

Journal of the Senate

FIRST REGULAR SESSION

SIXTIETH DAY—WEDNESDAY, MAY 1, 2013

The Senate met pursuant to adjournment.

President Kinder in the Chair.

Reverend Carl Gauck offered the following prayer:

“Lord, take me where you want me to go, let me meet who you want me to meet, tell me what you want me to say, and keep me out of your way.” (Prayer of Father Mychal Judge)

Almighty God, we share the prayer thoughts of Father Judge mindful always that we are here to serve You most of all. We know that our words and actions do reflect on who we are and what we believe and so we pray that we may truly be Yours and open always to what You desire of us. May we this day reflect this surrendering to Your almighty will being all You have created us to be. In Your Holy Name we pray. Amen.

The Pledge of Allegiance to the Flag was recited.

A quorum being established, the Senate proceeded with its business.

The Journal of the previous day was read and approved.

Senator Richard announced photographers from KRCG-TV were given permission to take pictures in the Senate Chamber.

The following Senators were present during the day’s proceedings:

Present—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Emery	Holsman
Justus	Keaveny	Kehoe	Kraus	Lager	Lamping	LeVota	Libla
McKenna	Munzlinger	Nasheed	Nieves	Parson	Pearce	Richard	Romine
Rupp	Sater	Schaaf	Schaefer	Schmitt	Sifton	Silvey	Wallingford
Walsh	Wasson—34						

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

The Lieutenant Governor was present.

RESOLUTIONS

Senator Emery offered Senate Resolution No. 854, regarding the Eightieth Birthday of Jim Pirie, Belton, which was adopted.

Senator Parson offered Senate Resolution No. 855, regarding Linda Gibbens Meador, which was adopted.

Senator LeVota offered Senate Resolution No. 856, regarding Dick Wilson, Independence, which was adopted.

HOUSE BILLS ON THIRD READING

HB 542, introduced by Representative Love, et al, with **SCS**, entitled:

An Act to repeal section 196.311, RSMo, and to enact in lieu thereof one new section relating to eggs.

Was taken up by Senator Munzlinger.

SCS for **HB 542**, entitled:

**SENATE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 542**

An Act to repeal sections 64.196, 178.550, 196.311, 267.655, 323.100, 348.521, and 413.225, RSMo, and to enact in lieu thereof eight new sections relating to agriculture.

Was taken up.

Senator Munzlinger moved that **SCS** for **HB 542** be adopted.

Senator Munzlinger offered **SS** for **SCS** for **HB 542**, entitled:

**SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 542**

An Act to repeal sections 64.196, 178.550, 196.311, 267.655, 323.100, 348.521, and 413.225, RSMo, and to enact in lieu thereof eight new sections relating to agriculture.

Senator Munzlinger moved that **SS** for **SCS** for **HB 542** be adopted.

Senator Lager offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Substitute for Senate Committee Substitute for House Bill No. 542, Page 24, Section 413.225, Line 28 of said page, by inserting immediately after said line the following:

“644.052. 1. Persons with operating permits or permits by rule issued pursuant to this chapter shall pay fees pursuant to subsections 2 to 8 and 12 to 13 of this section. Persons with a sewer service connection to public sewer systems owned or operated by a city, public sewer district, public water district or other publicly owned treatment works shall pay a permit fee pursuant to subsections 10 and 11 of this section.

2. A privately owned treatment works or an industry which treats only human sewage shall annually pay a fee based upon the design flow of the facility as follows:

(1) One hundred dollars if the design flow is less than five thousand gallons per day;

(2) One hundred fifty dollars if the design flow is equal to or greater than five thousand gallons per day but less than six thousand gallons per day;

(3) One hundred seventy-five dollars if the design flow is equal to or greater than six thousand gallons per day but less than seven thousand gallons per day;

(4) Two hundred dollars if the design flow is equal to or greater than seven thousand gallons per day but less than eight thousand gallons per day;

(5) Two hundred twenty-five dollars if the design flow is equal to or greater than eight thousand gallons per day but less than nine thousand gallons per day;

(6) Two hundred fifty dollars if the design flow is equal to or greater than nine thousand gallons per day but less than ten thousand gallons per day;

(7) Three hundred seventy-five dollars if the design flow is equal to or greater than ten thousand gallons per day but less than eleven thousand gallons per day;

(8) Four hundred dollars if the design flow is equal to or greater than eleven thousand gallons per day but less than twelve thousand gallons per day;

(9) Four hundred fifty dollars if the design flow is equal to or greater than twelve thousand gallons per day but less than thirteen thousand gallons per day;

(10) Five hundred dollars if the design flow is equal to or greater than thirteen thousand gallons per day but less than fourteen thousand gallons per day;

(11) Five hundred fifty dollars if the design flow is equal to or greater than fourteen thousand gallons per day but less than fifteen thousand gallons per day;

(12) Six hundred dollars if the design flow is equal to or greater than fifteen thousand gallons per day but less than sixteen thousand gallons per day;

(13) Six hundred fifty dollars if the design flow is equal to or greater than sixteen thousand gallons per day but less than seventeen thousand gallons per day;

(14) Eight hundred dollars if the design flow is equal to or greater than seventeen thousand gallons per day but less than twenty thousand gallons per day;

(15) One thousand dollars if the design flow is equal to or greater than twenty thousand gallons per day but less than twenty-three thousand gallons per day;

(16) Two thousand dollars if the design flow is equal to or greater than twenty-three thousand gallons per day but less than twenty-five thousand gallons per day;

(17) Two thousand five hundred dollars if the design flow is equal to or greater than twenty-five thousand gallons per day but less than thirty thousand gallons per day;

(18) Three thousand dollars if the design flow is equal to or greater than thirty thousand gallons per day but less than one million gallons per day; or

(19) Three thousand five hundred dollars if the design flow is equal to or greater than one million gallons per day.

3. Persons who produce industrial process wastewater which requires treatment and who apply for or

possess a site-specific permit shall annually pay:

(1) Five thousand dollars if the industry is a class IA animal feeding operation as defined by the commission; or

(2) For facilities issued operating permits based upon categorical standards pursuant to the Federal Clean Water Act and regulations implementing such act:

(a) Three thousand five hundred dollars if the design flow is less than one million gallons per day; or

(b) Five thousand dollars if the design flow is equal to or greater than one million gallons per day.

4. Persons who apply for or possess a site-specific permit solely for industrial storm water shall pay an annual fee of:

(1) One thousand three hundred fifty dollars if the design flow is less than one million gallons per day; or

(2) Two thousand three hundred fifty dollars if the design flow is equal to or greater than one million gallons per day.

5. Persons who produce industrial process wastewater who are not included in subsection 2 or 3 of this section shall annually pay:

(1) One thousand five hundred dollars if the design flow is less than one million gallons per day; or

(2) Two thousand five hundred dollars if the design flow is equal to or greater than one million gallons per day.

6. Persons who apply for or possess a general permit shall pay:

(1) Three hundred dollars for the discharge of storm water from a land disturbance site;

(2) Fifty dollars annually for the operation of a chemical fertilizer or pesticide facility;

(3) One hundred fifty dollars for the operation of an animal feeding operation or a concentrated animal feeding operation;

(4) One hundred fifty dollars annually for new permits for the discharge of process water or storm water potentially contaminated by activities not included in subdivisions (1) to (3) of this subsection. Persons paying fees pursuant to this subdivision with existing general permits on August 27, 2000, and persons paying fees pursuant to this subdivision who receive renewed general permits on the same facility after August 27, 2000, shall pay sixty dollars annually;

(5) Up to two hundred fifty dollars annually for the operation of an aquaculture facility.

7. Requests for modifications to state operating permits on entities that charge a service connection fee pursuant to subsection 10 of this section shall be accompanied by a two hundred dollar fee. The department may waive the fee if it is determined that the necessary modification was either initiated by the department or caused by an error made by the department.

8. Requests for state operating permit modifications other than those described in subsection 7 of this section shall be accompanied by a fee equal to twenty-five percent of the annual operating fee assessed for the facility pursuant to this section. **However, requests for modifications for such operating permits that seek name changes, address changes, or other nonsubstantive changes to the operating permit shall be**

accompanied by a fee of one hundred dollars. The department may waive the fee if it is determined that the necessary modification was either initiated by the department or caused by an error made by the department.

9. Persons requesting water quality certifications in accordance with Section 401 of the Federal Clean Water Act shall pay a fee of seventy-five dollars and shall submit the standard application form for a Section 404 permit as administered by the U.S. Army Corps of Engineers or similar information required for other federal licenses and permits, except that the fee is waived for water quality certifications issued and accepted for activities authorized pursuant to a general permit or nationwide permit by the U.S. Army Corps of Engineers.

10. Persons with a direct or indirect sewer service connection to a public sewer system owned or operated by a city, public sewer district, public water district, or other publicly owned treatment works shall pay an annual fee per water service connection as provided in this subsection. Customers served by multiple water service connections shall pay such fee for each water service connection, except that no single facility served by multiple connections shall pay more than a total of seven hundred dollars per year. The fees provided for in this subsection shall be collected by the agency billing such customer for sewer service and remitted to the department. The fees may be collected in monthly, quarterly or annual increments, and shall be remitted to the department no less frequently than annually. The fees collected shall not exceed the amounts specified in this subsection and, except as provided in subsection 11 of this section, shall be collected at the specified amounts unless adjusted by the commission in rules. The annual fees shall not exceed:

(1) For sewer systems that serve more than thirty-five thousand customers, forty cents per residential customer as defined by the provider of said sewer service until such time as the commission promulgates rules defining the billing procedure;

(2) For sewer systems that serve equal to or less than thirty-five thousand but more than twenty thousand customers, fifty cents per residential customer as defined by the provider of said sewer service until such time as the commission promulgates rules defining the billing procedure;

(3) For sewer systems that serve equal to or less than twenty thousand but more than seven thousand customers, sixty cents per residential customer as defined by the provider of said sewer service until such time as the commission promulgates rules defining the billing procedure;

(4) For sewer systems that serve equal to or less than seven thousand but more than one thousand customers, seventy cents per residential customer as defined by the provider of said sewer service until such time as the commission promulgates rules defining the billing procedure;

(5) For sewer systems that serve equal to or less than one thousand customers, eighty cents per residential customer as defined by the provider of said sewer service until such time as the commission promulgates rules defining the billing procedure;

(6) Three dollars for commercial or industrial customers not served by a public water system as defined in chapter 640;

(7) Three dollars per water service connection for all other customers with water service connections of less than or equal to one inch excluding taps for fire suppression and irrigation systems;

(8) Ten dollars per water service connection for all other customers with water service connections of more than one inch but less than or equal to four inches, excluding taps for fire suppression and irrigation

systems;

(9) Twenty-five dollars per water service connection for all other customers with water service connections of more than four inches, excluding taps for fire suppression and irrigation systems.

11. Customers served by any district formed pursuant to the provisions of section 30(a) of article VI of the Missouri Constitution shall pay the fees set forth in subsection 10 of this section according to the following schedule:

(1) From August 28, 2000, through September 30, 2001, customers of any such district shall pay fifty percent of such fees; and

(2) Beginning October 1, 2001, customers of any such districts shall pay one hundred percent of such fees.

12. Persons submitting a notice of intent to operate pursuant to a permit by rule shall pay a filing fee of twenty-five dollars.

13. For any general permit issued to a state agency for highway construction pursuant to subdivision (1) of subsection 6 of this section, a single fee may cover all sites subject to the permit.”; and

Further amend the title and enacting clause accordingly.

Senator Lager moved that the above amendment be adopted, which motion prevailed.

Senator Lager offered **SA 2**:

SENATE AMENDMENT NO. 2

Amend Senate Substitute for Senate Committee Substitute for House Bill No. 542, Page 24, Section 413.225, Line 28, by inserting after all of said line the following:

“640.725. 1. The owner or operator of any flush system animal waste wet handling facility shall employ one or more persons who shall **once per week** visually inspect the [animal waste wet handling facility and lagoons for unauthorized discharge and structural integrity at least every twelve hours with a deviation of not to exceed three hours] **gravity outfall lines, recycle pump stations, recycle force mains, and appurtenances for any release to any containment structure required by section 640.730. The owner or operator shall also visually inspect once per day any lagoon whose water level is less than twelve inches from the emergency spillway.** The owner or operator of the facility shall keep records of each inspection. Such records shall be retained for three years. The department shall provide or approve a form provided by the owner or operator for each facility for such inspections.

2. All new construction permits for flush system animal waste wet handling facilities shall have an electronic or mechanical shutoff of the system in the event of pipe stoppage. As of July 1, 1997, all existing flush system animal waste wet handling facilities shall have, at a minimum, an electronic or mechanical shutoff of the system in the event of pipe stoppage or backflow.”; and

Further amend the title and enacting clause accordingly.

Senator Lager moved that the above amendment be adopted, which motion prevailed.

Senator Kehoe assumed the Chair.

Senator Pearce offered **SA 3**:

SENATE AMENDMENT NO. 3

Amend Senate Substitute for Senate Committee Substitute for House Bill No. 542, Page 7, Section 196.311, Line 22, by inserting after all of said line the following:

“262.598. 1. As used in this section, the following terms shall mean:

- (1) “Consolidated district”, a district formed jointly by two or more councils;**
- (2) “Council”, a University of Missouri extension council authorized under section 262.563;**
- (3) “District” or “extension district”, a political subdivision formed by one or more councils;**
- (4) “Single-council district”, a district formed by one council;**
- (5) “Governing body”, the group of individuals who govern a district.**

2. University of Missouri extension councils , except for any council located in a county with a charter form of government and with more than nine hundred fifty thousand inhabitants, are hereby authorized to form extension districts made up of cooperating counties for the purpose of funding extension programming. An extension district may be a single-council district or a consolidated district. A single-council district shall be formed upon a majority vote of the full council. A consolidated district shall be formed upon a majority vote of each participating council.

3. In a single-council district, the council shall serve as the district’s governing body. In addition to any other powers and duties granted to the council under sections 262.550 to 262.620, the council shall also have the powers and duties provided under subsection 5 of this section.

4. In a consolidated district, the governing body of the district shall consist of at least three, but no more than five, representatives appointed by each participating council. The term of office shall be two years. Representatives may be reappointed. The governing body shall elect officers, who shall serve as officers for two years, and establish a regular meeting schedule which shall not be less than once every three months.

5. The governing body of a district shall have the following powers and duties:

- (1) Review the activities and annual budgets of each participating council;**
- (2) Determine, by September first of each year, the tax rate necessary to generate sufficient revenue to fund the extension programming in the district, which includes annual funding for each participating council for the costs of personnel and the acquisition, supply, and maintenance of each council’s property, work, and equipment;**
- (3) Oversee the collection of any tax authorized under this section by ensuring the revenue is deposited into a special fund and monitoring the use of the funds to ensure they are used solely for extension programming in the district;**
- (4) Approve payments from the special fund in which the tax revenue is deposited; and**
- (5) Work cooperatively with each participating council to plan and facilitate the programs, equipment, and activities in the district.**

6. The governing body of a district may submit a question to the voters of the district to institute a property tax levy in the county or counties that compose the district. Questions may be submitted to the voters of the district at any general municipal election. Any such proposed tax shall not exceed

thirty cents per one hundred dollars of assessed valuation. The costs of submitting the question to the voters at the general municipal election shall be paid as provided in section 115.063. Such question shall be submitted in substantially the following form:

“Shall the Extension District in County (insert name of county) be authorized to levy an annual tax of (insert amount not to exceed thirty) cents per one hundred dollars of assessed valuation for the purpose of funding the University of Missouri Extension District programs, equipment, and services in the district?”

In a single-council district, if a majority of the voters in the county approve the question, then the district shall impose the tax. If a majority of the voters in a single-council district do not approve the question, then no tax shall be imposed. In a consolidated district, if a majority of voters in each county in the district approve the question, then the district shall impose the tax. If a majority of the voters in a consolidated district do not approve the question, then no tax shall be imposed in any county of the district. In a consolidated district, if a majority of voters in a county do not approve the question, the council in the county that did not approve the question may withdraw from the district. Upon such withdrawal, the district shall be made up of the remaining counties and the tax shall be imposed in those counties. However, if the county that did not approve the question does not withdraw from the district, the tax shall not be imposed. Revenues collected from the imposition of a tax authorized under this section shall be deposited into a special fund dedicated only for use by the local district for programming purposes.

7. The county commission of any county in which the tax authorized under this section is levied and collected:

(1) Shall be exempt from the funding requirements under section 262.597 if revenue derived from the tax authorized under this section is in excess of an amount equal to two hundred percent of the average funding received under section 262.597 for the immediately preceding three years; or

(2) May reduce the current year’s funding amount under section 262.597 by thirty-three percent of the amount of tax revenues derived from the tax authorized under this section which exceed the average amount of funding received under section 262.597 for the immediately preceding three years.

8. Any county that collects tax revenues authorized under this section shall transfer all attributable revenue plus monthly interest for deposit into the district’s special fund. The governing body of the district shall comply with the prudent investor standard for investment fiduciaries as provided in section 105.688.

9. In any county in which a single-council district is established, and for which a tax has not been levied, the district may be dissolved in the same manner in which it was formed.

10. A county may withdraw from a consolidated district at any time by the filing of a petition with the circuit court having jurisdiction over the district. The petition shall be signed by not fewer than ten percent of those who voted in the most recent presidential election in the county seeking to withdraw that is part of a consolidated district stating that further operation of the district is contrary to the best interest of the inhabitants of the county in which the district is located and that the county seeks to withdraw from the district. The circuit court shall hear evidence on the petition. If the court finds that it is in the best interest of the inhabitants of the county in which the district is located for the county to withdraw from the district, the court shall make an order reciting the same and submit

the question to the voters. The costs of submitting the question to the voters at the general municipal election shall be paid as provided in section 115.063. The question shall be submitted in substantially the following format:

“Shall the County of (insert name of county) being part of (insert name of district) Extension District withdraw from the district?”

The question shall be submitted at the next general municipal election date. The election returns shall be certified to the court. If the court finds that two-thirds of the voters voting on the question voted in favor of withdrawing from the district, the court shall issue an order withdrawing the county from the district, which shall contain a proviso that the district shall remain intact for the sole purposes of paying all outstanding and lawful obligations and disposing of the district’s property. No additional costs or obligations for the withdrawing county shall be created except as necessary. The withdrawal shall occur on the first day of the following January after the vote. If the court finds that two-thirds of the voters voting on the question shall not have voted favorably on the question to withdraw from the district, the court shall issue an order dismissing the petition and the district shall continue to operate.

11. The governing body of any district may seek voter approval to increase its current tax rate authorized under this section, provided such increase shall not cause the total tax to exceed thirty cents per one hundred dollars of assessed valuation. To propose such an increase, the governing body shall submit the question to the voters at the general municipal election in the county in which the district is located. The costs of submitting the question to the voters at the general municipal election shall be paid as provided in section 115.063. The question shall be submitted in substantially the following form:

“Shall the Extension District in (insert name of county or counties) be authorized to increase the tax rate from (insert current amount of tax) cents to (insert proposed amount of tax not to exceed thirty) cents per one hundred dollars of assessed valuation for the purpose of funding the University of Missouri Extension District programs, equipment, and services in the district?”

In a single-council district, if a majority of the voters in the county approve the question, then the district shall impose the tax. If a majority of the voters in a single-council district do not approve the question, then the tax shall not be imposed. In a consolidated district, if a majority of voters in the district approve the question, then the district shall impose the new tax rate. If a majority of the voters in a consolidated district do not approve the question, then the tax shall not be imposed in any county of the district. Revenues collected from the imposition of the tax authorized under this section shall be deposited into the special fund dedicated only for use by the district.”; and

Further amend the title and enacting clause accordingly.

Senator Pearce moved that the above amendment be adopted, which motion prevailed.

Senator Rupp offered SA 4:

SENATE AMENDMENT NO. 4

Amend Senate Substitute for Senate Committee Substitute for House Bill No. 542, Page 16, Section 262.900, Line 14, by inserting after all of said line the following:

“14. The provisions of this section shall not apply to any county with a charter form of government

and with more than three hundred thousand but fewer than four hundred fifty thousand inhabitants.”.

Senator Rupp moved that the above amendment be adopted, which motion prevailed.

Senator Munzlinger moved that **SS** for **SCS** for **HB 542**, as amended, be adopted, which motion prevailed.

Senator Munzlinger moved that **SS** for **SCS** for **HB 542**, as amended, be read the 3rd time and passed and was recognized to close.

President Pro Tem Dempsey referred **SS** for **SCS** for **HB 542**, as amended, to the Committee on Governmental Accountability and Fiscal Oversight.

At the request of Senator Cunningham, **HB 329**, with **SCS**, was placed on the Informal Calendar.

HCS for **HBs 256, 33** and **305**, was placed on the Informal Calendar.

HB 346 was placed on the Informal Calendar.

HB 331, introduced by Representatives Miller and Funderburk, entitled:

An Act to repeal section 392.420, RSMo, and to enact in lieu thereof one new section relating to telecommunications.

Was taken up by Senator Emery.

Senators Emery and Lager offered **SS** for **HB 331**, entitled:

**SENATE SUBSTITUTE FOR
HOUSE BILL NO. 331**

An Act to repeal sections 67.1830, 67.1836, 67.1838, 67.1842, 392.415, 392.420, and 392.461, RSMo, and to enact in lieu thereof twenty-two new sections relating to telecommunications.

Senator Emery moved that **SS** for **HB 331** be adopted, which motion prevailed.

Senator Pearce assumed the Chair.

On motion of Senator Emery, **SS** for **HB 331** was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Emery	Holsman
Justus	Keaveny	Kehoe	Lager	Lamping	LeVota	Libla	Munzlinger
Nasheed	Nieves	Parson	Pearce	Richard	Romine	Sater	Schaaf
Schaefer	Schmitt	Sifton	Silvey	Wallingford	Wasson—30		

NAYS—Senators—None

Absent—Senators

Kraus	McKenna	Rupp	Walsh—4
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Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Emery, title to the bill was agreed to.

Senator Emery moved that the vote by which the bill passed be reconsidered.

Senator Richard moved that motion lay on the table, which motion prevailed.

HB 329, introduced by Representatives Dugger and Crawford, with **SCS**, entitled:

An Act to repeal sections 408.590, 408.592, and 408.600, RSMo, and to enact in lieu thereof two new sections relating to residential real estate loan violations reporting, with penalty provisions.

Was called from the Informal Calendar and taken up by Senator Cunningham.

SCS for **HB 329**, entitled:

SENATE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 329

An Act to repeal sections 361.160, 408.140, 408.590, 408.592, and 408.600, RSMo, and to enact in lieu thereof four new sections relating to financial institutions.

Was taken up.

Senator Cunningham moved that **SCS** for **HB 329** be adopted.

Senator Keaveny offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Committee Substitute for House Bill No. 329, Page 8, Section 408.600, Line 43, by inserting after all of said line the following:

“513.430. 1. The following property shall be exempt from attachment and execution to the extent of any person’s interest therein:

(1) Household furnishings, household goods, wearing apparel, appliances, books, animals, crops or musical instruments that are held primarily for personal, family or household use of such person or a dependent of such person, not to exceed three thousand dollars in value in the aggregate;

(2) A wedding ring not to exceed one thousand five hundred dollars in value and other jewelry held primarily for the personal, family or household use of such person or a dependent of such person, not to exceed five hundred dollars in value in the aggregate;

(3) Any other property of any kind, not to exceed in value six hundred dollars in the aggregate;

(4) Any implements or professional books or tools of the trade of such person or the trade of a dependent of such person not to exceed three thousand dollars in value in the aggregate;

(5) Any motor vehicles, not to exceed three thousand dollars in value in the aggregate;

(6) Any mobile home used as the principal residence but not attached to real property in which the debtor has a fee interest, not to exceed five thousand dollars in value;

(7) Any one or more unmaturing life insurance contracts owned by such person, other than a credit life insurance contract;

(8) The amount of any accrued dividend or interest under, or loan value of, any one or more unmatured life insurance contracts owned by such person under which the insured is such person or an individual of whom such person is a dependent; provided, however, that if proceedings under Title 11 of the United States Code are commenced by or against such person, the amount exempt in such proceedings shall not exceed in value one hundred fifty thousand dollars in the aggregate less any amount of property of such person transferred by the life insurance company or fraternal benefit society to itself in good faith if such transfer is to pay a premium or to carry out a nonforfeiture insurance option and is required to be so transferred automatically under a life insurance contract with such company or society that was entered into before commencement of such proceedings. No amount of any accrued dividend or interest under, or loan value of, any such life insurance contracts shall be exempt from any claim for child support. Notwithstanding anything to the contrary, no such amount shall be exempt in such proceedings under any such insurance contract which was purchased by such person within one year prior to the commencement of such proceedings;

(9) Professionally prescribed health aids for such person or a dependent of such person;

(10) Such person's right to receive:

(a) A Social Security benefit, unemployment compensation or a public assistance benefit;

(b) A veteran's benefit;

(c) A disability, illness or unemployment benefit;

(d) Alimony, support or separate maintenance, not to exceed seven hundred fifty dollars a month;

(e) Any payment under a stock bonus plan, pension plan, disability or death benefit plan, profit-sharing plan, nonpublic retirement plan or any plan described, defined, or established pursuant to section 456.072, the person's right to a participant account in any deferred compensation program offered by the state of Missouri or any of its political subdivisions, or annuity or similar plan or contract on account of illness, disability, death, age or length of service, to the extent reasonably necessary for the support of such person and any dependent of such person unless:

a. Such plan or contract was established by or under the auspices of an insider that employed such person at the time such person's rights under such plan or contract arose;

b. Such payment is on account of age or length of service; and

c. Such plan or contract does not qualify under Section 401(a), 403(a), 403(b), 408, 408A or 409 of the Internal Revenue Code of 1986, as amended, (26 U.S.C. 401(a), 403(a), 403(b), 408, 408A or 409); except that any such payment to any person shall be subject to attachment or execution pursuant to a qualified domestic relations order, as defined by Section 414(p) of the Internal Revenue Code of 1986, as amended, issued by a court in any proceeding for dissolution of marriage or legal separation or a proceeding for disposition of property following dissolution of marriage by a court which lacked personal jurisdiction over the absent spouse or lacked jurisdiction to dispose of marital property at the time of the original judgment of dissolution;

(f) Any money or assets, payable to a participant or beneficiary from, or any interest of any participant or beneficiary in, a retirement plan [or], profit-sharing plan, **health savings plan, or similar plan, including an inherited account or plan**, that is qualified under Section 401(a), 403(a), 403(b), 408, 408A or 409 of the Internal Revenue Code of 1986, as amended, **whether such participant's or beneficiary's**

interest arises by inheritance, designation, appointment, or otherwise, except as provided in this paragraph. Any plan or arrangement described in this paragraph shall not be exempt from the claim of an alternate payee under a qualified domestic relations order; however, the interest of any and all alternate payees under a qualified domestic relations order shall be exempt from any and all claims of any creditor, other than the state of Missouri through its division of family services. As used in this paragraph, the terms “alternate payee” and “qualified domestic relations order” have the meaning given to them in Section 414(p) of the Internal Revenue Code of 1986, as amended.

If proceedings under Title 11 of the United States Code are commenced by or against such person, no amount of funds shall be exempt in such proceedings under any such plan, contract, or trust which is fraudulent as defined in subsection 2 of section 428.024 and for the period such person participated within three years prior to the commencement of such proceedings. For the purposes of this section, when the fraudulently conveyed funds are recovered and after, such funds shall be deducted and then treated as though the funds had never been contributed to the plan, contract, or trust;

(11) The debtor’s right to receive, or property that is traceable to, a payment on account of the wrongful death of an individual of whom the debtor was a dependent, to the extent reasonably necessary for the support of the debtor and any dependent of the debtor.

2. Nothing in this section shall be interpreted to exempt from attachment or execution for a valid judicial or administrative order for the payment of child support or maintenance any money or assets, payable to a participant or beneficiary from, or any interest of any participant or beneficiary in, a retirement plan which is qualified pursuant to Section 408A of the Internal Revenue Code of 1986, as amended.”; and

Further amend the title and enacting clause accordingly.

Senator Keaveny moved that the above amendment be adopted, which motion prevailed.

Senator Sater offered **SA 2**:

SENATE AMENDMENT NO. 2

Amend Senate Committee Substitute House Bill No. 329, Page 1, Section A, Line 3, by inserting after all of said line the following:

“208.010. 1. In determining the eligibility of a claimant for public assistance pursuant to this law, it shall be the duty of the **family support** division [of family services] to consider and take into account all facts and circumstances surrounding the claimant, including his or her living conditions, earning capacity, income and resources, from whatever source received, and if from all the facts and circumstances the claimant is not found to be in need, assistance shall be denied. In determining the need of a claimant, the costs of providing medical treatment which may be furnished pursuant to sections 208.151 to 208.158 [and 208.162] shall be disregarded. The amount of benefits, when added to all other income, resources, support, and maintenance shall provide such persons with reasonable subsistence compatible with decency and health in accordance with the standards developed by the **family support** division [of family services]; provided, when a husband and wife are living together, the combined income and resources of both shall be considered in determining the eligibility of either or both. “Living together” for the purpose of this chapter is defined as including a husband and wife separated for the purpose of obtaining medical care or nursing home care, except that the income of a husband or wife separated for such purpose shall be considered in determining the eligibility of his or her spouse, only to the extent that such income exceeds the amount necessary to meet the needs (as defined by rule or regulation of the division) of such husband or wife living

separately. In determining the need of a claimant in federally aided programs there shall be disregarded such amounts per month of earned income in making such determination as shall be required for federal participation by the provisions of the federal Social Security Act (42 U.S.C.A. 301 et seq.), or any amendments thereto. When federal law or regulations require the exemption of other income or resources, the **family support** division [of family services] may provide by rule or regulation the amount of income or resources to be disregarded.

2. Benefits shall not be payable to any claimant who:

(1) Has or whose spouse with whom he or she is living has, prior to July 1, 1989, given away or sold a resource within the time and in the manner specified in this subdivision. In determining the resources of an individual, unless prohibited by federal statutes or regulations, there shall be included (but subject to the exclusions pursuant to subdivisions (4) and (5) of this subsection, and subsection 5 of this section) any resource or interest therein owned by such individual or spouse within the twenty-four months preceding the initial investigation, or at any time during which benefits are being drawn, if such individual or spouse gave away or sold such resource or interest within such period of time at less than fair market value of such resource or interest for the purpose of establishing eligibility for benefits, including but not limited to benefits based on December, 1973, eligibility requirements, as follows:

(a) Any transaction described in this subdivision shall be presumed to have been for the purpose of establishing eligibility for benefits or assistance pursuant to this chapter unless such individual furnishes convincing evidence to establish that the transaction was exclusively for some other purpose;

(b) The resource shall be considered in determining eligibility from the date of the transfer for the number of months the uncompensated value of the disposed of resource is divisible by the average monthly grant paid or average Medicaid payment in the state at the time of the investigation to an individual or on his or her behalf under the program for which benefits are claimed, provided that:

a. When the uncompensated value is twelve thousand dollars or less, the resource shall not be used in determining eligibility for more than twenty-four months; or

b. When the uncompensated value exceeds twelve thousand dollars, the resource shall not be used in determining eligibility for more than sixty months;

(2) The provisions of subdivision (1) of this subsection shall not apply to a transfer, other than a transfer to claimant's spouse, made prior to March 26, 1981, when the claimant furnishes convincing evidence that the uncompensated value of the disposed of resource or any part thereof is no longer possessed or owned by the person to whom the resource was transferred;

(3) Has received, or whose spouse with whom he or she is living has received, benefits to which he or she was not entitled through misrepresentation or nondisclosure of material facts or failure to report any change in status or correct information with respect to property or income as required by section 208.210. A claimant ineligible pursuant to this subsection shall be ineligible for such period of time from the date of discovery as the **family support** division [of family services] may deem proper; or in the case of overpayment of benefits, future benefits may be decreased, suspended or entirely withdrawn for such period of time as the division may deem proper;

(4) Owns or possesses resources in the sum of one thousand dollars or more; provided, however, that if such person is married and living with spouse, he or she, or they, individually or jointly, may own resources not to exceed two thousand dollars; and provided further, that in the case of a temporary assistance

for needy families claimant, the provision of this subsection shall not apply;

(5) Prior to October 1, 1989, owns or possesses property of any kind or character, excluding amounts placed in an irrevocable prearranged funeral or burial contract under chapter 436, or has an interest in property, of which he or she is the record or beneficial owner, the value of such property, as determined by the **family support** division [of family services], less encumbrances of record, exceeds twenty-nine thousand dollars, or if married and actually living together with husband or wife, if the value of his or her property, or the value of his or her interest in property, together with that of such husband and wife, exceeds such amount;

(6) In the case of temporary assistance for needy families, if the parent, stepparent, and child or children in the home owns or possesses property of any kind or character, or has an interest in property for which he or she is a record or beneficial owner, the value of such property, as determined by the **family support** division [of family services] and as allowed by federal law or regulation, less encumbrances of record, exceeds one thousand dollars, excluding the home occupied by the claimant, amounts placed in an irrevocable prearranged funeral or burial contract under chapter 436, one automobile which shall not exceed a value set forth by federal law or regulation and for a period not to exceed six months, such other real property which the family is making a good-faith effort to sell, if the family agrees in writing with the **family support** division [of family services] to sell such property and from the net proceeds of the sale repay the amount of assistance received during such period. If the property has not been sold within six months, or if eligibility terminates for any other reason, the entire amount of assistance paid during such period shall be a debt due the state;

(7) Is an inmate of a public institution, except as a patient in a public medical institution.

3. In determining eligibility and the amount of benefits to be granted pursuant to federally aided programs, the income and resources of a relative or other person living in the home shall be taken into account to the extent the income, resources, support and maintenance are allowed by federal law or regulation to be considered.

