district which is supported by a sales tax shall be approved by the voters of the entire county] **district, or if no registered and qualified voters reside in the proposed district, to the owners of the real property located within the proposed district. Any ordinance adopted by the governing body creating a regional recreational district supported by a sales tax but with no registered and qualified voters residing within the proposed district boundaries shall be unanimously approved by the owners of real property within the proposed district.** The proposed district shall consist only of those counties, or portions of counties, where the governing body has approved an ordinance to create a district.

67.799. 1. A regional recreational district may, by a majority vote of its board of directors,

impose an annual property tax for the establishment and maintenance of public parks and recreational facilities and grounds within the boundaries of the regional recreational district not to exceed sixty cents per year on each one hundred dollars of assessed valuation on all property within the district, except that no such tax shall become effective unless the board of directors of the district submits to the voters of the district, at a county or state general, primary or special election, a proposal to authorize the tax.

2. The question shall be submitted in substantially the following form:

Shall cent tax per one hundred dollars assessed valuation be levied for public parks and recreational facilities?

YES

NO

If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then the tax shall become effective. If a majority of the votes cast by the qualified voters voting are opposed to the proposal, then the board of directors shall have no power to impose the tax unless and until the board of directors of the district submits another proposal to authorize the tax and such proposal is approved by a majority of the qualified voters voting thereon.

3. The property tax authorized in subsections 1 and 2 of this section shall be levied and collected in the same manner as other ad valorem property taxes are levied and collected.

4. (1) A regional recreational district may, by a majority vote of its board of directors, impose a tax not to exceed one-half of one cent on all retail sales subject to taxation pursuant to sections 144.010 to 144.525, RSMo, for the purpose of funding the creation, operation and maintenance of public parks, recreational facilities and grounds within the boundaries of a regional recreational district. The tax authorized by this subsection shall be in addition to all other sales taxes allowed by law. No tax pursuant to this subsection shall become effective unless the board of directors submits to the voters of the district, at a county or state general, primary or special election, a proposal to authorize the tax, and such tax shall become effective only after the majority of the voters voting on such tax approve such tax. [Only whole counties participating in a regional recreational district shall be able to impose a sales tax pursuant to this subsection.]

(2) In the event the district seeks to impose a sales tax pursuant to this subsection, the question shall be submitted in substantially the following form:

Shall a cent sales tax be levied on all retail sales within the district for public parks and recreational facilities?

YES

NO

If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal, then the tax shall become effective. If a majority of the votes cast by the qualified voters voting are opposed to the proposal, then the board of directors shall have no power to impose the tax unless and until another proposal to authorize the tax is submitted to the voters of the district and such proposal is approved by a majority of the qualified voters voting thereon. The provisions of sections 32.085 and 32.087, RSMo, shall apply to any tax approved pursuant to this subsection.

5. As used in this section, "qualified voters" or "voters" means any individuals residing within the proposed district who are eligible to be registered voters and who have registered to vote under chapter 115, RSMo, or, if no individuals eligible and registered to vote reside within the proposed district, all of the owners of real property located within the proposed district who have unanimously petitioned for or consented to the adoption of an ordinance by the governing body imposing a tax authorized in this section. If the owner of the property within the proposed district is a political subdivision or corporation of the state, the governing body of such political subdivision or corporation shall be considered the owner for purposes of this section.

67.1706. The metropolitan district shall have as its [primary] duty the development, operation and maintenance of a public system of interconnecting trails and parks throughout the counties comprising the district. **Nothing in this section shall restrict the district's entering into and initiating projects dealing with parks not necessarily connected to trails.** The metropolitan district shall supplement but shall not substitute for the powers and responsibilities of the other parks and recreation systems within the metropolitan district **or other conservation and environmental regulatory agencies** and shall have the power to contract with other parks and recreation systems as well as with other public and private entities. **Nothing in this section shall give the metropolitan district authority to regulate water quality, watershed or land use issues in the counties comprising the district.**

67.1754. The sales tax authorized in sections 67.1712 to 67.1721 shall be collected and allocated as follows:

(1) Fifty percent of the sales taxes collected from each county shall be deposited in the metropolitan park and recreational fund to be administered by the board of directors of the district to pay costs associated with the establishment, administration, operation and maintenance of public recreational facilities, parks, and public recreational grounds associated with the district. Costs for office administration beginning in the second fiscal year of district operations may be up to but shall not exceed fifteen percent of the amount deposited pursuant to this subdivision;

(2) Fifty percent of the sales taxes collected from each county shall be returned to the source county for park purposes, except that forty percent of such fifty percent amount shall be reserved for distribution to municipalities within the county in the form of grant revenue sharing funds. Each county in the district shall establish its own process for awarding the grant proceeds to its municipalities for park purposes **provided the purposes of such grants are consistent with the purpose of the district.** In the case of a county of the first classification with a charter form of government having a population of at least nine hundred thousand inhabitants, such grant proceeds shall be awarded to municipalities by a municipal grant commission as described in section 67.1757.

67.2000. 1. This section shall be known as the "Exhibition Center and Recreational Facility District Act".

2. Whenever not less than fifty owners of real property located within any county of

the first classification with more than seventy-one thousand three hundred but less than seventy-one thousand four hundred inhabitants, any county of the first classification with more than one hundred ninety-eight thousand but less than one hundred ninety-nine thousand two hundred inhabitants, any county of the first classification with more than eighty-five thousand nine hundred but less than eighty-six thousand inhabitants, or any county of the second classification with more than fifty-two thousand six hundred but less than fifty-two thousand seven hundred inhabitants, or any county of the first classification with more than one hundred four thousand six hundred but less than one hundred four thousand seven hundred inhabitants, or any county of the third classification without a township form of government and with more than seventeen thousand nine hundred but less than eighteen thousand inhabitants, or any county of the first classification with more than thirty-seven thousand but less than thirty-seven thousand one hundred inhabitants, or any county of the third classification without a township form of government and with more than twenty-three thousand five hundred but less than twenty-three thousand six hundred inhabitants, or any county of the third classification without a township form of government and with more than nineteen thousand three hundred but less than nineteen thousand four hundred inhabitants desire to create an exhibition center and recreational facility district, the property owners shall file a petition with the governing body of each county located within the boundaries of the proposed district requesting the creation of the district. The district boundaries may include all or part of the counties described in this section. The petition shall contain the following information:

(1) The name and residence of each petitioner and the location of the real property owned by the petitioner;

(2) A specific description of the proposed district boundaries, including a map illustrating the boundaries; and

(3) The name of the proposed district.

