



Governor Signs Sales-Tax Holiday Bill

JEFFERSON CITY – Gov. Matt Blunt today signed a bill based on legislation introduced earlier this session by Sen. Jason Crowell, R-Cape Girardeau, making permanent an annual three-day sales-tax break.

House Bill 64, which was filed by Rep. Mike Sutherland, R-Warrenton, and managed in the Senate by Crowell, designates a three-day sales tax holiday beginning the first Friday in August at 12:01 a.m. and ending the following Sunday.

Back-to-school supplies, such as clothes, backpacks and computers, will be exempted from state sales tax, which is currently 4.225 percent. The measure also gives local governments the option to participate in rescinding local taxes as well.

The tax waiver will apply to retail clothing purchases of as much as \$100, \$50 in school supplies a purchase, \$350 in computer software and \$3,500 for computers or computer equipment.

“Making sure our children are prepared for a new school year can be draining for families’ wallets,” Crowell said. “This legislation helps alleviate the financial burden on parents while stimulating business sales, which is always a good thing for the economy.”

The bill stemmed from the success of last year’s sales-tax holiday, which was advanced by Lt. Gov. Peter Kinder while he was in the Senate. Counties that opted out in 2004 are not required to participate in the 2005 holiday, but if they do want to participate this year, they can enact a local opt-in ordinance.

Typically, bills approved by the governor do not go into effect until August 28. Because most classes commence before that date, the measure includes an emergency clause, which means that with the governor's signature, the bill is now law.