4. In determining eligibility and the amount of benefits to be granted pursuant to federally aided programs, the value of burial lots or any amounts placed in an irrevocable prearranged funeral or burial contract under chapter 436 shall not be taken into account or considered an asset of the burial lot owner or the beneficiary of an irrevocable prearranged funeral or funeral contract. For purposes of this section, “burial lots” means any burial space as defined in section 214.270 and any memorial, monument, marker, tombstone or letter marking a burial space. If the beneficiary, as defined in chapter 436, of an irrevocable prearranged funeral or burial contract receives any public assistance benefits pursuant to this chapter and if the purchaser of such contract or his or her successors in interest transfer, amend, or take any other such actions regarding the contract so that any person will be entitled to a refund, such refund shall be paid to the state of Missouri with any amount in excess of the public assistance benefits provided under this chapter to be refunded by the state of Missouri to the purchaser or his or her successors. In determining eligibility and the amount of benefits to be granted under federally aided programs, the value of any life insurance policy where a seller or provider is made the beneficiary or where the life insurance policy is assigned to a seller or provider, either being in consideration for an irrevocable prearranged funeral contract under chapter 436, shall not be taken into account or considered an asset of the beneficiary of the irrevocable prearranged funeral contract. **In addition, the value of any funds, up to nine thousand nine hundred ninety-nine dollars, placed into an irrevocable personal funeral trust account, where the trustee of**

the irrevocable personal funeral trust account is a state or federally chartered financial institution authorized to exercise trust powers in the state of Missouri, shall not be taken into account or considered an asset of the person whose funds are so deposited if such funds are restricted to be used only for the burial, funeral, preparation of the body, or other final disposition of the person whose funds were deposited into said personal funeral trust account. No person or entity shall charge more than ten percent of the total amount deposited into a personal funeral trust in order to create or set up said personal funeral trust, and any fees charged for the maintenance of such a personal funeral trust shall not exceed three percent of the trust assets annually. Trustees may commingle funds from two or more such personal funeral trust accounts so long as accurate books and records are kept as to the value, deposits, and disbursements of each individual depositor's funds and trustees are to use the prudent investor standard as to the investment of any funds placed into a personal funeral trust. If the person whose funds are deposited into the personal funeral trust account receives any public assistance benefits pursuant to this chapter and any funds in the personal funeral trust account are, for any reason, not spent on the burial, funeral, preparation of the body, or other final disposition of the person whose funds were deposited into the trust account, such funds shall be paid to the state of Missouri with any amount in excess of the public assistance benefits provided under this chapter to be refunded by the state of Missouri to the person who received public assistance benefits or his or her successors. No contract with any cemetery, funeral establishment, or any provider or seller shall be required in regards to funds placed into a personal funeral trust account as set out in this subsection.

5. In determining the total property owned pursuant to subdivision (5) of subsection 2 of this section, or resources, of any person claiming or for whom public assistance is claimed, there shall be disregarded any life insurance policy, or prearranged funeral or burial contract, or any two or more policies or contracts, or any combination of policies and contracts, which provides for the payment of one thousand five hundred dollars or less upon the death of any of the following:

(1) A claimant or person for whom benefits are claimed; or

(2) The spouse of a claimant or person for whom benefits are claimed with whom he or she is living. If the value of such policies exceeds one thousand five hundred dollars, then the total value of such policies may be considered in determining resources; except that, in the case of temporary assistance for needy families, there shall be disregarded any prearranged funeral or burial contract, or any two or more contracts, which provides for the payment of one thousand five hundred dollars or less per family member.

6. Beginning September 30, 1989, when determining the eligibility of institutionalized spouses, as defined in 42 U.S.C. Section 1396r-5, for medical assistance benefits as provided for in section 208.151 and 42 U.S.C. Sections 1396a, et seq., the **family support** division [of family services] shall comply with the provisions of the federal statutes and regulations. As necessary, the division shall by rule or regulation implement the federal law and regulations which shall include but not be limited to the establishment of income and resource standards and limitations. The division shall require:

(1) That at the beginning of a period of continuous institutionalization that is expected to last for thirty days or more, the institutionalized spouse, or the community spouse, may request an assessment by the **family support** division [of family services] of total countable resources owned by either or both spouses;

(2) That the assessed resources of the institutionalized spouse and the community spouse may be allocated so that each receives an equal share;

(3) That upon an initial eligibility determination, if the community spouse's share does not equal at least twelve thousand dollars, the institutionalized spouse may transfer to the community spouse a resource allowance to increase the community spouse's share to twelve thousand dollars;

(4) That in the determination of initial eligibility of the institutionalized spouse, no resources attributed to the community spouse shall be used in determining the eligibility of the institutionalized spouse, except to the extent that the resources attributed to the community spouse do exceed the community spouse's resource allowance as defined in 42 U.S.C. Section 1396r-5;

(5) That beginning in January, 1990, the amount specified in subdivision (3) of this subsection shall be increased by the percentage increase in the Consumer Price Index for All Urban Consumers between September, 1988, and the September before the calendar year involved; and

(6) That beginning the month after initial eligibility for the institutionalized spouse is determined, the resources of the community spouse shall not be considered available to the institutionalized spouse during that continuous period of institutionalization.

7. Beginning July 1, 1989, institutionalized individuals shall be ineligible for the periods required and for the reasons specified in 42 U.S.C. Section 1396p.

8. The hearings required by 42 U.S.C. Section 1396r-5 shall be conducted pursuant to the provisions of section 208.080.

9. Beginning October 1, 1989, when determining eligibility for assistance pursuant to this chapter there shall be disregarded unless otherwise provided by federal or state statutes the home of the applicant or recipient when the home is providing shelter to the applicant or recipient, or his or her spouse or dependent child. The **family support** division [of family services] shall establish by rule or regulation in conformance with applicable federal statutes and regulations a definition of the home and when the home shall be considered a resource that shall be considered in determining eligibility.

10. Reimbursement for services provided by an enrolled Medicaid provider to a recipient who is duly entitled to Title XIX Medicaid and Title XVIII Medicare Part B, Supplementary Medical Insurance (SMI) shall include payment in full of deductible and coinsurance amounts as determined due pursuant to the applicable provisions of federal regulations pertaining to Title XVIII Medicare Part B, except for hospital outpatient services or the applicable Title XIX cost sharing.

11. A "community spouse" is defined as being the noninstitutionalized spouse.

12. An institutionalized spouse applying for Medicaid and having a spouse living in the community shall be required, to the maximum extent permitted by law, to divert income to such community spouse to raise the community spouse's income to the level of the minimum monthly needs allowance, as described in 42 U.S.C. Section 1396r-5. Such diversion of income shall occur before the community spouse is allowed to retain assets in excess of the community spouse protected amount described in 42 U.S.C. Section 1396r-5.";

and

Further amend the title and enacting clause accordingly.

Senator Sater moved that the above amendment be adopted, which motion prevailed.

Senator Cunningham moved that **SCS for HB 329**, as amended, be adopted, which motion prevailed.

On motion of Senator Cunningham, **SCS for HB 329**, as amended, was read the 3rd time and passed

by the following vote:

YEAS—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Emery	Holsman
Justus	Keaveny	Kehoe	Kraus	Lager	Lamping	LeVota	Libla
McKenna	Munzlinger	Nasheed	Nieves	Parson	Pearce	Richard	Romine
Rupp	Sater	Schaaf	Schaefer	Schmitt	Sifton	Silvey	Wallingford
Walsh	Wasson—34						

NAYS—Senators—None

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Cunningham, title to the bill was agreed to.

Senator Cunningham moved that the vote by which the bill passed be reconsidered.

Senator Richard moved that motion lay on the table, which motion prevailed.

HCS for HBs 256, 33 and 305, entitled:

An Act to repeal section 610.021, RSMo, and to enact in lieu thereof two new sections relating to public safety, with an emergency clause.

Was called from the Informal Calendar and taken up by Senator Kehoe.

Senator Chappelle-Nadal offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend House Committee Substitute for House Bills Nos. 256, 33 and 305, Page 1, Section A, Line 2, by inserting after all of said line the following:

“610.015. Except as provided in section 610.021, rules authorized pursuant to article III of the Missouri Constitution and as otherwise provided by law, all votes shall be recorded, and if a roll call is taken, as to attribute each “yea” and “nay” vote, or abstinence if not voting, to the name of the individual member of the public governmental body. Any votes taken during a closed meeting shall be taken by roll call. All public meetings shall be open to the public and public votes and public records shall be open to the public for inspection and duplication. All votes taken by roll call in meetings of a public governmental body consisting of members who are all elected, except for the Missouri general assembly and any committee established by a public governmental body, shall be cast by members of the public governmental body who are physically present and in attendance at the meeting **or who are participating via videoconferencing**. When it is necessary to take votes by roll call in a meeting of the public governmental body, due to an emergency of the public body, with a quorum of the members of the public body physically present and in attendance and less than a quorum of the members of the public governmental body participating via telephone, facsimile, Internet, or any other voice or electronic means, the nature of the emergency of the

public body justifying that departure from the normal requirements shall be stated in the minutes. Where such emergency exists, the votes taken shall be regarded as if all members were physically present and in attendance at the meeting.”; and

Further amend the title and enacting clause accordingly.

Senator Chappelle-Nadal moved that the above amendment be adopted.

At the request of Senator Kehoe, **HCS** for **HBs 256, 33** and **305**, with **SA 1** (pending), was placed on the Informal Calendar.

MESSAGES FROM THE HOUSE

The following messages were received from the House of Representatives through its Chief Clerk:

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **HCS** for **SB 188**, entitled:

An Act to repeal sections 632.480, 632.498 and 632.505, RSMo, and to enact in lieu thereof three new sections relating to conditional release of sexually violent predators, with an emergency clause.

Emergency clause adopted.

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SB 59**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SB 60**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SB 80**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SB 234**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has

taken up and passed **SB 235**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SB 306**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SCS** for **SB 324**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SCS** for **SB 376**.

Bill ordered enrolled.

PRIVILEGED MOTIONS

Senator Romine moved that **SB 188**, with **HCS** be taken up for 3rd reading and final passage, which motion prevailed.

HCS for **SB 188**, entitled:

HOUSE COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 188

An Act to repeal sections 632.480, 632.498 and 632.505, RSMo, and to enact in lieu thereof three new sections relating to conditional release of sexually violent predators, with an emergency clause.

Was taken up.

Senator Romine moved that **HCS** for **SB 188** be adopted.

At the request of Senator Romine, the above motion was withdrawn, which placed the bill on the Informal Calendar.

On motion of Senator Richard, the Senate recessed until 5:00 p.m.

RECESS

The time of recess having expired, the Senate was called to order by President Pro Tem Dempsey.

Senator Richard announced photographers from KOMU-TV were given permission to take pictures in the Senate Chamber.

MESSAGES FROM THE HOUSE

The following messages were received from the House of Representatives through its Chief Clerk:

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has

taken up and passed **SB 16**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SCS** for **SB 191**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SB 237**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SB 329**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **HCS** for **SB 23**, entitled:

An Act to repeal sections 32.087, 67.1010, 137.1018, 144.010, 144.020, 144.021, 144.030, 144.069, 144.071, 144.440, 144.450, 144.455, 144.525, 144.605, 144.610, 144.613, 144.615, 184.800, 184.805, 184.810, 184.815, 184.820, 184.827, 184.830, 184.835, 184.840, 184.845, 184.850, 184.865, 302.302, 302.341, 476.385, and 577.041, RSMo, and 302.060 as enacted by conference committee substitute for senate substitute for senate committee substitute for house committee substitute for house bill no. 1402, merged with conference committee substitute for house committee substitute no. 2 for senate committee substitute for senate bill no. 480, ninety-sixth general assembly, second regular session, and section 302.060 as enacted by conference committee substitute for senate substitute for senate committee substitute for house committee substitute for house bill no. 1402, ninety-sixth general assembly, second regular session, and section 302.304 as enacted by conference committee substitute for house committee substitute no. 2 for senate committee substitute for senate bill no. 480, ninety-sixth general assembly, second regular session, and section 302.304 as enacted by conference committee substitute for house committee substitute for senate committee substitute for senate bills nos. 930 & 947, ninety-fourth general assembly, second regular session, and section 302.309 as enacted by conference committee substitute for senate substitute for senate committee substitute for house committee substitute for house bill no. 1402, ninety-sixth general assembly, second regular session, and section 302.309 as enacted by conference committee substitute for house committee substitute no. 2 for senate committee substitute for senate bill no. 480, ninety-sixth general assembly, second regular session, and section 302.525 as enacted by conference committee substitute for house committee substitute no. 2 for senate committee substitute for senate bill no. 480, ninety-sixth general assembly, second regular session, and section 302.525 as enacted by conference committee substitute for house committee substitute for senate committee substitute for senate bills nos. 930 & 947, ninety-fourth general assembly, second regular session, and to enact in lieu thereof forty-five new sections relating to

political subdivisions, with penalty provisions, an emergency clause for a certain section, and an effective date for certain sections.

With House Amendment No. 1, House Amendment No. 1 to House Amendment No. 2, House Amendment No. 2, as amended, House Amendment No. 1 to House Amendment No. 3, House Amendment No. 3, as amended, House Amendment Nos. 4, 5, 6, 7, 8 and 9, House Amendment No. 1 to House Amendment No. 11, House Amendment No. 11, as amended, House Amendment Nos. 12, 13, 14, 16, 17, 18 and 19, House Substitute Amendment No. 1 for House Amendment No. 20, House Amendment Nos. 21, 22, 23 and 24.

HOUSE AMENDMENT NO. 1

Amend House Committee Substitute for Senate Bill No. 23, Page 2, In the Title, Line 28, by deleting the phrase “political subdivisions” on said line and inserting in lieu thereof the phrase “taxation”; and

Further amend said bill, Page 71, Section 302.309, Line 85, by deleting the word “if” on said line and inserting in lieu thereof, the phrase “[if] **unless**”; and

Further amend said bill, page, and section, Line 86, by placing opening and closing brackets, “[]”, around the around the word “not” on said line; and

Further amend said bill, page, and section, Line 90, by deleting the phrase “**immediately upon the person’s license revocation**” on said line; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 1 TO HOUSE AMENDMENT NO. 2

Amend House Amendment No. 2 to House Committee Substitute for Senate Bill No. 23, Page 1, Line 1 of said amendment, by deleting all of said line and inserting in lieu thereof the following:

“Amend House Committee Substitute for Senate Bill No. 23, Page 34, Section 144.810, Line 28, by deleting the word “**five**” and inserting in lieu thereof the word “**two**” ; and

Further amend said bill, section, and page, Line 29, by deleting the word “**five**” and inserting in lieu thereof the word “**two**” ; and

Further amend said bill and section, Page 35, Line 60, by deleting the word “**thirty-seven**” and inserting in lieu thereof the word “**five**” ; and

Further amend said bill, section, and page, Line 65, by deleting the word “**thirty**” and inserting in lieu thereof the word “**five**” ; and

Further amend said bill, Pages 77 to 87, Section 348.273 and” ; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 2

Amend House Committee Substitute for Senate Bill No. 23, Pages 77-87, Sections 348.273 and 348.274, by deleting all of said sections from the bill and inserting in lieu thereof, the following:

“**348.273. 1. This section and section 348.274 shall be known and may be cited as the “Missouri**

Angel Investment Incentive Act”.

2. As used in this section and section 348.274, the following terms mean:

(1) “Cash investment”, money or money equivalent contribution;

(2) “Department”, the department of economic development;

(3) “Investor”:

(a) A natural person who is an accredited investor as defined in 17 CFR 230.501(a)(5) or 17 CFR 230.501(a)(6), as in effect on August 28, 2013;

(b) A permitted entity investor who is an accredited investor as defined in 17 CFR 230.501(a)(8), as in effect on August 28, 2013; or

(c) A natural person or permitted entity investor making an investment that is permitted under the Jumpstart Our Business Startups Act, Pub. L. No. 112-106, Sections 301-305, 126 Stat. 315-323, as in effect on August 28, 2013.

A person who serves as an executive, officer, or employee of the business in which an otherwise qualified cash investment is made is not an investor and such person shall not qualify for the issuance of tax credits for such investment;

(4) “MTC”, the Missouri technology corporation, established under section 348.250;

(5) “Owner”, any natural person who is, directly or indirectly, a partner, stockholder, or member in a permitted entity investor;

(6) “Permitted entity investor”, any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143, general partnership, limited partnership, small corporation described in section 143.471, revocable living trust, or limited liability company that has elected to be taxed as a partnership under the United States internal revenue code, and that was established and is operated for the purpose of making investments in other entities;

(7) “Qualified knowledge-based company”, a company based on the use of ideas and information to provide innovative technologies, products, and services;

(8) “Qualified Missouri business”, the Missouri businesses that are approved and certified as qualified knowledge-based companies by the MTC that meet at least one of the following criteria:

(a) Any business owned by an individual;

(b) Any partnership, association, or corporation domiciled in Missouri; or

(c) Any corporation, even if a wholly owned subsidiary of a foreign corporation, that does business primarily in Missouri or does substantially all of such business’s production in Missouri;

(9) “Qualified securities”, a cash investment through any one or more forms of financial assistance as provided in this subdivision and that have been approved in form and substance by the department. Forms of such financial assistance include:

(a) Any form of equity, such as:

a. A general or limited partnership interest;

b. Common stock;

c. Preferred stock, with or without voting rights, without regard to seniority position, and whether or not convertible into common stock; or

d. Any form of subordinate or convertible debt, or both, with warrants or other means of equity conversion attached; or

(b) A debt instrument, such as a note or debenture that is secured or unsecured, subordinated to the general creditors of the debtor and requires no payments of principal, other than principal payments required to be made out of any future profits of the debtor, for at least a seven-year period after commencement of such debt instrument's term;

(10) "Tax credit", a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed by sections 143.191 to 143.265.

3. The Missouri angel investment incentive act shall be administered by the MTC and the department, with the primary goal of encouraging individuals to provide seed-capital financing for emerging Missouri businesses engaged in the development, implementation, and commercialization of innovative technologies, products, and services. The MTC shall review applications from businesses requesting designation as a qualified Missouri business and allocate the amount of available tax credits among the qualified Missouri businesses. The department shall establish its own rules of procedure, including the form and substance of applications to be used by the MTC and the criteria to be considered by the MTC when evaluating a qualified Missouri business, such applications and criteria to be not less than the minimum requirements set forth in subsection 5 of this section. The department shall issue tax credits to qualified investors that make cash investments in qualified Missouri businesses that have been allocated available tax credits by the MTC.

4. (1) A tax credit shall be allowed for an investor's cash investment in the qualified securities of a qualified Missouri business. The credit shall be in a total amount equal to fifty percent of such investor's cash investment in any qualified Missouri business, subject to the limitations set forth in this subsection. This tax credit may be used in its entirety in the taxable year in which the cash investment is made except that no tax credit shall be allowed in a year prior to the year beginning January 1, 2014. If the amount by which that portion of the credit allowed by this section exceeds the investor's liability in any one taxable year, the remaining portion of the credit may be carried forward five years or until the total amount of the credit is used, whichever occurs first. If the investor is a permitted entity investor, the credit provided by this section shall be claimed by the owners of the permitted entity investor in proportion to their equity investment in the permitted entity investor.

(2) A cash investment in a qualified security shall be deemed to have been made on the date of acquisition of the qualified security, as such date is determined in accordance with the provisions of the Internal Revenue Code of 1986, as amended.

(3) The department shall not allow tax credits of more than fifty thousand dollars for a single qualified Missouri business or a total of two hundred fifty thousand dollars in tax credits for a single year per investor who is a natural person or owner of a permitted entity investor. No tax credits authorized by this section and section 348.274 shall be allowed for any cash investments in qualified securities for any year beginning after December 31, 2019. The total amount of tax credits allocated under this section shall not exceed six million dollars per year.

(4) At the beginning of each calendar year, the department shall equally designate the tax credits available during that year for investments made in companies within each congressional district of the state. At the beginning of each calendar quarter, the department shall allocate to each congressional district one-fourth of the total tax credits designated to such district for the calendar year such that the MTC can allocate tax credits among the qualified Missouri businesses within such district. The department shall then issue tax credits to qualified investors for cash investments in such qualified Missouri businesses during that calendar quarter.

(5) At the end of each calendar quarter, the MTC shall report to the department any unallocated tax credits for the preceding quarter for each congressional district. Such report shall meet the requirements set forth in section 348.274. The department shall aggregate all such tax credits and reallocate them equally among the congressional districts as soon as possible during the next consecutive calendar quarter. Each congressional district shall receive such reallocation in addition to the new allocation of designated tax credits for such quarter.

(6) During the fourth calendar quarter, a congressional district in need of additional tax credits for transactions closing in the fourth calendar quarter may receive unallocated tax credits to the extent such credits are available. When the MTC transfers unallocated tax credits to another congressional district under this subdivision, the MTC shall provide to the department a written confirmation authorizing such transfer and the MTC shall include a copy of such written confirmation in its reports provided under section 348.274.

5. (1) Before an investor may be entitled to receive tax credits under this section and section 348.274, such investor shall have made a cash investment in a qualified security of a qualified Missouri business. The business shall have been approved by the MTC as a qualified Missouri business before the date on which the cash investment was made. To be designated as a qualified Missouri business, a business shall make application to the MTC in accordance with the provisions of this section.

(2) The application by a business to the MTC shall be in the form and substance as required by the department, but shall include at least the following:

(a) The name of the business and certified copies of the organizational documents of the business;

(b) A business plan, including a description of the business and the management, product, market, and financial plan of the business;

(c) A statement of the potential economic impact of the enterprise, including the number, location, and types of jobs expected to be created;

(d) A description of the qualified securities to be issued, the consideration to be paid for the qualified securities, and the amount of any tax credits requested;

(e) A statement of the amount, timing, and projected use of the proceeds to be raised from the proposed sale of qualified securities; and

(f) Such other information as the MTC or the department may reasonably request.

(3) The designation of a business as a qualified Missouri business shall be made by the MTC, and such designation shall be renewed annually. A business shall be so designated if the MTC determines, based upon the application submitted by the business and any additional investigation the MTC shall

make, that such business meets the criteria established by the department. Such criteria shall include at least the following:

- (a) The business shall not have had annual gross revenues of more than five million dollars in the most recent tax year of the business;
- (b) Businesses that are not bioscience businesses shall have been in operation for less than five years, and bioscience businesses shall have been in operation for less than ten years;
- (c) The ability of investors in the business to receive tax credits for cash investments in qualified securities of the business is beneficial, because funding otherwise available for the business is not available on commercially reasonable terms;
- (d) The business shall not have ownership interests including, but not limited to, common or preferred shares of stock, that can be traded via a public stock exchange before the date that a qualifying investment is made;
- (e) The business shall not be engaged primarily in any one or more of the following enterprises:
 - a. The business of banking, savings and loan or lending institutions, credit or finance, or financial brokerage or investments;
 - b. The provision of professional services, such as legal, accounting, or engineering services;
 - c. Governmental, charitable, religious, or trade organizations;
 - d. The ownership, development brokerage, sales, or leasing of real estate;
 - e. Insurance;
 - f. Construction or construction management or contracting;
 - g. Business consulting or brokerage;
 - h. Any business engaged primarily as a passive business, having irregular or noncontinuous operations, or deriving substantially all of the income of the business from passive investments that generate interest, dividends, royalties, or capital gains, or any business arrangements the effect of which is to immunize an investor from risk of loss;
 - i. Any activity that is in violation of the law;
 - j. Any business raising money primarily to purchase real estate, land, or fixtures; and
 - k. Any gambling related business;
- (f) The business has a reasonable chance of success;
- (g) The business has the reasonable potential to create measurable employment within the region, this state, or both;
- (h) The business has an innovative and proprietary technology, product, or service;
- (i) The existing owners of the business and other founders have made or are committed to make a substantial financial and time commitment to the business;
- (j) The securities to be issued and purchased are qualified securities;
- (k) The business has the reasonable potential to address the needs and opportunities specific to

the region or this state, or both;

(l) The business has made binding commitments to the MTC for adequate reporting of financial data, including a requirement for an annual report, or, if required by the MTC, an annual audit of the financial and operational records of the business, the right of access to the financial records of the business, and the right of the MTC to record and publish normal and customary data and information related to the issuance of tax credits that are not otherwise determined to be trade or business secrets; and

(m) The business shall satisfy all other requirements of this section and section 348.274.

(4) Notwithstanding the requirements of subdivision (3) of this subsection, a business may be considered as a qualified Missouri business under the provisions of this section and section 348.274 if such business falls within a standard industrial classification code established by the department.

(5) A qualified Missouri business shall have the burden of proof to demonstrate to the MTC the qualifications of the business under this section.

(6) Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section and section 348.274 shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid and void.

348.274. 1. (1) The MTC is authorized to allocate tax credits to qualified Missouri businesses. The department is authorized to issue tax credits to qualified investors in such qualified Missouri businesses. Such tax credits shall be allocated to those qualified Missouri businesses which, as determined by the MTC, are most likely to provide the greatest economic benefit to the region, the state, or both. The MTC may allocate, and the department may issue, whole or partial tax credits based on the MTC's assessment of the qualified Missouri businesses. The MTC may consider numerous factors in such assessment, including but not limited to, the quality and experience of the management team, the size of the estimated market opportunity, the risk from current or future competition, the ability to defend intellectual property, the quality and utility of the business model, and the quality and reasonableness of financial projections for the business.

(2) Each qualified Missouri business for which the MTC has allocated tax credits such that the department can issue tax credits to the qualified investors of such qualified Missouri business shall submit to the MTC a report before such tax credits are issued. The MTC shall provide copies of this report to the department. Such report shall include the following:

(a) The name, address, and taxpayer identification number of each investor who has made cash investment in the qualified securities of the qualified Missouri business;

(b) Proof of such investment, including copies of the securities purchase agreements and cancelled checks or wire transfer receipts; and

(c) Any additional information as the MTC may reasonably require under this section and section 348.273.

2. (1) The state of Missouri shall not be held liable for any damages to any investor that makes an investment in any qualified security of a qualified Missouri business, any business that applies to be designated as a qualified Missouri business and is turned down, or any investor that makes an investment in a business that applies to be designated as a qualified Missouri business and is turned down.

(2) Each qualified Missouri business shall have the obligation to notify the MTC and the department in a timely manner of any changes in the qualifications of the business or in the eligibility of investors to claim a tax credit for cash investment in a qualified security.

(3) The department shall provide the information specified in subdivision (3) of subsection 4 of this section to the department of revenue on an annual basis. The department shall conduct an annual review of the activities undertaken under this section and section 348.273 to ensure that tax credits issued under this section and section 348.273 are issued in compliance with the provisions of this section and section 348.273 or rules and regulations promulgated by the MTC or the department with respect to this section and section 348.273.

(4) If the department determines that a business is not in substantial compliance with the requirements of this section and section 348.273 to maintain its designation, the department, by written notice, shall inform the business that such business will lose its designation as a qualified Missouri business one hundred twenty days from the date of mailing of the notice unless such business corrects the deficiencies and is once again in compliance with the requirements for designation.

(5) At the end of the one hundred twenty-day period, if the qualified Missouri business is still not in substantial compliance, the department shall send a notice of loss of designation to the business, the MTC, the director of the department of revenue and to all known investors in the business.

(6) A business shall lose its designation as a qualified Missouri business under this section and section 348.273 by moving its operations outside Missouri within ten years after receiving financial assistance under this section and section 348.273.

(7) In the event that a business loses its designation as a qualified Missouri business, such business shall be precluded from being issued any additional tax credits with respect to the business, shall be precluded from being approved as a qualified Missouri business and shall repay any financial assistance to the MTC, in an amount to be determined by the MTC. Each qualified Missouri business that loses its designation as a qualified Missouri business shall enter into a repayment agreement with the MTC specifying the terms of such repayment obligation.

(8) Investors in a qualified Missouri business shall be entitled to keep all of the tax credits properly issued to such investors under this section and section 348.273.

(9) The portions of documents and other materials submitted the MTC or the department that contain trade secrets shall be kept confidential and shall be maintained in a secured environment by the MTC and the department, as applicable. For the purposes of this section and section 348.273, "trade secrets" means any customer lists, formula, compound, production data, or compilation of information that will allow individuals within a commercial concern using such information the means to fabricate, produce, or compound an article of trade or perform any service having commercial value, which gives the user an opportunity to obtain a business advantage over competitors who do not know or use such service.

(10) The MTC and the department may prepare and adopt procedures concerning the performance of the duties placed upon each respective entity by this section and section 348.273.

3. Any qualified investor who makes a cash investment in a qualified security of a qualified Missouri business may transfer the tax credits such qualified investor may receive under subsection 4 of section 348.273 to any natural person. Such transferee may claim the tax credit against the transferee's Missouri income tax liability as provided in subdivision (1) of subsection 4 of section 348.273, subject to all restrictions and limitations set forth in this section and section 348.273. Only the full credit for any one investment shall be transferred and this interest shall only be transferred one time. Documentation of any tax credit transfer under this section shall be provided by the qualified investor in the manner required by the department.

4. (1) Each qualified Missouri business for which tax credits have been issued under this section and section 348.273 shall report to the MTC on an annual basis, on or before February first. The MTC shall provide copies of the reports to the department. Such reports shall include the following:

(a) The name, address, and taxpayer identification number of each investor who has made cash investment in the qualified securities of the qualified Missouri business and has received tax credits for this investment during the preceding year;

(b) The amounts of these cash investments by each investor and a description of the qualified securities issued in consideration of such cash investments; and

(c) Any additional information as the MTC or the department may reasonably require under this section and section 348.273.

(2) The MTC shall report quarterly to the department on the allocation of the tax credits for each congressional district in the preceding calendar quarter. Such reports shall include:

(a) The amount of applications the MTC received for business in each congressional district;

(b) The number and ratio of successful applications to unsuccessful applications;

(c) The amount of tax credits allocated but not issued in each congressional district in the previous quarter, including what percentage was allocated to individuals and what percentage was allocated to investment firms;

(d) The amount of unallocated tax credits in each congressional district; and

(e) Such other information as reasonably agreed upon by the MTC and the department.

(3) The department shall also report annually to the governor, the president pro tempore of the senate, and the speaker of the house of representatives, on or before April first, on the allocation and issuance of the tax credits. Such reports shall include:

(a) The amount of tax credits issued in the previous fiscal year, including what percentage was issued to individuals and what percentage was issued to investment firms;

(b) The types of businesses that benefitted from the tax credits;

(c) The amount of allocated but unissued tax credits and the information about the unissued tax credits set forth in subdivision (2) of this subsection;

(d) Any aggregate job creation or capital investment in each congressional district that resulted

from the use of the tax credits for a period of five years beginning from the date on which the tax credits were awarded;

(e) The manner in which the purpose of this section and section 348.273 has been carried out with regard to the region;

(f) The total cash investments made for the purchase of qualified securities of qualified Missouri businesses within each congressional district during the preceding year and cumulatively since the effective date of this section and section 348.273;

(g) An estimate of jobs created and jobs preserved by cash investments made in qualified Missouri businesses within each congressional district;

(h) An estimate of the multiplier effect on the economy of the region of the cash investments made under this section and section 348.273;

(i) Information regarding what businesses derived benefit from the tax credits remained in the applicable congressional district, what businesses ceased business, what businesses were purchased, and what businesses may have moved out of the congressional district or state and why.

(4) Any violation of the reporting requirements of this subsection by a qualified Missouri business may be grounds for the loss of designation of such qualified Missouri business, and such business that loses its designation as a qualified Missouri business shall be subject to the restrictions upon loss of designation set forth in subsection 2 of this section.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 1 TO
HOUSE AMENDMENT NO. 3

Amend House Amendment No. 3 to House Committee Substitute for Senate Bill No. 23, Page 9, Line 15, by inserting after the phrase “**prior to**” on said line, the phrase “**receipt of a proposal for benefits under this section or**”; and

Further amend said page and line, by inserting after the word “**intent**” on said line, the phrase “, **whichever occurs first**”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 3

Amend House Committee Substitute for Senate Bill No. 23, Page 10, Section 92.387, Line 2, by inserting after all of said section and line, the following:

“135.960. 1. Any governing authority that desires to have any portion of a city or unincorporated area of a county under its control designated as an enhanced enterprise zone shall hold a public hearing for the purpose of obtaining the opinion and suggestions of those persons who will be affected by such designation. [The governing authority shall notify the director of such hearing at least thirty days prior thereto and shall publish notice of such hearing in a newspaper of general circulation in the area to be affected by such designation at least twenty days prior to the date of the hearing but not more than thirty days prior to such hearing. Such notice shall state the time, location, date, and purpose of the hearing. The director, or the director’s designee, shall attend such hearing.]

2. After a public hearing is held as required in subsection 1 of this section, the governing authority may, **by a majority vote of the members of the governing authority**, [file a petition with the department requesting the designation of] **adopt an ordinance or resolution designating** a specific area as an enhanced enterprise zone. Such [petition] **ordinance** shall include, in addition to a description of the physical, social, and economic characteristics of the area:

(1) A plan to provide adequate police protection within the area;

(2) A specific and practical process for individual businesses to obtain waivers from burdensome local regulations, ordinances, and orders which serve to discourage economic development within the area to be designated an enhanced enterprise zone, except that such waivers shall not substantially endanger the health or safety of the employees of any such business or the residents of the area;

(3) A description of what other specific actions will be taken to support and encourage private investment within the area;

(4) A plan to ensure that resources are available to assist area residents to participate in increased development through self-help efforts and in ameliorating any negative effects of designation of the area as an enhanced enterprise zone;

(5) A statement describing the projected positive and negative effects of designation of the area as an enhanced enterprise zone;

(6) A specific plan to provide assistance to any person or business dislocated as a result of activities within the enhanced enterprise zone. Such plan shall determine the need of dislocated persons for relocation assistance; provide, prior to displacement, information about the type, location, and price of comparable housing or commercial property; provide information concerning state and federal programs for relocation assistance and provide other advisory services to displaced persons. Public agencies may choose to provide assistance under the Uniform Relocation and Real Property Acquisition Act, 42 U.S.C. Section 4601, et seq., to meet the requirements of this subdivision; and

(7) A description or plan that demonstrates the requirements of subsection 4 of section 135.953.

3. An enhanced enterprise zone designation shall [be effective upon such approval by the department and shall] expire in twenty-five years.

4. Each designated enhanced enterprise zone board shall report to the director on an annual basis regarding the status of the zone and business activity within the zone.”; and

Further amend said bill, Page 93, Section 577.041, Line 138, by inserting after all of said section and line, the following:

“620.2000. Sections 620.2000 to 620.2020 shall be known and may be cited as the “Missouri Works Program”.