3. Upon the filing of a petition pursuant to this section, the governing body of any county described in this section may, by resolution, approve the creation of a district. Any resolution to establish such a district shall be adopted by the governing body of each county located within the proposed district, and shall contain the following information:

(1) A description of the boundaries of the proposed district;

(2) The time and place of a hearing to be held to consider establishment of the proposed district;

(3) The proposed sales tax rate to be voted on within the proposed district; and

(4) The proposed uses for the revenue generated by the new sales tax.

4. Whenever a hearing is held as provided by this section, the governing body of each county located within the proposed district shall:

(1) Publish notice of the hearing on two separate occasions in at least one newspaper

of general circulation in each county located within the proposed district, with the first publication to occur not more than thirty days before the hearing, and the second publication to occur not more than fifteen days or less than ten days before the hearing;

(2) Hear all protests and receive evidence for or against the establishment of the proposed district; and

(3) Rule upon all protests, which determinations shall be final.

5. Following the hearing, if the governing body of each county located within the proposed district decides to establish the proposed district, it shall adopt an order to that effect; if the governing body of any county located within the proposed district decides to not establish the proposed district, the boundaries of the proposed district shall not include that county. The order shall contain the following:

(1) The description of the boundaries of the district;

(2) A statement that an exhibition center and recreational facility district has been established;

(3) The name of the district;

(4) The uses for any revenue generated by a sales tax imposed pursuant to this section;

and

(5) A declaration that the district is a political subdivision of the state.

6. A district established pursuant to this section may, at a general, primary, or special election, submit to the qualified voters within the district boundaries a sales tax of one-fourth of one percent, for a period not to exceed twenty-five years, on all retail sales within the district, which are subject to taxation pursuant to sections 144.010 to 144.525, RSMo, to fund the acquisition, construction, maintenance, operation, improvement, and promotion of an exhibition center and recreational facilities. The ballot of submission shall be in substantially the following form:

Shall the (name of district) impose a sales tax of one-fourth of one percent to fund the acquisition, construction, maintenance, operation, improvement, and promotion of an exhibition center and recreational facilities, for a period of (insert number of years)?

YES

NO

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

If a majority of the votes cast in the portion of any county that is part of the proposed district favor the proposal, then the sales tax shall become effective in that portion of the county that is part of the proposed district on the first day of the first calendar quarter immediately following the election. If a majority of the votes cast in the portion of a county that is a part

of the proposed district oppose the proposal, then that portion of such county shall not impose the sales tax authorized in this section until after the county governing body has submitted another such sales tax proposal and the proposal is approved by a majority of the qualified voters voting thereon. However, if a sales tax proposal is not approved, the governing body of the county shall not resubmit a proposal to the voters pursuant to this section sooner than twelve months from the date of the last proposal submitted pursuant to this section. If the qualified voters in two or more counties that have contiguous districts approve the sales tax proposal, the districts shall combine to become one district.

7. There is hereby created a board of trustees to administer any district created and the expenditure of revenue generated pursuant to this section consisting of four individuals to represent each county approving the district, as provided in this subsection. The governing body of each county located within the district, upon approval of that county's sales tax proposal, shall appoint four members to the board of trustees; at least one shall be an owner of a nonlodging business located within the taxing district, or their designee, at least one shall be an owner of a lodging facility located within the district, or their designee, and all members shall reside in the district except that one nonlodging business owner, or their designee, and one lodging facility owner, or their designee, may reside outside the district. Each trustee shall be at least twenty-five years of age and a resident of this state. Of the initial trustees appointed from each county, two shall hold office for two years, and two shall hold office for four years. Trustees appointed after expiration of the initial terms shall be appointed to a four-year term by the governing body of the county the trustee represents, with the initially appointed trustee to remain in office until a successor is appointed, and shall take office upon being appointed. Each trustee may be reappointed. Vacancies shall be filled in the same manner in which the trustee vacating the office was originally appointed. The trustees shall not receive compensation for their services, but may be reimbursed for their actual and necessary expenses. The board shall elect a chair and other officers necessary for its membership. Trustees may be removed if:

(1) By a two-thirds vote, the board moves for the member's removal and submits such motion to the governing body of the county from which the trustee was appointed; and

(2) The governing body of the county from which the trustee was appointed, by a majority vote, adopts the motion for removal.

8. The board of trustees shall have the following powers, authority, and privileges:

(1) To have and use a corporate seal;

(2) To sue and be sued, and be a party to suits, actions, and proceedings;

(3) To enter into contracts, franchises, and agreements with any person or entity, public or private, affecting the affairs of the district, including contracts with any municipality, district, or state, or the United States, and any of their agencies, political subdivisions, or instrumentalities, for the funding, including without limitation interest rate

exchange or swap agreements, planning, development, construction, acquisition, maintenance, or operation of a single exhibition center and recreational facilities or to assist in such activity. "Recreational facilities", means locations explicitly designated for public use where the primary use of the facility involves participation in hobbies or athletic activities;

(4) To borrow money and incur indebtedness and evidence the same by certificates, notes, or debentures, to issue bonds and use any one or more lawful funding methods the district may obtain for its purposes at such rates of interest as the district may determine. Any bonds, notes, and other obligations issued or delivered by the district may be secured by mortgage, pledge, or deed of trust of any or all of the property and income of the district. Every issue of such bonds, notes, or other obligations shall be payable out of property and revenues of the district and may be further secured by other property of the district, which may be pledged, assigned, mortgaged, or a security interest granted for such payment, without preference or priority of the first bonds issued, subject to any agreement with the holders of any other bonds pledging any specified property or revenues. Such bonds, notes, or other obligations shall be authorized by resolution of the district board, and shall bear such date or dates, and shall mature at such time or times, but not in excess of thirty years, as the resolution shall specify. Such bonds, notes, or other obligations shall be in such denomination, bear interest at such rate or rates, be in such form, either coupon or registered, be issued as current interest bonds, compound interest bonds, variable rate bonds, convertible bonds, or zero coupon bonds, be issued in such manner, be payable in such place or places, and be subject to redemption as such resolution may provide, notwithstanding section 108.170, RSMo. The bonds, notes, or other obligations may be sold at either public or private sale, at such interest rates, and at such price or prices as the district shall determine;

(5) To acquire, transfer, donate, lease, exchange, mortgage, and encumber real and personal property in furtherance of district purposes;

(6) To refund any bonds, notes or other obligations of the district without an election. The terms and conditions of refunding obligations shall be substantially the same as those of the original issue, and the board shall provide for the payment of interest at not to exceed the legal rate, and the principal of such refunding obligations in the same manner as is provided for the payment of interest and principal of obligations refunded;

(7) To have the management, control and supervision of all the business and affairs of the district, and the construction, installation, operation, and maintenance of district improvements therein; to collect rentals, fees, and other charges in connection with its services or for the use of any of its facilities;

(8) To hire and retain agents, employees, engineers, and attorneys;

(9) To receive and accept by bequest, gift, or donation any kind of property;

(10) To adopt and amend bylaws and any other rules and regulations not in conflict with the constitution and laws of this state, necessary for the carrying on of the business,

objects, and affairs of the board and of the district; and

(11) To have and exercise all rights and powers necessary or incidental to or implied from the specific powers granted by this section.

