

FIRST REGULAR SESSION

# SENATE BILL NO. 111

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR CROWELL.

Pre-filed December 4, 2008, and ordered printed.

TERRY L. SPIELER, Secretary.

0592S.011

## AN ACT

To repeal section 143.183, RSMo, and to enact in lieu thereof one new section relating to nonresident entertainer and athlete tax revenues.

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

Section A. Section 143.183, RSMo, is repealed and one new section  
2 enacted in lieu thereof, to be known as section 143.183, to read as follows:

143.183. 1. As used in this section, the following terms mean:

2 (1) "Nonresident entertainer", a person residing or registered as a  
3 corporation outside this state who, for compensation, performs any vocal,  
4 instrumental, musical, comedy, dramatic, dance or other performance in this state  
5 before a live audience and any other person traveling with and performing  
6 services on behalf of a nonresident entertainer, including a nonresident  
7 entertainer who is paid compensation for providing entertainment as an  
8 independent contractor, a partnership that is paid compensation for  
9 entertainment provided by nonresident entertainers, a corporation that is paid  
10 compensation for entertainment provided by nonresident entertainers, or any  
11 other entity that is paid compensation for entertainment provided by nonresident  
12 entertainers;

13 (2) "Nonresident member of a professional athletic team", a professional  
14 athletic team member who resides outside this state, including any active player,  
15 any player on the disabled list if such player is in uniform on the day of the game  
16 at the site of the game, and any other person traveling with and performing  
17 services on behalf of a professional athletic team;

18 (3) "Personal service income" includes exhibition and regular season  
19 salaries and wages, guaranteed payments, strike benefits, deferred payments,

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

20 severance pay, bonuses, and any other type of compensation paid to the  
21 nonresident entertainer or nonresident member of a professional athletic team,  
22 but does not include prizes, bonuses or incentive money received from competition  
23 in a livestock, equine or rodeo performance, exhibition or show;

24 (4) "Professional athletic team" includes, but is not limited to, any  
25 professional baseball, basketball, football, soccer and hockey team.

26 2. Any person, venue, or entity who pays compensation to a nonresident  
27 entertainer shall deduct and withhold from such compensation as a prepayment  
28 of tax an amount equal to two percent of the total compensation if the amount of  
29 compensation is in excess of three hundred dollars paid to the nonresident  
30 entertainer.

31 3. Any person, venue, or entity required to deduct and withhold tax  
32 pursuant to subsection 2 of this section shall, for each calendar quarter, on or  
33 before the last day of the month following the close of such calendar quarter,  
34 remit the taxes withheld in such form or return as prescribed by the director of  
35 revenue and pay over to the director of revenue or to a depository designated by  
36 the director of revenue the taxes so required to be deducted and withheld.

37 4. Any person, venue, or entity subject to this section shall be considered  
38 an employer for purposes of section 143.191, and shall be subject to all penalties,  
39 interest, and additions to tax provided in this chapter for failure to comply with  
40 this section.

41 5. Notwithstanding other provisions of this chapter to the contrary, the  
42 commissioner of administration, for all taxable years beginning on or after  
43 January 1, 1999, but none after December 31, 2015, shall annually estimate the  
44 amount of state income tax revenues collected pursuant to this chapter which are  
45 received from nonresident members of professional athletic teams and  
46 nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal  
47 year for a period of sixteen years, sixty percent of the annual estimate of taxes  
48 generated from the nonresident entertainer and professional athletic team income  
49 tax shall be allocated annually to the Missouri arts council trust fund, and shall  
50 be transferred from the general revenue fund to the Missouri arts council trust  
51 fund established in section 185.100, RSMo, and any amount transferred shall be  
52 in addition to such agency's budget base for each fiscal year. [Notwithstanding  
53 other provisions of this section, the Missouri arts council shall not be  
54 appropriated more than ten million dollars in any fiscal year.] The director shall  
55 by rule establish the method of determining the portion of personal service

56 income of such persons that is allocable to Missouri.

57           6. Notwithstanding the provisions of sections 186.050 to 186.067, RSMo,  
58 to the contrary, the commissioner of administration, for all taxable years  
59 beginning on or after January 1, 1999, but for none after December 31, 2015,  
60 shall estimate annually the amount of state income tax revenues collected  
61 pursuant to this chapter which are received from nonresident members of  
62 professional athletic teams and nonresident entertainers. For fiscal year 2000,  
63 and for each subsequent fiscal year for a period of sixteen years, ten percent of  
64 the annual estimate of taxes generated from the nonresident entertainer and  
65 professional athletic team income tax shall be allocated annually to the Missouri  
66 humanities council trust fund, and shall be transferred from the general revenue  
67 fund to the Missouri humanities council trust fund established in section 186.055,  
68 RSMo, and any amount transferred shall be in addition to such agency's budget  
69 base for each fiscal year.