620.2005. As used in sections 620.2000 to 620.2020, the following terms mean:

(1) **“Average wage”, the new payroll divided by the number of new jobs, or the payroll of the retained jobs divided by the number of retained jobs;**

(2) **“Commencement of operations”, the starting date for the qualified company’s first new employee, which shall be no later than twelve months from the date of the approval;**

(3) “County average wage”, the average wages in each county as determined by the department for the most recently completed full calendar year. However, if the computed county average wage is above the statewide average wage, the statewide average wage shall be deemed the county average wage for such county for the purpose of determining eligibility. The department shall publish the county average wage for each county at least annually. Notwithstanding the provisions of this subdivision to the contrary, for any qualified company that in conjunction with their project is relocating employees from a Missouri county with a higher county average wage, the company shall obtain the endorsement of the governing body of the community from which jobs are being relocated or the county average wage for their project shall be the county average wage for the county from which the employees are being relocated;

(4) “Department”, the Missouri department of economic development;

(5) “Director”, the director of the department of economic development;

(6) “Employee”, a person employed by a qualified company, excluding:

(a) Owners of the qualified company unless the qualified company is participating in an employee stock ownership plan; or

(b) Owners of a non-controlling interest in stock of a qualified company that is publically traded;

(7) “Existing Missouri business”, a qualified company that, for the ten-year period preceding submission of a notice of intent to the department, had a physical location in Missouri and full-time employees who routinely perform job duties within Missouri;

(8) “Full-time employee”, an employee of the qualified company that is scheduled to work an average of at least thirty-five hours per week for a twelve-month period, and one for which the qualified company offers health insurance and pays at least fifty percent of such insurance premiums. An employee that spends less than fifty percent of the employee’s work time at the facility shall be considered to be located at a facility if the employee receives his or her directions and control from that facility, is on the facility’s payroll, one hundred percent of the employee’s income from such employment is Missouri income, and the employee is paid at or above the applicable percentage of the county average wage;

(9) “Local incentives”, the present value of the dollar amount of direct benefit received by a qualified company for a project facility from one or more local political subdivisions, but this term shall not include loans or other funds provided to the qualified company that shall be repaid by the qualified company to the political subdivision;

(10) “NAICS” or “NAICS industry classification”, the classification provided by the most recent edition of the North American Industry Classification System as prepared by the Executive Office of the President, Office of Management and Budget;

(11) “New capital investment”, shall include costs incurred by the qualified company at the project facility after acceptance by the qualified company of the proposal for benefits from the department or the approval notice of intent, whichever occurs first, for real or personal property, and may include the value of finance or capital leases for real or personal property for the term of such lease at the project facility executed after acceptance by the qualified company of the proposal for benefits from the department or the approval of the notice of intent;

(12) “New direct local revenue”, the present value of the dollar amount of direct net new tax revenues of the local political subdivisions likely to be produced by the project over a ten-year period as calculated by the department, excluding local earnings tax, and net new utility revenues, provided the local incentives include a discount or other direct incentives from utilities owned or operated by the political subdivision;

(13) “New job”, the number of full-time employees located at the project facility that exceeds the project facility base employment less any decrease in the number of full-time employees at related facilities below the related facility base employment. No job that was created prior to the date of the notice of intent shall be deemed a new job.;

(14) “New payroll”, the amount of wages paid for all new jobs, , located at the project facility during the qualified company’s tax year that exceeds the project facility base payroll;

(15) “Notice of intent”, a form developed by the department and available online, completed by the qualified company, and submitted to the department stating the qualified company’s intent to request benefits under this program;

(16) “Percent of local incentives”, the amount of local incentives divided by the amount of new direct local revenue;

(17) “Program”, the Missouri works program established in sections 620.2000 to 620.2020;

(18) “Project facility”, the building or buildings used by a qualified company at which new or retained jobs and any new capital investment are or will be located. A project facility may include separate buildings located within sixty miles of each other such that their purpose and operations are interrelated; provided that where the buildings making up the project facility are not located within the same county, the average wage of the new payroll shall exceed the applicable percentage of the highest county average wage among the counties in which the buildings are located. Upon approval by the department, a subsequent project facility may be designated if the qualified company demonstrates a need to relocate to the subsequent project facility at any time during the project period;

(19) “Project facility base employment”, the greater of the number of full-time employees located at the project facility on the date of the notice of intent or, for the twelve-month period prior to the date of the notice of intent, the average number of full-time employees located at the project facility. In the event the project facility has not been in operation for a full twelve-month period, the average number of full-time employees for the number of months the project facility has been in operation prior to the date of the notice of intent;

(20) “Project facility base payroll”, the annualized payroll for the project facility base employment or the total amount of wages paid by the qualified company to full-time employees of the qualified company located at the project facility in the twelve months prior to the notice of intent. For purposes of calculating the benefits under this program, the amount of base payroll shall increase each year based on an appropriate measure, as determined by the department;

(21) “Project period”, the time period within which benefits are awarded to a qualified company or within which the qualified company is obligated to perform under an agreement with the department, whichever is greater;

(22) **“Projected net fiscal benefit”, the total fiscal benefit to the state less any state benefits offered to the qualified company, as determined by the department;**

(23) **“Qualified company”, a firm, partnership, joint venture, association, private or public corporation whether organized for profit or not, or headquarters of such entity registered to do business in Missouri that is the owner or operator of a project facility, certifies that it offers health insurance to all full-time employees of all facilities located in this state, and certifies that it pays at least fifty percent of such insurance premiums. For the purposes of sections 620.2000 to 620.2020, the term “qualified company” shall not include:**

(a) **Gambling establishments (NAICS industry group 7132);**

(b) **Store front consumer-based retail trade establishments (under NAICS sectors 44 and 45), except with respect to any company headquartered in this state with a majority of its full-time employees engaged in operations not within the NAICS codes specified in this subdivision;**

(c) **Food and drinking places (NAICS subsector 722);**

(d) **Public utilities (NAICS 221 including water and sewer services);**

(e) **Any company that is delinquent in the payment of any nonprotested taxes or any other amounts due the state or federal government or any other political subdivision of this state;**

(f) **Any company requesting benefits for retained jobs that has filed for or has publicly announced its intention to file for bankruptcy protection. However, a company that has filed for or has publicly announced its intention to file for bankruptcy, may be a qualified company provided that such company:**

a. **Certifies to the department that it plans to reorganize and not to liquidate; and**

b. **After its bankruptcy petition has been filed, it produces proof, in a form and at times satisfactory to the department, that it is not delinquent in filing any tax returns or making any payment due to the state of Missouri, including but not limited to all tax payments due after the filing of the bankruptcy petition and under the terms of the plan of reorganization.**

Any taxpayer who is awarded benefits under this subsection and who files for bankruptcy under Chapter 7 of the United States Bankruptcy Code, Title 11 U.S.C., shall immediately notify the department and shall forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any withholding taxes already retained;

(g) **Educational services (NAICS sector 61);**

(h) **Religious organizations (NAICS industry group 8131);**

(i) **Public administration (NAICS sector 92);**

(j) **Ethanol distillation or production;**

(k) **Biodiesel production; or**

(l) **Healthcare and social services (NAICS sector 62).**

Notwithstanding any provision of this section to the contrary, the headquarters, administrative offices, or research and development facilities of an otherwise excluded business may qualify for

benefits if the offices or facilities serve a multistate territory. In the event a national, state, or regional headquarters operation is not the predominant activity of a project facility, the jobs and investment of such operation shall be considered eligible for benefits under this section if the other requirements are satisfied;

(24) “Related company”, shall mean:

(a) A corporation, partnership, trust, or association controlled by the qualified company;

(b) An individual, corporation, partnership, trust, or association in control of the qualified company; or

(c) Corporations, partnerships, trusts or associations controlled by an individual, corporation, partnership, trust, or association in control of the qualified company. As used in this paragraph, “control of a qualified company” shall mean:

a. Ownership, directly or indirectly, of stock possessing at least fifty percent of the total combined voting power of all classes of stock entitled to vote in the case of a qualified company that is a corporation;

b. Ownership of at least fifty percent of the capital or profits interest in such qualified company if it is a partnership or association;

c. Ownership, directly or indirectly, of at least fifty percent of the beneficial interest in the principal or income of such qualified company if it is a trust, and ownership shall be determined as provided in Section 318 of the Internal Revenue Code of 1986, as amended;

(25) “Related facility”, a facility operated by the qualified company or a related company located in this state that is directly related to the operations of the project facility or in which operations substantially similar to the operations of the project facility are performed;

(26) “Related facility base employment”, the greater of the number of full-time employees located at all related facilities on the date of the notice of intent or, for the twelve-month period prior to the date of the notice of intent, the average number of full-time employees located at all related facilities of the qualified company or a related company located in this state;

(27) “Related facility base payroll”, the annualized payroll of the related facility base payroll or the total amount of taxable wages paid by the qualified company to full-time employees of the qualified company located at a related facility in the twelve months prior to the filing of the notice of intent. For purposes of calculating the benefits under this program, the amount of related facility base payroll shall increase each year based on an appropriate measure, as determined by the department;

(28) “Rural area”, a county in Missouri with a population less than seventy-five thousand or that does not contain an individual city with a population greater than fifty thousand according to the most recent federal decennial census;

(29) “Tax credits”, tax credits issued by the department to offset the state taxes imposed by chapters 143 and 148, or which may be sold or refunded as provided for in this program;

(30) “Withholding tax”, the state tax imposed by sections 143.191 to 143.265. For purposes of this program, the withholding tax shall be computed using a schedule as determined by the department based on average wages; and

(31) This section is subject to the provisions of section 196.1127.

620.2010. 1. In exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created, a qualified company may, for a period of five years from the date the new jobs are created, or for a period of six years from the date the new jobs are created if the qualified company is an existing Missouri business, retain an amount equal to the withholding tax as calculated under subdivision (30) of section 620.2005 from the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265 if:

(1) The qualified company creates ten or more new jobs, and the average wage of the new payroll equals or exceeds ninety percent of the county average wage;

(2) The qualified company creates two or more new jobs at a project facility located in a rural area, the average wage of the new payroll equals or exceeds ninety percent of the county average wage, and the qualified company commits to making at least one hundred thousand dollars of new capital investment at the project facility within two years; or

(3) The qualified company creates two or more new jobs at a project facility located within a zone designated under sections 135.950 to 135.963, the average wage of the new payroll equals or exceeds eighty percent of the county average wage, and the qualified company commits to making at least one hundred thousand dollars in new capital investment at the project facility within two years of approval;

2. In addition to any benefits available under subsection 1 of this section, the department may award a qualified company that satisfies subdivision (1) of subsection 1 of this section additional tax credits, issued each year for a period of five years from the date the new jobs are created, or for a period of six years from the date the new jobs are created if the qualified company is an existing Missouri business, in an amount equal to or less than six percent of new payroll; provided that in no event may the total amount of benefits awarded to a qualified company under this section exceed nine percent of new payroll in any calendar year. The amount of tax credits awarded to a qualified company under this subsection shall not exceed the projected net fiscal benefit to the state, as determined by the department, and shall not exceed the least amount necessary to obtain the qualified company's commitment to initiate the project. In determining the amount of tax credits to award to a qualified company under this subsection, the department shall consider the following factors:

(1) The significance of the qualified company's need for program benefits;

(2) The amount of projected net fiscal benefit to the state of the project and the period in which the state would realize such net fiscal benefit;

(3) The overall size and quality of the proposed project, including the number of new jobs, new capital investment, proposed wages, growth potential of the qualified company, the potential multiplier effect of the project, and similar factors;

(4) The financial stability and creditworthiness of the qualified company;

(5) The level of economic distress in the area;

(6) An evaluation of the competitiveness of alternative locations for the project facility, as applicable; and

(7) The percent of local incentives committed;

3. Upon approval of a notice of intent to receive tax credits under subsections 2 and 5 of this section, the department and the qualified company shall enter into a written agreement covering the applicable project period. The agreement shall specify, at a minimum:

(1) The committed number of new jobs, new payroll, and new capital investment for each year during the project period;

(2) The date or time period during which the tax credits shall be issued, which may be immediately or over a period not to exceed two years from the date of approval of the notice of intent;

(3) Clawback provisions, as may be required by the department; and

(4) Any other provisions the department may require.

4. In lieu of the benefits available under sections 1 and 2 of this section, and in exchange for the consideration provided by the new tax revenues and other economic stimuli that will be generated by the new jobs created by the program, a qualified company may, for a period of five years from the date the new jobs are created, or for a period of six years from the date the new jobs are created if the qualified company is an existing Missouri business, retain an amount equal to the withholding tax as calculated under subdivision (30) of section 620.2005 from the new jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265 equal to:

(1) Six percent of new payroll for a period of five years from the date the required number of new jobs were created if the qualified company creates one hundred or more new jobs and the average wage of the new payroll equals or exceeds one hundred twenty percent of the county average wage of the county in which the project facility is located; or

(2) Seven percent of new payroll for a period of five years from the date the required number of jobs were created if the qualified company creates one hundred or more new jobs and the average wage of the new payroll equals or exceeds one hundred forty percent of the county average wage of the county in which the project facility is located.

The department shall issue a refundable tax credit for any difference between the amount of benefit allowed under this subsection and the amount of withholding tax retained by the company, in the event the withholding tax is not sufficient to provide the entire amount of benefit due to the qualified company under this subsection.

5. In addition to the benefits available under subsections 4 of this section, the department may award a qualified company that satisfies the provisions of subsection 4 of this section additional tax credits, issued each year for a period of five years from the date the new jobs are created, or for a period of six years from the date the new jobs are created if the qualified company is an existing Missouri business, in an amount equal to or less than three percent of new payroll; provided that in no event may the total amount of benefits awarded to a qualified company under this section exceed nine percent of new payroll in any calendar year. The amount of tax credits awarded to a qualified company under this subsection shall not exceed the projected net fiscal benefit to the state, as determined by the department, and shall not exceed the least amount necessary to obtain the qualified company's commitment to initiate the project. In determining the amount of tax credits to award to

a qualified company under this subsection, the department shall consider the factors provided under subsection 2 of this section.

6. No benefits shall be available under this section for any qualified company that has performed significant, project-specific site work at the project facility, purchased machinery or equipment related to the project, or has publicly announced its intention to make new capital investment at the project facility prior to approval of its notice of intent.

620.2015. 1. In exchange for the consideration provided by the tax revenues and other economic stimuli that will be generated by the retention of jobs and the making of new capital investment in this state, a qualified company may be eligible to receive the benefits described in this section if the department determines that there is a significant probability that the qualified company would relocate to another state in the absence of the benefits authorized under this section. In no event shall the total amount of benefits available to all qualified companies under this section exceed six million dollars in any fiscal year.

2. A qualified company meeting the requirements of this section may be authorized to retain an amount not to exceed one hundred percent of the withholding tax from full-time jobs that would otherwise be withheld and remitted by the qualified company under the provisions of sections 143.191 to 143.265, for a period of ten years if the average wage of the retained jobs equals or exceeds ninety percent of the county average wage. In order to receive benefits under this section, a qualified company shall enter into written agreement with the department containing detailed performance requirements and repayment penalties in event of nonperformance. The amount of benefits awarded to a qualified company under this section shall not exceed the projected net fiscal benefit and shall not exceed the least amount necessary to obtain the qualified company's commitment to retain the necessary number of jobs and make the required new capital investment.

3. In order to be eligible to receive benefits under this section, the qualified company shall meet each of the following conditions:

(1) The qualified company shall agree to retain, for a period of ten years from the date of approval of the notice of intent, at least fifty retained jobs; and

(2) The qualified company shall agree to make a new capital investment at the project facility within three years of the approval in an amount equal to one-half the total benefits, available under this section, which are offered to the qualified company by the department.

4. In awarding benefits under this section, the department shall consider the factors set forth in subsection 2 of section 620.2010.

5. Upon approval of a notice of intent to request benefits under this section, the department and the qualified company shall enter into a written agreement covering the applicable project period. The agreement shall specify, at a minimum:

(1) The committed number of retained jobs, payroll, and new capital investment for each year during the project period;

(2) Clawback provisions, as may be required by the department; and

(3) Any other provisions the department may require.

620.2020. 1. The department shall respond to a written request, by or on behalf of a qualified

company, for a proposed benefit award under the provisions of this program within five business days of receipt of such request. Such response shall contain either a proposal of benefits for the qualified company, or a written response refusing to provide such a proposal and stating the reasons for such refusal. A qualified company that intends to seek benefits under the program shall submit to the department a notice of intent. The department shall respond within thirty days to a notice of intent with an approval or a rejection, provided that the department may withhold approval or provide a contingent approval until it is satisfied that proper documentation of eligibility has been provided. Failure to respond on behalf of the department shall result in the notice of intent being deemed approved. A qualified company receiving approval for program benefits may receive additional benefits for subsequent new jobs at the same facility after the full initial project period if the applicable minimum job requirements are met. There shall be no limit on the number of project periods a qualified company may participate in the program, and a qualified company may elect to file a notice of intent to begin a new project period concurrent with an existing project period if the applicable minimum job requirements are achieved, the qualified company provides the department with the required annual reporting, and the qualified company is in compliance with this program and any other state programs in which the qualified company is currently or has previously participated. However, the qualified company shall not receive any further program benefits under the original approval for any new jobs created after the date of the new notice of intent, and any jobs created before the new notice of intent shall not be included as new jobs for purposes of the benefit calculation for the new approval. When a qualified company has filed and received approval of a notice of intent and subsequently files another notice of intent, the department shall apply the definition of project facility under subdivision (18) of section 620.2005 to the new notice of intent as well as all previously approved notices of intent and shall determine the application of the definitions of new job, new payroll, project facility base employment, and project facility base payroll accordingly.

2. Notwithstanding any provision of law to the contrary, the benefits available to the qualified company under any other state programs for which the company is eligible and which utilize withholding tax from the new or retained jobs of the company shall first be credited to the other state program before the withholding retention level applicable under this program will begin to accrue. If any qualified company also participates in a job training program utilizing withholding tax, the company shall retain no withholding tax under this program, but the department shall issue a refundable tax credit for the full amount of benefit allowed under this program. The calendar year annual maximum amount of tax credits which may be issued to a qualifying company that also participates in a job training program shall be increased by an amount equivalent to the withholding tax retained by that company under a jobs training program.

3. A qualified company receiving benefits under this program shall provide an annual report of the number of jobs and such other information as may be required by the department to document the basis for program benefits available no later than 90 days prior to the end of the qualified company's tax year immediately following the tax year for which the benefits provided under the program are attributed. In such annual report, if the average wage is below the applicable percentage of the county average wage, the qualified company has not maintained the employee insurance as required, or if the number of jobs is below the number required, the qualified company shall not receive tax credits or retain the withholding tax for the balance of the project period. Failure to timely file the annual report required under this section shall result in the forfeiture of tax credits

attributable to the year for which the reporting was required and a recapture of withholding taxes retained by the qualified company during such year.

4. The department may withhold the approval of any benefits under this program until it is satisfied that proper documentation has been provided, and shall reduce the benefits to reflect any reduction in full-time employees or payroll. Upon approval by the department, the qualified company may begin the retention of the withholding taxes when it reaches the required number of jobs and the average wage meets or exceeds the applicable percentage of county average wage. Tax credits, if any, may be issued upon satisfaction by the department that the qualified company has exceeded the applicable percentage of county average wage and the required number of jobs.

5. Any qualified company approved for benefits under this program shall provide to the department, upon request, any and all information and records reasonably required to monitor compliance with program requirements. This program shall be considered a business recruitment tax credit under subdivision (4) of subsection 2 of section 135.800, and any qualified company approved for benefits under this program shall be subject to the provisions of section 135.800 to 135.830.

6. Any taxpayer who is awarded benefits under this program who knowingly hires individuals who are not allowed to work legally in the United States shall immediately forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any withholding taxes already retained.

7. The maximum amount of tax credits that may be authorized under this program for any fiscal year shall be limited as follows, less the amount of any tax credits previously obligated for that fiscal year under any of the tax credit programs referenced in subsection 13 of this section:

(1) For the fiscal year beginning on July 1, 2013, but ending on or before June 30, 2014, no more than one hundred and six million dollars in tax credits may be authorized;

(2) For the fiscal year beginning on July 1, 2014, but ending on or before June 30, 2015, no more than one hundred and eleven million dollars in tax credits may be authorized; and

(3) For any fiscal year beginning on or after July 1, 2015, no more than one hundred and sixteen million dollars in tax credits may be authorized for each fiscal year.

8. For tax credits for the creation of new jobs under section 620.2010, the department shall allocate the annual tax credits based on the date of the approval, reserving such tax credits based on the department's best estimate of new jobs and new payroll of the project, and any other applicable factors in determining the amount of benefits available to the qualified company under this program. However, the annual issuance of tax credits shall be subject to annual verification of actual payroll by the department. Any authorization of tax credits shall expire if, within two years from the date of commencement of operations, or approval if applicable, the qualified company has failed to meet the applicable minimum job requirements. The qualified company may retain authorized amounts from the withholding tax under the project once the applicable minimum job requirements have been met for the duration of the project period. No benefits shall be provided under this program until the qualified company meets the applicable minimum new job requirements. In the event the qualified company does not meet the applicable minimum new job requirements, the qualified company may submit a new notice of intent or the department may provide a new approval for a new project of the qualified company at the project facility or other facilities.

9. Tax credits provided under this program may be claimed against taxes otherwise imposed by chapters 143 and 148, and may not be carried forward, but shall be claimed within one year of the close of the taxable year for which they were issued. Tax credits provided under this program may be transferred, sold, or assigned by filing a notarized endorsement thereof with the department that names the transferee, the amount of tax credit transferred, and the value received for the credit, as well as any other information reasonably requested by the department. For a qualified company with flow-through tax treatment to its members, partners, or shareholders, the tax credit shall be allowed to members, partners, or shareholders in proportion to their share of ownership on the last day of the qualified company's tax period.

10. Prior to the issuance of tax credits or the qualified company beginning to retain withholding taxes, the department shall verify through the department of revenue and any other applicable state department, that the tax credit applicant does not owe any delinquent income, sales, or use tax or interest or penalties on such taxes, or any delinquent fees or assessments levied by any state department and through the department of insurance, financial institutions and professional registration that the applicant does not owe any delinquent insurance taxes or other fees. Such delinquency shall not affect the approval, except that any tax credits issued shall be first applied to the delinquency and any amount issued shall be reduced by the applicant's tax delinquency. If the department of revenue, the department of insurance, financial institutions and professional registration, or any other state department concludes that a taxpayer is delinquent after June fifteenth but before July first of any year and the application of tax credits to such delinquency causes a tax deficiency on behalf of the taxpayer to arise, then the taxpayer shall be granted thirty days to satisfy the deficiency in which interest, penalties, and additions to tax shall be tolled. After applying all available credits toward a tax delinquency, the administering agency shall notify the appropriate department and that department shall update the amount of outstanding delinquent tax owed by the applicant. If any credits remain after satisfying all insurance, income, sales, and use tax delinquencies, the remaining credits shall be issued to the applicant, subject to the restrictions of other provisions of law.

11. The director of revenue shall issue a refund to the qualified company to the extent that the amount of tax credits allowed under this program exceeds the amount of the qualified company's tax liability under chapter 143 or 148.

12. An employee of a qualified company shall receive full credit for the amount of tax withheld as provided in section 143.211.

13. Notwithstanding any provision of law to the contrary, beginning August 28, 2013, no new benefits shall be authorized for any project that had not received from the department a proposal or approval for such benefits prior to August 28, 2013, under the development tax credit program created under sections 32.100 to 32.125, , the rebuilding communities tax credit program created under section 135.535, the enhanced enterprise zone tax credit program created under sections 135.950 to 135.973, and the Missouri quality jobs program created under sections 620.1875 to 620.1890. The provisions of this subsection shall not be construed to limit or impair the ability of any administering agency to authorize or issue benefits for any project that had received an approval or a proposal from the department under any of the programs referenced in this subsection prior to August 28, 2013, or the ability of any taxpayer to redeem any such tax credits or to retain any withholding tax under an approval issued prior to that date. The provisions of this subsection shall

not be construed to limit or in any way impair the ability of any governing authority to provide any local abatement or designate a new zone under the enhanced enterprise zone program created by sections 135.950 to 135.963. Notwithstanding any provision of law to the contrary, no qualified company that is awarded benefits under this program shall:

(1) Simultaneously receive benefits under the programs referenced in this subsection at the same capital investment; or

(2) Receive benefits under the provisions of section 620.1910 for the same jobs.

14. If any provision of sections 620.2000 to 620.2020 or application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or application of these sections which can be given effect without the invalid provisions or application, and to this end, the provisions of sections 620.2000 to 620.2020 are hereby declared severable.

15. By no later than January 1, 2014, and the first day of each calendar quarter thereafter, the department shall present a quarterly report to the general assembly detailing the benefits authorized under this program during the immediately preceding calendar quarter to the extent such information may be disclosed under state and federal law. The report shall include, at a minimum:

(1) A list of all approved and disapproved applicants for each tax credit;

(2) A list of the aggregate amount of new or retained jobs that are directly attributable to the tax credits authorized;

(3) A statement of the aggregate amount of new capital investment directly attributable to the tax credits authorized;

(4) Documentation of the estimated net state fiscal benefit for each authorized project and, to the extent available, the actual benefit realized upon completion of such project or activity; and

(5) The department's response time for each request for a proposed benefit award under this program.

16. The department may adopt such rules, statements of policy, procedures, forms, and guidelines as may be necessary to carry out the provisions of sections 620.2000 to 620.2020. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid and void.

17. Under section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under sections 620.2000 to 620.2020 shall automatically sunset six years after the effective date of this section unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset twelve years after the effective date of this reauthorization of sections 620.2000 to 620.2020;

and

(3) Sections 620.2000 to 620.2020 shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under sections 620.2000 to 620.2020 is sunset.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 4

Amend House Committee Substitute for Senate Bill No. 23, Page 10, Section 92.387, Line 2, by inserting after all of said section and line, the following:

“135.1550. 1. Sections 135.1550 to 135.1575 shall be known and may be cited as the “Missouri Export Incentive Act”.

2. As used in sections 135.1550 to 135.1575, unless the context clearly requires otherwise, the following terms shall mean:

(1) “Air export tax credit”, the tax credit against the taxes imposed under chapters 143, 147, and 148, except for those in sections 143.191 to 143.265, to be issued by the department to a claiming freight forwarder for the shipment of air cargo on a qualifying outbound flight;

(2) “Airport”, any international airport located within the state;

(3) “Chargeable kilo”, the shipment of a kilo of freight, as measured by the greater of:

(a) Actual weight; or

(b) A dimensional weight, as determined by the conversion factors promulgated by the International Air Transport Association, on a qualifying outbound flight;

(4) “Claiming freight forwarder”, the freight forwarder designated as the “agent” on the airway bill for the qualifying outbound flight for which such air export tax credit is sought;

(5) “Department”, the Missouri department of economic development;

(6) “Direct international aircraft flight”, a single aircraft transoceanic flight that operates to an international destination in accordance with the operators bilateral route authority;

(7) “Freight forwarder”, a person who assumes responsibility in the ordinary course of business for the transportation of cargo from the place of receipt to the place of destination, including the utilization of a qualifying outbound flight;

(8) “Qualifying outbound flight”, a direct international aircraft flight that carries either all cargo or a mix of passengers and cargo from the airport to an international destination.

135.1555. 1. For all fiscal years beginning on or after July 1, 2013, a claiming freight forwarder shall be entitled to an air export tax credit for the shipment of cargo on a qualifying outbound flight in an amount equal to forty cents per chargeable kilo.

2. The department shall index, and the secretary of state shall publish in the Missouri Register, the amount of the air export tax credits to adjust each year depending upon fluctuations in the cost of fuel for over-the-road transportation.

135.1560. 1. To receive benefits provided under section 135.1555, a claiming freight forwarder

shall file an application with the department within one hundred twenty calendar days of the date of shipment. The documentation to be presented by the claiming freight forwarder in such an application shall consist of the master airway bill for the shipment on the qualifying outbound flight for which the claiming freight forwarder is seeking air export tax credits. The department shall establish procedures to allow claiming freight forwarders that file applications for air export tax credits to receive such tax credits within twenty business days of the filing of the application.

2. If the fiscal year cap on the issuance of air export tax credits provided under section 135.1565 is met in a given fiscal year, then the amount of such tax credits that have been authorized, but remain unissued, shall be carried forward and issued in the subsequent fiscal year.

3. No tax credits provided under this section shall be authorized after June 30, 2021. Any tax credits authorized on or before June 30, 2021, but not issued, may be issued until all such authorized tax credits have been issued.

135.1565. The total aggregate amount for air export tax credits authorized under section 135.1555 shall not exceed sixty million dollars. The amount of the air export tax credits issued under section 135.1555 shall not exceed seven million five hundred thousand dollars for each fiscal year beginning on or after July 1, 2013, unless authorized by the department. Any amount issued exceeding seven million five hundred thousand dollars in a fiscal year shall be reduced first from the authorized amount for the fiscal year ending June 30, 2021, and then the preceding fiscal years, until all such authorized credits have been issued.

135.1570. If the amount of any tax credit authorized under sections 135.1550 to 135.1575 exceeds the total tax liability for the year in which the applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be carried forward for credit against the taxes imposed under chapters 143, 147, and 148, except those in sections 143.191 to 143.265, for the succeeding six years, or until the full credit is used, whichever occurs first. Tax credits authorized under the provisions of sections 135.1550 to 135.1575 may be transferred, sold, or otherwise assigned. Tax credits granted to a partnership, a limited liability company taxed as a partnership, or multiple owners of property shall be passed through to the partners, members, or owners respectively pro rata or pursuant to an executed agreement among the partners, members, or owners documenting an alternate distribution method.

135.1575. 1. The department may promulgate rules to implement the provisions of sections 135.1550 to 135.1575. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after the effective date of this act, shall be invalid and void.

2. The provisions of section 23.253 of the Missouri sunset act notwithstanding:

(1) The provisions of the new programs authorized under sections 135.1550 to 135.1575 shall automatically sunset eight years after the effective date of this act, unless reauthorized by an act of the general assembly;

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset eight years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the programs authorized under sections 135.1550 to 135.1575 sunset.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 5

Amend House Committee Substitute for Senate Bill No. 23, Page 48, Section 184.865, Line 7, by inserting after all of said line the following:

“198.345. Nothing in sections 198.200 to 198.350 shall prohibit a nursing home district from establishing and maintaining apartments for seniors that provide at a minimum housing[,] **and** food services[, and emergency call buttons to the apartment residents] in any county of the third **or fourth** classification [without a township form of government and with more than twenty-eight thousand two hundred but fewer than twenty-eight thousand three hundred inhabitants or any county of the third classification without a township form of government and with more than nine thousand five hundred fifty but fewer than nine thousand six hundred fifty inhabitants] **within its corporate limits**. Such nursing home districts shall not lease such apartments for less than fair market rent as reported by the United States Department of Housing and Urban Development.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 6

Amend House Committee Substitute for Senate Bill No. 23, Page 11, Section 137.1018, Line 42, by inserting after all of said line the following:

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

(1) “Deduction”, an amount deducted from the taxpayer’s Missouri adjusted gross income pursuant to section 143.121 to determine Missouri taxable income for the tax year in which such deduction is claimed;

(2) “Purchase”, any conveyance to a taxpayer of fee simple ownership interest in a qualified principal residence made by deed executed by any person having authority to convey the same, or by his agent or attorney, and acknowledged and recorded pursuant to chapter 442 after the effective date of this section but before January 1, 2016;

(3) “Contract sales price”, the total price paid by a taxpayer for the purchase of a qualified principal residence;

(4) “Qualified principal residence”, any single-family residence located in the state of Missouri, whether detached or attached, that is owner occupied or will be owner occupied after purchase by the taxpayer claiming the deduction allowed by this section as his or her primary residence, for which construction began and has been completed between August 28, 2013, and December 31, 2015, and that has not been previously occupied. For the purposes of this section, a manufactured home, modular unit, recreational park trailer, or recreational vehicle as defined in section 700.010, shall not be considered a single-family residence. For the purposes of this section, the value of land or any pre-existing structures on such land shall not be included in the value of such residence. The taxpayer

shall submit an appraisal to the department that separately states the value of the land and any existing structures in order to claim the deduction;

(5) “Recapture period”, the two taxable years beginning with the first taxable year following the taxable year in which the taxpayer occupied the qualified principal residence for which a deduction is allowed under this section, except that such recapture period shall be deemed to have expired immediately upon the date of the death of any person deemed a taxpayer under this section;

(6) “Taxpayer”, an individual who purchases a fee simple ownership interest in a qualified principal residence during a taxable year and has not previously received a deduction issued pursuant to this section in any taxable year.

2. In addition to all deductions listed in this chapter, for taxable years beginning on or after January 1, 2013, and ending on or before December 31, 2015, a taxpayer shall be allowed a deduction for the purchase of a qualified principal residence in this state. The deduction amount shall be equal to the lesser of:

- (1) One-third of the contract sales price of the qualified principal residence in this state; or
- (2) One hundred sixty-six thousand six hundred sixty-seven dollars.

3. No taxpayer shall claim a tax deduction for the purchase of more than one qualified principal residence under this section. Such tax deduction shall be limited to a maximum tax benefit of ten thousand dollars.

4. If the amount of the deduction allowed under this section exceeds the total Missouri adjusted gross income for the taxpayer in the same tax year in which the deduction is allowed without taking into account the deduction allowed by this section, the amount that exceeds the total Missouri adjusted gross income for the taxpayer without taking into account the deduction allowed by this section may be carried forward to any subsequent tax year until the full deduction is claimed.

5. If a taxpayer disposes of his or her qualified principal residence for which a deduction was allowed under this section or such qualified principal residence ceases to be the principal residence of the taxpayer (and if married the taxpayer’s spouse) before the end of the recapture period, then any remaining unused deduction shall be cancelled, and the taxpayer shall be subject to an addition to his or her Missouri adjusted gross income of any amount deducted under this section in any preceding tax year. The provisions of this subsection shall not apply in the case of a transfer of a qualified principal residence from an individual taxpayer to a spouse (or to a former spouse if the transfer is incident to a divorce) or from an individual taxpayer to a grantor-trust or a single-member limited liability company owned by the taxpayer.

6. If a Missouri taxpayer self-constructs a qualified principal residence, such taxpayer shall be eligible for a tax deduction allowed by this section by satisfying the department of revenue’s proof of documentation requirements to verify the contract sale price of a qualified principle residence.

7. The department of revenue shall establish the procedure by which the deduction provided in this section may be claimed and may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are

nonseverable, and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid and void.

8. Pursuant to section 23.253 of the Missouri sunset act:

(1) The provisions of the new program authorized under this section shall automatically sunset December 31, 2015, unless reauthorized by an act of the general assembly; and

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset December thirty-first one year after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.”; and

Further amend said title, enacting clause and intersectional references accordingly.