9. There is hereby created the "Exhibition Center and Recreational Facility District Sales Tax Trust Fund", which shall consist of all sales tax revenue collected pursuant to this section. The director of revenue shall be custodian of the trust fund, and moneys in the trust fund shall be used solely for the purposes authorized in this section. Moneys in the trust fund shall be considered nonstate funds pursuant to section 15, article IV, constitution of Missouri. The director of revenue shall invest moneys in the trust fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the trust fund. All sales taxes collected by the director of revenue pursuant to this section on behalf of the district, less one percent for the cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section 532.087, RSMo, shall be deposited in the trust fund. The director of revenue shall keep accurate records of the amount of moneys in the trust fund which was collected in the district imposing a sales tax pursuant to this section, and the records shall be open to the inspection of the officers of each district and the general public. Not later than the tenth day of each month, the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month to the district. The director of revenue may authorize refunds from the amounts in the trust fund and credited to the district for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of the district.

10. The sales tax authorized by this section is in addition to all other sales taxes allowed by law. Except as modified in this section, all provisions of sections 32.085 and 32.087, RSMo, apply to the sales tax imposed pursuant to this section.

11. Any sales tax imposed pursuant to this section shall not extend past the initial term approved by the voters unless an extension of the sales tax is submitted to and approved by the qualified voters in each county in the manner provided in this section. Each extension of the sales tax shall be for a period not to exceed twenty years. The ballot of submission for the extension shall be in substantially the following form:

Shall the (name of district) extend the sales tax of one-fourth of one percent for a period of (insert number of years) years to fund the acquisition, construction, maintenance, operation, improvement, and promotion of an exhibition center and recreational facilities?

YES

NO

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

If a majority of the votes cast favor the extension, then the sales tax shall remain in effect at the rate and for the time period approved by the voters. If a sales tax extension is not approved, the district may submit another sales tax proposal as authorized in this section, but the district shall not submit such a proposal to the voters sooner than twelve months from the date of the last extension submitted.

12. Once the sales tax authorized by this section is abolished or terminated by any means, all funds remaining in the trust fund shall be used solely for the purposes approved in the ballot question authorizing the sales tax. The sales tax shall not be abolished or terminated while the district has any financing or other obligations outstanding; provided that any new financing, debt, or other obligation or any restructuring or refinancing of an existing debt or obligation incurred more than ten years after voter approval of the sales tax provided in this section or more than ten years after any voter approved extension thereof shall not cause the extension of the sales tax provided in this section or cause the final maturity of any financing or other obligations outstanding to be extended. Any funds in the trust fund which are not needed for current expenditures may be invested by the district in the securities described in subdivisions (1) to (12) of subsection 1 of section 30.270, RSMo, or repurchase agreements secured by such securities. If the district abolishes the sales tax, the district shall notify the director of revenue of the action at least ninety days before the effective date of the repeal, and the director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the sales tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the sales tax in the district, the director of revenue shall remit the balance in the account to the district and close the account of the district. The director of revenue shall notify the district of each instance of any amount refunded or any check redeemed from receipts due the district.

13. In the event that the district is dissolved or terminated by any means, the governing bodies of the counties in the district shall appoint a person to act as trustee for the district so dissolved or terminated. Before beginning the discharge of duties, the trustee shall take and subscribe an oath to faithfully discharge the duties of the office, and shall give bond with sufficient security, approved by the governing bodies of the counties, to the use of the dissolved or terminated district, for the faithful discharge of duties. The trustee shall have and exercise all powers necessary to liquidate the district, and upon satisfaction of all remaining obligations of the district, shall pay over to the county treasurer of each county in the district and take receipt for all remaining moneys in amounts based on the ratio the levy of each county bears to the total levy for the district in the previous three years or since the establishment of the district, whichever time period is shorter. Upon payment to the county treasurers, the trustee shall deliver to the clerk of the governing body of any county in the district all books, papers, records, and deeds belonging to the dissolved district.

67.2500. 1. The governing body of any city, town, or village that is within a first class county with a charter form of government with a population over two hundred fifty thousand that adjoins a first class county with a charter form of government with a population over nine hundred thousand, may establish a theater, cultural arts, and entertainment district in the manner provided in section 67.2505.

2. Sections 67.2500 to 67.2530 shall be known as the "Theater, Cultural Arts, and Entertainment District Act".

3. As used in sections 67.2500 to 67.2530, the following terms mean:

(1) "District", a theater, cultural arts, and entertainment district organized under this section;

(2) "Qualified electors", "qualified voters", or "voters", registered voters residing within the district or subdistrict, or proposed district or subdistrict, who have registered to vote pursuant to chapter 115, RSMo, or, if there are no persons eligible to be registered voters residing in the district or subdistrict, proposed district or subdistrict, property owners, including corporations and other entities, that are owners of real property;

(3) "Registered voters", persons qualified and registered to vote pursuant to chapter 115, RSMo; and

(4) "Subdistrict", a subdivision of a district, but not a separate political subdivision, created for the purposes specified in subsection 5 of section 67.2505.

67.2505. 1. A district may be created to fund, promote, and provide educational, civic, musical, theatrical, cultural, concerts, lecture series, and related or similar entertainment events or activities, and to fund, promote, plan, design, construct, improve, maintain, and operate public improvements, transportation projects, and related facilities in the district.

2. A district is a political subdivision of the state.

3. The name of a district shall consist of a name chosen by the original petitioners, preceding the words "theater, cultural arts, and entertainment district".

4. The district shall include a minimum of fifty contiguous acres.

5. Subdistricts shall be formed for the purpose of voting upon proposals for the creation of the district or subsequent proposed subdistrict, voting upon the question of imposing a proposed sales tax, and for representation on the board of directors, and for no other purpose.

