

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 1175
93RD GENERAL ASSEMBLY

Reported from the Committee on Local Government April 19, 2006 with recommendation that House Committee Substitute for Senate Committee Substitute for Senate Bill No. 1175 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(26)(f).

STEPHEN S. DAVIS, Chief Clerk

5439L.03C

AN ACT

To amend chapter 67, RSMo, by adding thereto one new section relating to a sales tax for community center development.

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

Section A. Chapter 67, RSMo, is amended by adding thereto one new section, to be known as section 67.2715, to read as follows:

67.2715. 1. The governing body of any city of the third classification with more than ten thousand eight hundred but less than ten thousand nine hundred inhabitants located at least partly within a county of the first classification with more than one hundred eighty-four thousand but less than one hundred eighty-eight thousand inhabitants, or any city of the third classification with more than six thousand three hundred but fewer than six thousand five hundred inhabitants, or any city of the third classification with more than twenty thousand three hundred but fewer than twenty thousand four hundred inhabitants is hereby authorized to impose, by ordinance or order, a sales tax in the amount of up to one-half of one percent on all retail sales made in such city that are subject to taxation under the provisions of sections 144.010 to 144.525, RSMo, for the purpose of constructing, equipping, operating, and maintaining a community center for such city, which may be funded by issuing bonds that will be retired by the revenues received from the sales tax authorized by this section or the retirement of debt under

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

14 **previously authorized bonded indebtedness. The tax authorized by this section shall be in**
 15 **addition to any and all other sales taxes allowed by law, except that no ordinance or order**
 16 **imposing a sales tax under the provisions of this section shall be effective unless the**
 17 **governing body of the city submits to the voters of the city, at a county or state general,**
 18 **primary, or special election, a proposal to authorize the governing body of the city to**
 19 **impose a tax.**

20 **2. The ballot of submission shall contain, but need not be limited to:**

21 **(1) If the proposal submitted involves only authorization to impose the tax**
 22 **authorized by this section, the following language:**

23 **"Shall the municipality of (municipality's name) impose a sales tax of**
 24 **(insert amount) for the purpose of constructing, equipping, operating, and maintaining a**
 25 **community center, which may include the retirement of debt under previously authorized**
 26 **bonded indebtedness?"**

27 **YES** **NO**

28
 29 **If you are in favor of the question, place an "X" in the box opposite "Yes". If you are**
 30 **opposed to the question, place an "X" in the box opposite "No"; or**

31 **(2) If the proposal submitted involves authorization to issue bonds and repay such**
 32 **bonds with revenues from the tax authorized by this section, the following language:**

33 **"Shall the municipality of (municipality's name) issue bonds in the amount**
 34 **of (insert amount) to fund the cost of constructing, equipping, operating, and**
 35 **maintaining a community center impose a sales tax of (insert amount) to repay**
 36 **bonds?"**

37 **YES** **NO**

38
 39 **If you are in favor of the question, place an "X" in the box opposite "Yes". If you are**
 40 **opposed to the question, place an "X" in the box opposite "No".**

41
 42 **If a majority of the votes cast on the proposal by the qualified voters voting thereon are in**
 43 **favor of the proposal, including when the proposal authorizes the reduction of debt under**
 44 **previously authorized bonded indebtedness under subdivision (1) of this subsection, then**
 45 **the ordinance or order and any amendments thereto shall be in effect, except that any**
 46 **proposal submitted under subdivision (2) of this subsection to issue bonds and impose a**
 47 **sales tax to retire such bonds must be approved by the constitutionally required percentage**
 48 **of the voters voting thereon to become effective. If a majority of the votes cast by the**
 49 **qualified voters voting are opposed to the proposal, then the governing body of the**

50 municipality shall have no power to issue any bonds or impose the sales tax authorized in
51 this section unless and until the governing body of the municipality shall again have
52 submitted another proposal to authorize the governing body of the municipality to issue
53 any bonds or impose the sales tax authorized by this section, and such proposal is approved
54 by the requisite majority of the qualified voters voting thereon; however, in no event shall
55 a proposal under this section be submitted to the voters sooner than twelve months from
56 the date of the last proposal pursuant to this section. If a majority of the votes cast on the
57 question by the qualified voters voting thereon are in favor of the question, then the tax
58 shall become effective on the first day of the second calendar quarter immediately
59 following notification to the department of revenue.