HOUSE AMENDMENT NO. 7

Amend House Committee Substitute for Senate Bill No. 23, Page 20, Section 144.030, Line 109, by deleting all of said line and inserting in lieu thereof the following words, “corporation, **provided, however, that a municipality or other political subdivision may enter into revenue-sharing agreements with private persons, firms, or corporations providing goods or services, including management services, in or for the place of amusement, entertainment or recreation, games or athletic events, and provided further that nothing in this paragraph shall exempt from tax any amounts retained by any private person, firm, or corporation under such revenue-sharing agreement;**”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 8

Amend House Committee Substitute for Senate Bill No. 23, Page 10, Section 92.387, Line 2, by inserting after all of said Section and Line the following:

“99.845. 1. A municipality, either at the time a redevelopment project is approved or, in the event a municipality has undertaken acts establishing a redevelopment plan and redevelopment project and has designated a redevelopment area after the passage and approval of sections 99.800 to 99.865 but prior to August 13, 1982, which acts are in conformance with the procedures of sections 99.800 to 99.865, may adopt tax increment allocation financing by passing an ordinance providing that after the total equalized assessed valuation of the taxable real property in a redevelopment project exceeds the certified total initial equalized assessed valuation of the taxable real property in the redevelopment project, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon taxable real property in such redevelopment project by taxing districts and tax rates determined in the manner provided in subsection 2 of section 99.855 each year after the effective date of the ordinance until redevelopment costs have been paid shall be divided as follows:

(1) That portion of taxes, penalties and interest levied upon each taxable lot, block, tract, or parcel of real property which is attributable to the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid by the county collector to the respective affected taxing districts in the manner

required by law in the absence of the adoption of tax increment allocation financing;

(2) (a) Payments in lieu of taxes attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract, or parcel of real property in the area selected for the redevelopment project and any applicable penalty and interest over and above the initial equalized assessed value of each such unit of property in the area selected for the redevelopment project shall be allocated to and, when collected, shall be paid to the municipal treasurer who shall deposit such payment in lieu of taxes into a special fund called the "Special Allocation Fund" of the municipality for the purpose of paying redevelopment costs and obligations incurred in the payment thereof. Payments in lieu of taxes which are due and owing shall constitute a lien against the real estate of the redevelopment project from which they are derived and shall be collected in the same manner as the real property tax, including the assessment of penalties and interest where applicable. The municipality may, in the ordinance, pledge the funds in the special allocation fund for the payment of such costs and obligations and provide for the collection of payments in lieu of taxes, the lien of which may be foreclosed in the same manner as a special assessment lien as provided in section 88.861. No part of the current equalized assessed valuation of each lot, block, tract, or parcel of property in the area selected for the redevelopment project attributable to any increase above the total initial equalized assessed value of such properties shall be used in calculating the general state school aid formula provided for in section 163.031 until such time as all redevelopment costs have been paid as provided for in this section and section 99.850;

(b) Notwithstanding any provisions of this section to the contrary, for purposes of determining the limitation on indebtedness of local government pursuant to article VI, section 26(b) of the Missouri Constitution, the current equalized assessed value of the property in an area selected for redevelopment attributable to the increase above the total initial equalized assessed valuation shall be included in the value of taxable tangible property as shown on the last completed assessment for state or county purposes;

(c) The county assessor shall include the current assessed value of all property within the taxing district in the aggregate valuation of assessed property entered upon the assessor's book and verified pursuant to section 137.245, and such value shall be utilized for the purpose of the debt limitation on local government pursuant to article VI, section 26(b) of the Missouri Constitution;

(3) For purposes of this section, "levies upon taxable real property in such redevelopment project by taxing districts" shall not include the blind pension fund tax levied under the authority of article III, section 38(b) of the Missouri Constitution, or the merchants' and manufacturers' inventory replacement tax levied under the authority of subsection 2 of section 6 of article X of the Missouri Constitution, except in redevelopment project areas in which tax increment financing has been adopted by ordinance pursuant to a plan approved by vote of the governing body of the municipality taken after August 13, 1982, and before January 1, 1998.

2. In addition to the payments in lieu of taxes described in subdivision (2) of subsection 1 of this section, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after July 12, 1990, and prior to August 31, 1991, fifty percent of the total additional revenue from taxes, penalties and interest imposed by the municipality, or other taxing districts, which are generated by economic activities within the area of the redevelopment project over the amount of such taxes generated by economic activities within the area of the redevelopment project in the calendar year prior to the adoption of the redevelopment project by ordinance, while tax increment financing remains in effect, but excluding taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied

pursuant to section 70.500, licenses, fees or special assessments other than payments in lieu of taxes and any penalty and interest thereon, or, effective January 1, 1998, taxes levied pursuant to section 94.660, for the purpose of public transportation, shall be allocated to, and paid by the local political subdivision collecting officer to the treasurer or other designated financial officer of the municipality, who shall deposit such funds in a separate segregated account within the special allocation fund. Any provision of an agreement, contract or covenant entered into prior to July 12, 1990, between a municipality and any other political subdivision which provides for an appropriation of other municipal revenues to the special allocation fund shall be and remain enforceable.

3. In addition to the payments in lieu of taxes described in subdivision (2) of subsection 1 of this section, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance after August 31, 1991, fifty percent of the total additional revenue from taxes, penalties and interest which are imposed by the municipality or other taxing districts, and which are generated by economic activities within the area of the redevelopment project over the amount of such taxes generated by economic activities within the area of the redevelopment project in the calendar year prior to the adoption of the redevelopment project by ordinance, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, taxes levied pursuant to section 70.500, taxes levied for the purpose of public transportation pursuant to section 94.660, **taxes imposed on sales pursuant to section 650.399 for the purpose of emergency communication systems** licenses, fees or special assessments other than payments in lieu of taxes and penalties and interest thereon, or any sales tax imposed by a county with a charter form of government and with more than six hundred thousand but fewer than seven hundred thousand inhabitants, for the purpose of sports stadium improvement or levied by such county under section 238.410 for the purpose of the county transit authority operating transportation facilities, shall be allocated to, and paid by the local political subdivision collecting officer to the treasurer or other designated financial officer of the municipality, who shall deposit such funds in a separate segregated account within the special allocation fund.

4. Beginning January 1, 1998, for redevelopment plans and projects adopted or redevelopment projects approved by ordinance and which have complied with subsections 4 to 12 of this section, in addition to the payments in lieu of taxes and economic activity taxes described in subsections 1, 2 and 3 of this section, up to fifty percent of the new state revenues, as defined in subsection 8 of this section, estimated for the businesses within the project area and identified by the municipality in the application required by subsection 10 of this section, over and above the amount of such taxes reported by businesses within the project area as identified by the municipality in their application prior to the approval of the redevelopment project by ordinance, while tax increment financing remains in effect, may be available for appropriation by the general assembly as provided in subsection 10 of this section to the department of economic development supplemental tax increment financing fund, from the general revenue fund, for distribution to the treasurer or other designated financial officer of the municipality with approved plans or projects.

5. The treasurer or other designated financial officer of the municipality with approved plans or projects shall deposit such funds in a separate segregated account within the special allocation fund established pursuant to section 99.805.

6. No transfer from the general revenue fund to the Missouri supplemental tax increment financing fund shall be made unless an appropriation is made from the general revenue fund for that purpose. No municipality shall commit any state revenues prior to an appropriation being made for that project. For all redevelopment plans or projects adopted or approved after December 23, 1997, appropriations from the new

state revenues shall not be distributed from the Missouri supplemental tax increment financing fund into the special allocation fund unless the municipality's redevelopment plan ensures that one hundred percent of payments in lieu of taxes and fifty percent of economic activity taxes generated by the project shall be used for eligible redevelopment project costs while tax increment financing remains in effect. This account shall be separate from the account into which payments in lieu of taxes are deposited, and separate from the account into which economic activity taxes are deposited.

7. In order for the redevelopment plan or project to be eligible to receive the revenue described in subsection 4 of this section, the municipality shall comply with the requirements of subsection 10 of this section prior to the time the project or plan is adopted or approved by ordinance. The director of the department of economic development and the commissioner of the office of administration may waive the requirement that the municipality's application be submitted prior to the redevelopment plan's or project's adoption or the redevelopment plan's or project's approval by ordinance.

8. For purposes of this section, "new state revenues" means:

(1) The incremental increase in the general revenue portion of state sales tax revenues received pursuant to section 144.020, excluding sales taxes that are constitutionally dedicated, taxes deposited to the school district trust fund in accordance with section 144.701, sales and use taxes on motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by law. In no event shall the incremental increase include any amounts attributable to retail sales unless the municipality or authority has proven to the Missouri development finance board and the department of economic development and such entities have made a finding that the sales tax increment attributable to retail sales is from new sources which did not exist in the state during the baseline year. The incremental increase in the general revenue portion of state sales tax revenues for an existing or relocated facility shall be the amount that current state sales tax revenue exceeds the state sales tax revenue in the base year as stated in the redevelopment plan as provided in subsection 10 of this section; or

(2) The state income tax withheld on behalf of new employees by the employer pursuant to section 143.221 at the business located within the project as identified by the municipality. The state income tax withholding allowed by this section shall be the municipality's estimate of the amount of state income tax withheld by the employer within the redevelopment area for new employees who fill new jobs directly created by the tax increment financing project.

9. Subsection 4 of this section shall apply only to blighted areas located in enterprise zones, pursuant to sections 135.200 to 135.256, blighted areas located in federal empowerment zones, or to blighted areas located in central business districts or urban core areas of cities which districts or urban core areas at the time of approval of the project by ordinance, provided that the enterprise zones, federal empowerment zones or blighted areas contained one or more buildings at least fifty years old; and

(1) Suffered from generally declining population or property taxes over the twenty-year period immediately preceding the area's designation as a project area by ordinance; or

(2) Was a historic hotel located in a county of the first classification without a charter form of government with a population according to the most recent federal decennial census in excess of one hundred fifty thousand and containing a portion of a city with a population according to the most recent federal decennial census in excess of three hundred fifty thousand.

10. The initial appropriation of up to fifty percent of the new state revenues authorized pursuant to

subsections 4 and 5 of this section shall not be made to or distributed by the department of economic development to a municipality until all of the following conditions have been satisfied:

(1) The director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee have approved a tax increment financing application made by the municipality for the appropriation of the new state revenues. The municipality shall include in the application the following items in addition to the items in section 99.810:

(a) The tax increment financing district or redevelopment area, including the businesses identified within the redevelopment area;

(b) The base year of state sales tax revenues or the base year of state income tax withheld on behalf of existing employees, reported by existing businesses within the project area prior to approval of the redevelopment project;

(c) The estimate of the incremental increase in the general revenue portion of state sales tax revenue or the estimate for the state income tax withheld by the employer on behalf of new employees expected to fill new jobs created within the redevelopment area after redevelopment;

(d) The official statement of any bond issue pursuant to this subsection after December 23, 1997;

(e) An affidavit that is signed by the developer or developers attesting that the provisions of subdivision (1) of subsection 1 of section 99.810 have been met and specifying that the redevelopment area would not be reasonably anticipated to be developed without the appropriation of the new state revenues;

(f) The cost-benefit analysis required by section 99.810 includes a study of the fiscal impact on the state of Missouri; and

(g) The statement of election between the use of the incremental increase of the general revenue portion of the state sales tax revenues or the state income tax withheld by employers on behalf of new employees who fill new jobs created in the redevelopment area;

(h) The name, street and mailing address, and phone number of the mayor or chief executive officer of the municipality;

(i) The street address of the development site;

(j) The three-digit North American Industry Classification System number or numbers characterizing the development project;

(k) The estimated development project costs;

(l) The anticipated sources of funds to pay such development project costs;

(m) Evidence of the commitments to finance such development project costs;

(n) The anticipated type and term of the sources of funds to pay such development project costs;

(o) The anticipated type and terms of the obligations to be issued;

(p) The most recent equalized assessed valuation of the property within the development project area;

(q) An estimate as to the equalized assessed valuation after the development project area is developed in accordance with a development plan;

(r) The general land uses to apply in the development area;

- (s) The total number of individuals employed in the development area, broken down by full-time, part-time, and temporary positions;
 - (t) The total number of full-time equivalent positions in the development area;
 - (u) The current gross wages, state income tax withholdings, and federal income tax withholdings for individuals employed in the development area;
 - (v) The total number of individuals employed in this state by the corporate parent of any business benefitting from public expenditures in the development area, and all subsidiaries thereof, as of December thirty-first of the prior fiscal year, broken down by full-time, part-time, and temporary positions;
 - (w) The number of new jobs to be created by any business benefitting from public expenditures in the development area, broken down by full-time, part-time, and temporary positions;
 - (x) The average hourly wage to be paid to all current and new employees at the project site, broken down by full-time, part-time, and temporary positions;
 - (y) For project sites located in a metropolitan statistical area, as defined by the federal Office of Management and Budget, the average hourly wage paid to nonmanagerial employees in this state for the industries involved at the project, as established by the United States Bureau of Labor Statistics;
 - (z) For project sites located outside of metropolitan statistical areas, the average weekly wage paid to nonmanagerial employees in the county for industries involved at the project, as established by the United States Department of Commerce;
 - (aa) A list of other community and economic benefits to result from the project;
 - (bb) A list of all development subsidies that any business benefitting from public expenditures in the development area has previously received for the project, and the name of any other granting body from which such subsidies are sought;
 - (cc) A list of all other public investments made or to be made by this state or units of local government to support infrastructure or other needs generated by the project for which the funding pursuant to this section is being sought;
 - (dd) A statement as to whether the development project may reduce employment at any other site, within or without the state, resulting from automation, merger, acquisition, corporate restructuring, relocation, or other business activity;
 - (ee) A statement as to whether or not the project involves the relocation of work from another address and if so, the number of jobs to be relocated and the address from which they are to be relocated;
 - (ff) A list of competing businesses in the county containing the development area and in each contiguous county;
 - (gg) A market study for the development area;
 - (hh) A certification by the chief officer of the applicant as to the accuracy of the development plan;
- (2) The methodologies used in the application for determining the base year and determining the estimate of the incremental increase in the general revenue portion of the state sales tax revenues or the state income tax withheld by employers on behalf of new employees who fill new jobs created in the redevelopment area shall be approved by the director of the department of economic development or his

or her designee and the commissioner of the office of administration or his or her designee. Upon approval of the application, the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee shall issue a certificate of approval. The department of economic development may request the appropriation following application approval;

(3) The appropriation shall be either a portion of the estimate of the incremental increase in the general revenue portion of state sales tax revenues in the redevelopment area or a portion of the estimate of the state income tax withheld by the employer on behalf of new employees who fill new jobs created in the redevelopment area as indicated in the municipality's application, approved by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee. At no time shall the annual amount of the new state revenues approved for disbursements from the Missouri supplemental tax increment financing fund exceed thirty-two million dollars;

(4) Redevelopment plans and projects receiving new state revenues shall have a duration of up to fifteen years, unless prior approval for a longer term is given by the director of the department of economic development or his or her designee and the commissioner of the office of administration or his or her designee; except that, in no case shall the duration exceed twenty-three years.

11. In addition to the areas authorized in subsection 9 of this section, the funding authorized pursuant to subsection 4 of this section shall also be available in a federally approved levee district, where construction of a levee begins after December 23, 1997, and which is contained within a county of the first classification without a charter form of government with a population between fifty thousand and one hundred thousand inhabitants which contains all or part of a city with a population in excess of four hundred thousand or more inhabitants.

12. There is hereby established within the state treasury a special fund to be known as the "Missouri Supplemental Tax Increment Financing Fund", to be administered by the department of economic development. The department shall annually distribute from the Missouri supplemental tax increment financing fund the amount of the new state revenues as appropriated as provided in the provisions of subsections 4 and 5 of this section if and only if the conditions of subsection 10 of this section are met. The fund shall also consist of any gifts, contributions, grants or bequests received from federal, private or other sources. Moneys in the Missouri supplemental tax increment financing fund shall be disbursed per project pursuant to state appropriations.

13. Redevelopment project costs may include, at the prerogative of the state, the portion of salaries and expenses of the department of economic development and the department of revenue reasonably allocable to each redevelopment project approved for disbursements from the Missouri supplemental tax increment financing fund for the ongoing administrative functions associated with such redevelopment project. Such amounts shall be recovered from new state revenues deposited into the Missouri supplemental tax increment financing fund created under this section.

14. For redevelopment plans or projects approved by ordinance that result in net new jobs from the relocation of a national headquarters from another state to the area of the redevelopment project, the economic activity taxes and new state tax revenues shall not be based on a calculation of the incremental increase in taxes as compared to the base year or prior calendar year for such redevelopment project, rather the incremental increase shall be the amount of total taxes generated from the net new jobs brought in by the national headquarters from another state. In no event shall this subsection be construed to allow a

redevelopment project to receive an appropriation in excess of up to fifty percent of the new state revenues.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 9

Amend House Committee Substitute for Senate Bill No. 23, Page 87, Section 348.274, Line 140, by inserting after all of said Section and Line the following:

“393.760. 1. Each participating municipality shall, in accordance with the provisions of chapter 115, order an election to be held whereby the qualified electors in such participating municipality shall approve or disapprove the issuance of its bonds to finance its individual interest in the project. The participating municipality may not order such an election until it has received a report from an independent consulting engineer as defined in section 327.181 for the purpose of determining the economic and engineering feasibility of any proposed project the costs of which are to be financed through the issuance of bonds. The report of the consulting engineer shall be provided to and approved by the legislative body and executive of each such participating municipality and such report shall be open to public inspection and shall be the subject of a public hearing in each participating municipality. Notice of the time and place of each such hearing shall be published in a daily newspaper of general circulation within each such participating municipality. Interested parties may appear and fully participate in such hearings.

2. Each participating municipality shall notify the election authority or authorities responsible for conducting elections within such participating municipality in accordance with chapter 115.

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

OFFICIAL BALLOT

Shall (name of participating municipality) issue its (type) revenue bonds in an amount not to exceed \$..... for the purpose of paying its share of the cost of participating in (describe project)?

[] YES

[] NO

If you are in favor of the resolution, place an “X” in the box opposite “Yes”.

If you are opposed to the question, place an “X” in the box opposite “No”.

4. If the issuance of the bonds is approved by at least a majority of the qualified electors voting thereon in the participating municipality, the participating municipality shall declare the result of the election and cause the bonds to be issued.

5. Each participating municipality shall bear all expenses associated with the elections in such participating municipality.

6. [In lieu of the public voting procedure set forth in subsections 1 to 5 of this section, in] **In** the case of purchasing or leasing, constructing, installing, and operating reservoirs, pipelines, wells, check dams, pumping stations, water purification plants, and other facilities for the production, wholesale distribution, and utilization of water, the commission may provide for a vote by the governing body of each contracting municipality. Such vote shall require the approval of three-quarters of all governing bodies of the contracting municipalities. The commission may not order such a vote until it has engaged and received a report from an independent consulting engineer as defined in section 327.181 for the purpose of determining the economic and engineering feasibility of any proposed project the costs of which are to be financed

through the issuance of bonds. The report of the consulting engineer shall be provided to and approved by the legislative body and executive of each contracting municipality participating in the project and such report shall be open to public inspection and shall be the subject of a public hearing in each municipality participating in the project. Notice of the time and place of each such hearing shall be published in a daily newspaper of general circulation within each municipality. Interested parties may appear and fully participate in such hearings. Each contracting municipality shall vote by ordinance or resolution and such ordinance or resolution shall approve the issuance of revenue bonds by the joint municipal water commission in an amount not to exceed a specified amount.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 1 TO
HOUSE AMENDMENT NO. 11

Amend House Amendment No.11 to House Committee Substitute for Senate Bill No. 23, Page 6, Line 25, by inserting after all of said line, the following:

“Further amend said bill, Page 6, Section 32.087, Line 136, by inserting after the word “purchaser” on said line, the phrase “, **and remitted to that local taxing entity**”; and

Further amend said bill, Page 26, Section 144.069, Line 9, by inserting after the word “collected” on said line, the phrase “**and remitted**”; and

Further amend said bill, Page 28, Section 144.455, Line 2, by inserting after the word “on” on said line, the phrase “**the titling of**”; and”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 11

Amend House Committee Substitute for Senate Bill No. 23, Page 10, Section 92.387, Line 2, by inserting after all of said section and line, the following:

“99.1205. 1. This section shall be known and may be cited as the “Distressed Areas Land Assemblage Tax Credit Act”.

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

(1) “Acquisition costs”, the purchase price for the eligible parcel, costs of environmental assessments, closing costs, real estate brokerage fees, reasonable demolition costs of vacant structures **or any portion thereof, together with engineering costs, surveying costs, title insurance, and architectural and design costs incurred in connection with acquisition, financing, parcel consolidation or site and redevelopment area planning regarding one or more eligible parcels**, and reasonable maintenance costs incurred to maintain an acquired eligible parcel for a period of [five] **twelve** years after the acquisition of such eligible parcel. Acquisition costs shall not include costs for [title insurance and survey,] attorney’s fees, relocation costs, fines, or bills from a municipality;

(2) “Applicant”, any person, firm, partnership, trust, limited liability company, or corporation which has:

(a) Incurred, within an eligible project area, acquisition costs for the acquisition of land sufficient to satisfy the requirements under subdivision (8) of this subsection; and

(b) Been appointed or selected, pursuant to a redevelopment agreement by a municipal authority, as a

redeveloper or similar designation, under an economic incentive law, to redevelop an urban renewal area or a redevelopment area that includes all of an eligible project area or whose redevelopment plan or redevelopment area, which encompasses all of an eligible project area, has been approved or adopted under an economic incentive law. In addition to being designated the redeveloper, the applicant shall have been designated to receive economic incentives only after the municipal authority has considered the amount of the tax credits in adopting such economic incentives as provided in subsection 8 of this section **unless such economic incentives were approved for an eligible project area qualified as such under subparagraph c. of paragraph (b) of subdivision (8) of this subsection.** The redevelopment agreement shall provide that[:

a.] the funds generated through the use or sale of the tax credits issued under this section shall be used to redevelop the eligible project area[;

b.]. Additionally, except for projects in eligible project areas qualified as such under subparagraph c. of paragraph (b) of subdivision (8) of this subsection, the redevelopment agreement shall provide that:

a. No more than seventy-five percent of the urban renewal area identified in the urban renewal plan or the redevelopment area identified in the redevelopment plan may be redeveloped by the applicant; and

[c.] b. The remainder of the urban renewal area or the redevelopment area shall be redeveloped by co-redevelopers or redevelopers to whom the applicant has assigned its redevelopment rights and obligations under the urban renewal plan or the redevelopment plan;

(3) “Certificate”, a tax credit certificate issued under this section;

(4) “Condemnation proceedings”, any action taken by, or on behalf of, an applicant to initiate an action in a court of competent jurisdiction to use the power of eminent domain to acquire a parcel within the eligible project area. Condemnation proceedings shall include any and all actions taken after the submission of a notice of intended acquisition to an owner of a parcel within the eligible project area by a municipal authority or any other person or entity under section 523.250;

(5) “Department”, the Missouri department of economic development;

(6) “Economic incentive laws”, any provision of Missouri law pursuant to which economic incentives are provided to redevelopers of a parcel or parcels to redevelop the land, such as tax abatement or payments in lieu of taxes, or redevelopment plans or redevelopment projects approved or adopted which include the use of economic incentives to redevelop the land. Economic incentive laws include, but are not limited to, the land clearance for redevelopment authority law under sections 99.300 to 99.660, the real property tax increment allocation redevelopment act under sections 99.800 to 99.865, the Missouri downtown and rural economic stimulus act under sections 99.915 to 99.1060, and the downtown revitalization preservation program under sections 99.1080 to 99.1092;

(7) “Eligible parcel”, a parcel:

(a) Which is located within an eligible project area;

(b) Which is to be redeveloped;

(c) On which the applicant has not commenced construction prior to November 28, 2007;

(d) Which has been acquired **either directly by the applicant, or on behalf of the applicant through**

one or more affiliated companies controlled by the applicant or under common ownership with the applicant;

(e) Which has been acquired without the commencement of any condemnation proceedings with respect to such parcel brought by or on behalf of the applicant. Any parcel acquired **before August 28, 2007**, by the applicant from a municipal authority shall not constitute an eligible parcel; and

[(e)] (f) On which all outstanding taxes, fines, and bills levied by municipal governments that were levied by the municipality during the time period that the applicant held title to the eligible parcel have been paid in full;

(8) “Eligible project area”, an area which shall have satisfied the following requirements:

(a) The eligible project area shall consist of at least seventy-five acres and may include parcels within its boundaries that do not constitute an eligible parcel;

(b) At least eighty percent of the eligible project area shall be located within:

a. A Missouri qualified census tract area, as designated by the United States Department of Housing and Urban Development under 26 U.S.C. Section 42[, or within]; **or**

b. A distressed community as that term is defined in section 135.530; **or**

c. A redevelopment area as that term is defined under the real property tax increment allocation redevelopment act under sections 99.800 to 99.865 that:

(i) Contains at least three hundred acres of real property;

(ii) Includes or previously included in excess of one million square feet of commercial building space;

(iii) Contains eighty or more parcels; and

(iv) Is located within a low-income community as defined by 26 U.S.C. Section 45D as of January 1, 2011; **or**

d. Any area including and within one quarter mile of property formerly utilized by the state of Missouri as a penitentiary located in any home rule city with more than forty-one thousand but fewer than forty-seven thousand inhabitants and partially located in any county of the first classification with more than seventy thousand but fewer than eighty-three thousand inhabitants.

(c) The eligible parcels acquired by the applicant within the eligible project area shall total at least fifty acres, which may consist of contiguous and noncontiguous parcels, **but shall not include any parcel acquired by the applicant from a municipal authority. Any applicant applying for credits for costs incurred within an eligible project area qualified as such under subparagraph c. of paragraph (b) of this subdivision shall own, either directly by the applicant, or on behalf of the applicant through one or more affiliated companies controlled by the applicant or under common ownership with the applicant, at least one hundred fifty contiguous acres of real property, which may be separated by the width of public right-of-way, within the urban renewal area or redevelopment area containing such eligible project area;**

(d) Other than in eligible project areas qualified as such under subparagraph c. of paragraph (b) of this subdivision, the average number of parcels per acre in an eligible project area shall be four or more;

(e) Less than five percent of the acreage within the boundaries of the eligible project area shall consist of owner-occupied residences which the applicant has identified for acquisition under the urban renewal plan or the redevelopment plan pursuant to which the applicant was appointed or selected as the redeveloper or by which the person or entity was qualified as an applicant under this section on the date of the approval or adoption of such plan;

(9) “Interest costs”, interest, loan fees, and closing costs, **any of which relate to or arise out of loans relating to acquisition costs, including without limitation, interest, loan fees, and closing costs associated with the refinancing of loans relating to acquisition costs.** Interest costs shall not include attorney’s fees;

(10) “Maintenance costs”, costs of boarding up and securing vacant structures, costs of removing trash, and costs of cutting grass and weeds;

(11) “Municipal authority”, any city, town, village, county, public body corporate and politic, political subdivision, or land trust of this state established and authorized to own land within the state;

(12) “Municipality”, any city, town, village, or county;

(13) “Parcel”, a single lot or tract of land, and the improvements thereon, owned by, or recorded as the property of, one or more persons or entities;

(14) “Redeveloped”, the process of undertaking and carrying out a redevelopment plan or urban renewal plan pursuant to which the conditions which provided the basis for an eligible project area to be included in a redevelopment plan or urban renewal plan are to be reduced or eliminated by redevelopment or rehabilitation; and

(15) “Redevelopment agreement”, the redevelopment agreement or similar agreement into which the applicant entered with a municipal authority and which is the agreement for the implementation of the urban renewal plan or redevelopment plan pursuant to which the applicant was appointed or selected as the redeveloper or by which the person or entity was qualified as an applicant under this section; and such appointment or selection shall have been approved by an ordinance of the governing body of the municipality, or municipalities, or in the case of any city not within a county, the board of aldermen, in which the eligible project area is located. The redevelopment agreement shall include a time line for redevelopment of the eligible project area, **including deadlines for commencement of work and for project completion, and shall provide the municipal authority the right to terminate the rights of the redeveloper under the redevelopment agreement if such deadlines are not met.** The redevelopment agreement shall state that the named developer shall be subject to the provisions of chapter 290.

3. **Subject to the limitations provided in subsection 7 of this section,** any applicant shall be entitled to a tax credit against the taxes imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265, in an amount equal to fifty percent of the acquisition costs; **except that, the tax credit for reasonable demolition costs shall be in an amount equal to one hundred percent of such costs,** and one hundred percent of the interest costs incurred for a period of [five] **twelve** years after the acquisition of an eligible parcel. [No tax credits shall be issued under this section until after January 1, 2008.]

4. If the amount of such tax credit exceeds the total tax liability for the year in which the applicant is entitled to receive a tax credit, the amount that exceeds the state tax liability may be carried forward for credit against the taxes imposed under chapters 143, 147, and 148 for the succeeding six years, or until the full credit is used, whichever occurs first. The applicant shall not be entitled to a tax credit for taxes imposed

under sections 143.191 to 143.265. Applicants entitled to receive such tax credits may transfer, sell, or assign the tax credits. Tax credits granted to a partnership, a limited liability company taxed as a partnership, or multiple owners of property shall be passed through to the partners, members, or owners respectively pro rata or pursuant to an executed agreement among the partners, members, or owners documenting an alternate distribution method.

5. A purchaser, transferee, or assignee of the tax credits authorized under this section may use acquired tax credits to offset up to one hundred percent of the tax liabilities otherwise imposed under chapters 143, 147, and 148, except for sections 143.191 to 143.265. A seller, transferor, or assignor shall perfect such transfer by notifying the department in writing within thirty calendar days following the effective date of the transfer and shall provide any information as may be required by the department to administer and carry out the provisions of this section.

6. To claim tax credits authorized under this section, an applicant shall submit to the department an application for a certificate. An applicant shall identify the boundaries of the eligible project area in the application. The department shall verify that the applicant has submitted a valid application in the form and format required by the department. The department shall verify that the municipal authority held the requisite hearings and gave the requisite notices for such hearings in accordance with the applicable economic incentive act, and municipal ordinances. On [an annual] **a quarterly** basis, an applicant may file for the tax credit for the acquisition costs, and for the tax credit for the interest costs, subject to the limitations of this section. If an applicant applying for the tax credit meets the criteria required under this section, the department shall issue a certificate in the appropriate amount. If an applicant receives a tax credit for maintenance costs as a part of the applicant's acquisition costs, the department shall post on its internet website the amount and type of maintenance costs and a description of the redevelopment project for which the applicant received a tax credit within thirty days after the department issues the certificate to the applicant.

7. The total aggregate amount of tax credits authorized under this section **after August 28, 2013**, shall not exceed ninety-five million dollars. At no time shall the annual amount of the tax credits issued under this section exceed [twenty] **thirty** million dollars. If the tax credits that are to be issued under this section exceed, in any year, the [twenty] **thirty** million dollar limitation, the department shall either:

(1) Issue tax credits to the applicant in the amount of [twenty] **thirty** million dollars, if there is only one applicant entitled to receive tax credits in that year; or

(2) **(a)** Issue the tax credits [on a pro rata basis] to all applicants entitled to receive tax credits in that year **as provided in this subdivision. The department shall determine on an ongoing basis during the course of each calendar year the amount of tax credits that have been issued to each applicant for each eligible project area during such year, and the amount of tax credits remaining available for issuance with respect to such calendar year, if any.**

(b) Applicants applying for tax credits with respect to projects located in eligible project areas qualified as such under subparagraph c. of paragraph (b) of subdivision (8) of subsection 2 of this section shall not, in the aggregate, be issued tax credits in excess of fifty percent of the annual thirty million dollar limitation with respect to such calendar year. If more than one applicant qualifies for issuance of tax credits under the preceding sentence in a given calendar year, such tax credits shall be issued on a pro rata basis. Applicants applying for tax credits with respect to projects located in any other eligible project areas shall not, in the aggregate, be issued tax credits in excess of fifty

percent of the annual thirty million dollar limitation with respect to such calendar year. If more than one applicant qualifies for issuance of tax credits under the preceding sentence in a given calendar year, such tax credits shall be issued on a pro rata basis.

(c) In the event that the department determines, as of December thirty-first of a given calendar year, that the full amount of tax credits available for such calendar year under paragraph (b) of this subdivision with respect to projects located in eligible project areas qualified as such under subparagraph c. of paragraph (b) of subdivision (8) of subsection 2 of this section, was not issued, then the department shall make available for allocation to qualifying applicants with respect to projects located in any other eligible project areas the unissued amount of such tax credits. In the event that the department determines, as of December thirty-first of a given calendar year, that the full amount of tax credits available for such calendar year under paragraph (b) of this subdivision with respect to projects not located in eligible project areas qualified as such under subparagraph c. of paragraph (b) of subdivision (8) of subsection 2 of this section, was not issued, then the department shall make available for allocation to qualifying applicants with respect to projects located in eligible project areas which qualified as such under subparagraph c. of paragraph (b) of subdivision (8) of subsection 2 of this section, the unissued amount of such tax credits.

(d) Any amount of tax credits, which an applicant is, or applicants are, entitled to receive on an annual basis and are not issued due to the [twenty] **thirty** million dollar limitation, shall be carried forward for the benefit of the applicant or applicants to subsequent years.

No tax credits provided under this section shall be authorized after August 28, [2013] **2019**. Any tax credits which have been authorized on or before August 28, [2013] **2019**, but not issued, may be issued, subject to the limitations provided under this subsection, until all such authorized tax credits have been issued.

8. Upon issuance of any tax credits pursuant to this section, the department shall report to the municipal authority the applicant's name and address, the parcel numbers of the eligible parcels for which the tax credits were issued, the itemized acquisition costs and interest costs for which tax credits were issued, and the total value of the tax credits issued. The municipal authority and the state shall not consider the amount of the tax credits as an applicant's cost, but shall include [the] **issued** tax credits in any **subsequent** sources and uses and cost benefit analysis reviewed or created for the purpose of awarding other economic incentives. The amount of the tax credits shall not be considered an applicant's cost in the evaluation of the amount of any award of any other economic incentives, but shall be considered in measuring the reasonableness of the rate of return to the applicant with respect to such award of other economic incentives. The municipal authority shall provide the report to any relevant commission, board, or entity responsible for the evaluation and recommendation or approval of other economic incentives to assist in the redevelopment of the eligible project area. Tax credits authorized under this section shall constitute redevelopment tax credits, as such term is defined under section 135.800, and shall be subject to all provisions applicable to redevelopment tax credits provided under sections 135.800 to 135.830.

9. **Following its initial application for tax credits under this section for eligible costs incurred in 2013 or any following year, and during the period it continues to seek tax credits under this section, an applicant shall submit to the department on a quarterly basis at the end of each calendar quarter a report affirming such applicant's continued qualification as an applicant under this section, describing the applicant's progress toward meeting the deadlines for commencement of work and for project completion established under its redevelopment agreement with the applicable municipal**

authority, and including copies of any written notices from such municipal authority asserting or threatening a termination of such development agreement due to a breach or default in the performance of such applicant's obligations under such redevelopment agreement. The department shall review annually the eligibility of each applicant to receive tax credits under this section. The department shall not issue to an applicant any tax credits provided under this section after the date upon which the governing body of the municipality, or municipalities, or in the case of any city not within a county, the board of aldermen, makes a finding that the applicant has failed to comply with deadlines regarding project commencement or completion or other material provisions of its redevelopment agreement with an applicant, and in furtherance of such finding, the governing body validly adopts an ordinance terminating its redevelopment agreement with the applicant, with the result that such applicant no longer satisfies the requirements of paragraph (b) of subdivision (2) of subsection 2 of this section. The governing body shall notify the department of the governing body's findings and shall deliver to the department a certified copy of the ordinance terminating such redevelopment agreement as soon as practicable.