6. Whenever the creation of a district is desired, one or more registered voters from each subdistrict of the proposed district, or one or more property owners who collectively own one or more parcels of real estate comprising at least a majority of the land situated in the proposed subdistricts within the proposed district, may file a petition requesting the creation of a district with the governing body of the city, town, or village within which the proposed district is to be established. The petition shall contain the following information:

(1) The name, address, and phone number of each petitioner and the location of the

real property owned by the petitioner;

(2) The name of the proposed district;

(3) A legal description of the proposed district, including a map illustrating the district boundaries, which shall be contiguous, and the division of the district into at least five, but not more than fifteen, subdistricts that shall contain, or are projected to contain upon full development of the subdistricts, approximately equal populations;

(4) A statement indicating the number of directors to serve on the board, which shall be not less than five or more than fifteen;

(5) A request that the district be established;

(6) A general description of the activities that are planned for the district;

(7) A proposal for a sales tax to fund the district initially, pursuant to the authority granted in sections 67.2500 to 67.2530, together with a request that the imposition of the sales tax be submitted to the qualified voters within the district;

(8) A statement that the proposed district shall not be an undue burden on any owner of property within the district and is not unjust or unreasonable;

(9) A request that the question of the establishment of the district be submitted to the qualified voters of the district;

(10) A signed statement that the petitioners are authorized to submit the petition to the governing body; and

(11) Any other items the petitioners deem appropriate.

7. Upon the filing of a petition pursuant to this section, the governing body of any city, town, or village described in this section may pass a resolution containing the following information:

(1) A description of the boundaries of the proposed district and each subdistrict;

(2) The time and place of a hearing to be held to consider establishment of the proposed district;

(3) The timeframe and manner for the filing of protests;

(4) The proposed sales tax rate to be voted upon within the subdistricts of the proposed district;

(5) The proposed uses for the revenue to be generated by the new sales tax; and

(6) Such other matters as the governing body may deem appropriate.

8. Prior to the governing body certifying the question of the district's creation and imposing a sales tax for approval by the qualified electors, a hearing shall be held as provided by this subsection. The governing body of the municipality approving a resolution as set forth in section 67.2520 shall:

(1) Publish notice of the hearing, which shall include the information contained in the resolution cited in section 67.2520, on two separate occasions in at least one newspaper of general circulation in the county where the proposed district is located, with the first

publication to occur not more than thirty days before the hearing, and the second publication to occur not more than fifteen days or less than ten days before the hearing;

(2) Hear all protests and receive evidence for or against the establishment of the proposed district; and

(3) Consider all protests, which determinations shall be final.

The costs of printing and publication of the notice shall be paid by the petitioners. If the district is organized pursuant to sections 67.2500 to 67.2530, the petitioners may be reimbursed for such costs out of the revenues received by the district.

9. Following the hearing, the governing body of any city, town, or village within which the proposed district will be located may order an election on the questions of the district creation and sales tax funding for voter approval and certify the questions to the municipal clerk. The election order shall include the date on which the ballots will be mailed to qualified electors, which shall be not sooner than the eighth Tuesday from the issuance of the order. The election regarding the incorporation of the district and the imposing of the sales tax shall follow the procedure set forth in section 67.2520, and shall be held pursuant to the order and certification by the governing body. Only those subdistricts approving the question of creating the district and imposing the sales tax shall become part of the district.

10. If the results of the election conducted in accordance with section 67.2520 show that a majority of the votes cast were in favor of organizing the district and imposing the sales tax, the governing body may establish the proposed district in those subdistricts approving the question of creating the district and imposing the sales tax, by adopting an ordinance to that effect. The ordinance establishing the district shall contain the following:

(1) The description of the boundaries of the district and each subdistrict;

(2) A statement that a theater, cultural arts, and entertainment district has been established;

(3) A declaration that the district is a political subdivision of the state;

(4) The name of the district;

(5) The date on which the sales tax election in the subdistricts was held, and the result of the election;

(6) The uses for any revenue generated by a sales tax imposed pursuant to this section;

(7) A certification to the newly created district of the election results, including the election concerning the sales tax; and

(8) Such other matters as the governing body deems appropriate.

11. Any subdistrict that does not approve the creation of the district and imposing the sales tax shall not be a part of the district and the sales tax shall not be imposed until after the district board of directors has submitted another proposal for the inclusion of the area into the district and such proposal and the sales tax proposal are approved by a majority of the

qualified voters in the subdistrict voting thereon. Such subsequent elections shall be conducted in accordance with section 67.2520; provided, however, that the district board of directors may place the question of the inclusion of a subdistrict within a district and the question of imposing a sales tax before the voters of a proposed subdistrict, and the municipal clerk, or circuit clerk if the district is formed by the circuit court, shall conduct the election. In subsequent elections, the election judges shall certify the election results to the district board of directors.

67.2510. As a complete alternative to the procedure establishing a district set forth in section 67.2505, a circuit court with jurisdiction over any city, town, or village that is within a first class county with a charter form of government with a population over two hundred fifty thousand that adjoins a first class county with a charter form of government with a population over nine hundred thousand, may establish a theater, cultural arts, and entertainment district in the manner provided in section 67.2515.

67.2515. 1. Whenever the creation of a theater, cultural arts, and entertainment district is desired, one or more registered voters from each subdistrict of the proposed district, or if there are no registered voters in a subdistrict, one or more property owners who collectively own one or more parcels of real estate comprising at least a majority of the land situated in the proposed subdistricts within the proposed district may file a petition with the circuit court requesting the creation of a theater, cultural arts, and entertainment district. The petition shall contain the following information:

- (1) The name, address, and phone number of each petitioner and the location of the real property owned by the petitioner;
- (2) The name of the proposed district;
- (3) A legal description of the proposed district, including a map illustrating the district boundaries, which shall be contiguous, and the division of the district into at least five, but not more than fifteen, subdistricts that shall contain, or are projected to contain upon full development of the subdistricts, approximately equal populations;
- (4) A statement indicating the number of directors to serve on the board, which shall be not less than five or more than fifteen;
- (5) A request that the district be established;
- (6) A general description of the activities that are planned for the district;
- (7) A proposal for a sales tax to fund the district initially, pursuant to the authority granted in sections 67.2500 to 67.2530, together with a request that the imposing of the sales tax be submitted to the qualified voters within the district;
- (8) A statement that the proposed district shall not be an undue burden on any owner of property within the district and is not unjust or unreasonable;
- (9) A request that the question of the establishment of the district be submitted to the qualified voters of the district;

(10) A signed statement that the petitioners are authorized to submit the petition to the circuit court; and

(11) Any other items the petitioners deem appropriate.

2. The circuit clerk of the county in which the petition is filed pursuant to this section shall present the petition to the judge, who shall thereupon set the petition for hearing not less than thirty days nor more than forty days after the filing. The judge shall cause publication of the notice of the hearing on two separate occasions in at least one newspaper of general circulation in the county where the proposed district is located, with the first publication to occur not more than thirty days before the hearing, and the second publication to occur not more than fifteen days or less than ten days before the hearing. The notice shall recite the following information:

- (1) A description of the boundaries of the proposed district and each subdistrict;**
- (2) The time and place of a hearing to be held to consider establishment of the proposed district;**
- (3) The timeframe and manner for the filing of the petitions or answers in the case;**
- (4) The proposed sales tax rate to be voted on within the subdistricts of the proposed district;**
- (5) The proposed uses for the revenue generated by the new sales tax; and**
- (6) Such other matters as the circuit court may deem appropriate.**

The costs of printing and publication of the notice shall be paid by the petitioners. If the district is organized pursuant to sections 67.2500 to 67.2530, the petitioners may be reimbursed for such costs out of the revenues received by the district.