60 **3. All revenue received by a city from the tax authorized under the provisions of**
61 **this section shall be deposited in a special trust fund and shall be used solely for**
62 **constructing, equipping, operating, and maintaining a community center for such city for**
63 **so long as the tax shall remain in effect. The provisions of this subsection shall apply only**
64 **to taxes authorized by this section which have not been imposed to retire bonds issued**
65 **under this section.**

66 **4. All revenue received by a municipality that issues bonds under this section and**
67 **imposes the tax authorized by this section to retire such bonds shall be deposited in a**
68 **special trust fund and shall be used solely to retire such bonds, except to the extent that**
69 **such funds are required for the operation and maintenance of the community center. Once**
70 **all of such bonds have been retired, all funds remaining in the special trust fund required**
71 **by this subsection shall be used solely for the operation and maintenance of the capital**
72 **improvements made with the revenue received as a result of the issuance of such bonds.**
73 **Any funds in the special trust fund required by this subsection which are not needed to**
74 **meet current obligations under the bonds issued under this section may be invested by the**
75 **governing body in accordance with applicable laws relating to the investment of other**
76 **municipal funds. The provisions of this subsection shall apply only to taxes authorized by**
77 **this section that have been imposed to retire bonds issued under this section.**

78 **5. No tax imposed under this section for the purpose of retiring bonds issued under**
79 **this section may be terminated until all of such bonds have been retired.**

80 **6. Once the tax authorized by this section is abolished or is terminated by any**
81 **means, all funds remaining in the special trust fund shall be used solely for operating and**
82 **maintaining the community center for the city. Any funds in such special trust fund that**
83 **are not needed for current expenditures may be invested by the governing body in**
84 **accordance with applicable laws relating to the investment of other city funds.**

85 **7. All sales taxes collected by the director of the department of revenue under this**
86 **section on behalf of any city, less one percent for cost of collection which shall be deposited**
87 **in the state's general revenue fund after payment of premiums for surety bonds as**
88 **provided in section 32.087, RSMo, shall be deposited in a special trust fund, which is**
89 **hereby created in the state treasury, to be known as the "City Community Center Tax**
90 **Trust Fund". The moneys in the trust fund shall not be deemed to be state funds and shall**
91 **not be commingled with any funds of the state. The provisions of section 33.080, RSMo,**
92 **to the contrary notwithstanding, money in this fund shall not be transferred and placed**
93 **to the credit of the general revenue fund. The director of the department of revenue shall**
94 **keep accurate records of the amount of money in the trust and which was collected in each**
95 **city imposing a sales tax under this section, and the records shall be open to the inspection**
96 **of officers of the city and the public. Not later than the tenth day of each month the**
97 **director of the department of revenue shall distribute all moneys deposited in the trust**
98 **fund during the preceding month to the city that levied the tax. Such funds shall be**
99 **deposited with the city treasurer of each such city, and all expenditures of funds arising**
100 **from the trust fund shall be by an appropriation act to be enacted by the governing body**
101 **of each such city. Expenditures may be made from the fund for any functions authorized**
102 **in the ordinance or order adopted by the governing body submitting the tax to the voters.**

103 **8. The director of the department of revenue may authorize the state treasurer to**
104 **make refunds from the amounts in the trust fund and credited to any city for erroneous**
105 **payments and overpayments made, and may redeem dishonored checks and drafts**
106 **deposited to the credit of such cities. If any city abolishes the tax, the city shall notify the**
107 **director of the department of revenue of the action at least ninety days prior to the effective**
108 **date of the repeal, and the director of the department of revenue may order retention in**
109 **the trust fund, for a period of one year, of two percent of the amount collected after receipt**
110 **of such notice to cover possible refunds or overpayment of the tax and to redeem**
111 **dishonored checks and drafts deposited to the credit of such accounts. After one year has**
112 **elapsed after the effective date of abolition of the tax in such city, the director of the**
113 **department of revenue shall remit the balance in the account to the city and close the**
114 **account of that city. The director of the department of revenue shall notify each city of**
115 **each instance of any amount refunded or any check redeemed from receipts due the city.**

116 **9. Except as modified in this section, all provisions of sections 32.085 and 32.087,**
117 **RSMo, shall apply to the tax imposed pursuant to this section.**

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