10. The department may promulgate rules to implement the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2007, shall be invalid and void.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 12

Amend House Committee Substitute for Senate Bill No. 23, Page 8, Section 32.087, Line 191, by inserting after all of said section the following:

“33.080. **1.** All fees, funds and moneys from whatsoever source received by any department, board, bureau, commission, institution, official or agency of the state government by virtue of any law or rule or regulation made in accordance with any law, excluding all funds received and disbursed by the state on behalf of counties and cities, towns and villages shall, by the official authorized to receive same, and at stated intervals of not more than thirty days, be placed in the state treasury to the credit of the particular purpose or fund for which collected, and shall be subject to appropriation by the general assembly for the particular purpose or fund for which collected during the biennium in which collected and appropriated. The unexpended balance remaining in all such funds (except such unexpended balance as may remain in any fund authorized, collected and expended by virtue of the provisions of the constitution of this state) shall at the end of the biennium and after all warrants on same have been discharged and the appropriation thereof has lapsed, be transferred and placed to the credit of the [ordinary] **general** revenue fund of the state by the state treasurer. Any official or any person who shall willfully fail to comply with any of the provisions of this section, and any person who shall willfully violate any provision hereof, shall be deemed guilty of a misdemeanor; provided, that all such money received by the curators of the University of Missouri except those funds required by law or by instrument granting the same to be paid into the seminary fund of the state, is excepted herefrom, and in the case of other state educational institutions there is excepted herefrom, gifts or trust funds from whatever source; appropriations; gifts or grants from the federal government,

private organizations and individuals; funds for or from student activities; farm or housing activities; and other funds from which the whole or some part thereof may be liable to be repaid to the person contributing the same; and hospital fees. All of the above excepted funds shall be reported in detail quarterly to the governor and biennially to the general assembly.

2. Notwithstanding any provision of law to the contrary concerning the transfer of funds, ten million dollars shall be transferred from the Insurance dedicated fund established under section 374.150, and placed to the credit of the rebuild damaged infrastructure fund created in section 33.295 on July 1, 2013.

33.295. 1. There is hereby established the “Rebuild Damaged Infrastructure Program” to provide funding for the reconstruction, replacement, or renovation of, or repair to, any infrastructure damaged by a presidentially declared natural disaster, including, but not limited to, the physical components of interrelated systems providing essential commodities and services to the public which includes transportation, communication, sewage, water, and electric systems as well as public elementary and secondary school buildings.

2. There is hereby created in the state treasury the “Rebuild Damaged Infrastructure Fund”, which shall consist of money appropriated or collected under this section. Any amount to be transferred to the fund on July 1, 2013, pursuant to subsection 2 of section 33.080 and subsection 2 of section 360.045, in excess of fifteen million dollars shall instead be transferred to the state general revenue fund. The state treasurer shall be custodian of the fund and may approve disbursements from the fund in accordance with sections 30.170 and 30.180. Upon appropriation, money in the fund shall be used solely for the purposes of this section. Any moneys remaining in the fund at the end of the biennium shall revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

3. The provisions of this section shall expire on June 30, 2014.”; and

Further amend said bill, Page 87, Section 348.274, Line 140, by inserting after all of said section the following:

“360.045. 1. The authority shall have the following powers together with all powers incidental thereto or necessary for the performance thereof:

- (1) To have perpetual succession as a body politic and corporate;
- (2) To adopt bylaws for the regulation of its affairs and the conduct of its business;
- (3) To sue and be sued and to prosecute and defend, at law or in equity, in any court having jurisdiction of the subject matter and of the parties;
- (4) To have and to use a corporate seal and to alter the same at pleasure;
- (5) To maintain an office at such place or places in the state of Missouri as it may designate;
- (6) To determine the location and construction of any facility to be financed under the provisions of sections 360.010 to 360.140, and to construct, reconstruct, repair, alter, improve, extend, maintain, lease, and regulate the same; and to designate a participating health institution or a participating educational institution, as the case may be, as its agent to determine the location and construction of a facility undertaken by such participating health institution or participating educational institution, as the case may

be, under the provisions of sections 360.010 to 360.140, to construct, reconstruct, repair, alter, improve, extend, maintain, and regulate the same, and to enter into contracts for any and all of such purposes including contracts for the management and operation of the facility;

(7) To lease to a participating health institution or a participating educational institution, as the case may be, the particular health or educational facility or facilities, as the case may be, upon such terms and conditions as the authority shall deem proper; to charge and collect rent therefor; to terminate any such lease upon the failure of the lessee to comply with any of the obligations thereof; to include in any such lease, if desired, provisions that the lessee thereof shall have options to renew the term of the lease for such period or periods at such rent as shall be determined by the authority or to purchase any or all of the particular leased facility or facilities; and, upon payment of all of the indebtedness incurred by the authority for the financing of the facility or facilities, to convey any or all of such facility or facilities to the lessee or lessees thereof. Every lease agreement between the authority and an institution must contain a clause obligating the institution not to use the leased land, nor any facility located thereon, for sectarian instruction or study or as a place of religious worship, or in connection with any part of the program of a school or department of divinity of any religious denomination; to insure that this covenant is honored, each lease agreement shall allow the authority to conduct inspections, and every conveyance of title to an institution shall contain a restriction against use for any sectarian purpose;

(8) To issue its bonds, notes, or other obligations for any of its corporate purposes and to refund the same, all as provided in sections 360.010 to 360.140;

(9) To transfer assets of the authority to the rebuild damaged infrastructure fund created in section 33.295;

(10) To fix and revise from time to time and make and collect rates, rents, fees, and charges for the use of and services furnished or to be furnished by any facility or facilities or any portion thereof and to contract with any person, firm, or corporation or other body, public or private, in respect thereof; except that the authority shall have no jurisdiction over rates, rents, fees, and charges established by a participating educational institution for its students or established by a participating health institution for its patients other than to require that such rates, rents, fees, and charges by such an institution be sufficient to discharge the institution's obligations to the authority;

[(10)] (11) To establish rules and regulations for review by or on behalf of the authority of the retention or employment by a participating health institution or by a participating educational institution, as the case may be, of consulting engineers, architects, attorneys, accountants, construction and finance experts, superintendents, managers, and such other employees and agents as shall be determined to be necessary in connection with any such facility or facilities and for review by or on behalf of the authority of all reports, studies, or other material prepared in connection with any bond issue of the authority for any such facility or facilities. The costs incurred or to be incurred by a participating health institution or by a participating educational institution in connection with the review shall be deemed, where appropriate, an expense of constructing the facility or facilities or, where appropriate, shall be deemed an annual expense of operation and maintenance of the facility or facilities;

[(11)] (12) To receive and accept from any public agency loans or grants for or in aid of the construction of a facility or facilities, or any portion thereof, or for equipping the same and to receive and accept grants, gifts, or other contributions from any source;

[(12)] (13) To mortgage or pledge all or any portion of any facility or facilities, including any other

health or educational facility or facilities conveyed to the authority for such purpose and the site or sites thereof, whether then owned or thereafter acquired, for the benefit of the holders of the bonds of the authority issued to finance such facility or facilities or any portion thereof or issued to refund or refinance outstanding indebtedness of a private health institution or a private institution of higher education as permitted by sections 360.010 to 360.140;

[(13)] **(14)** To make loans to any participating health institution or participating educational institution, as the case may be, for the cost of any facility or facilities in accordance with an agreement between the authority and such participating health institution or participating educational institution, as the case may be; except that no such loan shall exceed the total cost of such facility or facilities as determined by the participating health institution or participating educational institution, as the case may be, and approved by the authority;

[(14)] **(15)** To make loans to a participating health institution or participating educational institution, as the case may be, to refund outstanding obligations, mortgages, or advances issued, made, or given by the institution for the cost of its facility or facilities, including the power to issue bonds and make loans to a participating health institution or participating educational institution, as the case may be, to refinance indebtedness incurred for facilities undertaken and completed prior to or after September 28, 1975, whenever the authority finds that the financing is in the public interest, alleviates a financial hardship upon the participating health institution or participating educational institution, as the case may be, and results in a lesser cost of patient care or cost of education and a saving to third parties, including state or federal governments, and to others who must pay for the care or education;

[(15)] **(16)** To inspect any and all facilities assisted by the authority in any way to enforce the prohibition against sectarian or religious use at any time; and

[(16)] **(17)** To do all things necessary and convenient to carry out the purposes of sections 360.010 to 360.140.

2. Notwithstanding any provision of law to the contrary, including section 360.115, the authority shall transfer four million dollars of the assets of the authority to the rebuild damaged infrastructure fund created in section 33.295 on July 1, 2013.”; and

374.150. 1. All fees due the state under the provisions of the insurance laws of this state shall be paid to the director of revenue and deposited in the state treasury to the credit of the insurance dedicated fund unless otherwise provided for in subsection 2 of this section.

2. There is hereby established in the state treasury a special fund to be known as the “Insurance Dedicated Fund”. The fund shall be subject to appropriation of the general assembly and shall be devoted solely to the payment of expenditures incurred by the department attributable to duties performed by the department for the regulation of the business of insurance, regulation of health maintenance organizations and the operation of the division of consumer affairs as required by law which are not paid for by another source of funds. Other provisions of law to the contrary notwithstanding, beginning on January 1, 1991, all fees charged under any provision of chapter 325, 354, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384 or 385 due the state shall be paid into this fund. The state treasurer shall invest moneys in this fund in the same manner as other state funds and any interest or earnings on such moneys shall be credited to the insurance dedicated fund. The provisions of section 33.080 notwithstanding, moneys in the fund shall not lapse, be transferred to or placed to the credit of the general revenue fund unless and then only to the extent to which the unencumbered balance at the close of the biennium year exceeds two times the total amount

appropriated, paid, or transferred to the fund during such fiscal year.

3. Notwithstanding provisions of this section to the contrary, five hundred thousand dollars of the insurance dedicated fund shall annually be transferred and placed to the credit of the state general revenue fund on July first beginning with fiscal year 2014.”; and

Further amend said bill, Page 94, Section C, Line 7, by inserting after all of said section the following:

“Section D. Because of the necessity to provide funding for the reconstruction, replacement, or renovation of, or repair to, any infrastructure damaged by a presidentially declared natural disaster, sections 33.080, 33.295, 360.045, and 374.150 of section A of this act is deemed necessary for the immediate preservation of the public health, welfare, peace and safety, and is hereby declared to be an emergency act within the meaning of the constitution, and sections 33.080, 33.295, 360.045, and 374.150 of section A of this act shall be in full force and effect upon its passage and approval.”; and

Further amend said bill, page, Section D, Line 1, by deleting the letter, “D” and inserting in lieu thereof the letter “E”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 13

Amend House Committee Substitute for Senate Bill No. 23, Page 14, Section 144.010, Line 83, by deleting all of said line and inserting in lieu thereof the following:

“(a) Sales of admission tickets[,] or cash admissions[, charges and fees] to [or in] places of”; and

Further amend said section, Page 15, Line 125, by inserting after all of said line the following:

“144.018. 1. Notwithstanding any other provision of law to the contrary, except as provided under subsection 2 or 3 of this section, when a purchase of tangible personal property or service subject to tax is made for the purpose of resale, such purchase shall be either exempt or excluded under this chapter if the subsequent sale is:

- (1) Subject to a tax in this or any other state;
- (2) For resale;
- (3) Excluded from tax under this chapter;
- (4) Subject to tax but exempt under this chapter; or
- (5) Exempt from the sales tax laws of another state, if the subsequent sale is in such other state.

The purchase of tangible personal property by a taxpayer shall not be deemed to be for resale if such property is used or consumed by the taxpayer in providing a service on which tax is not imposed by subsection 1 of section 144.020, except purchases made in fulfillment of any obligation under a defense contract with the United States government.

2. For purposes of subdivision (2) of subsection 1 of section 144.020, a place of amusement, entertainment or recreation, including games or athletic events, shall remit tax on the amount paid for admissions or seating accommodations[, or fees paid to, or] in such place of amusement, entertainment or recreation. Any subsequent sale of such admissions or seating accommodations shall not be subject to tax if the initial sale was an arms length transaction for fair market value with an unaffiliated entity. If the sale

of such admissions or seating accommodations is exempt or excluded from payment of sales and use taxes, the provisions of this subsection shall not require the place of amusement, entertainment, or recreation to remit tax on that sale.

3. For purposes of subdivision (6) of subsection 1 of section 144.020, a hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car, tourist cabin, tourist camp, or other place in which rooms, meals, or drinks are regularly served to the public shall remit tax on the amount of sales or charges for all rooms, meals, and drinks furnished at such hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car, tourist cabin, tourist camp, or other place in which rooms, meals, or drinks are regularly served to the public. Any subsequent sale of such rooms, meals, or drinks shall not be subject to tax if the initial sale was an arms length transaction for fair market value with an unaffiliated entity. If the sale of such rooms, meals, or drinks is exempt or excluded from payment of sales and use taxes, the provisions of this subsection shall not require the hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car, tourist cabin, tourist camp, or other place in which rooms, meals, or drinks are regularly served to the public to remit tax on that sale.

4. The provisions of this section are intended to reject and abrogate earlier case law interpretations of the state's sales and use tax law with regard to sales for resale as extended in *Music City Centre Management, LLC v. Director of Revenue*, 295 S.W.3d 465, (Mo. 2009) and *ICC Management, Inc. v. Director of Revenue*, 290 S.W.3d 699, (Mo. 2009). The provisions of this section are intended to clarify the exemption or exclusion of purchases for resale from sales and use taxes as originally enacted in this chapter.”; and

Further amend said bill, Page , Section 144.020, Line 16, by deleting all of said line and inserting in lieu thereof the following:

“accommodations[, or fees paid to, or] in any place of amusement, entertainment or recreation.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 14

Amend House Committee Substitute for Senate Bill No. 23, Page 40, Section 144.810, Line 242, by inserting after all of said line the following:

“169.270. Unless a different meaning is clearly required by the context, the following words and phrases as used in sections 169.270 to 169.400 shall have the following meanings:

(1) “Accumulated contributions”, the sum of all amounts deducted from the compensation of a member or paid on behalf of the member by the employer and credited to the member’s individual account together with interest thereon in the employees’ contribution fund. The board of trustees shall determine the rate of interest allowed thereon as provided for in section 169.295;

(2) “Actuarial equivalent”, a benefit of equal value when computed upon the basis of formulas and/or tables which have been approved by the board of trustees. The formulas and tables in effect at any time shall be set forth in a written document which shall be maintained at the offices of the retirement system and treated for all purposes as part of the documents governing the retirement system established by section 169.280. The formulas and tables may be changed from time to time if recommended by the retirement system’s actuary and approved by the board of trustees;

(3) “Average final compensation”, the highest average annual compensation received for any four

consecutive years of service. In determining whether years of service are “consecutive”, only periods for which creditable service is earned shall be considered, and all other periods shall be disregarded;

(4) “Beneficiary”, any person designated by a member for a retirement allowance or other benefit as provided by sections 169.270 to 169.400;

(5) “Board of education”, the board of directors or corresponding board, by whatever name, having charge of the public schools of the school district in which the retirement system is established;

(6) “Board of trustees”, the board provided for in section 169.291 to administer the retirement system;

(7) “Break in service”, an occurrence when a regular employee ceases to be a regular employee for any reason other than retirement (including termination of employment, resignation, or furlough but not including vacation, sick leave, excused absence or leave of absence granted by an employer) and such person does not again become a regular employee until after sixty consecutive calendar days have elapsed, or after fifteen consecutive school or work days have elapsed, whichever occurs later. A break in service also occurs when a regular employee retires under the retirement system established by section 169.280 and does not again become a regular employee until after fifteen consecutive school or work days have elapsed. A “school or work day” is a day on which the employee’s employer requires (or if the position no longer exists, would require, based on past practice) employees having the former employee’s last job description to report to their place of employment for any reason;

(8) “Charter school”, any charter school established pursuant to sections 160.400 to 160.420 and located, at the time it is established, within the school district;

(9) “Compensation”, the regular compensation as shown on the salary and wage schedules of the employer, including any amounts paid by the employer on a member’s behalf pursuant to subdivision (5) of subsection 1 of section 169.350, but such term is not to include extra pay, overtime pay, consideration for entering into early retirement, or any other payments not included on salary and wage schedules. For any year beginning after December 31, 1988, the annual compensation of each member taken into account under the retirement system shall not exceed the limitation set forth in Section 401(a)(17) of the Internal Revenue Code of 1986, as amended;

(10) “Creditable service”, the amount of time that a regular employee is a member of the retirement system and makes contributions thereto in accordance with the provisions of sections 169.270 to 169.400;

(11) “Employee”, any person who is classified by the school district, a charter school, the library district or the retirement system established by section 169.280 as an employee of such employer and is reported contemporaneously for federal and state tax purposes as an employee of such employer. A person is not considered to be an employee for purposes of such retirement system with respect to any service for which the person was not reported contemporaneously for federal and state tax purposes as an employee of such employer, regardless of whether the person is or may later be determined to be or to have been a common law employee of such employer, including but not limited to a person classified by the employer as independent contractors and persons employed by other entities which contract to provide staff and services to the employer. In no event shall a person reported for federal tax purposes as an employee of a private, for-profit entity be deemed to be an employee eligible to participate in the retirement system established by section 169.280 with respect to such employment;

(12) “Employer”, the school district, any charter school, the library district, or the retirement system established by section 169.280, or any combination thereof, as required by the context to identify the

employer of any member, or, for purposes only of subsection 2 of section 169.324, of any retirant;

(13) “Employer’s board”, the board of education, the governing board of any charter school, the board of trustees of the library district, the board of trustees, or any combination thereof, as required by the context to identify the governing body of an employer;

(14) “Library district”, any urban public library district created from or within a school district under the provisions of section 182.703;

(15) “Medical board”, the board of physicians provided for in section 169.291;

(16) “Member”, any person who is a regular employee after the retirement system has been established hereunder (“active member”), and any person who (i) was an active member, (ii) has vested retirement benefits hereunder, and (iii) is not receiving a retirement allowance hereunder (“inactive member”). **A person shall cease to be a member if the person has a break in service before earning any vested retirement benefits or if the person withdraws his or her accumulated contributions from the retirement system;**

(17) “Minimum normal retirement age”, **for any member who retires before January 1, 2014, or who is a member of the retirement system on December 31, 2013, and remains a member continuously to retirement**, the earlier of the date the member attains the age of sixty or the date the member has a total of at least seventy-five credits, with each year of creditable service and each year of age equal to one credit[,] **and** with both years of creditable service and years of age prorated for fractional years; **for any person who becomes a member of the retirement system on or after January 1, 2014, including any person who was previously a member of the retirement system before January 1, 2014, but ceased to be a member for any reason other than retirement, the earlier of the date the member attains the age of sixty-two or the date the member has a total of at least eighty credits, with each year of creditable service and each year of age equal to one credit and with both years of creditable service and years of age prorated for fractional years;**

(18) “Prior service”, service prior to the date the system becomes operative which is creditable in accordance with the provisions of section 169.311. Prior service in excess of thirty-eight years shall be considered thirty-eight years;

(19) “Regular employee”, any employee who is assigned to an established position which requires service of not less than twenty-five hours per week, and not less than nine calendar months a year. Any regular employee who is subsequently assigned without break in service to a position demanding less service than is required of a regular employee shall continue the employee’s status as a regular employee. Except as stated in the preceding sentence, a temporary, part-time, or furloughed employee is not a regular employee;

(20) “Retirant”, a former member receiving a retirement allowance hereunder;

(21) “Retirement allowance”, annuity payments to a retirant or to such beneficiary as is entitled to same;

(22) “School district”, any school district in which a retirement system shall be established under section 169.280.

169.291. 1. The general administration and the responsibility for the proper operation of the retirement system are hereby vested in a board of trustees of twelve persons who shall be resident taxpayers of the school district, as follows:

(1) Four trustees to be appointed for terms of four years by the board of education; provided, however, that the terms of office of the first four trustees so appointed shall begin immediately upon their appointment and shall expire one, two, three and four years from the date the retirement system becomes operative, respectively;

(2) Four trustees to be elected for terms of four years by and from the members of the retirement system; provided, however, that the terms of office of the first four trustees so elected shall begin immediately upon their election and shall expire one, two, three and four years from the date the retirement system becomes operative, respectively;

(3) The ninth trustee shall be the superintendent of schools of the school district;

(4) The tenth trustee shall be one retirant of the retirement system elected for a term of four years beginning the first day of January immediately following August 13, 1986, by the retirants of the retirement system;

(5) The eleventh trustee shall be appointed for a term of four years beginning the first day of January immediately following August 13, 1990, by the board of trustees described in subdivision (3) of section 182.701;

(6) The twelfth trustee shall be a retirant of the retirement system elected for a term of four years beginning the first day of January immediately following August 28, 1992, by the retirants of the retirement system.

2. If a vacancy occurs in the office of a trustee, the vacancy shall be filled for the unexpired term in the same manner as the office was previously filled, except that the board of trustees may appoint a qualified person to fill the vacancy in the office of an elected member until the next regular election at which time a member shall be elected for the unexpired term. No vacancy or vacancies on the board of trustees shall impair the power of the remaining trustees to administer the retirement system pending the filling of such vacancy or vacancies.

3. In the event of a lapse of the school district's corporate organization as described in subsections 1 and 4 of section 162.081, the general administration and responsibility for the proper operation of the retirement system shall continue to be vested in a twelve-person board of trustees, all of whom shall be resident taxpayers of a city, other than a city not within a county, of four hundred thousand or more. In such event, if vacancies occur in the offices of the four trustees appointed, prior to the lapse, by the board of education, or in the offices of the four trustees elected, prior to the lapse, by the members of the retirement system, or in the office of trustee held, prior to the lapse, by the superintendent of schools in the school district, as provided in subdivisions (1), (2) and (3) of subsection 1 of this section, the board of trustees shall appoint a qualified person to fill each vacancy and subsequent vacancies in the office of trustee for terms of up to four years, as determined by the board of trustees.

4. Each trustee shall, before assuming the duties of a trustee, take the oath of office before the court of the judicial circuit or one of the courts of the judicial circuit in which the school district is located that so far as it devolves upon the trustee, such trustee shall diligently and honestly administer the affairs of the board of trustees and that the trustee will not knowingly violate or willingly permit to be violated any of the provisions of the law applicable to the retirement system. Such oath shall be subscribed to by the trustee making it and filed in the office of the clerk of the circuit court.

5. Each trustee shall be entitled to one vote in the board of trustees. Seven trustees shall constitute a

quorum at any meeting of the board of trustees. At any meeting of the board of trustees where a quorum is present, the vote of at least seven of the trustees in support of a motion, resolution or other matter is necessary to be the decision of the board; provided, however, that in the event of a lapse in the school district's corporate organization as described in subsections 1 and 4 of section 162.081, a majority of the trustees then in office shall constitute a quorum at any meeting of the board of trustees, and the vote of a majority of the trustees then in office in support of a motion, resolution or other matter shall be necessary to be the decision of the board.

6. The board of trustees shall have exclusive original jurisdiction in all matters relating to or affecting the funds herein provided for, including, in addition to all other matters, all claims for benefits or refunds, and its action, decision or determination in any matter shall be reviewable in accordance with chapter 536 or chapter 621. Subject to the limitations of sections 169.270 to 169.400, the board of trustees shall, from time to time, establish rules and regulations for the administration of funds of the retirement system, for the transaction of its business, and for the limitation of the time within which claims may be filed.

7. The trustees shall serve without compensation. The board of trustees shall elect from its membership a chairman and a vice chairman. The board of trustees shall appoint an executive director who shall serve as the administrative officer of the retirement system and as secretary to the board of trustees. It shall employ one or more persons, firms or corporations experienced in the investment of moneys to serve as investment counsel to the board of trustees. The compensation of all persons engaged by the board of trustees and all other expenses of the board necessary for the operation of the retirement system shall be paid at such rates and in such amounts as the board of trustees shall approve, and shall be paid from the investment income.

8. The board of trustees shall keep in convenient form such data as shall be necessary for actuarial valuations of the various funds of the retirement system and for checking the experience of the system.

9. The board of trustees shall keep a record of all its proceedings which shall be open to public inspection. It shall prepare annually and furnish to the board of education and to each member of the retirement system who so requests a report showing the fiscal transactions of the retirement system for the preceding fiscal year, the amount of accumulated cash and securities of the system, and the last balance sheet showing the financial condition of the system by means of an actuarial valuation of the assets and liabilities of the retirement system.

10. The board of trustees shall have, in its own name, power to sue and to be sued, to enter into contracts, to own property, real and personal, and to convey the same; but the members of such board of trustees shall not be personally liable for obligations or liabilities of the board of trustees or of the retirement system.

11. The board of trustees shall arrange for necessary legal advice for the operation of the retirement system.

12. The board of trustees shall designate a medical board to be composed of three or more physicians who shall not be eligible for membership in the system and who shall pass upon all medical examinations required under the provisions of sections 169.270 to 169.400, shall investigate all essential statements and certificates made by or on behalf of a member in connection with an application for disability retirement and shall report in writing to the board of trustees its conclusions and recommendations upon all matters referred to it.

13. The board of trustees shall designate an actuary who shall be the technical advisor of the board of trustees on matters regarding the operation of the retirement system and shall perform such other duties as are required in connection therewith. Such person shall be qualified as an actuary by membership as a Fellow of the Society of Actuaries or by similar objective standards.

14. At least once in each five-year period the actuary shall make an investigation into the actuarial experience of the members, retirants and beneficiaries of the retirement system and, taking into account the results of such investigation, the board of trustees shall adopt for the retirement system such actuarial assumptions as the board of trustees deems necessary for the financial soundness of the retirement system.

15. On the basis of such actuarial assumptions as the board of trustees adopts, the actuary shall make annual valuations of the assets and liabilities of the funds of the retirement system.

16. The rate of contribution payable by the [employer] **employers** shall equal one and ninety-nine one-hundredths percent, effective July 1, 1993; three and ninety-nine one-hundredths percent, effective July 1, 1995; five and ninety-nine one-hundredths percent, effective July 1, 1996; seven and one-half percent effective January 1, 1999, and for [all] subsequent **calendar** years **through 2013. For calendar year 2014 and each subsequent year, the rate of contribution payable by the employers for each year shall be determined by the actuary for the retirement system in the manner provided in subsection 4 of section 169.350 and shall be certified by the board of trustees to the employers at least six months prior to the date such rate is to be effective.**

17. In the event of a lapse of a school district's corporate organization as described in subsections 1 and 4 of section 162.081, no retirement system, nor any of the assets of any retirement system, shall be transferred to or merged with another retirement system without prior approval of such transfer or merge by the board of trustees of the retirement system.

169.301. 1. Any active member who has completed five or more years of actual (not purchased) creditable service shall be entitled to a vested retirement benefit equal to the annual service retirement allowance provided in sections 169.270 to 169.400 payable after attaining the minimum normal retirement age and calculated in accordance with the law in effect on the last date such person was a regular employee; provided, that such member does not withdraw such person's accumulated contributions pursuant to section 169.328 prior to attaining the minimum normal retirement age.

2. Any member who elected on October 13, 1961, or within thirty days thereafter, to continue to contribute and to receive benefits under sections 169.270 to 169.400 may continue to be a member of the retirement system under the terms and conditions of the plan in effect immediately prior to October 13, 1961, or may, upon written request to the board of trustees, transfer to the present plan, provided that the member pays into the system any additional contributions with interest the member would have credited to the member's account if such person had been a member of the current plan since its inception or, if the person's contributions and interest are in excess of what the person would have paid, such person will receive a refund of such excess. The board of trustees shall adopt appropriate rules and regulations governing the operation of the plan in effect immediately prior to October 13, 1961.

3. Should a retirant again become an active member, such person's retirement allowance payments shall cease during such membership and shall be recalculated upon subsequent retirement to include any creditable service earned during the person's latest period of active membership in accordance with subsection 2 of section 169.324.

4. In the event of the complete termination of the retirement system established by section 169.280 or the complete discontinuance of contributions to such retirement system, the rights of all members to benefits accrued to the date of such termination or discontinuance, to the extent then funded, shall be fully vested and nonforfeitable.

5. If a member leaves employment with an employer to perform qualified military service, as defined in Section 414(u) of the Internal Revenue Code of 1986, as amended, and dies while in such service, the member's survivors shall be entitled to any additional benefits (other than benefit accruals relating to the period of qualified military service) that would have been provided had the member resumed employment with the employer and then terminated on account of death in accordance with the requirements of Sections [407(a)(37)] **401(a)(37)** and 414(u) of the Internal Revenue Code of 1986, as amended. In such event, the member's period of qualified military [services] **service** shall be counted as creditable service for purposes of vesting but not for purposes of determining the amount of the member's retirement allowance.

169.324. 1. The annual service retirement allowance payable pursuant to section 169.320 [in equal monthly installments for life shall be the retirant's number of years of creditable service multiplied by one and three-fourths percent of the person's average final compensation, subject to a maximum of sixty percent of the person's average final compensation. For any member who retires as an active member on or after June 30, 1999, the annual service retirement allowance payable pursuant to section 169.320 in equal monthly installments for life shall be the retirant's number of years of creditable service multiplied by two percent of the person's average final compensation, subject to a maximum of sixty percent of the person's average final compensation. Any member whose number of years of creditable service is greater than thirty-four and one-quarter on August 28, 1993, shall receive an annual service retirement allowance payable pursuant to section 169.320 in equal monthly installments for life equal to the retirant's number of years of creditable service as of August 28, 1993, multiplied by one and three-fourths percent of the person's average final compensation but shall not receive a greater annual service retirement allowance based on additional years of creditable service after August 28, 1993. Provided, however, that,] **shall be the retirant's number of years of creditable service multiplied by a percentage of the retirant's average final compensation, determined as follows:**

(1) A retirant whose last employment as a regular employee ended prior to June 30, 1999, shall receive an annual service retirement allowance payable pursuant to section 169.320 in equal monthly installments for life equal to the retirant's number of years of creditable service multiplied by one and three-fourths percent of the person's average final compensation, subject to a maximum of sixty percent of the person's average final compensation;

(2) A retirant whose number of years of creditable service is greater than thirty-four and one-quarter on August 28, 1993, shall receive an annual service retirement allowance payable pursuant to section 169.320 in equal monthly installments for life equal to the retirant's number of years of creditable service as of August 28, 1993, multiplied by one and three-fourths percent of the person's average final compensation but shall not receive a greater annual service retirement allowance based on additional years of creditable service after August 28, 1993;

(3) A retirant who was an active member of the retirement system at any time on or after June 30, 1999, and who either retires before January 1, 2014, or is a member of the retirement system on December 31, 2013, and remains a member continuously to retirement shall receive an annual service retirement allowance payable pursuant to section 169.320 in equal monthly installments for life equal

to the retirant's number of years of creditable service multiplied by two percent of the person's average final compensation, subject to a maximum of sixty percent of the person's final compensation;

(4) A retirant who becomes a member of the retirement system on or after January 1, 2014, including any retirant who was a member of the retirement system before January 1, 2014, but ceased to be a member for any reason other than retirement, shall receive an annual service retirement allowance payable pursuant to section 169.320 in equal monthly installments for life equal to the retirant's number of years of creditable service multiplied by one and three-fourths percent of the person's average final compensation, subject to a maximum of sixty percent of the person's average final compensation;

(5) Notwithstanding the provisions of subdivisions (1) to (4) of this subsection, effective January 1, 1996, any [retiree] **retirant** who retired on, before or after January 1, 1996, with at least twenty years of creditable service shall receive at least three hundred dollars each month as a retirement allowance, or the actuarial equivalent thereof if the [retiree] **retirant** elected any of the options available under section 169.326. [Provided, further, any retiree] **Any retirant** who retired with at least ten years of creditable service shall receive at least one hundred fifty dollars each month as a retirement allowance, plus fifteen dollars for each additional full year of creditable service greater than ten years but less than twenty years (or the actuarial equivalent thereof if the [retiree] **retirant** elected any of the options available under section 169.326). Any beneficiary of a deceased [retiree] **retirant** who retired with at least ten years of creditable service and elected one of the options available under section 169.326 shall also be entitled to the actuarial equivalent of the minimum benefit provided by this subsection, determined from the option chosen.

2. Except as otherwise provided in sections 169.331, 169.580 and 169.585, payment of a retirant's retirement allowance will be suspended for any month for which such person receives remuneration from the person's employer or from any other employer in the retirement system established by section 169.280 for the performance of services except any such person other than a person receiving a disability retirement allowance under section 169.322 may serve as a nonregular substitute, part-time or temporary employee for not more than six hundred hours in any school year without becoming a member and without having the person's retirement allowance discontinued, provided that through such substitute, part-time, or temporary employment, the person may earn no more than fifty percent of the annual salary or wages the person was last paid by the employer before the person retired and commenced receiving a retirement allowance, adjusted for inflation. If a person exceeds such hours limit or such compensation limit, payment of the person's retirement allowance shall be suspended for the month in which such limit was exceeded and each subsequent month in the school year for which the person receives remuneration from any employer in the retirement system. If a retirant is reemployed by any employer in any capacity, whether pursuant to this section, or section 169.331, 169.580, or 169.585, or as a regular employee, the amount of such person's retirement allowance attributable to service prior to the person's first retirement date shall not be changed by the reemployment. If the person again becomes an active member and earns additional creditable service, upon the person's second retirement the person's retirement allowance shall be the sum of:

(1) The retirement allowance the person was receiving at the time the person's retirement allowance was suspended, pursuant to the payment option elected as of the first retirement date, plus the amount of any increase in such retirement allowance the person would have received pursuant to subsection 3 of this section had payments not been suspended during the person's reemployment; and

(2) An additional retirement allowance computed using the benefit formula in effect on the person's second retirement date, the person's creditable service following reemployment, and the person's average final annual compensation as of the second retirement date. The sum calculated pursuant to this subsection shall not exceed the greater of sixty percent of the person's average final compensation as of the second retirement date or the amount determined pursuant to subdivision (1) of this subsection. Compensation earned prior to the person's first retirement date shall be considered in determining the person's average final compensation as of the second retirement date if such compensation would otherwise be included in determining the person's average final compensation.

3. The board of trustees shall determine annually whether the investment return on funds of the system can provide for an increase in benefits for retirants eligible for such increase. A retirant shall and will be eligible for an increase awarded pursuant to this section as of the second January following the date the retirant commenced receiving retirement benefits. Any such increase shall also apply to any monthly joint and survivor retirement allowance payable to such retirant's beneficiaries, regardless of age. The board shall make such determination as follows:

(1) After determination by the actuary of the investment return for the preceding year as of December thirty-first (the "valuation year"), the actuary shall recommend to the board of trustees what portion of the investment return is available to provide such benefits increase, if any, and shall recommend the amount of such benefits increase, if any, to be implemented as of the first day of the thirteenth month following the end of the valuation year, and [the] first payable on or about the first day of the fourteenth month following the end of the valuation year. The actuary shall make such recommendations so as not to affect the financial soundness of the retirement system, recognizing the following safeguards:

(a) The retirement system's funded ratio as of January first of the year preceding the year of a proposed increase shall be at least one hundred percent after adjusting for the effect of the proposed increase. The funded ratio is the ratio of assets to the pension benefit obligation;

(b) The actuarially required contribution rate, after adjusting for the effect of the proposed increase, may not exceed the [statutory] **then applicable employer and member contribution rate as determined under subsection 4 of section 169.350;**

(c) The actuary shall certify to the board of trustees that the proposed increase will not impair the actuarial soundness of the retirement system;

(d) A benefit increase, under this section, once awarded, cannot be reduced in succeeding years;

(2) The board of trustees shall review the actuary's recommendation and report and shall, in their discretion, determine if any increase is prudent and, if so, shall determine the amount of increase to be awarded.