3. Any registered voter or owner of real property within the proposed district may join in or file a petition supporting or answer opposing the creation of the district and seeking a judgment respecting these same issues; provided, however, that all pleadings must be filed with the court no later than five days before the case is heard.

4. The court shall hear the case without a jury. If the court determines the petition is defective or the proposed district or its plan of operation is unconstitutional, it shall enter its judgment to that effect and shall refuse to incorporate the district as requested in the pleadings. If the court determines the petition is not legally defective and the proposed district and plan of operation are not unconstitutional, the court shall order an election on the questions of the district creation and sales tax funding for voter approval and certify the questions to the circuit clerk. The election order shall include the date on which the ballots will be mailed to qualified electors, which shall be not sooner than the eighth Tuesday from the issuance of the order. The election regarding the incorporation of the district and the imposing the sales tax shall follow the procedure set forth in section 67.2520, and shall be held pursuant to the order and certification by the circuit judge. Only those subdistricts approving

the question of creating the district and imposing the sales tax shall become part of the district.

5. If the results of the election conducted in accordance with section 67.2520 show that a majority of the votes cast were in favor of organizing the district and imposing the sales tax, the circuit judge shall establish the proposed district in those subdistricts approving the question of creating the district and imposing the sales tax by issuing an order to that effect. The court shall determine and declare the district organized and incorporated and issue an order that includes the following:

- (1) The description of the boundaries of the district and each subdistrict;
- (2) A statement that a theater, cultural arts, and entertainment district has been established;
- (3) A declaration that the district is a political subdivision of the state;
- (4) The name of the district;
- (5) The date on which the sales tax election in the subdistricts was held, and the result of the election;
- (6) The uses for any revenue generated by a sales tax imposed pursuant to this section;
- (7) A certification to the newly created district of the election results, including the election concerning the sales tax; and
- (8) Such other matters as the circuit court deems appropriate.

6. Any subdistrict that does not approve the creation of the district and imposing the sales tax shall not be a part of the district and the sales tax shall not be imposed until after the district board of directors has submitted another proposal for the inclusion of the area into the district and such proposal and the sales tax proposal are approved by a majority of the qualified voters in the subdistrict voting thereon. Such subsequent elections shall be conducted in accordance with section 67.2520; provided, however, that the district board of directors may place the question of the inclusion of a subdistrict within a district and the question of imposing a sales tax in the proposed subdistrict before the voters of a proposed subdistrict, and the circuit clerk shall conduct the subsequent election. In subsequent elections, the election judges shall certify the election results to the district board of directors.

7. Any party having filed a petition or answer to a petition may appeal the circuit court's order or judgment in the same manner as provided for other appeals. Any order either refusing to incorporate the district or incorporating the district shall be a final judgment for purposes of appeal.

67.2520. 1. If a governing body or circuit court judge has certified the question regarding the district creation and sales tax funding for voter approval, the municipal clerk in which the district is located, or the circuit clerk if the order and certification has been by a circuit judge, shall conduct the election. The questions shall be submitted to the qualified voters of each subdistrict within the district boundaries who have filed an application pursuant to this section. The municipal clerk, or the circuit clerk if the district is being formed by the

circuit court, shall publish notice of the election in at least one newspaper of general circulation in the county where the proposed district is located, with the publication to occur not more than fifteen days but not less than ten days before the date when applications for ballots will be accepted. The notice shall include a description of the district boundaries, the timeframe and manner of applying for a ballot, the questions to be voted upon, and where and when applications for ballots will be accepted. The municipal clerk, or circuit clerk if the district is being formed by the circuit court, shall also send a notice of the election to all registered voters in the proposed district, which shall include the information in the published notice. The costs of printing and publication of the notice, and mailing of the notices to registered voters, shall be paid by the petitioners. If the district is organized pursuant to sections 67.2500 to 67.2530, the petitioners may be reimbursed for such costs out of the revenues received by the district.

2. For elections held in subdistricts pursuant to this section, if all the owners of property in a subdistrict joined in the petition for formation of the district, such owners may cast their ballot by unanimous petition approving any measure submitted to them as subdistrict voters pursuant to this section. Each owner shall receive one vote per acre owned. Fractional votes shall be allowed. The petition shall be submitted to the municipal clerk, or the circuit court clerk if the district is being formed by the circuit court, who shall verify the authenticity of all signatures thereon. The filing of a unanimous petition shall constitute an election in the subdistrict under this section and the results of said election shall be entered pursuant to this section.

3. The sales tax shall be not more than one-half of one percent on all retail sales within the district, which are subject to taxation pursuant to section 67.2530, to fund, promote, and provide educational, civic, musical, theatrical, cultural, concerts, lecture series, and related or similar entertainment events or activities, and to fund, promote, plan, design, construct, improve, maintain, and operate public improvements, transportation projects, and related facilities in the district.

4. Application for a ballot shall be made as provided in this subsection:

(1) Persons entitled to apply for a ballot in an election shall be:

(a) A resident registered voter of the district; or

(b) If there are no registered voters in a subdistrict, a person, including a corporation or other entity, which owns real property within the subdistrict. Each voter which is not an individual shall determine how to cast its vote as provided for in its articles of incorporation, articles of organization, articles of partnership, bylaws, or other document which sets forth an appropriate mechanism for the determination of the entity's vote. If a voter has no such mechanism, then its vote shall be cast as determined by a majority of the persons who run the day-to-day affairs of the voter. Each property owner shall receive one vote;

(2) Only persons entitled to apply for a ballot in elections pursuant to this subsection

shall apply. Such persons shall apply with the municipal clerk, or the circuit clerk if the district is formed by the circuit court. Each person applying shall provide:

(a) Such person's name, address, mailing address, and phone number;

(b) An authorized signature; and

(c) Evidence that such person is entitled to vote. Such evidence shall be a copy of:

a. For resident individuals, proof of registration from the election authority;

b. For owners of real property, a tax receipt or deed or other document which evidences an equitable ownership, and identifies the real property by location;

(3) Applications for ballot applications shall be made not later than the fourth Tuesday before the ballots are mailed to qualified electors. The ballot of submission shall be in substantially the following form:

"Shall there be organized in (here specifically describe the proposed district boundaries), within the state of Missouri, a district, to be known as the "..... Theater, Cultural Arts, and Entertainment District" for the purpose of funding, promoting, and providing educational, civic, musical, theatrical, cultural, concerts, lecture series, and related or similar entertainment events or activities, and funding, promoting, planning, designing, constructing, improving, maintaining, and operating public improvements, transportation projects, and related facilities in the district?"