70           7. Notwithstanding other provisions of section 182.812, RSMo, to the  
71 contrary, the commissioner of administration, for all taxable years beginning on  
72 or after January 1, 1999, but for none after December 31, 2015, shall estimate  
73 annually the amount of state income tax revenues collected pursuant to this  
74 chapter which are received from nonresident members of professional athletic  
75 teams and nonresident entertainers. For fiscal year 2000, and for each  
76 subsequent fiscal year for a period of sixteen years, ten percent of the annual  
77 estimate of taxes generated from the nonresident entertainer and professional  
78 athletic team income tax shall be allocated annually to the Missouri state library  
79 networking fund, and shall be transferred from the general revenue fund to the  
80 secretary of state for distribution to public libraries for acquisition of library  
81 materials as established in section 182.812, RSMo, and any amount transferred  
82 shall be in addition to such agency's budget base for each fiscal year.

83           8. Notwithstanding other provisions of section 185.200, RSMo, to the  
84 contrary, the commissioner of administration, for all taxable years beginning on  
85 or after January 1, 1999, but for none after December 31, 2015, shall estimate  
86 annually the amount of state income tax revenues collected pursuant to this  
87 chapter which are received from nonresident members of professional athletic  
88 teams and nonresident entertainers. For fiscal year 2000, and for each  
89 subsequent fiscal year for a period of sixteen years, ten percent of the annual  
90 estimate of taxes generated from the nonresident entertainer and professional  
91 athletic team income tax shall be allocated annually to the Missouri public

92 television broadcasting corporation special fund, and shall be transferred from the  
93 general revenue fund to the Missouri public television broadcasting corporation  
94 special fund established in section 185.200, RSMo, and any amount transferred  
95 shall be in addition to such agency's budget base for each fiscal year; provided,  
96 however, that twenty-five percent of such allocation shall be used for grants to  
97 public radio stations which were qualified by the corporation for public  
98 broadcasting as of November 1, 1996. Such grants shall be distributed to each  
99 of such public radio stations in this state after receipt of the station's certification  
100 of operating and programming expenses for the prior fiscal year. Certification  
101 shall consist of the most recent fiscal year financial statement submitted by a  
102 station to the corporation for public broadcasting. The grants shall be divided  
103 into two categories, an annual basic service grant and an operating grant. The  
104 basic service grant shall be equal to thirty-five percent of the total amount and  
105 shall be divided equally among the public radio stations receiving grants. The  
106 remaining amount shall be distributed as an operating grant to the stations on  
107 the basis of the proportion that the total operating expenses of the individual  
108 station in the prior fiscal year bears to the aggregate total of operating expenses  
109 for the same fiscal year for all Missouri public radio stations which are receiving  
110 grants.

111           9. Notwithstanding other provisions of section 253.402, RSMo, to the  
112 contrary, the commissioner of administration, for all taxable years beginning on  
113 or after January 1, 1999, but for none after December 31, 2015, shall estimate  
114 annually the amount of state income tax revenues collected pursuant to this  
115 chapter which are received from nonresident members of professional athletic  
116 teams and nonresident entertainers. For fiscal year 2000, and for each  
117 subsequent fiscal year for a period of sixteen years, ten percent of the annual  
118 estimate of taxes generated from the nonresident entertainer and professional  
119 athletic team income tax shall be allocated annually to the Missouri department  
120 of natural resources Missouri historic preservation revolving fund, and shall be  
121 transferred from the general revenue fund to the Missouri department of natural  
122 resources Missouri historic preservation revolving fund established in section  
123 253.402, RSMo, and any amount transferred shall be in addition to such agency's  
124 budget base for each fiscal year. As authorized pursuant to subsection 2 of  
125 section 30.953, RSMo, it is the intention and desire of the general assembly that  
126 the state treasurer convey, to the Missouri investment trust on January 1, 1999,  
127 up to one hundred percent of the balances of the Missouri arts council trust fund

128 established pursuant to section 185.100, RSMo, and the Missouri humanities  
129 council trust fund established pursuant to section 186.055, RSMo. The funds  
130 shall be reconveyed to the state treasurer by the investment trust as follows: the  
131 Missouri arts council trust fund, no earlier than January 2, 2009; and the  
132 Missouri humanities council trust fund, no earlier than January 2, 2009.

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