4. This section does not guarantee an annual increase to any retirant.

5. If an inactive member becomes an active member after June 30, 2001, and after a break in service, unless the person earns at least four additional years of creditable service without another break in service, upon retirement the person's retirement allowance shall be calculated separately for each separate period of service ending in a break in service. The retirement allowance shall be the sum of the separate retirement allowances computed for each such period of service using the benefit formula in effect, the person's average final compensation as of the last day of such period of service and the creditable service the person earned during such period of service; provided, however, if the person earns at least four additional years

of creditable service without another break in service, all of the person's creditable service prior to and including such service shall be aggregated and, upon retirement, the retirement allowance shall be computed using the benefit formula in effect and the person's average final compensation as of the last day of such period of four or more years and all of the creditable service the person earned prior to and during such period.

6. Notwithstanding anything contained in this section to the contrary, the amount of the annual service retirement allowance payable to any retirant pursuant to the provisions of sections 169.270 to 169.400, including any adjustments made pursuant to subsection 3 of this section, shall at all times comply with the provisions and limitations of Section 415 of the Internal Revenue Code of 1986, as amended, and the regulations thereunder, the terms of which are specifically incorporated herein by reference.

7. All retirement systems established by the laws of the state of Missouri shall develop a procurement action plan for utilization of minority and women money managers, brokers and investment counselors. Such retirement systems shall report their progress annually to the joint committee on public employee retirement and the governor's minority advocacy commission.

169.350.1. All of the assets of the retirement system (other than tangible real or personal property owned by the retirement system for use in carrying out its duties, such as office supplies and furniture) shall be credited, according to the purpose for which they are held, in either the employees' contribution fund or the general reserve fund.

(1) The employees' contribution fund shall be the fund in which shall be accumulated the contributions of the members. The employer shall, except as provided in subdivision (5) of this subsection, cause to be deducted from the compensation of each member on each and every payroll, for each and every payroll period, the pro rata portion of five and nine-tenths percent of his annualized compensation. Effective January 1, 1999, **through December 31, 2013**, the employer shall deduct an additional one and six-tenths percent of the member's annualized compensation. **For 2014 and for each subsequent year, the employer shall deduct from each member's annualized compensation the rate of contribution determined for such year by the actuary for the retirement system in the manner provided in subsection 4 of this section.**

(2) The employer shall pay all such deductions and any amount it may elect to pay pursuant to subdivision (5) of this subsection to the retirement system at once. The retirement system shall credit such deductions and such amounts to the individual account of each member from whose compensation the deduction was made or with respect to whose compensation the amount was paid pursuant to subdivision (5) of this subsection. In determining the deduction for a member in any payroll period, the board of trustees may consider the rate of compensation payable to such member on the first day of the payroll period as continuing throughout such period.

(3) The deductions provided for herein are declared to be a part of the compensation of the member and the making of such deductions shall constitute payments by the member out of the person's compensation and such deductions shall be made notwithstanding that the amount actually paid to the member after such deductions is less than the minimum compensation provided by law for any member. Every member shall be deemed to consent to the deductions made and provided for herein, and shall receipt for the person's full compensation, and the making of the deduction and the payment of compensation less the deduction shall be a full and complete discharge and acquittance of all claims and demands whatsoever for services rendered during the period covered by the payment except as to benefits provided by sections 169.270 to

169.400.

(4) The accumulated contributions with interest of a member withdrawn by the person or paid to the person's estate or designated beneficiary in the event of the person's death before retirement shall be paid from the employees' contribution fund. Upon retirement of a member the member's accumulated contributions with interest shall be transferred from the employees' contribution fund to the general reserve fund.

(5) The employer may elect to pay on behalf of all members all or part of the amount that the members would otherwise be required to contribute to the employees' contribution fund pursuant to subdivision (1) of this subsection. Such amounts paid by the employer shall be in lieu of members' contributions and shall be treated for all purposes of sections 169.270 to 169.400 as contributions made by members. Notwithstanding any other provision of this chapter to the contrary, no member shall be entitled to receive such amounts directly. The election shall be made by a duly adopted resolution of the employer's board and shall remain in effect for at least one year from the effective date thereof. The election may be thereafter terminated only by an affirmative act of the employer's board notwithstanding any limitation in the term thereof in the adopting resolution. Any such termination resolution shall be adopted at least sixty days prior to the effective date thereof, and the effective date thereof shall coincide with a fiscal year-end of the employer. In the absence of such a termination resolution, the election shall remain in effect from fiscal year to fiscal year.

2. The general reserve fund shall be the fund in which shall be accumulated all reserves for the payment of all benefit expenses and other demands whatsoever upon the retirement system except those items heretofore allocated to the employees' contribution fund.

(1) All contributions by the employer, except those the employer elects to make on behalf of the members pursuant to subdivision (5) of subsection 1 of this section, shall be credited to the general reserve fund.

(2) Should a retirant be restored to active service and again become a member of the retirement system, the excess, if any, of the person's accumulated contributions over benefits received by the retirant shall be transferred from the general reserve fund to the employees' contribution fund and credited to the person's account.

3. Gifts, devises, bequests and legacies may be accepted by the board of trustees and deposited in the general reserve fund to be held, invested and used at its discretion for the benefit of the retirement system except where specific direction for the use of a gift is made by a donor.

4. Beginning in 2013, the actuary for the retirement system shall annually calculate the rate of employer contributions and member contributions for 2014 and for each subsequent calendar year, expressed as a level percentage of the annualized compensation of the members, subject to the following:

(1) The rate of contribution for any calendar year shall be determined based on an actuarial valuation of the retirement system as of the first day of the prior calendar year. Such actuarial valuation shall be performed using the actuarial cost method and actuarial assumptions adopted by the board of trustees and in accordance with accepted actuarial standards of practice in effect at the time the valuation is performed, as promulgated by the actuarial standards board or its successor;

(2) The target combined employer and member contribution rate shall be the amount actuarially

required to cover the normal cost and amortize any unfunded accrued actuarial liability over a period that shall not exceed thirty years from the date of the valuation;

(3) The target combined rate as so determined shall be allocated equally between the employer contribution rate and the member contribution rate, provided, however, that the level rate of contributions to be paid by the employers and the level rate of contributions to be deducted from the compensation of members for any calendar year shall each be limited as follows:

(a) The contribution rate shall not be less than seven and one-half percent;

(b) The contribution rate shall not exceed nine percent; and

(c) Changes in the contribution rate from year to year shall be in increments of one-half percent such that the contribution rate for any year shall not be greater than or less than the rate in effect for the prior year by more than one-half percent;

(4) The board of trustees shall certify to the employers the contribution rate for the following calendar year no later than six months prior to the date such rate is to be effective.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 16

Amend House Committee Substitute for Senate Bill No. 23, Section 67.1020, Page 8, Line 4, by inserting the following after all of said Line:

“67.1368. 1. The governing body of any county of the third classification without a township form of government and with more than twelve thousand but fewer than fourteen thousand inhabitants and with a city of the fourth classification with more than two thousand seven hundred but fewer than three thousand inhabitants as the county seat may impose a tax on the charges for all sleeping rooms paid by the transient guests of hotels or motels situated in the county or a portion thereof, which shall not be more than five percent per occupied room per night, except that such tax shall not become effective unless the governing body of the county submits to the voters of the county at a state general or primary election a proposal to authorize the governing body of the county to impose a tax under this section. The tax authorized in this section shall be in addition to the charge for the sleeping room and all other taxes imposed by law, and the proceeds of such tax shall be used by the county for the promotion of tourism, growth of the region, and economic development. Such tax shall be stated separately from all other charges and taxes.

2. The ballot of submission for the tax authorized in this section shall be in substantially the following form:

Shall (insert the name of the county) impose a tax on the charges for all sleeping rooms paid by the transient guests of hotels and motels situated in (name of county) at a rate of (insert rate of percent) percent for the promotion of the county, growth of the region, and economic development?

YES

NO

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax shall become effective on the first day of the second calendar quarter following the calendar quarter in which the election was held. If a majority of the votes cast on the

question by the qualified voters voting thereon are opposed to the question, then the tax authorized by this section shall not become effective unless and until the question is resubmitted under this section to the qualified voters of the county and such question is approved by a majority of the qualified voters of the county voting on the question.

3. As used in this section, “transient guests” means persons who occupy a room or rooms in a hotel or motel for thirty-one days or less during any calendar quarter.”; and

Further amend said bill, Section 92.387, Page 10, Line 2, by inserting the following after all of said Line:

“94.1060. 1. The governing body of any city of the fourth classification with more than seven hundred but fewer than eight hundred inhabitants and located in any county of the third classification without a township form of government and with more than twelve thousand but fewer than fourteen thousand inhabitants may impose a tax on the charges for all sleeping rooms paid by the transient guests of hotels or motels situated in the city or a portion thereof, which shall not be more than five percent per occupied room per night, except that such tax shall not become effective unless the governing body of the city submits to the voters of the city at a state general or primary election a proposal to authorize the governing body of the city to impose a tax under this section. The tax authorized in this section shall be in addition to the charge for the sleeping room and all other taxes imposed by law, and the proceeds of such tax shall be used by the city for the promotion of tourism, growth of the region, and economic development. Such tax shall be stated separately from all other charges and taxes.

2. The ballot of submission for the tax authorized in this section shall be in substantially the following form:

Shall (insert the name of the city) impose a tax on the charges for all sleeping rooms paid by the transient guests of hotels and motels situated in (name of city) at a rate of (insert rate of percent) percent for the promotion of the city, growth of the region, and economic development?

YES

NO

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax shall become effective on the first day of the second calendar quarter following the calendar quarter in which the election was held. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the question, then the tax authorized by this section shall not become effective unless and until the question is resubmitted under this section to the qualified voters of the city and such question is approved by a majority of the qualified voters of the city voting on the question.

3. As used in this section, “transient guests” means persons who occupy a room or rooms in a hotel or motel for thirty-one days or less during any calendar quarter.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 17

Amend House Committee Substitute for Senate Bill No. 23, Page 15, Section 144.010, Line 117, by inserting after the word “services” on said line, the phrase “**subject to section 67.2689**”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 18

Amend House Committee Substitute for Senate Bill No. 23, Page 10, Section 67.2050, Line 73, by inserting after all of said section and line, the following:

“71.285. 1. Whenever weeds or trash, in violation of an ordinance, are allowed to grow or accumulate, as the case may be, on any part of any lot or ground within any city, town or village in this state, the owner of the ground, or in case of joint tenancy, tenancy by entireties or tenancy in common, each owner thereof, shall be liable. The marshal or other city official as designated in such ordinance shall give a hearing after ten days’ notice thereof, either personally or by United States mail to the owner or owners, or the owner’s agents, or by posting such notice on the premises; thereupon, the marshal or other designated city official may declare the weeds or trash to be a nuisance and order the same to be abated within five days; and in case the weeds or trash are not removed within the five days, the marshal or other designated city official shall have the weeds or trash removed, and shall certify the costs of same to the city clerk, who shall cause a special tax bill therefor against the property to be prepared and to be collected by the collector, with other taxes assessed against the property; and the tax bill from the date of its issuance shall be a first lien on the property until paid and shall be prima facie evidence of the recitals therein and of its validity, and no mere clerical error or informality in the same, or in the proceedings leading up to the issuance, shall be a defense thereto. Each special tax bill shall be issued by the city clerk and delivered to the collector on or before the first day of June of each year. Such tax bills if not paid when due shall bear interest at the rate of eight percent per annum. Notwithstanding the time limitations of this section, any city, town or village located in a county of the first classification may hold the hearing provided in this section four days after notice is sent or posted, and may order at the hearing that the weeds or trash shall be abated within five business days after the hearing and if such weeds or trash are not removed within five business days after the hearing, the order shall allow the city to immediately remove the weeds or trash pursuant to this section. Except for lands owned by a public utility, rights-of-way, and easements appurtenant or incidental to lands controlled by any railroad, the department of transportation, the department of natural resources or the department of conservation, the provisions of this subsection shall not apply to any city with a population of at least seventy thousand inhabitants which is located in a county of the first classification with a population of less than one hundred thousand inhabitants which adjoins a county with a population of less than one hundred thousand inhabitants that contains part of a city with a population of three hundred fifty thousand or more inhabitants, any city with a population of one hundred thousand or more inhabitants which is located within a county of the first classification that adjoins no other county of the first classification, or any city, town or village located within a county of the first classification with a charter form of government with a population of nine hundred thousand or more inhabitants, or any city with a population of three hundred fifty thousand or more inhabitants which is located in more than one county, or the City of St. Louis, where such city, town or village establishes its own procedures for abatement of weeds or trash, and such city may charge its costs of collecting the tax bill, including attorney fees, in the event a lawsuit is required to enforce a tax bill.

2. Except as provided in subsection 3 of this section, if weeds are allowed to grow, or if trash is allowed to accumulate, on the same property in violation of an ordinance more than once during the same growing season in the case of weeds, or more than once during a calendar year in the case of trash, in any city with a population of three hundred fifty thousand or more inhabitants which is located in more than one county, in the City of St. Louis, in any city, town or village located in a county of the first classification with a

charter form of government with a population of nine hundred thousand or more inhabitants, in any fourth class city located in a county of the first classification with a charter form of government and a population of less than three hundred thousand, or in any home rule city with more than one hundred thirteen thousand two hundred but less than one hundred thirteen thousand three hundred inhabitants located in a county with a charter form of government and with more than six hundred thousand but less than seven hundred thousand inhabitants, the marshal or other designated city official may order that the weeds or trash be abated within five business days after notice is sent to or posted on the property. In case the weeds or trash are not removed within the five days, the marshal or other designated city official may have the weeds or trash removed and the cost of the same shall be billed in the manner described in subsection 1 of this section.

3. If weeds are allowed to grow, or if trash is allowed to accumulate, on the same property in violation of an ordinance more than once during the same growing season in the case of weeds, or more than once during a calendar year in the case of trash, in any city with a population of three hundred fifty thousand or more inhabitants which is located in more than one county, in the City of St. Louis, in any city, town or village located in a county of the first classification with a charter form of government with a population of nine hundred thousand or more inhabitants, in any fourth class city located in a county of the first classification with a charter form of government and a population of less than three hundred thousand, in any home rule city with more than one hundred thirteen thousand two hundred but less than one hundred thirteen thousand three hundred inhabitants located in a county with a charter form of government and with more than six hundred thousand but less than seven hundred thousand inhabitants, in any third class city with a population of at least ten thousand inhabitants but less than fifteen thousand inhabitants with the greater part of the population located in a county of the first classification, in any city of the third classification with more than sixteen thousand nine hundred but less than seventeen thousand inhabitants, [or] in any city of the third classification with more than eight thousand but fewer than nine thousand inhabitants, **in any city of the third classification with more than fifteen thousand but fewer than seventeen thousand inhabitants and located in any county of the first classification with more than sixty-five thousand but fewer than seventy-five thousand inhabitants, or in any city of the fourth classification with more than eight thousand but fewer than nine thousand inhabitants and located in any county of the third classification without a township form of government and with more than eighteen thousand but fewer than twenty thousand inhabitants**, the marshal or other designated official may, without further notification, have the weeds or trash removed and the cost of the same shall be billed in the manner described in subsection 1 of this section. The provisions of subsection 2 and this subsection do not apply to lands owned by a public utility and lands, rights-of-way, and easements appurtenant or incidental to lands controlled by any railroad.

4. The provisions of this section shall not apply to any city with a population of one hundred thousand or more inhabitants which is located within a county of the first classification that adjoins no other county of the first classification where such city establishes its own procedures for abatement of weeds or trash, and such city may charge its costs of collecting the tax bill, including attorney fees, in the event a lawsuit is required to enforce a tax bill.

77.675. 1. In addition to the process for passing ordinances provided in section 77.080, the council of any city of the third classification with more than fifteen thousand but fewer than seventeen thousand inhabitants and located in any county of the first classification with more than sixty-five thousand but fewer than seventy-five thousand inhabitants may adopt or repeal any ordinance by

passage of a bill that sets forth the ordinance and specifies that the ordinance so proposed shall be submitted to the registered voters of the city at the next municipal election. The bill shall be passed under the procedures in section 77.080, except that it shall take effect upon approval of a majority of the voters rather than upon the approval and signature of the mayor.

2. If the mayor approves and signs the bill, the question shall be submitted to the voters in substantially the following form:

Shall the following ordinance be (adopted) (repealed)? (Set out ordinance.)

YES

NO

3. If a majority of the voters voting on the proposed ordinance vote in favor, such ordinance shall become a valid and binding ordinance of the city.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 19

Amend House Committee Substitute for Senate Bill No. 23, Page 3, Section A, Line 30, by inserting after all of said line the following:

“**32.070. 1. This act shall be known and may be cited as the “Streamlined Sales and Use Tax Agreement Act”.**

2. The director of the department of revenue shall enter into the streamlined sales and use tax agreement with one or more states to simplify and modernize sales and use tax administration in order to substantially reduce the burden of tax compliance for all sellers and for all types of commerce. In furtherance of the streamlined sales and use tax agreement, the director of the department of revenue may act jointly with other states that are members of the streamlined sales and use tax agreement to establish standards for certification of a certified service provider and certified automated system and establish performance standards for multistate sellers.

3. In the first year after any federal legislation requiring vendors to collect sales and use tax uniformly on sales in all states has been adopted and in which the amount of state sales and use tax revenue collected under such federal legislation exceeds the amount of such revenues collected in the immediately preceding year by at least two hundred million dollars, the highest rate of the tax imposed on the Missouri taxable income of residents under chapter 143 shall be decreased from six percent to five and one half percent. The director of the department of revenue shall notify the revisor of statutes when such federal legislation is adopted and becomes effective in all states.

4. The director of the department of revenue may take other action reasonably required to implement the provisions set forth in the streamlined sales and use tax administration act, including, but not limited to, the promulgation of rules and the joint procurement, with other member states, of goods and services in furtherance of the streamlined sales and use tax agreement.

5. For the purposes of representing the state as a member of the agreement and, if necessary, amending the agreement, the state shall be represented by three delegates, one of whom shall be appointed by the governor, one shall be a member of the general assembly appointed by mutual agreement of the president pro tem of the senate and the speaker of the house of representatives, with the director of the department of revenue or the director’s designee as the third delegate. The delegates shall recommend to the committees responsible for reviewing tax issues in the senate and

the house of representatives each year any amendment of state statutes required to be substantially in compliance with the agreement. Such delegates shall make a written report by the fifteenth day of January each year regarding the status of the agreement.

6. The department of revenue shall promulgate rules necessary to implement the provisions of the streamlined sales and use tax agreement.

32.086. Notwithstanding any other provision of law, for all local sales and use taxes collected by the department and remitted to a political jurisdiction or taxing district, the department shall remit one percent of the amount collected to the general revenue fund to offset the cost of collection, unless a greater amount is specified in the local sales and use tax law. The department shall not commingle the remaining amounts collected with general revenues and shall remit the remaining amounts collected to the political jurisdiction or taxing district less any credits for erroneous payments, overpayments, and dishonored checks.”; and

Further amend said bill, Pages 3 to 8, Section 32.087, Lines 1 to 191, by deleting all of said lines and inserting in lieu thereof the following:

“32.087. 1. Within ten days after the adoption of any ordinance or order in favor of adoption of any local sales tax authorized under the local sales tax law by the voters of a taxing entity, the governing body or official of such taxing entity shall forward to the director of revenue by United States registered mail or certified mail a certified copy of the ordinance or order. The ordinance or order shall reflect the effective date thereof.

2. Any local sales tax so adopted shall become effective on the first day of the second calendar quarter after the director of revenue receives notice of adoption of the local sales tax, except as provided in subsection [18] **17** of this section, **and shall be imposed on all transactions on which the Missouri state sales tax is imposed.**

3. Every retailer within the jurisdiction of one or more taxing entities which has imposed one or more local sales taxes under the local sales tax law shall add all taxes so imposed along with the tax imposed by the sales tax law of the state of Missouri to the sale price and, when added, the combined tax shall constitute a part of the price, and 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. The combined rate of the state sales tax and all local sales taxes shall be the sum of the rates, multiplying the combined rate times the amount of the sale.

4. [The brackets required to be established by the director of revenue under the provisions of section 144.285 shall be based upon the sum of the combined rate of the state sales tax and all local sales taxes imposed under the provisions of the local sales tax law.

5.] **(1)** The ordinance or order imposing a local sales tax under the local sales tax law shall impose **a tax** upon all [sellers a tax for the privilege of engaging in the business of selling tangible personal property or rendering taxable services at retail] **transactions upon which the Missouri state sales tax is imposed** to the extent and in the manner provided in sections 144.010 to 144.525, and the rules and regulations of the director of revenue issued pursuant thereto; except that the rate of the tax shall be the sum of the combined rate of the state sales tax or state highway use tax and all local sales taxes imposed under the provisions of the local sales tax law.

(2) Notwithstanding any other provision of law to the contrary, local taxing jurisdictions, except those in which voters previously have approved a local use tax under section 144.757, shall have

placed on the ballot on or after the general election in November 2014, but no later than the general election in November 2016, whether to repeal application of the local sales tax to the titling of motor vehicles, trailers, boats, and outboard motors that are subject to state sales tax under section 144.020 and purchased from a source other than a licensed Missouri dealer. The ballot question presented to the local voters shall contain substantially the following language:

Shall the (local jurisdiction’s name) discontinue applying and collecting the local sales tax on the titling of motor vehicles, trailers, boats, and outboard motors that were purchased from a source other than a licensed Missouri dealer? Approval of this measure will result in a reduction of local revenue to provide for vital services for (local jurisdiction’s name) and it will place Missouri dealers of motor vehicles, outboard motors, boats, and trailers at a competitive disadvantage to non- Missouri dealers of motor vehicles, outboard motors, boats, and trailers.

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”.

(3) If the ballot question set forth in subdivision (2) of this subsection receives a majority of the votes cast in favor of the proposal, or if the local taxing jurisdiction fails to place the ballot question before the voters on or before the general election in November 2016, the local taxing jurisdiction shall cease applying the local sales tax to the titling of motor vehicles, trailers, boats, and outboard motors that were purchased from a source other than a licensed Missouri dealer.

(4) In addition to the requirement that the ballot question set forth in subdivision (2) of this subsection be placed before the voters, the governing body of any local taxing jurisdiction that previously had imposed a local use tax on the use of motor vehicles, trailers, boats, and outboard motors may, at any time, place a proposal on the ballot at any election to repeal application of the local sales tax to the titling of motor vehicles, trailers, boats, and outboard motors purchased from a source other than a licensed Missouri dealer. If a majority of the votes cast by the registered voters voting thereon are in favor of the proposal to repeal application of the local sales tax to such titling, then the local sales tax shall no longer be applied to the titling of motor vehicles, trailers, boats, and outboard motors purchased from a source other than a licensed Missouri dealer. If a majority of the votes cast by the registered voters voting thereon are opposed to the proposal to repeal application of the local sales tax to such titling, such application shall remain in effect.

(5) In addition to the requirement that the ballot question set forth in subdivision (2) of this subsection be placed before the voters on or after the general election in November 2014, and on or before the general election in November 2016, whenever the governing body of any local taxing jurisdiction imposing a local sales tax on the sale of motor vehicles, trailers, boats, and outboard motors receives a petition, signed by fifteen percent of the registered voters of such jurisdiction voting in the last gubernatorial election and calling for a proposal to be placed on the ballot at any election to repeal application of the local sales tax to the titling of motor vehicles, trailers, boats, and outboard motors purchased from a source other than a licensed Missouri dealer, the governing body shall submit to the voters of such jurisdiction a proposal to repeal application of the local sales tax to such titling. If a majority of the votes cast by the registered voters voting thereon are in favor of the proposal to repeal application of the local sales tax to such titling, then the local sales tax shall no

longer be applied to the titling of motor vehicles, trailers, boats, and outboard motors purchased from a source other than a licensed Missouri dealer. If a majority of the votes cast by the registered voters voting thereon are opposed to the proposal to repeal application of the local sales tax to such titling, such application shall remain in effect.

(6) Nothing in this subsection shall be construed to authorize the voters of any jurisdiction to repeal application of any state sales or use tax.

(7) If any local sales tax on the titling of motor vehicles, trailers, boats, and outboard motors purchased from a source other than a licensed Missouri dealer is repealed, such repeal shall take effect on the first day of the second calendar quarter after the election. If any local sales tax on the titling of motor vehicles, trailers, boats, and outboard motors purchased from a source other than a licensed Missouri dealer is required to cease to be applied or collected due to failure of a local taxing jurisdiction to hold an election under subdivision (2) of this subsection, such cessation shall take effect on March 1, 2017.

[6.] **5.** On and after the effective date of any local sales tax imposed under the provisions of the local sales tax law, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax, and the director of revenue shall collect in addition to the sales tax for the state of Missouri all additional local sales taxes authorized under the authority of the local sales tax law. All local sales taxes imposed under the local sales tax law together with all taxes imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.

[7.] **6.** All applicable provisions contained in sections 144.010 to 144.525 governing the state sales tax and section 32.057, the uniform confidentiality provision, shall apply to the collection of any local sales tax imposed under the local sales tax law except as modified by the local sales tax law.

[8.] **7.** 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 under the provisions of sections 144.010 to 144.525, as these sections now read and as they may hereafter be amended, it being the intent of this general assembly to ensure that the same sales tax exemptions granted from the state sales tax law also be granted under the local sales tax law, are hereby made applicable to the imposition and collection of all local sales taxes imposed under the local sales tax law.

[9.] **8.** The same sales tax permit, exemption certificate and retail certificate required by sections 144.010 to 144.525 for the administration and collection of the state sales tax shall satisfy the requirements of the local sales tax law, and no additional permit or exemption certificate or retail certificate shall be required; except that the director of revenue may prescribe a form of exemption certificate for an exemption from any local sales tax imposed by the local sales tax law.

[10.] **9.** All discounts allowed the retailer under the provisions of the state sales tax law for the collection of and for payment of taxes under the provisions of the state sales tax law are hereby allowed and made applicable to any local sales tax collected under the provisions of the local sales tax law.

[11.] **10.** The penalties provided in section 32.057 and sections 144.010 to 144.525 for a violation of the provisions of those sections are hereby made applicable to violations of the provisions of the local sales tax law.

[12. (1)] **11.** For the purposes of any local sales tax imposed by an ordinance or order under the local

sales tax law, all sales[, except the sale of motor vehicles, trailers, boats, and outboard motors, 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 his agent 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 agent or employee shall be deemed to be consummated at the place of business from which he works.

(2) For the purposes of any local sales tax imposed by an ordinance or order under the local sales tax law, all sales of motor vehicles, trailers, boats, and outboard motors shall be deemed to be consummated at the residence of the purchaser and not at the place of business of the retailer, or the place of business from which the retailer's agent or employee works.

(3) For the purposes of any local tax imposed by an ordinance or under the local sales tax law on charges for mobile telecommunications services, all taxes of mobile telecommunications service shall be imposed as provided in the Mobile Telecommunications Sourcing Act, 4 U.S.C. Sections 116 through 124, as amended] **shall be sourced as provided by sections 144.040 to 144.043 and section 144.069.**

[13.] **12.** Local sales taxes [imposed pursuant to the local sales tax law on the purchase and sale] **shall not be imposed on the seller** of motor vehicles, trailers, boats, and outboard motors [shall not be collected and remitted by the seller,] **required to be titled under the laws of the state of Missouri**, but shall be collected **from the purchaser** by the director of revenue at the time application is made for a certificate of title, if the address of the applicant is within a taxing entity imposing a local sales tax under the local sales tax law.

[14.] **13.** The director of revenue and any of [his] **the director's** deputies, assistants and employees who have any duties or responsibilities in connection with the collection, deposit, transfer, transmittal, disbursement, safekeeping, accounting, or recording of funds which come into the hands of the director of revenue under the provisions of the local sales tax law shall enter a surety bond or bonds payable to any and all taxing entities in whose behalf such funds have been collected under the local sales tax law in the amount of one hundred thousand dollars for each such tax; but the director of revenue may enter into a blanket bond covering [himself] **the director** and all such deputies, assistants and employees. The cost of any premium for such bonds shall be paid by the director of revenue from the share of the collections under the sales tax law retained by the director of revenue for the benefit of the state.

[15.] **14.** The director of revenue shall annually report on [his] **the director's** management of each trust fund which is created under the local sales tax law and administration of each local sales tax imposed under the local sales tax law.

[He] **The director** shall provide each taxing entity imposing one or more local sales taxes authorized by the local sales tax law with a detailed accounting of the source of all funds received by [him] **the director** for the taxing entity. Notwithstanding any other provisions of law, the state auditor shall annually audit each trust fund. A copy of the director's report and annual audit shall be forwarded to each taxing entity imposing one or more local sales taxes.

[16.] **15.** Within the boundaries of any taxing entity where one or more local sales taxes have been imposed, if any person is delinquent in the payment of the amount required to be paid by [him] **such person** under the local sales tax law or in the event a determination has been made against [him] **such person** for

taxes and penalty under the local sales tax law, the limitation for bringing suit for the collection of the delinquent tax and penalty shall be the same as that provided in sections 144.010 to 144.525. Where the director of revenue has determined that suit must be filed against any person for the collection of delinquent taxes due the state under the state sales tax law, and where such person is also delinquent in payment of taxes under the local sales tax law, the director of revenue shall notify the taxing entity in the event any person fails or refuses to pay the amount of any local sales tax due so that appropriate action may be taken by the taxing entity.

[17.] **16.** Where property is seized by the director of revenue under the provisions of any law authorizing seizure of the property of a taxpayer who is delinquent in payment of the tax imposed by the state sales tax law, and where such taxpayer is also delinquent in payment of any tax imposed by the local sales tax law, the director of revenue shall permit the taxing entity to join in any sale of property to pay the delinquent taxes and penalties due the state and to the taxing entity under the local sales tax law. The proceeds from such sale shall first be applied to all sums due the state, and the remainder, if any, shall be applied to all sums due such taxing entity.

[18.] **17.** If a local sales tax has been in effect for at least one year under the provisions of the local sales tax law and voters approve reimposition of the same local sales tax at the same rate at an election as provided for in the local sales tax law prior to the date such tax is due to expire, the tax so reimposed shall become effective the first day of the first calendar quarter after the director receives a certified copy of the ordinance, order or resolution accompanied by a map clearly showing the boundaries thereof and the results of such election, provided that such ordinance, order or resolution and all necessary accompanying materials are received by the director at least thirty days prior to the expiration of such tax. Any administrative cost or expense incurred by the state as a result of the provisions of this subsection shall be paid by the city or county reimposing such tax.

18. If the boundaries of a city in which a sales tax or use tax has been imposed shall thereafter be changed or altered, the city clerk shall forward to the director of revenue by United States registered mail or certified mail a certified copy of the ordinance adding or detaching territory from the city within ten days of adoption of the ordinance. The ordinance shall reflect the effective date of the ordinance and shall be accompanied by a map of the city clearly showing the territory added or detached from the city boundaries. Upon receipt of the ordinance and map, the tax imposed under the local sales tax law or local use tax law shall be effective in the added territory or abolished in the detached territory on the first day of a calendar quarter after one hundred twenty days' notice to sellers.

19. Any change to any local sales tax or local use tax boundary or rate shall be effective on the first day of a calendar quarter after one hundred twenty days' notice to sellers.

66.620. 1. All county sales taxes collected by the director of revenue under sections 66.600 to 66.630 on behalf of any county[, less one percent for 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 32.087,] shall be deposited in a special trust fund, which is hereby created, to be known as the "County Sales Tax Trust Fund". [The moneys in the county sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county imposing a county sales tax, and the records shall be open to the inspection of officers of the county and the 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 county which levied the tax; such funds shall be deposited with the county treasurer of the county and all expenditures of funds arising from the county sales tax trust fund shall be by an appropriation act to be enacted by the legislative council of the county, and to the cities, towns and villages located wholly or partly within the county which levied the tax in the manner as set forth in sections 66.600 to 66.630.

2. In any county not adopting an additional sales tax and alternate distribution system as provided in section 67.581, for the purposes of distributing the county sales tax, the county shall be divided into two groups, "Group A" and "Group B". Group A shall consist of all cities, towns and villages which are located wholly or partly within the county which levied the tax and which had a city sales tax in effect under the provisions of sections 94.500 to 94.550 on the day prior to the adoption of the county sales tax ordinance, except that beginning January 1, 1980, group A shall consist of all cities, towns and villages which are located wholly or partly within the county which levied the tax and which had a city sales tax approved by the voters of such city under the provisions of sections 94.500 to 94.550 on the day prior to the effective date of the county sales tax. For the purposes of determining the location of consummation of sales for distribution of funds to cities, towns and villages in group A, the boundaries of any such city, town or village shall be the boundary of that city, town or village as it existed on March 19, 1984. Group B shall consist of all cities, towns and villages which are located wholly or partly within the county which levied the tax and which did not have a city sales tax in effect under the provisions of sections 94.500 to 94.550 on the day prior to the adoption of the county sales tax ordinance, and shall also include all unincorporated areas of the county which levied the tax; except that, beginning January 1, 1980, group B shall consist of all cities, towns and villages which are located wholly or partly within the county which levied the tax and which did not have a city sales tax approved by the voters of such city under the provisions of sections 94.500 to 94.550 on the day prior to the effective date of the county sales tax and shall also include all unincorporated areas of the county which levied the tax.

3. Until January 1, 1994, the director of revenue shall distribute to the cities, towns and villages in group A the taxes based on the location in which the sales were deemed consummated under section 66.630 and subsection 12 of section 32.087. Except for distribution governed by section 66.630, after deducting the distribution to the cities, towns and villages in group A, the director of revenue shall distribute the remaining funds in the county sales tax trust fund to the cities, towns and villages and the county in group B as follows: To the county which levied the tax, a percentage of the distributable revenue equal to the percentage ratio that the population of the unincorporated areas of the county bears to the total population of group B; and to each city, town or village in group B located wholly within the taxing county, a percentage of the distributable revenue equal to the percentage ratio that the population of such city, town or village bears to the total population of group B; and to each city, town or village located partly within the taxing county, a percentage of the distributable revenue equal to the percentage ratio that the population of that part of the city, town or village located within the taxing county bears to the total population of group B.