YES

NO

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

Shall the (name of district) impose a sales tax of (insert rate) to fund, promote, and provide educational, civic, musical, theatrical, cultural, concerts, lecture series, and related or similar entertainment events or activities, and to fund, promote, plan, design, construct, improve, maintain, and operate public improvements, transportation projects, and related facilities in the district?"

YES

NO

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

(4) Not sooner than the fourth Tuesday after the deadline for applying for ballots, the municipal clerk, or the circuit clerk if the district is being formed by the circuit court, shall mail a ballot to each qualified voter who applied for a ballot pursuant to this subsection along with a return addressed envelope directed to the municipal clerk or the circuit clerk's office, with a sworn affidavit on the reverse side of such envelope for the voter's signature. Such affidavit shall be in the following form:

"I hereby declare under penalties of perjury that I am qualified to vote, or to affix my

authorized signature in the name of an entity which is entitled to vote, in this election.

Authorized Signature

Printed Name of Voter Signature of notary or other officer authorized to administer oaths.

..... Mailing Address of Voter (if different)

Subscribed and sworn to before me this day of....., 20.."

(5) Each qualified voter shall have one vote, except as provided for in section 67.2520. Each voted ballot shall be signed with the authorized signature as provided for in this subsection;

(6) Voted ballots shall be returned to the municipal clerk, or the clerk of the circuit court if the district is being formed by the circuit court, by mail or hand delivery no later than 5:00 p.m. on the fourth Tuesday after the date for mailing the ballots. The municipal clerk, or circuit clerk if the district is being formed by the circuit court, shall transmit all voted ballots to a beam of judges of not less than four, with an equal number from each of the two major political parties. The judges shall be selected by the city, town, or village, or the circuit clerk, from lists compiled by the county election authority. Upon receipt of the voted ballots the judges shall verify the authenticity of the ballots, canvass the votes, and certify the results. Certification by the election judges shall be final and shall be immediately transmitted to the governing body of the city, town, or village for further action, or the circuit judge for further action if the district is being formed by the circuit court. Any voter who applied for such election may contest the result in the same manner as provided in chapter 115, RSMo.

67.2525. 1. Each member of the board of directors shall have the following qualifications:

(1) As to those subdistricts in which there are registered voters, a resident registered voter in the subdistrict that he or she represents, or be a property owner or, as to those subdistricts in which there are not registered voters who are residents, a property owner or representative of a property owner in the subdistrict he or she represents;

(2) Be at least twenty-one years of age and a registered voter in the district.

2. The district shall be subdivided into at least five, but not more than fifteen subdistricts, which shall be represented by one representative on the district board of directors. All board members shall have terms of four years, including the initial board of directors. All members shall take office upon being appointed and shall remain in office until a successor is appointed by the mayor or chairman of the municipality in which the district is located, or elected by the property owners in those subdistricts without registered voters.

3. For those subdistricts which contain one or more registered voters, the mayor or chairman of the city, town, or village shall, with the consent of the governing body, appoint a registered voter residing in the subdistrict to the board of directors.

4. For those subdistricts which contain no registered voters, the property owners who

collectively own one or more parcels of real estate comprising more than half of the land situated in each subdistrict shall meet and shall elect a representative to serve upon the board of directors. The clerk of the city, town, or village in which the petition was filed shall, unless waived in writing by all property owners in the subdistrict, give notice by causing publication to be made once a week for two consecutive weeks in a newspaper of general circulation in the county, the last publication of which shall be at least ten days before the day of the meeting required by this section, to call a meeting of the owners of real property within the subdistrict at a day and hour specified in a public place in the city, town, or village in which the petition was filed for the purpose of electing members of the board of directors.

5. The property owners, when assembled, shall organize by the election of a temporary chairman and secretary of the meeting who shall conduct the election. An election shall be conducted for each subdistrict, with the eligible property owners voting in that subdistrict. At the election, each acre of real property within the subdistrict shall represent one share, and each owner, including corporations and other entities, may have one vote in person or for every acre of real property owned by such person within the subdistrict. Each voter which is not an individual shall determine how to cast its vote as provided for in its articles of incorporation, articles of organization, articles of partnership, bylaws, or other document which sets forth an appropriate mechanism for the determination of the entity's vote. If a voter has no such mechanism, then its vote shall be cast as determined by a majority of the persons who run the day-to-day affairs of the voter. The results of the meeting shall be certified by the temporary chairman and secretary to the municipal clerk if the district is established by a municipality described in this section, or to the circuit clerk if the district is established by a circuit court.

6. Successor boards shall be appointed or elected, depending upon the presence or absence of resident registered voters, by the mayor or chairman of a city, town, or village described in this section, or the property owners as set forth above; provided, however, that elections held by the property owners after the initial board is elected shall be certified to the municipal clerk of the city, town, or village where the district is located and the board of directors of the district.

7. Should a vacancy occur on the board of directors, the mayor or chairman of the city, town, or village if there are registered voters within the subdistrict, or a majority of the owners of real property in a subdistrict if there are not registered voters in the subdistrict, shall have the authority to appoint or elect, as set forth in this section, an interim director to complete any unexpired term of a director caused by resignation or disqualification.

8. The board shall possess and exercise all of the district's legislative and executive powers, including:

(1) The power to fund, promote and provide educational, civic, musical, theatrical, cultural, concerts, lecture series, and related or similar entertainment events or activities, and

fund, promote, plan, design, construct, improve, maintain, and operate public improvements, transportation projects, and related facilities within the district;

(2) The power to accept and disburse tax or other revenue collected in the district; and

(3) The power to receive property by gift or otherwise.

9. Within thirty days after the selection of the initial directors, the board shall meet. At its first meeting and annually thereafter the board shall elect a chairman from its members.

10. The board shall appoint an executive director, district secretary, treasurer, and such other officers or employees as it deems necessary.

11. At the first meeting, the board, by resolution, shall define the first and subsequent fiscal years of the district, and shall adopt a corporate seal.

12. A simple majority of the board shall constitute a quorum. If a quorum exists, a majority of those voting shall have the authority to act in the name of the board, and approve any board resolution.

13. At the first meeting, the board, by resolution, shall receive the certification of the election regarding the sales tax, and may impose the sales tax in all subdistricts approving the imposing sales tax. In those subdistricts that approve the sales tax, the sales tax shall become effective on the first day of the first calendar quarter immediately following the action by the district board of directors imposing the tax.

14. Each director shall devote such time to the duties of the office as the faithful discharge thereof and may require and be reimbursed for his actual expenditures in the performance of his duties on behalf of the district. Directors may be compensated, but such compensation shall not exceed one hundred dollars per month.