4. From and after January 1, 1994, the director of revenue shall distribute to the cities, towns and villages in group A a portion of the taxes based on the location in which the sales were deemed consummated under section 66.630 and subsection 12 of section 32.087 in accordance with the formula described in this subsection. After deducting the distribution to the cities, towns and villages in group A, the director of revenue shall distribute funds in the county sales tax trust fund to the cities, towns and villages and the county in group B as follows: To the county which levied the tax, ten percent multiplied

by the percentage of the population of unincorporated county which has been annexed or incorporated since April 1, 1993, multiplied by the total of all sales tax revenues countywide, and a percentage of the remaining distributable revenue equal to the percentage ratio that the population of unincorporated areas of the county bears to the total population of group B; and to each city, town or village in group B located wholly within the taxing county, a percentage of the remaining distributable revenue equal to the percentage ratio that the population of such city, town or village bears to the total population of group B; and to each city, town or village located partly within the taxing county, a percentage of the remaining distributable revenue equal to the percentage ratio that the population of that part of the city, town or village located within the taxing county bears to the total population of group B.

5. (1) For purposes of administering the distribution formula of subsection 4 of this section, the revenues arising each year from sales occurring within each group A city, town or village shall be distributed as follows: Until such revenues reach the adjusted county average, as hereinafter defined, there shall be distributed to the city, town or village all of such revenues reduced by the percentage which is equal to ten percent multiplied by the percentage of the population of unincorporated county which has been annexed or incorporated after April 1, 1993; and once revenues exceed the adjusted county average, total revenues shall be shared in accordance with the redistribution formula as defined in this subsection.

(2) For purposes of this subsection, the "adjusted county average" is the per capita countywide average of all sales tax distributions during the prior calendar year reduced by the percentage which is equal to ten percent multiplied by the percentage of the population of unincorporated county which has been annexed or incorporated after April 1, 1993; the "redistribution formula" is as follows: During 1994, each group A city, town and village shall receive that portion of the revenues arising from sales occurring within the municipality that remains after deducting therefrom an amount equal to the cumulative sales tax revenues arising from sales within the municipality multiplied by the percentage which is the sum of ten percent multiplied by the percentage of the population of unincorporated county which has been annexed or incorporated after April 1, 1993, and the percentage, if greater than zero, equal to the product of 8.5 multiplied by the logarithm (to base 10) of the product of 0.035 multiplied by the total of cumulative per capita sales taxes arising from sales within the municipality less the adjusted county average. During 1995, each group A city, town and village shall receive that portion of the revenues arising from sales occurring within the municipality that remains after deducting therefrom an amount equal to the cumulative sales tax revenues arising from sales within the municipality multiplied by the percentage which is the sum of ten percent multiplied by the percentage of the population of unincorporated county which has been annexed or incorporated after April 1, 1993, and the percentage, if greater than zero, equal to the product of seventeen multiplied by the logarithm (to base 10) of the product of 0.035 multiplied by the total of cumulative per capita sales taxes arising from sales within the municipality less the adjusted county average. From January 1, 1996, until January 1, 2000, each group A city, town and village shall receive that portion of the revenues arising from sales occurring within the municipality that remains after deducting therefrom an amount equal to the cumulative sales tax revenues arising from sales within the municipality multiplied by the percentage which is the sum of ten percent multiplied by the percentage of the population of unincorporated county which has been annexed or incorporated after April 1, 1993, and the percentage, if greater than zero, equal to the product of 25.5 multiplied by the logarithm (to base 10) of the product of 0.035 multiplied by the total of cumulative per capita sales taxes arising from sales within the municipality less the adjusted county average. From and after January 1, 2000, the distribution formula covering the period from January 1, 1996, until January 1, 2000, shall continue to apply, except that the percentage computed for sales arising within the municipalities shall be not less than 7.5 percent for municipalities

within which sales tax revenues exceed the adjusted county average, nor less than 12.5 percent for municipalities within which sales tax revenues exceed the adjusted county average by at least twenty-five percent.

(3) For purposes of applying the redistribution formula to a municipality which is partly within the county levying the tax, the distribution shall be calculated alternately for the municipality as a whole, except that the factor for annexed portion of the county shall not be applied to the portion of the municipality which is not within the county levying the tax, and for the portion of the municipality within the county levying the tax. Whichever calculation results in the larger distribution to the municipality shall be used.

(4) Notwithstanding any other provision of this section, the fifty percent of additional sales taxes as described in section 99.845 arising from economic activities within the area of a redevelopment project established after July 12, 1990, pursuant to sections 99.800 to 99.865, while tax increment financing remains in effect shall be deducted from all calculations of countywide sales taxes, shall be distributed directly to the municipality involved, and shall be disregarded in calculating the amounts distributed or distributable to the municipality. Further, any agreement, contract or covenant entered into prior to July 12, 1990, between a municipality and any other political subdivision which provides for an appropriation of incremental sales tax revenues to the special allocation fund of a tax increment financing project while tax increment financing remains in effect shall continue to be in full force and effect and the sales taxes so appropriated shall be deducted from all calculations of countywide sales taxes, shall be distributed directly to the municipality involved, and shall be disregarded in calculating the amounts distributed or distributable to the municipality. In addition, and notwithstanding any other provision of this chapter to the contrary, economic development funds shall be distributed in full to the municipality in which the sales producing them were deemed consummated. Additionally, economic development funds shall be deducted from all calculations of countywide sales taxes and shall be disregarded in calculating the amounts distributed or distributable to the municipality. As used in this subdivision, the term “economic development funds” means the amount of sales tax revenue generated in any fiscal year by projects authorized pursuant to chapter 99 or chapter 100 in connection with which such sales tax revenue was pledged as security for, or was guaranteed by a developer to be sufficient to pay, outstanding obligations under any agreement authorized by chapter 100, entered into or adopted prior to September 1, 1993, between a municipality and another public body. The cumulative amount of economic development funds allowed under this provision shall not exceed the total amount necessary to amortize the obligations involved.

6. If the qualified voters of any city, town or village vote to change or alter its boundaries by annexing any unincorporated territory included in group B or if the qualified voters of one or more city, town or village in group A and the qualified voters of one or more city, town or village in group B vote to consolidate, the area annexed or the area consolidated which had been a part of group B shall remain a part of group B after annexation or consolidation. After the effective date of the annexation or consolidation, the annexing or consolidated city, town or village shall receive a percentage of the group B distributable revenue equal to the percentage ratio that the population of the annexed or consolidated area bears to the total population of group B and such annexed area shall not be classified as unincorporated area for determination of the percentage allocable to the county. If the qualified voters of any two or more cities, towns or villages in group A each vote to consolidate such cities, towns or villages, then such consolidated cities, towns or villages shall remain a part of group A. For the purpose of sections 66.600 to 66.630, population shall be as determined by the last federal decennial census or the latest census that determines the total population of the county and all political subdivisions therein. For the purpose of calculating the

adjustment based on the percentage of unincorporated county population which is annexed after April 1, 1993, the accumulated percentage immediately before each census shall be used as the new percentage base after such census. After any annexation, incorporation or other municipal boundary change affecting the unincorporated area of the county, the chief elected official of the county shall certify the new population of the unincorporated area of the county and the percentage of the population which has been annexed or incorporated since April 1, 1993, to the director of revenue. After the adoption of the county sales tax ordinance, any city, town or village in group A may by adoption of an ordinance by its governing body cease to be a part of group A and become a part of group B. Within ten days after the adoption of the ordinance transferring the city, town or village from one group to the other, the clerk of the transferring city, town or village shall forward to the director of revenue, by registered mail, a certified copy of the ordinance. Distribution to such city as a part of its former group shall cease and as a part of its new group shall begin on the first day of January of the year following notification to the director of revenue, provided such notification is received by the director of revenue on or before the first day of July of the year in which the transferring ordinance is adopted. If such notification is received by the director of revenue after the first day of July of the year in which the transferring ordinance is adopted, then distribution to such city as a part of its former group shall cease and as a part of its new group shall begin the first day of July of the year following such notification to the director of revenue. Once a group A city, town or village becomes a part of group B, such city may not transfer back to group A.

7. If any city, town or village shall hereafter change or alter its boundaries, the city clerk of the municipality shall forward to the director of revenue, by registered mail, a certified copy of the ordinance adding or detaching territory from the municipality. The ordinance shall reflect the effective date thereof, and shall be accompanied by a map of the municipality clearly showing the territory added thereto or detached therefrom. Upon receipt of the ordinance and map, the tax imposed by sections 66.600 to 66.630 shall be redistributed and allocated in accordance with the provisions of this section on the effective date of the change of the municipal boundary so that the proper percentage of group B distributable revenue is allocated to the municipality in proportion to any annexed territory. If any area of the unincorporated county elects to incorporate subsequent to the effective date of the county sales tax as set forth in sections 66.600 to 66.630, the newly incorporated municipality shall remain a part of group B. The city clerk of such newly incorporated municipality shall forward to the director of revenue, by registered mail, a certified copy of the incorporation election returns and a map of the municipality clearly showing the boundaries thereof. The certified copy of the incorporation election returns shall reflect the effective date of the incorporation. Upon receipt of the incorporation election returns and map, the tax imposed by sections 66.600 to 66.630 shall be distributed and allocated in accordance with the provisions of this section on the effective date of the incorporation.

8. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county abolishes the tax, the county shall notify the director of revenue of the action at least ninety days prior to 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 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 tax in such county, the director of revenue shall remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the

county.

9. Except as modified in sections 66.600 to 66.630, all provisions of sections 32.085 and 32.087 shall apply to the tax imposed under sections 66.600 to 66.630.

67.395. 1. All sales taxes collected by the director of revenue under sections 67.391 to 67.395 on behalf of any county[, less one percent for 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 32.087] shall be deposited with the state treasurer in a special trust fund, which is hereby created, to be known as the "County AntiDrug Sales Tax Trust Fund". [The moneys in the county antidrug sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county imposing a sales tax under sections 67.391 to 67.395, and the records shall be open to the inspection of officers of the county and the 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 county which levied the tax. Such funds shall be deposited with the county treasurer of each such county, and all expenditures of funds arising from the county antidrug sales tax trust fund shall be by an appropriation act to be enacted by the governing body of each such county.

2. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county abolishes the tax, the county shall notify the director of revenue of the action at least ninety days prior to 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 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 tax in such county, the director of revenue shall authorize the state treasurer to remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

3. Except as modified in sections 67.391 to 67.395, all provisions of sections 32.085 [and] **to** 32.087 shall apply to the tax imposed under sections 67.391 to 67.395.

67.525. 1. All county sales taxes collected by the director of revenue under sections 67.500 to 67.545 on behalf of any county[, less one percent for 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 32.087,] shall be deposited with the state treasurer in a county sales tax trust fund, which fund shall be separate and apart from the county sales tax trust fund established by section 66.620. [The moneys in such county sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county imposing a county sales tax, and the records shall be open to the inspection of officers of the county and to the 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 by distributing to the county treasurer, or such other officer as may be designated by the county ordinance or order, of each county imposing the tax authorized by sections 67.500 to 67.545, the sum due the county as certified by the director of revenue.

2. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county abolishes the tax, the county shall notify the director of revenue of the action at least ninety days prior to 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 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 tax in such county, the director of revenue shall authorize the state treasurer to remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

3. Except as modified in sections 67.500 to 67.545, all provisions of sections 32.085 [and] to 32.087 shall apply to the tax imposed under sections 67.500 to 67.545.

67.571. 1. The governing body of any county of the first classification with a population of more than eighty-two thousand inhabitants and less than ninety thousand inhabitants may, in addition to any tourism sales tax imposed pursuant to sections 67.671 to 67.685, by a majority vote, impose a sales tax for the funding of museums and festivals. For purposes of this section, the term “funding of museums and festivals” shall mean:

(1) Funding of museums operating in the county, which are registered with the United States Internal Revenue Service as a 501(C)(3) corporation and which are considered by the board to be tourism attractions; and

(2) Funding of organizations that are registered as 501(C)(3) corporations which promote cultural heritage tourism including festivals and the arts.

2. Any question submitted to the voters of such county to establish a sales tax pursuant to this section shall be submitted in substantially the following form:

Shall the county of (insert the name of the county) impose a sales tax of (insert rate of percent) percent to be used to fund (museums, cultural heritage, festivals) in certain areas of the county?

YES

NO

3. If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal, and the tax takes effect pursuant to this section, the museums and festivals board appointed pursuant to subsection 5 of this section shall determine in what manner the tax revenue moneys will be expended, and disbursements of these moneys shall be made strictly in accordance with directions of the board which are consistent with the provisions of sections 67.571 to 67.577. Expenditures of these tax moneys may be made for the employment of personnel selected by the board to assist in carrying out the duties of the board, and the board is expressly authorized to employ such personnel. Expenditures of these tax moneys may be made directly to corporations pursuant to subsection 1 of this section. No such tax revenue moneys shall be disbursed to or on behalf of any corporation, organization or entity that is not duly registered with the Internal Revenue Service as a 501(C)(3) organization.

4. Any sales tax imposed pursuant to this section shall be imposed at a rate not to exceed two-tenths of one percent on receipts from the sale of certain tangible personal property or taxable services within the county pursuant to sections 67.571 to 67.577.

5. The governing body of any county which imposes a sales tax pursuant to this section may establish a museums and festivals board for the purpose of expending funds collected from any sales tax submitted and approved by the county's voters pursuant to this section. The board shall be comprised of six members who are appointed by the governing body of the county from a list of candidates supplied by the chair of each of the two major political parties of the county. The board shall be comprised of three members from each of the two political parties. Members shall serve for three-year terms, but of the members first appointed, one shall be appointed for a term of one year, two shall be appointed for a term of two years, and two shall be appointed for a term of three years. Each member shall be a resident of the county from which he or she is appointed. The members of the board shall not receive compensation for service on the board, but shall be reimbursed from the tax revenue money for any reasonable and necessary expenses incurred in service on the board.

6. In the area of each county in which a sales tax has been imposed in the manner provided by sections 67.571 to 67.577, every retailer within such area shall add the tax imposed by the provisions of sections 67.571 to 67.577 to his sale price, and this tax 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.

7. In counties imposing a tax under the provisions of sections 67.571 to 67.577, in order to permit sellers required to collect and report the sales tax to collect the amount required to be reported and remitted, but not to change the requirements of reporting or remitting the tax, or to serve as a levy of the tax, and in order to avoid fractions of pennies, the governing body may authorize the use of a bracket system similar to that authorized by the provisions of section 144.285, and notwithstanding the provisions of that section, this new bracket system shall be used where this tax is imposed and shall apply to all taxable transactions.

8. Except as modified in this section, all provisions of sections 32.085 to 32.087 shall apply to the tax imposed under this section.

67.576. 1. The following provisions shall govern the collection of the tax imposed by the provisions of sections 67.571 to 67.577:

(1) All applicable provisions contained in sections 144.010 to 144.510 governing the state sales tax and section 32.057, the uniform confidentiality provision, shall apply to the collection of the tax imposed by the provisions of sections 67.571 to 67.577;

(2) All exemptions granted to agencies of government, organizations, and persons under the provisions of sections 144.010 to 144.510 are hereby made applicable to the imposition and collection of the tax imposed by sections 67.571 to 67.577.

2. The same sales tax permit, exemption certificate and retail certificate required by sections 144.010 to 144.510 for the administration and collection of the state sales tax shall satisfy the requirements of sections 67.571 to 67.577, and no additional permit or exemption certificate or retail certificate shall be required; except that, the director of revenue may prescribe a form of exemption certificate for an exemption from the tax imposed by sections 67.571 to 67.577.

3. All discounts allowed the retailer pursuant to the provisions of the state sales tax law for the collection of and for payment of taxes pursuant to that act are hereby allowed and made applicable to any taxes collected pursuant to the provisions of sections 67.571 to 67.577.

4. The penalties provided in section 32.057 and sections 144.010 to 144.510 for a violation of those acts are hereby made applicable to violations of the provisions of sections 67.571 to 67.577.

5. [For the purposes of the sales tax imposed by an order pursuant to sections 67.571 to 67.577, all retail sales shall be deemed to be consummated at the place of business of the retailer] **Except as provided in sections 67.571 to 67.577, all provisions of sections 32.085 to 32.087 shall apply to the tax imposed under sections 67.571 to 67.577.**

67.578. 1. The governing authority of any county of the third classification without a township form of government and with more than sixteen thousand four hundred but less than sixteen thousand five hundred inhabitants may impose a sales tax in an amount not to exceed one-fifth of one percent on all retail sales made in the county which are subject to taxation pursuant to sections 144.010 to 144.525, to be used solely for the funding of museums. For purposes of this section, the term “museums” means museums operating in the county, which are registered with the United States Internal Revenue Service as a 501(c)(3) corporation and which are considered by the board to be a tourism attraction. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no sales tax shall be imposed pursuant to this section unless the governing authority submits to the voters of the county, at a county or state general, primary, or special election, a proposal to authorize the governing authority to impose the tax.

2. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the county of (insert the name of the county) impose a sales tax of (insert rate of percent) percent for the funding of museums? “Museums” means museums operating in the county, which are registered with the United States Internal Revenue Service as a 501(c)(3) corporation and which are considered by the museum board to be a tourism attraction.

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 voting thereon are in favor of the proposal, then the sales tax shall become effective on the first day of the second calendar quarter after the director of revenue receives notice of the adoption of the tax. If the proposal receives less than the required majority of votes, then the governing authority shall have no power to impose the tax unless and until the governing authority has again submitted another proposal to authorize the governing authority to impose the sales tax authorized by this section and such proposal is approved by the required majority of the qualified voters voting thereon.

3. On or after the effective date of the tax, the director of revenue shall be responsible for the administration, collection, enforcement, and operation of the tax, and sections 32.085 [and] **to** 32.087 shall apply. The director may retain an amount not to exceed one percent for deposit in the general revenue fund to offset the costs of collection. In order to permit sellers required to collect and report the sales tax to collect the amount required to be reported and remitted, but not to change the requirements of reporting or remitting the tax, or to serve as a levy of the tax, and in order to avoid fractions of pennies, the governing authority may authorize the use of a bracket system similar to that authorized in section 144.285, and notwithstanding the provisions of that section, this new bracket system shall be used where this tax is imposed and shall apply to all taxable transactions. Beginning with the effective date of the tax, every retailer in the county shall add the sales tax to the sale price, and this tax 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. For purposes of this section, all retail sales shall be deemed to be consummated at the place of business of the retailer.

4. All applicable provisions in sections 144.010 to 144.525 governing the state sales tax, and section 32.057, the uniform confidentiality provision, shall apply to the collection of the tax, and all exemptions granted to agencies of government, organizations, and persons pursuant to sections 144.010 to 144.525 are hereby made applicable to the imposition and collection of the tax. The same sales tax permit, exemption certificate, and retail certificate required by sections 144.010 to 144.525 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 director of revenue may prescribe a form of exemption certificate for an exemption from the tax. All discounts allowed the retailer pursuant to the state sales tax law for the collection of and for payment of taxes are hereby allowed and made applicable to the tax. The penalties for violations provided in section 32.057 and sections 144.010 to 144.525 are hereby made applicable to violations of this section. If any person is delinquent in the payment of the amount required to be paid pursuant to this section, or in the event a determination has been made against the person for taxes and penalty pursuant to this section, the limitation for bringing suit for the collection of the delinquent tax and penalty shall be the same as that provided in sections 144.010 to 144.525.

5. The governing authority may authorize any museum board already existing in the county, or may establish a museum board, to expend revenue collected pursuant to this section. In the event that no museum board already exists, the board established pursuant to this section shall consist of six members who are appointed by the governing authority from a list of candidates supplied by the chair of each of the two major political parties of the county, with three members from each of the two parties. Members shall serve for three-year terms, but of the members first appointed, [one] **two** shall be appointed for a term of one year, two shall be appointed for a term of two years, and two shall be appointed for a term of three years. Each member shall be a resident of the county. The members shall not receive compensation for service on the board, but shall be reimbursed from the revenues collected pursuant to this section for any reasonable and necessary expenses incurred in service on the board. The board shall determine in what manner the revenues will be expended, and disbursements of these moneys shall be made strictly in accordance with this section. Expenditures may be made for the employment of personnel selected by the board to assist in carrying out the duties of the board, and the board is expressly authorized to employ such personnel.

6. The governing authority may submit the question of repeal of the tax to the voters at any county or state general, primary, or special election. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the county of (insert name of county) repeal the sales tax of (insert rate of percent) percent for the funding of museums?

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 are in favor of repeal, that repeal shall become effective on December thirty-first of the calendar year in which the repeal was approved.]

67.581. 1. In addition to the sales tax permitted by sections 66.600 to 66.630, any county of the first class having a charter form of government and having a population of nine hundred thousand or more may impose an additional countywide sales tax upon approval by a vote of the qualified voters of the county. The

proposal may be submitted to the voters by the governing body of the county and shall be submitted to the voters at the next general election upon petitions signed by a number of qualified voters residing in the county equal to at least eight percent of the votes cast in the county in the next preceding gubernatorial election filed with the governing body of the county. The submission shall include the levying of a sales tax at a rate of not to exceed two hundred seventy-five one-thousandths of one percent on the receipts from the sale at retail of all tangible personal property or taxable services within the county which are also taxable under the provisions of sections 66.600 to 66.630, and shall provide for the distribution of the proceeds in the manner provided in either subsection 4 or subsection 5 of this section. If either of the alternative distribution systems as provided in subsection 4 or subsection 5 of this section is approved by the voters, then the alternative system of distribution may not be submitted to the voters for at least three years from the date of such voter approval.

2. The ballot of submission shall contain, but is not limited to, the following language:

Shall the County of levy an additional sales tax at the rate of (insert rate) and distribute the proceeds in the manner provided in (insert proper reference) (subsection 4)(subsection 5) of section 67.581, RSMo?

YES

NO

If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal, the additional sales tax shall be levied and collected and the proceeds from the additional tax shall be distributed as provided in either subsection 4 or subsection 5 of this section. If a majority of the votes cast by the qualified voters voting thereon are opposed to the proposal, then the governing body of the county shall have no power to impose the additional sales tax authorized by this section unless and until a proposal for the levy of such tax is submitted to and approved by the voters of the county.

3. The provisions of sections 66.600 to 66.630 and sections 32.085 [and] **to** 32.087, except to the extent otherwise provided in this section, shall govern the levy, collection, distribution and other procedures related to an additional sales tax imposed pursuant to this section.

4. In any county adopting an additional sales tax pursuant to the provisions of this section, and selecting the method of distribution provided in this subsection, the proceeds from the sales tax imposed pursuant to this section, less one percent collection cost, shall be distributed first to those municipalities that did not receive during the preceding calendar year ninety-five percent of the amount the municipality would have received by multiplying the population of the municipality by the average per capita sales tax receipt for such county in an amount which will bring each municipality receipt of sales tax moneys up to ninety-five percent of the average per capita receipts from the proceeds of the sales tax imposed pursuant to sections 66.600 to 66.630. Any remainder of the money received from the sales tax imposed pursuant to this section shall be distributed to all municipalities on the ratio that the population of each municipality bears to the total population of the county. The average per capita sales tax distribution shall be calculated by dividing the sum of the total sales tax revenue derived from the tax imposed pursuant to sections 66.600 to 66.630 by the total population of the county. Population of each municipality, of the unincorporated area of the county, and the total population of the county shall be determined on the basis of the most recent federal decennial census. For the purposes of this subsection, any city, town, village or the unincorporated area of the county shall be considered a municipality.

5. In any county adopting an additional sales tax pursuant to the provisions of this section and selecting

the method of distribution provided in this subsection, the proceeds from the sales tax imposed pursuant to this section, less one percent collection cost, shall be distributed to all cities, towns and villages, and the unincorporated areas of the county in group B and to such cities, towns and villages in group A as necessary so that no city, town, or village in group A receives from the combined proceeds of both the sales tax imposed pursuant to this section and the sales tax imposed pursuant to sections 66.600 to 66.630, less than the per capita amount received by the cities, towns and villages and the unincorporated area of the county in group B receives from the total proceeds from both sales taxes.

6. The governing body of any county which is imposing a sales tax under the provisions of sections 66.600 to 66.630 may on its own motion and shall, upon petitions filed with the governing body of the county signed by a number of qualified voters residing in the county equal to at least eight percent of the votes cast in the county at the next preceding gubernatorial election, submit to the qualified voters of the county a proposal to change the method of distribution of sales tax proceeds from the manner provided in subsection 2 of section 66.620 to the method provided in this subsection. The ballot of submission shall be in substantially the following form:

Shall the proceeds from the county sales tax be distributed among the county of and the various cities, towns and villages therein in the manner provided in subdivisions (1) and (2) of subsection 6 of section 67.581, RSMo, in lieu of the present manner of distribution?

YES

NO

If a majority of the votes cast on the proposal by the qualified voters of the county voting thereon are in favor of the proposal, the sales tax imposed by the county under the provisions of sections 66.600 to 66.630 shall be distributed in the manner provided in this subsection and not in the manner provided in subsection 2 of section 66.620. If a majority of the votes cast by the qualified voters of the county voting thereon are opposed to the proposal, then the governing body of the county shall have no power to order the proceeds from the sales tax imposed pursuant to the provisions of sections 66.600 to 66.630 in the manner provided in this subsection in lieu of the method provided in subsection 2 of section 66.620, unless and until a proposal authorizing such method of distribution is submitted to and approved by the voters of the county. If the voters approve the change in the method of distribution of the sales tax proceeds in the manner provided in this subsection, the county clerk of the county shall notify the director of revenue of the change in the method of distribution within ten days after adoption of the proposal and shall inform the director of the effective date of the change in the method of distribution, which shall be on the first day of the third calendar quarter after the director of revenue receives notice. After the effective date of the change in the manner of distribution, the director of revenue shall distribute the proceeds of the sales tax imposed by such county under the provisions of sections 66.600 to 66.630 in the manner provided in this subsection in lieu of the manner of distribution provided in subsection 2 of section 66.620. The proceeds of the sales tax imposed under the provisions of sections 66.600 to 66.630 in any county which elects to have the proceeds distributed in the manner provided in this subsection shall be distributed in the following manner:

(1) The proceeds from the sales taxes shall be distributed to the cities, towns and villages in group A and to the cities, towns and villages, and the county in group B as defined in section 66.620 in the manner provided in subsection 2 of section 66.620, until an amount equal to the total amount distributed under section 66.620, for the twelve-month period immediately preceding the effective date of the tax levied pursuant to the provisions of this section has been distributed;

(2) All moneys received in excess of the total amount distributed under section 66.620 for the

twelve-month period immediately preceding the effective date of the tax levied pursuant to the provisions of this section shall be distributed to all cities, towns and villages and to the county on the basis that the population of each city, town or village, and in the case of the county the basis that the population of the unincorporated area of the county, bears to the total population of the county. The average per capita sales tax distribution shall be calculated by dividing the sum of the remaining amount of the total sales tax revenues by the total population of the county. Population of each city, town or village, of the unincorporated area of the county, and the total population of the county shall be determined on the basis of the most recent federal decennial census.

7. No municipality incorporated after the adoption of the tax authorized by this section shall be included as other than part of the unincorporated area of the county nor receive any share of either the proceeds from the tax levied pursuant to the provisions of this section or the tax levied pursuant to the provisions of sections 66.600 to 66.630 unless, at the time of incorporation, such municipality had a population of ten thousand or more.

8. The county sales tax imposed pursuant to this section on the purchase and sale of motor vehicles shall not be collected and remitted by the seller, but shall be collected by the director of revenue at the time application is made for a certificate of title, if the address of the applicant is within the county imposing the additional sales tax. [The amounts so collected, less one percent collection cost, shall be deposited in the county sales tax trust fund to be distributed in accordance with section 66.620. The purchase or sale of motor vehicles shall be deemed to be consummated at the address of the applicant for a certificate of title.]

9. No tax shall be imposed pursuant to this section for the purpose of funding in whole or in part the construction, operation or maintenance of a sports stadium, field house, indoor or outdoor recreational facility, center, playing field, parking facility or anything incidental or necessary to a complex suitable for any type of professional sport, either upon, above or below the ground.

10. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county abolishes the tax, the county shall notify the director of revenue of the action at least ninety days prior to 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 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 tax in such county, the director of revenue shall remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

67.582. 1. The governing body of any county, except a county of the first class with a charter form of government with a population of greater than four hundred thousand 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 county which are subject to taxation under the provisions of sections 144.010 to 144.525 for the purpose of providing law enforcement services for such county. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales tax under the provisions of this section shall be effective unless the governing body of the county submits to the voters of the county, at a county or state general, primary or special election, a proposal to

authorize the governing body of the county to impose a tax.

2. The ballot of submission shall contain, but need not be limited to, the following language:

(1) If the proposal submitted involves only authorization to impose the tax authorized by this section the ballot shall contain substantially the following:

Shall the county of (county’s name) impose a countywide sales tax of (insert amount) for the purpose of providing law enforcement services for the county?

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”; or

(2) If the proposal submitted involves authorization to enter into agreements to form a regional jail district and obligates the county to make payments from the tax authorized by this section the ballot shall contain substantially the following:

Shall the county of (county’s name) be authorized to enter into agreements for the purpose of forming a regional jail district and obligating the county to impose a countywide sales tax of (insert amount) to fund dollars of the costs to construct a regional jail and to fund the costs to operate a regional jail, with any funds in excess of that necessary to construct and operate such jail to be used for law enforcement purposes?

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 voting thereon are in favor of the proposal submitted pursuant to subdivision (1) of this subsection, then the ordinance or order and any amendments thereto shall be in effect [on the first day of the second quarter immediately following the election approving the proposal] **as provided by section 32.087**. If the constitutionally required percentage of the voters voting thereon are in favor of the proposal submitted pursuant to subdivision (2) of this subsection, then the ordinance or order and any amendments thereto shall be in effect [on the first day of the second quarter immediately following the election approving the proposal] **as provided by section 32.087**. If a proposal receives less than the required majority, then the governing body of the county shall have no power to impose the sales tax herein authorized unless and until the governing body of the county shall again have submitted another proposal to authorize the governing body of the county to impose the sales tax authorized by this section and such proposal is approved by the required majority of the qualified voters voting thereon. However, in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve months from the date of the last proposal pursuant to this section.

3. All revenue received by a county from the tax authorized under the provisions of this section shall be deposited in a special trust fund and shall be used solely for providing law enforcement services for such county for so long as the tax shall remain in effect. Revenue placed in the special trust fund may also be utilized for capital improvement projects for law enforcement facilities and for the payment of any interest and principal on bonds issued for said capital improvement projects.

4. Once the tax authorized by this section is abolished or is terminated by any means, all funds

remaining in the special trust fund shall be used solely for providing law enforcement services for the county. Any funds in such special trust fund which are not needed for current expenditures may be invested by the governing body in accordance with applicable laws relating to the investment of other county funds.

5. All sales taxes collected by the director of revenue under this section on behalf of any county[, less one percent for 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 32.087,] shall be deposited in a special trust fund, which is hereby created, to be known as the "County Law Enforcement Sales Tax Trust Fund". [The moneys in the county law enforcement sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the trust and which was collected in each county imposing a sales tax under this section, and the records shall be open to the inspection of officers of the county and the 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 county which levied the tax; such funds shall be deposited with the county treasurer of each such county, and all expenditures of funds arising from the county law enforcement sales tax trust fund shall be by an appropriation act to be enacted by the governing body of each such county. Expenditures may be made from the fund for any law enforcement functions authorized in the ordinance or order adopted by the governing body submitting the law enforcement tax to the voters.

6. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county abolishes the tax, **the repeal of such tax shall become effective as provided in section 32.087.** The county shall notify the director of revenue of the action at least ninety days prior to 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 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 tax in such county, the director of revenue shall remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

7. Except as modified in this section, all provisions of sections 32.085 [and] to 32.087 shall apply to the tax imposed under this section.

67.583. 1. The governing body of any county of the second class with a population of more than forty thousand but less than sixty thousand and which contains institutions operated by the department of corrections and by the department of mental health is hereby authorized to impose, by ordinance or order, a sales tax in the amount of one-eighth of one percent on all retail sales made in such county which are subject to taxation under the provisions of sections 144.010 to 144.525. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law; provided, however, that no ordinance or order imposing a sales tax under the provisions of this section shall be effective unless the governing body of the county submits to the voters of the county, at a county or state general, primary or special election, a proposal to authorize the governing body of the county to impose a tax.

2. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the county of (county's name) impose a countywide sales tax of (insert amount) for the purpose of providing retirement and health care benefits for county employees and their dependents?

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 voting thereon are in favor of the proposal, then the ordinance or order and any amendments thereto shall be in effect. If a majority of the votes cast by the qualified voters voting are opposed to the proposal, then the governing body of the county shall have no power to impose the sales tax herein authorized unless and until the governing body of the county shall again have submitted another proposal to authorize the governing body of the county to impose the sales tax authorized by this section and such proposal is approved by a majority of the qualified voters voting thereon. However, in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve months from the date of the last proposal pursuant to this section.

3. All revenue received by a county from the tax authorized under the provisions of this section shall be deposited in a special trust fund and shall be used solely for providing retirement and health care benefits for county employees and their dependents.

4. All sales taxes collected by the director of revenue under this section on behalf of any county[, less one percent for 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 32.087,] shall be deposited in a special trust fund, which is hereby created, to be known as the “County Employee Benefit Sales Tax Trust Fund”. [The moneys in the county employee benefit sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the trust and which was collected in each county imposing a sales tax under this section, and the records shall be open to the inspection of officers of the county and the 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 county which levied the tax. Such funds shall be deposited with the county treasurer of each such county, and all expenditures of funds arising from the county employee benefit sales tax trust fund shall be for the provision of retirement benefits or health care benefits for employees of the county and their dependents and for no other purpose.

5. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county abolishes the tax, the county shall notify the director of revenue of the action at least ninety days prior to 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 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 tax in such county, the director of revenue shall remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

6. Except as modified in this section, all provisions of sections 32.085 [and] to 32.087 shall apply to the tax imposed under this section.

67.584. 1. The governing body of any county of the first classification with more than one hundred

ninety-eight thousand but less than one hundred ninety-eight thousand two hundred inhabitants is hereby authorized to impose, by ordinance or order, a sales tax in the amount of up to one-half percent on all retail sales made in such county which are subject to taxation pursuant to sections 144.010 to 144.525 for the purpose of providing law enforcement services for such county. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales tax pursuant to this section shall be effective unless the governing body of the county submits to the voters of the county, at a county or state general, primary, or special election, a proposal to authorize the governing body of the county to impose a tax.

2. If the proposal submitted involves only authorization to impose the tax authorized by this section, the ballot of submission shall contain, but need not be limited to, the following language:

Shall the county of (county’s name) impose a countywide sales tax of (insert amount) for the purpose of providing law enforcement services for the county?

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 voting thereon are in favor of the proposal submitted pursuant to this subsection, then the ordinance or order and any amendments thereto shall be in effect [on the first day of the second quarter immediately following the election approving the proposal] **as provided by section 32.087**. If a proposal receives less than the required majority, then the governing body of the county shall have no power to impose the sales tax herein authorized unless and until the governing body of the county shall again have submitted another proposal to authorize the governing body of the county to impose the sales tax authorized by this section and such proposal is approved by the required majority of the qualified voters voting thereon. However, in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve months from the date of the last proposal pursuant to this section.