15. In addition to all other powers granted by sections 67.2500 to 67.2530, the district shall have the following general powers:

(1) To sue and be sued in its own name, and to receive service of process, which shall be served upon the district secretary;

(2) To fix compensation of its employees and contractors;

(3) To enter into contracts, franchises, and agreements with any person or entity, public or private, affecting the affairs of the district, including contracts with any municipality, district, or state, or the United States, and any of their agencies, political subdivisions, or instrumentalities, for the funding, including without limitation, interest rate exchange or swap agreements, planning, development, construction, acquisition, maintenance, or operation of a district facility or to assist in such activity;

(4) To acquire, develop, construct, equip, transfer, donate, lease, exchange, mortgage, and encumber real and personal property in furtherance of district purposes;

(5) To collect and disburse funds for its activities;

(6) To collect taxes and other revenues;

(7) To borrow money and incur indebtedness and evidence the same by certificates,

notes, bonds, debentures, or refunding of any such obligations for the purpose of paying all or any part of the cost of land, construction, development, or equipping of any facilities or operations of the district;

(8) To own or lease real or personal property for use in connection with the exercise of powers pursuant to this subsection;

(9) To provide for the election or appointment of officers, including a chairman, treasurer, and secretary. Officers shall not be required to be residents of the district, and one officer may hold more than one office;

(10) To hire and retain agents, employees, engineers, and attorneys;

(11) To enter into entertainment contracts binding the district and artists, agencies, or performers, management contracts, contracts relating to the booking of entertainment and the sale of tickets, and all other contracts which relate to the purposes of the district;

(12) To contract with a local government, a corporation, partnership, or individual regarding funding, promotion, planning, designing, constructing, improving, maintaining, or operating a project or to assist in such activity;

(13) To contract for transfer to a city, town, or village such district facilities and improvements free of cost or encumbrance on such terms set forth by contract;

(14) To exercise such other powers necessary or convenient for the district to accomplish its purposes which are not inconsistent with its express powers.

16. A district may at any time authorize or issue notes, bonds, or other obligations for any of its powers or purposes. Such notes, bonds, or other obligations:

(1) Shall be in such amounts as deemed necessary by the district, including costs of issuance thereof;

(2) Shall be payable out of all or any portion of the revenues or other assets of the district;

(3) May be secured by any property of the district which may be pledged, assigned, mortgaged, or otherwise encumbered for payment;

(4) Shall be authorized by resolution of the district, and if issued by the district, shall bear such date or dates, and shall mature at such time or times, but not in excess of forty years, as the resolution shall specify;

(5) Shall be in such denomination, bear interest at such rates, be in such form, be issued as current interest bonds, compound interest bonds, variable rate bonds, convertible bonds, or zero coupon bonds, be issued in such manner, be payable in such place or places and subject to redemption as such resolution may provide; and

(6) May be sold at either public or private sale, at such interest rates, and at such price or prices as the district shall determine.

The provisions of this subsection are applicable to the district notwithstanding the provisions

of section 108.170, RSMo.

67.2530. 1. Any note, bond, or other indebtedness of the district may be refunded at any time by the district by issuing refunding bonds in such amount as the district may deem necessary. Such bonds shall be subject to, and shall have the benefit of the foregoing provisions regarding notes, bonds, and other obligations. Without limiting the generality of the foregoing, refunding bonds may include amounts necessary to finance any premium, unpaid interest, and costs of issuance in connection with the refunding bonds. Any such refunding may be effected whether the bonds to be refunded then shall have matured or thereafter shall mature, either by sale of the refunding bonds and the application of the proceeds thereof to the payment of the obligations being refunded or the exchange of the refunding bonds for the obligations being refunded with the consent of the holders of the obligations being refunded.

2. Notes, bonds, or other indebtedness of the district shall be exclusively the responsibility of the district payable solely out of the district funds and property and shall not constitute a debt or liability of the state of Missouri or any agency or political subdivision of the state. Any notes, bonds, or other indebtedness of the district shall state on their face that they are not obligations of the state of Missouri or any agency or political subdivision thereof other than the district.

3. Any district may by resolution impose a district sales tax of up to one half of one percent on all retail sales made in such district that are subject to taxation pursuant to the provisions of sections 144.010 to 144.525, RSMo. Upon voter approval, and receiving the necessary certifications from the governing body of the municipality in which the district is located, or from the circuit court if the district was formed by the circuit court, the board of directors shall have the power to impose a sales tax at its first meeting, or any meeting thereafter. Voter approval of the question of the imposing sales tax shall be in accordance with section 67.2520 of this section. The sales tax shall become effective in those subdistricts that approve the sales tax on the first day of the first calendar quarter immediately following the passage of a resolution by the board of directors imposing the sales tax.

4. In each district in which a sales tax has been imposed in the manner provided by this section, every retailer shall add the tax imposed by the district pursuant to this section to the retailer's sale price, and when so added, such tax shall constitute a part of the price, shall be a debt of the purchaser to the retailer until paid, and shall be recoverable at law in the same manner as the purchase price.

5. In order to permit sellers required to collect and report the sales tax authorized by this section to collect the amount required to be reported and remitted, but not to change the requirements of reporting or remitting tax or to serve as a levy of the tax, and in order to avoid fractions of pennies, the district may establish appropriate brackets which shall be used in the district imposing a tax pursuant to this section in lieu of those brackets provided in

section 144.285, RSMo.

6. All revenue received by a district from the sales tax authorized by this section shall be deposited in a special trust fund and shall be used solely for the purposes of the district. Any funds in such special trust fund which are not needed for the district's current expenditures may be invested by the district board of directors in accordance with applicable laws relating to the investment of other district funds.

7. The sales tax may be imposed at a rate of up to one half of one percent on the receipts from the sale at retail of all tangible personal property or taxable services at retail within the district adopting such tax, if such property and services are subject to taxation by the state of Missouri pursuant to the provisions of sections 144.010 to 144.525, RSMo. Any district sales tax imposed pursuant to this section shall be imposed at a rate that shall be uniform throughout the subdistricts approving the sales tax.

8. The resolution imposing the sales tax pursuant to this section shall impose upon all sellers a tax for the privilege of engaging in the business of selling tangible personal property or rendering taxable services at retail to the extent and in the manner provided in sections 144.010 to 144.525, RSMo, and the rules and regulations of the director of revenue issued pursuant thereto; except that the rate of the tax shall be the rate imposed by the resolution as the sales tax and the tax shall be reported and returned to and collected by the district.

9. (1) On and after the effective date of any sales tax imposed pursuant to this section, the district shall perform all functions incident to the administration, collection, enforcement, and operation of the tax. The sales tax imposed pursuant to this section shall be collected and reported upon such forms and under such administrative rules and regulations as may be prescribed by the district.

(2) All such sales taxes collected by the district shall be deposited by the district in a special fund to be expended for the purposes authorized in this section. The district shall keep accurate records of the amount of money which was collected pursuant to this section, and the records shall be open to the inspection of officers of each district and the general public.

(3) The district may contract with the municipality that the district is within for the municipality to collect any revenue received by the district and, after deducting the cost of such collection, but not to exceed one percent of the total amount collected, deposit such revenue in a special trust account. Such revenue and interest may be applied by the municipality to expenses, costs, or debt service of the district at the direction of the district as set forth in a contract between the municipality and the district.

10. (1) All applicable provisions contained in sections 144.010 to 144.525, RSMo, governing the state sales tax, sections 32.085 and 32.087, RSMo, and section 32.057, RSMo, the uniform confidentiality provision, shall apply to the collection of the tax imposed by this section, except as modified in this section.

(2) All exemptions granted to agencies of government, organizations, persons, and to

the sale of certain articles and items of tangible personal property and taxable services pursuant to the provisions of sections 144.010 to 144.525, RSMo, are hereby made applicable to the imposition and collection of the tax imposed by this section.

(3) The same sales tax permit, exemption certificate, and retail certificate required by sections 144.010 to 144.525, RSMo, for the administration and collection of the state sales tax shall satisfy the requirements of this section, and no additional permit or exemption certificate or retail certificate shall be required; except that the district may prescribe a form of exemption certificate for an exemption from the tax imposed by this section.

(4) All discounts allowed the retailer pursuant to the provisions of the state sales tax laws for the collection of and for payment of taxes pursuant to such laws are hereby allowed and made applicable to any taxes collected pursuant to the provisions of this section.

(5) The penalties provided in section 32.057, RSMo, and sections 144.010 to 144.525, RSMo, for violation of those sections are hereby made applicable to violations of this section.

(6) For the purpose of a sales tax imposed by a resolution pursuant to this section, all retail sales shall be deemed to be consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or the retailer's agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. In the event a retailer has more than one place of business in this state which participates in the sale, the sale shall be deemed to be consummated at the place of business of the retailer where the initial order for the tangible personal property is taken, even though the order must be forwarded elsewhere for acceptance, approval of credit, shipment, or billing. A sale by a retailer's employee shall be deemed to be consummated at the place of business from which the employee works.

(7) Subsequent to the initial approval by the voters and implementation of a sales tax in the district, the rate of the sales tax may be increased, but not to exceed a rate of one-half of one percent on retail sales as provided in this subsection. The election shall be conducted in accordance with section 67.2520; provided, however, that the district board of directors may place the question of the increase of the sales tax before the voters of the district by resolution, and the municipal clerk of the city, town, or village which originally conducted the incorporation of the district, or the circuit clerk of the court which originally conducted the incorporation of the district, shall conduct the subsequent election. In subsequent elections, the election judges shall certify the election results to the district board of directors. The ballot of submission shall be in substantially the following form:

"Shall (name of district) increase the (insert amount) percent district sales tax now in effect to..... (insert amount) in the (name of district)?

YES

NO

If you are in favor of the question, place an "X" in the box opposite "YES". If you are

opposed to the question, place an "X" in the box opposite "NO".

If a majority of the votes cast on the proposal by the qualified voters of the district voting thereon are in favor of the increase, the increase shall become effective December thirty-first of the calendar year in which such increase was approved.

11. (1) There shall not be any election as provided for in this section while the district has any financing or other obligations outstanding.

(2) The board, when presented with a petition signed by at least one-third of the registered voters in a district that voted in the last gubernatorial election, or signed by at least two-thirds of property owners of the district, calling for an election to dissolve and repeal the tax shall submit the question to the voters using the same procedure by which the imposing tax was voted. The ballot of submission shall be in substantially the following form:

"Shall (name of district) dissolve and repeal the (insert amount) percent district sales tax now in effect in the (name of district)?

YES NO

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

Such subsequent elections for the repeal of the sales tax shall be conducted in accordance with section 67.2520; provided, however, that the district board of directors may place the question of the repeal of the sales tax before the voters of the district, and the municipal clerk of the city, town, or village which originally conducted the incorporation of the district, or the circuit clerk of the court which originally conducted the incorporation of the district, shall conduct the subsequent election. In subsequent elections the election judges shall certify the election results to the district board of directors.

(3) If a majority of the votes cast on the proposal by the qualified voters of the district voting thereon are in favor of repeal, that repeal shall become effective December thirty-first of the calendar year in which such repeal was approved or after the repayment of the district's indebtedness, whichever occurs later.

12. (1) At such time as the board of directors of the district determines that further operation of the district is not in the best interests of the inhabitants of the district, and that the district should dissolve, the board shall submit for a vote in an election held throughout the district the question of whether the district should be abolished. The question shall be submitted in substantially the following form:

"Shall the theater, cultural arts, and entertainment district be abolished?

YES NO

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

(2) The district board shall not propose the question to abolish the district while there are outstanding claims or causes of action pending against the district, while the district liabilities exceed its assets, while indebtedness of the district is outstanding, or while the district is insolvent, in receivership or under the jurisdiction of the bankruptcy court. Prior to submitting the question to abolish the district to a vote of the entire district, the state auditor shall audit the district to determine the financial status of the district, and whether the district may be abolished pursuant to law. The vote on the abolition of the district shall be conducted by the municipal clerk of the city, town, or village in which the district is located. The procedure shall be the same as in section 67.2520, except that the question shall be determined by the qualified voters of the entire district. No individual subdistrict may be abolished, except at such time as the district is abolished.

(3) While the district still exists, it shall continue to accrue all revenues to which it is entitled at law.

(4) Upon receipt by the board of directors of the district of the certification by the city, town, or village in which the district is located that the majority of those voting within the entire district have voted to abolish the district, and if the state auditor has determined that the district's financial condition is such that it may be abolished pursuant to law, then the board of directors of the district shall:

(a) Sell any remaining district real or personal property it wishes, and then transfer the proceeds and any other real or personal property owned by the district to the city, town, or village in which the district is located, including revenues due and owing the district, for its further use and disposition;

(b) Terminate the employment of any remaining district employees, and otherwise conclude its affairs;

(c) At a public meeting of the district, declare by a resolution of the board of directors passed by a majority vote that the district has been abolished effective that date;

(d) Cause copies of that resolution under seal to be filed with the secretary of state and the city, town, or village in which the district is located. Upon the completion of the final act specified in this subsection, the legal existence of the district shall cease.

(5) The legal existence of the district shall not cease for a period of two years after voter approval of the abolition.