3. Twenty-five percent of the revenue received by a county treasurer from the tax authorized pursuant to this section shall be deposited in a special trust fund and shall be used solely by a prosecuting attorney’s office for such county for so long as the tax shall remain in effect. The remainder of revenue shall be deposited in the county law enforcement sales tax trust fund established pursuant to section 67.582 of the county levying the tax pursuant to this section. The revenue derived from the tax imposed pursuant to this section shall be used for public law enforcement services only. No revenue derived from the tax imposed pursuant to this section shall be used for any private contractor providing law enforcement services or for any private jail.

4. Once the tax authorized by this section is abolished or is terminated by any means, all funds remaining in the prosecuting attorney’s trust fund shall be used solely by a prosecuting attorney’s office for the county. Any funds in such special trust fund which are not needed for current expenditures may be invested by the governing body in accordance with applicable laws relating to the investment of other county funds.

5. All sales taxes collected by the director of revenue pursuant to this section on behalf of any county[, less one percent for 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 32.087,] shall be deposited in a special trust

fund, which is hereby created, to be known as the “County Prosecuting Attorney’s Office Sales Tax Trust Fund” or in the county law enforcement sales tax trust fund, pursuant to the deposit ratio in subsection 3 of this section. [The moneys in the trust funds shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the trusts and which was collected in each county imposing a sales tax pursuant to this section, and the records shall be open to the inspection of officers of the county and the public. Not later than the tenth day of each month the director of revenue shall distribute all moneys deposited in the trust funds during the preceding month to the county which levied the tax; such funds shall be deposited with the county treasurer of each such county, and all expenditures of funds arising from either trust fund shall be by an appropriation act to be enacted by the governing body of each such county. Expenditures may be made from the funds for any functions authorized in the ordinance or order adopted by the governing body submitting the tax to the voters.

6. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust funds and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county abolishes the tax, **the repeal of such tax shall become effective as provided in section 32.087.** The county 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 appropriate 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 overpayments of the 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 tax in such county, the director of revenue shall remit the balance in the account to the county and close the account of that county established pursuant to this section. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

7. Except as modified in this section, all provisions of sections 32.085 [and] **to 32.087** shall apply to the tax imposed pursuant to this section.

67.712. 1. All sales taxes collected by the director of revenue under sections 67.700 to 67.727 on behalf of any county[, 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 32.087,] shall be deposited with the state treasurer in a special trust fund, which is hereby created, to be known as the “County Alternate Sales Tax Trust Fund”. [The moneys in the county alternate sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county imposing a sales tax under sections 67.700 to 67.727, and the records shall be open to the inspection of officers of each county 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 by distributing to the county treasurer, or such other officer as may be designated by the county ordinance or order, of each county imposing the tax authorized by sections 67.700 to 67.727, the sum, as certified by the director of revenue, due the county.

2. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county repeals the tax authorized by sections 67.700 to 67.727, the county shall notify the director of revenue of the action at least

ninety days prior to the effective date of the repeal and **the repeal shall be effective as provided in section 32.087**. 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 such 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 repeal of the tax authorized by sections 67.700 to 67.727 in such county, the director of revenue shall authorize the state treasurer to remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

3. Except as modified in sections 67.700 to 67.727, all provisions of sections 32.085 [and] **to 32.087** shall apply to the tax imposed under sections 67.700 to 67.727.

67.713. 1. Notwithstanding the provisions of section 67.712, as to the disposition of any other sales tax imposed under the provisions of sections 67.700 to 67.727, one-fifth of the sales taxes collected by the director of revenue from the tax authorized by section 67.701 on behalf of any county of the first class having a charter form of government and having a population of nine hundred thousand or more[, less one percent for cost of collection, which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in sections 67.700 to 67.727,] shall be deposited in a special trust fund, which is hereby created, to be known as the "County-Municipal Storm Water and Public Works Sales Tax Trust Fund". [The moneys in the county-municipal storm water and public works sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county and the records shall be open to the inspection of officers of the county and of the municipalities within the county and the public. Not later than the tenth day of each month, the director of the department of revenue shall distribute all moneys deposited in the county-municipal storm water and public works sales tax trust fund during the preceding month to the county which levied the tax, and the municipalities which are located wholly or partially within such county as follows:

(1) The county which levied the sales tax shall receive a percentage of the distributable revenue equal to the percentage ratio that the population of the unincorporated areas of the county bears to the total population of the county;

(2) Each municipality located wholly within the county which levied the tax shall receive a percentage of the distributable revenue equal to the percentage ratio that the population of such municipality bears to the total population of the county; and

(3) Each municipality located partially within the county which levied the tax shall receive a percentage of the distributable revenue equal to the percentage ratio that the population of that part of the municipality located within the county bears to the total population of the county.

2. The director of revenue may make refunds from the amounts in the county-municipal storm water and public works sales tax trust fund and credited to any county or municipality for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such county or municipality. If any county abolishes the tax, the county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and **the repeal shall be effective as provided by section 32.087**. The director of revenue may order retention in the county-municipal storm water and public works sales tax 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 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 tax in such county, the director of revenue shall remit the balance in the account to the county or municipality and close the account of that county or municipality. The director of revenue shall notify each county or municipality of each instance of any amount refunded or any check redeemed from receipts due the county or municipality.

3. If the governing body of any municipality located wholly or partially within the county so requests by resolution, no funds shall be expended from the proceeds of any tax imposed under section 67.701 within the corporate boundaries of the requesting municipality for the construction, reconstruction or widening of any road established or to be established pursuant to section 137.558, the total cost of which exceeds one hundred thousand dollars unless: (a) a public hearing is first held at a place near such proposed action; and (b) plans and specifications of such proposed action are prepared and a cost-benefit analysis prepared in accordance with accepted accounting principles of such proposed action is presented to such public hearing. Such cost-benefit analysis and its work papers shall be a public document and subject to inspection as provided in chapter 610. The provisions of this subsection shall not apply to proposed projects in unincorporated areas of the county.

67.729. 1. Any county except any first class county having a charter form of government and having a population of nine hundred thousand or more may, in the same manner and by the same procedure and subject to the same penalties as set out in sections 67.700 to 67.727, impose a sales tax of not more than one-tenth of one percent for the purpose of funding storm water control and public works projects other than stadiums or other sports facilities. This sales tax shall be in addition to any other sales tax authorized by law.

2. Notwithstanding the provisions of section 67.712 as to the disposition of any other sales tax imposed under the provisions of sections 67.700 to 67.727, all sales taxes collected by the director of revenue from the tax authorized by this section on behalf of any county[, less one percent for 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 32.087,] shall be deposited with the state treasurer in a special trust fund, which is hereby created, to be known as the "County Storm Water and Public Works Sales Tax Trust Fund". [The moneys in the county storm water and public works sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county imposing a sales tax under this section and the records shall be open to the inspection of officers of the county and the public. Not later than the tenth day of each month the director of revenue shall distribute all moneys deposited in the county storm water and public works sales tax trust fund during the preceding month to the county which levied the tax, and the municipalities which are located wholly or partially within such county as follows:

(1) The county which levied the sales tax shall receive a percentage of the distributable revenue equal to the percentage ratio that the population of the unincorporated areas of the county bears to the total population of the county;

(2) Each municipality located wholly within the county which levied the tax shall receive a percentage of the distributable revenue equal to the percentage ratio that the population of such municipality bears to the total population of the county; and

(3) Each municipality located partially within the county which levied the tax shall receive a percentage of the distributable revenue equal to the percentage ratio that the population of that part of the municipality

located within the county bears to the total population of the county.

3. The director of revenue may authorize the state treasurer to make refunds from the amounts in the county storm water and public works sales tax trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county abolishes the tax, the county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and **the repeal shall be effective as provided by section 32.087**. The director of revenue may order retention in the county storm water and public works sales tax 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 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 tax in such county, the director of revenue shall authorize the state treasurer to remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

67.737. Except as modified in sections 67.730 to 67.739, all provisions of sections 32.085 [and] to 32.087 shall apply to the tax imposed under sections 67.730 to 67.739.

67.738. 1. All sales taxes collected by the director of revenue under sections 67.730 to 67.739 on behalf of any county[, 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 32.087,] shall be deposited with the state treasurer in a special trust fund, which is hereby created, to be known as the "County Capital Improvement Bond Sales Tax Trust Fund". [The moneys in the county capital improvement bond sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county imposing a sales tax under sections 67.730 to 67.739, and the records shall be open to the inspection of officers of each county 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 by distributing to the county treasurer, or such other officer as may be designated by the county ordinance or order, of each county imposing the tax authorized by sections 67.730 to 67.739, the sum, as certified by the director of revenue, due the county.

2. The director of revenue may authorize the state treasurer to make refund from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any county repeals the tax authorized by sections 67.730 to 67.739, the county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal or expiration and **the repeal shall be effective as provided by section 32.087**. 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 such 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 repeal or expiration of the tax authorized by sections 67.730 to 67.739 in such county, the director of revenue shall remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

67.745. 1. Any county of the third classification without a township form of government and with more than eleven thousand seven hundred fifty but fewer than eleven thousand eight hundred fifty inhabitants

may impose a sales tax throughout the county for public recreational projects and programs, but the sales tax authorized by this section shall not become effective unless the governing body of such county submits to the qualified voters of the county a proposal to authorize the county to impose the sales tax.

2. The ballot submission shall be in substantially the following form:

Shall the County of impose a sales tax of up to one percent for the purpose of funding the financing, acquisition, construction, operation, and maintenance of recreational projects and programs, including the acquisition of land for such purposes?

YES

NO

3. If approved by a majority of qualified voters **voting on the issue** in the county, the governing body of the county shall appoint a board of directors consisting of nine members. Of the initial members appointed to the board, three members shall be appointed for a term of three years, three members shall be appointed for a term of two years, and three members shall be appointed for a term of one year. After the initial appointments, board members shall be appointed to three-year terms.

4. The sales tax may be imposed at a rate of up to one percent on the receipts from the retail sale of all tangible personal property or taxable service within the county, if such property and services are subject to taxation by the state of Missouri under sections 144.010 to 144.525.

5. All revenue collected from the sales tax under this section by the director of revenue on behalf of a county[, 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 32.087.] shall be deposited with the state treasurer in a special trust fund, which is hereby created, to be known as the “County Recreation Sales Trust Fund”. [Moneys in the fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the trust fund collected in each county imposing a sales tax under this section, and the records shall be open to the inspection of officers of such county and the general public. Not later than the tenth day of each calendar month, the director of revenue shall distribute all moneys deposited in the trust fund during the preceding calendar month by distributing to the county treasurer, or such officer as may be designated by county ordinance or order, of each county imposing the tax under this section the sum due the county as certified by the director of revenue.

6. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. Each county shall notify the director of revenue at least ninety days prior to the effective date of the expiration of the sales tax authorized by this section and **the repeal shall be effective as provided by section 32.087**. 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 overpayments of such tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the date of expiration of the tax authorized by this section in a county, the director of revenue shall remit the balance in the account to the county and close the account of such county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due such county.

7. The tax authorized under this section may be imposed in accordance with this section by a county in addition to or in lieu of the tax authorized in sections 67.750 to 67.780.

8. The sales tax imposed under this section shall expire twenty years from the effective date thereof unless an extension of the tax is submitted to and approved by the qualified voters in the county in the manner provided in this section. Each extension of the sales tax shall be for a period of ten years.

9. The provisions of this section shall not in any way affect or limit the powers granted to any county to establish, maintain, and conduct parks and other recreational grounds for public recreation.

10. Except as modified in this section, the provisions of sections 32.085 [and] **to** 32.087 shall apply to the tax imposed under this section.

67.782. 1. Any county of the third class having a population of more than ten thousand and less than fifteen thousand and any county of the second class having a population of more than fifty-eight thousand and less than seventy thousand adjacent to such third class county, both counties making up the same judicial circuit, may jointly impose a sales tax throughout each of their respective counties for public recreational purposes including the financing, acquisition, construction, operation and maintenance of recreational projects and programs, but the sales taxes authorized by this section shall not become effective unless the governing body of each such county submits to the voters of their respective counties a proposal to authorize the counties to impose the sales tax.

2. The ballot of submission shall be in substantially the following form:

Shall the County of impose a sales tax of percent in conjunction with the county of for the purpose of funding the financing, acquisition, construction, operation and maintenance of recreational projects and programs, including the acquisition of land for such purposes?

YES

NO

If a separate majority of the votes cast on the proposal by the qualified voters voting thereon in each county are in favor of the proposal, then the tax shall be in effect in both counties. If a majority of the votes cast by the qualified voters voting thereon in either county are opposed to the proposal, then the governing body of neither county shall have power to impose the sales tax authorized by this section unless or until the governing body of the county that has not approved the tax shall again have submitted another proposal to authorize the governing body to impose the tax, and the proposal is approved by a majority of the qualified voters voting thereon in that county.

3. The sales tax may be imposed at a rate of one percent on the receipts from the sale at retail of all tangible personal property or taxable service at retail within the county adopting such tax, if such property and services are subject to taxation by the state of Missouri under the provisions of sections 144.010 to 144.525.

4. All sales taxes collected by the director of revenue under this section on behalf of any county[, 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 32.087,] shall be deposited with the state treasurer in a special trust fund, which is hereby created, to be known as the "County Recreation Sales Tax Trust Fund". [The moneys in the county recreation sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county imposing a sales tax under this section, and the records shall be open to the inspection of officers of each county 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 by distributing to the county treasurer, or such other

officer as may be designated by the county ordinance or order, of each county imposing the tax authorized by this section, the sum, as certified by the director of revenue, due the county.

5. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. Each county shall notify the director of revenue at least ninety days prior to the effective date of the expiration of the sales tax authorized by this section and **the repeal shall be effective as provided by section 32.087**. 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 such tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the date of expiration of the tax authorized by this section in such county, the director of revenue shall remit the balance in the account to the county and close the account of that county. The director of revenue shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

6. The tax authorized by this section may be imposed, in accordance with this section, by a county in addition to or in lieu of the tax authorized by sections 67.750 to 67.780.

7. Any county imposing a sales tax pursuant to the provisions of this section may contract with the authority of any other county or with any city or political subdivision for the financing, acquisition, operation, construction, maintenance, or utilization of any recreation facility or project or program funded in whole or in part from revenues derived from the tax levied pursuant to the provisions of this section.

8. The sales tax imposed pursuant to the provisions of this section shall expire twenty-five years from the effective date thereof unless an extension of the tax is submitted to and approved by the voters in each county in the manner provided in this section. Each extension of the sales tax shall be for a period of ten years.

9. The governing body of each of the counties imposing a sales tax under the provisions of this section may cooperate with the governing body of any county or other political subdivision of this state in carrying out the provisions of this section, and may establish and conduct jointly a system of public recreation. The respective governing bodies administering programs jointly may provide by agreement among themselves for all matters connected with the programs and determine what items of cost and expense shall be paid by each.

10. The provisions of this section shall not in any way repeal, affect or limit the powers granted to any county to establish, maintain and conduct parks and other recreational grounds for public recreation.

11. Except as modified in this section, all provisions of sections 32.085 [and] to 32.087 shall apply to the tax imposed under this section.

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 a 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 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.

(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] to 32.087 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 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.

67.997. 1. The governing body of any county of the third classification without a township form of government and with more than eighteen thousand one hundred but fewer than eighteen thousand two hundred inhabitants may impose, by order or ordinance, a sales tax on all retail sales made within the county which are subject to sales tax under chapter 144. The tax authorized in this section shall not exceed

one-fourth of one percent, and shall be imposed solely for the purpose of funding senior services and youth programs provided by the county. One-half of all revenue collected under this section[, less one-half the cost of collection,] shall be used solely to fund any service or activity deemed necessary by the senior service tax commission established in this section, and one-half of all revenue collected under this section[, less one-half the cost of collection,] shall be used solely to fund all youth programs administered by an existing county community task force. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes. The order or ordinance shall not become effective unless the governing body of the county submits to the voters residing within the county at a state general, primary, or special election a proposal to authorize the governing body of the county to impose a tax under this section.

2. The ballot of submission for the tax authorized in this section shall be in substantially the following form:

Shall (insert the name of the county) impose a sales tax at a rate of (insert rate of percent) percent, with half of the revenue from the tax, less one-half the cost of collection, to be used solely to fund senior services provided by the county and half of the revenue from the tax, less one-half the cost of collection, to be used solely to fund youth programs provided by the county?

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 question by the qualified voters voting thereon are in favor of the question, then the tax shall become effective on the first day of the second calendar quarter immediately following the approval of the tax or notification to the department of revenue if such tax will be administered by the department of revenue. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the question, then the tax shall not become effective unless and until the question is resubmitted under this section to the qualified voters and such question is approved by a majority of the qualified voters voting on the question.

3. [On or after the effective date of any tax authorized under this section, the county which imposed the tax shall enter into an agreement with the director of the department of revenue for the purpose of collecting the tax authorized in this section. On or after the effective date of the tax the director of revenue shall be responsible for the administration, collection, enforcement, and operation of the tax, and] Sections 32.085 [and] to 32.087 shall apply. All revenue collected under this section by the director of the department of revenue on behalf of any county[, except for one percent for the cost of collection which shall be deposited in the state’s general revenue fund,] shall be deposited in a special trust fund, which is hereby created and shall be known as the “Senior Services and Youth Programs Sales Tax Trust Fund”, and shall be used solely for the designated purposes. [Moneys in the fund shall not be deemed to be state funds, and shall not be commingled with any funds of the state.] The director may make refunds from the amounts in the trust fund and credited to the county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such county. Any funds in the special trust fund which are not needed for current expenditures shall be invested in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

4. [In order to permit sellers required to collect and report the sales tax to collect the amount required

to be reported and remitted, but not to change the requirements of reporting or remitting the tax, or to serve as a levy of the tax, and in order to avoid fractions of pennies, the governing body of the county may authorize the use of a bracket system similar to that authorized in section 144.285 and notwithstanding the provisions of that section, this new bracket system shall be used where this tax is imposed and shall apply to all taxable transactions.] Beginning with the effective date of the tax, every retailer in the county shall add the sales tax to the sale price, and this tax 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. For purposes of this section, all retail sales shall be deemed to be consummated at the place of business of the retailer.

5. All applicable provisions in sections 144.010 to 144.525 governing the state sales tax, and section 32.057, the uniform confidentiality provision, shall apply to the collection of the tax[, and all exemptions granted to agencies of government, organizations, and persons under sections 144.010 to 144.525 are hereby made applicable to the imposition and collection of the tax. The same sales tax permit, exemption certificate, and retail certificate required by sections 144.010 to 144.525 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 director of revenue may prescribe a form of exemption certificate for an exemption from the tax. All discounts allowed the retailer under the state sales tax for the collection of and for payment of taxes are hereby allowed and made applicable to the tax. The penalties for violations provided in section 32.057 and sections 144.010 to 144.525 are hereby made applicable to violations of this section. If any person is delinquent in the payment of the amount required to be paid under this section, or in the event a determination has been made against the person for taxes and penalty under this section, the limitation for bringing suit for the collection of the delinquent tax and penalty shall be the same as that provided in sections 144.010 to 144.525].

6. The governing body of any county that has adopted the sales tax authorized in this section may submit the question of repeal of the tax to the voters on any date available for elections for the county. The ballot of submission shall be in substantially the following form:

Shall (insert the name of the county) repeal the sales tax imposed at a rate of (insert rate of percent) percent for the purpose of funding senior services and youth programs provided by the county?

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 question by the qualified voters voting thereon are in favor of repeal, that repeal shall become effective [on December thirty-first of the calendar year in which such repeal was approved] **as provided by section 32.087**. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized in this section shall remain effective until the question is resubmitted under this section to the qualified voters and the repeal is approved by a majority of the qualified voters voting on the question.

7. Whenever the governing body of any county that has adopted the sales tax authorized in this section receives a petition, signed by ten percent of the registered voters of the county voting in the last gubernatorial election, calling for an election to repeal the sales tax imposed under this section, the governing body shall submit to the voters of the county a proposal to repeal the tax. If a majority of the

votes cast on the question by the qualified voters voting thereon are in favor of the repeal, the repeal shall become effective [on December thirty-first of the calendar year in which such repeal was approved] **as provided by section 32.087**. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized in this section shall remain effective until the question is resubmitted under this section to the qualified voters and the repeal is approved by a majority of the qualified voters voting on the question.

8. If the tax is repealed or terminated by any means, all funds remaining in the special trust fund shall continue to be used solely for the designated purposes, and the county shall notify the director of the department of revenue of the action at least thirty days before the effective date of the repeal and the director 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 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 tax in such county, the director shall remit the balance in the account to the county and close the account of that county. The director shall notify each county of each instance of any amount refunded or any check redeemed from receipts due the county.

9. Each county imposing the tax authorized in this section shall establish a senior services tax commission to administer the portion of the sales tax revenue dedicated to providing senior services. Such commission shall consist of seven members appointed by the county commission. The county commission shall determine the qualifications, terms of office, compensation, powers, duties, restrictions, procedures, and all other necessary functions of the commission.”; and

Further amend said bill, Page 8, Section 67.1020, Line 4, by inserting after all of said line the following:

“67.1300. 1. The governing body of any of the contiguous counties of the third classification without a township form of government enumerated in subdivisions (1) to (5) of this subsection or in any county of the fourth classification acting as a county of the second classification, having a population of at least forty thousand but less than forty-five thousand with a state university, and adjoining a county of the first classification with part of a city with a population of three hundred fifty thousand or more inhabitants or a county of the third classification with a township form of government and with a population of at least eight thousand but less than eight thousand four hundred inhabitants or a county of the third classification with more than fifteen townships having a population of at least twenty-one thousand inhabitants or a county of the third classification without a township form of government and with a population of at least seven thousand four hundred but less than eight thousand inhabitants or any county of the third classification with a population greater than three thousand but less than four thousand or any county of the third classification with a population greater than six thousand one hundred but less than six thousand four hundred or any county of the third classification with a population greater than six thousand eight hundred but less than seven thousand or any county of the third classification with a population greater than seven thousand eight hundred but less than seven thousand nine hundred or any county of the third classification with a population greater than eight thousand four hundred sixty but less than eight thousand five hundred or any county of the third classification with a population greater than nine thousand but less than nine thousand two hundred or any county of the third classification with a population greater than ten thousand five hundred but less than ten thousand six hundred or any county of the third classification with a population greater than twenty-three thousand five hundred but less than twenty-three thousand seven hundred or a county of the third classification with a population greater than thirty-three thousand but less than thirty-four thousand or a county of the third classification with a population greater than twenty thousand eight hundred

but less than twenty-one thousand or a county of the third classification with a population greater than fourteen thousand one hundred but less than fourteen thousand five hundred or a county of the third classification with a population greater than twenty thousand eight hundred fifty but less than twenty-two thousand or a county of the third classification with a population greater than thirty-nine thousand but less than forty thousand or a county of the third classification with a township form of organization and a population greater than twenty-eight thousand but less than twenty-nine thousand or a county of the third classification with a population greater than fifteen thousand but less than fifteen thousand five hundred or a county of the third classification with a population greater than eighteen thousand but less than nineteen thousand seventy or a county of the third classification with a population greater than thirteen thousand nine hundred but less than fourteen thousand four hundred or a county of the third classification with a population greater than twenty-seven thousand but less than twenty-seven thousand five hundred or a county of the first classification without a charter form of government and a population of at least eighty thousand but not greater than eighty-three thousand or a county of the third classification with a population greater than fifteen thousand but less than fifteen thousand nine hundred without a township form of government which does not adjoin any county of the first, second or fourth classification or a county of the third classification with a population greater than twenty-three thousand but less than twenty-five thousand without a township form of government which does not adjoin any county of the second or fourth classification and does adjoin a county of the first classification with a population greater than one hundred twenty thousand but less than one hundred fifty thousand or in any county of the fourth classification acting as a county of the second classification, having a population of at least forty-eight thousand or any governing body of a municipality located in any of such counties may impose, by ordinance or order, a sales tax on all retail sales made in such county or municipality which are subject to taxation pursuant to the provisions of sections 144.010 to 144.525:

(1) A county with a population of at least four thousand two hundred inhabitants but not more than four thousand five hundred inhabitants;

(2) A county with a population of at least four thousand seven hundred inhabitants but not more than four thousand nine hundred inhabitants;

(3) A county with a population of at least seven thousand three hundred inhabitants but not more than seven thousand six hundred inhabitants;

(4) A county with a population of at least ten thousand one hundred inhabitants but not more than ten thousand three hundred inhabitants; and

(5) A county with a population of at least four thousand three hundred inhabitants but not more than four thousand five hundred inhabitants.

2. The maximum rate for a sales tax pursuant to this section shall be one percent for municipalities and one-half of one percent for counties.

3. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales tax pursuant to the provisions of this section shall be effective unless the governing body of the county or municipality submits to the voters of the county or municipality, at a regularly scheduled county, municipal or state general or primary election, a proposal to authorize the governing body of the county or municipality to impose a tax. Any sales tax imposed pursuant to this section shall not be authorized for a period of more than five years.

4. Such proposal shall be submitted in substantially the following form:

Shall the (city, town, village or county) of impose a sales tax of (insert amount) for the purpose of economic development in the (city, town, village or county)?

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 ordinance or order and any amendments thereto shall be in effect on the first day of the second quarter after the director of revenue receives notice of adoption of the tax. If a majority of the votes cast by the qualified voters voting are opposed to the proposal, then the governing body of the county or municipality shall not impose the sales tax authorized in this section until the governing body of the county or municipality resubmits another proposal to authorize the governing body of the county or municipality to impose the sales tax authorized by this section and such proposal is approved by a majority of the qualified voters voting thereon; however no such proposal shall be resubmitted to the voters sooner than twelve months from the date of the submission of the last such proposal.

5. All revenue received by a county or municipality from the tax authorized pursuant to the provisions of this section shall be deposited in a special trust fund and shall be used solely for economic development purposes within such county or municipality for so long as the tax shall remain in effect.

6. Once the tax authorized by this section is abolished or is terminated by any means, all funds remaining in the special trust fund shall be used solely for economic development purposes within the county or municipality. Any funds in such special trust fund which are not needed for current expenditures may be invested by the governing body in accordance with applicable laws relating to the investment of other county or municipal funds.

7. All sales taxes collected by the director of revenue pursuant to this section on behalf of any county or municipality[, less one percent for 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 32.087,] shall be deposited in a special trust fund, which is hereby created, to be known as the “Local Economic Development Sales Tax Trust Fund”.

8. [The moneys in the local economic development sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the trust fund and which was collected in each county or municipality imposing a sales tax pursuant to this section, and the records shall be open to the inspection of officers of the county or municipality and the public.

9. 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 county or municipality which levied the tax. Such funds shall be deposited with the county treasurer of each such county or the appropriate municipal officer in the case of a municipal tax, and all expenditures of funds arising from the local economic development sales tax trust fund shall be by an appropriation act to be enacted by the governing body of each such county or municipality. Expenditures may be made from the fund for any economic development purposes authorized in the ordinance or order adopted by the governing body submitting the tax to the voters.

10. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county or municipality for erroneous payments and overpayments made, and

may redeem dishonored checks and drafts deposited to the credit of such counties and municipalities.

11. If any county or municipality abolishes the tax, the county or municipality shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and **the repeal shall be effective as provided by section 32.087**. 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 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 tax in such county or municipality, the director of revenue shall remit the balance in the account to the county or municipality and close the account of that county or municipality. The director of revenue shall notify each county or municipality of each instance of any amount refunded or any check redeemed from receipts due the county or municipality.

12. Except as modified in this section, all provisions of sections 32.085 [and] to 32.087 shall apply to the tax imposed pursuant to this section.

13. For purposes of this section, the term “economic development” is limited to the following:

(1) Operations of economic development or community development offices, including the salaries of employees;

(2) Provision of training for job creation or retention;

(3) Provision of infrastructure and sites for industrial development or for public infrastructure projects; and

(4) Refurbishing of existing structures and property relating to community development.

67.1303. 1. The governing body of any home rule city with more than one hundred fifty-one thousand five hundred but less than one hundred fifty-one thousand six hundred inhabitants, any home rule city with more than forty-five thousand five hundred but less than forty-five thousand nine hundred inhabitants and the governing body of any city within 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 and the governing body of any county of the third classification without a township form of government and with more than forty thousand eight hundred but less than forty thousand nine hundred inhabitants or any city within such county may impose, by order or ordinance, a sales tax on all retail sales made in the city or county which are subject to sales tax under chapter 144. In addition, the governing body of any county of the first classification with more than eighty-five thousand nine hundred but less than eighty-six thousand inhabitants or the governing body of any home rule city with more than seventy-three thousand but less than seventy-five thousand inhabitants may impose, by order or ordinance, a sales tax on all retail sales made in the city or county which are subject to sales tax under chapter 144. The tax authorized in this section shall not be more than one-half of one percent. The order or ordinance imposing the tax shall not become effective unless the governing body of the city or county submits to the voters of the city or county at a state general or primary election a proposal to authorize the governing body to impose a tax under this section. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes.

2. The ballot of submission for the tax authorized in this section shall be in substantially the following form:

Shall (insert the name of the city or county) impose a sales tax at a rate of (insert rate of percent) percent for economic development purposes?

YES

NO

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax shall become effective [on the first day of the second calendar quarter following the calendar quarter in which the election was held] **as provided by section 32.087**. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the question, then the tax shall not become effective unless and until the question is resubmitted under this section to the qualified voters and such question is approved by a majority of the qualified voters voting on the question, provided that no proposal shall be resubmitted to the voters sooner than twelve months from the date of the submission of the last proposal.

3. No revenue generated by the tax authorized in this section shall be used for any retail development project. At least twenty percent of the revenue generated by the tax authorized in this section shall be used solely for projects directly related to long-term economic development preparation, including, but not limited to, the following:

- (1) Acquisition of land;
- (2) Installation of infrastructure for industrial or business parks;
- (3) Improvement of water and wastewater treatment capacity;
- (4) Extension of streets;
- (5) Providing matching dollars for state or federal grants;
- (6) Marketing;
- (7) Construction and operation of job training and educational facilities; and
- (8) Providing grants and low-interest loans to companies for job training, equipment acquisition, site development, and infrastructure. Not more than twenty-five percent of the revenue generated may be used annually for administrative purposes, including staff and facility costs.

4. All revenue generated by the tax shall be deposited in a special trust fund and shall be used solely for the designated purposes. If the tax is repealed, all funds remaining in the special trust fund shall continue to be used solely for the designated purposes. Any funds in the special trust fund which are not needed for current expenditures may be invested by the governing body in accordance with applicable laws relating to the investment of other city or county funds.

5. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any city or county for erroneous payments in the trust fund and credited to any city or county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. If any city or county abolishes the tax authorized under this section, the repeal of such tax shall become effective December thirty-first of the calendar year in which such abolishment was approved. Each city or county shall notify the director of revenue at least ninety days prior to the effective date of the expiration of the sales tax authorized by this section and the repeal shall be effective as provided by section 32.087. 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 such tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the date of expiration of the tax authorized by this section in such city or county, the director of revenue shall remit the balance in the account to the city or county and close the account of that city or county. The director of revenue shall notify each city or county of each instance of any amount refunded or any check redeemed from receipts due the city or county.

6. Any city or county imposing the tax authorized in this section shall establish an economic development tax board. The board shall consist of eleven members, to be appointed as follows:

(1) Two members shall be appointed by the school boards whose districts are included within any economic development plan or area funded by the sales tax authorized in this section. Such members shall be appointed in any manner agreed upon by the affected districts;

(2) One member shall be appointed, in any manner agreed upon by the affected districts, to represent all other districts levying ad valorem taxes within the area selected for an economic development project or area funded by the sales tax authorized in this section, excluding representatives of the governing body of the city or county;

(3) One member shall be appointed by the largest public school district in the city or county;

(4) In each city or county, five members shall be appointed by the chief elected officer of the city or county with the consent of the majority of the governing body of the city or county;

(5) In each city, two members shall be appointed by the governing body of the county in which the city is located. In each county, two members shall be appointed by the governing body of the county. At the option of the members appointed by a city or county the members who are appointed by the school boards and other taxing districts may serve on the board for a term to coincide with the length of time an economic development project, plan, or designation of an economic development area is considered for approval by the board, or for the definite terms as provided in this subsection. If the members representing school districts and other taxing districts are appointed for a term coinciding with the length of time an economic development project, plan, or area is approved, such term shall terminate upon final approval of the project, plan, or designation of the area by the governing body of the city or county. If any school district or other taxing jurisdiction fails to appoint members of the board within thirty days of receipt of written notice of a proposed economic development plan, economic development project, or designation of an economic development area, the remaining members may proceed to exercise the power of the board. Of the members first appointed by the city or county, three shall be designated to serve for terms of two years, three shall be designated to serve for a term of three years, and the remaining members shall be designated to serve for a term of four years from the date of such initial appointments. Thereafter, the members appointed by the city or county shall serve for a term of four years, except that all vacancies shall be filled for unexpired terms in the same manner as were the original appointments.

[6.] 7. The board, subject to approval of the governing body of the city or county, shall develop economic development plans, economic development projects, or designations of an economic development area, and shall hold public hearings and provide notice of any such hearings. The board shall vote on all proposed economic development plans, economic development projects, or designations of an economic development area, and amendments thereto, within thirty days following completion of the hearing on any such plan, project, or designation, and shall make recommendations to the governing body within ninety days of the hearing concerning the adoption of or amendment to economic development plans, economic

development projects, or designations of an economic development area.

[7.] **8.** The board shall report at least annually to the governing body of the city or county on the use of the funds provided under this section and on the progress of any plan, project, or designation adopted under this section.

[8.] **9.** The governing body of any city or county that has adopted the sales tax authorized in this section may submit the question of repeal of the tax to the voters on any date available for elections for the city or county. The ballot of submission shall be in substantially the following form:

Shall (insert the name of the city or county) repeal the sales tax imposed at a rate of (insert rate of percent) percent for economic development purposes?

YES

NO

If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized in this section shall remain effective until the question is resubmitted under this section to the qualified voters of the city or county, and the repeal is approved by a majority of the qualified voters voting on the question.

[9.] **10.** Whenever the governing body of any city or county that has adopted the sales tax authorized in this section receives a petition, signed by ten percent of the registered voters of the city or county voting in the last gubernatorial election, calling for an election to repeal the sales tax imposed under this section, the governing body shall submit to the voters a proposal to repeal the tax. If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the repeal, that repeal shall become effective [on December thirty-first of the calendar year in which such repeal was approved] **as provided by section 32.087.** If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the tax shall remain effective until the question is resubmitted under this section to the qualified voters and the repeal is approved by a majority of the qualified voters voting on the question. **If the city or county abolishes the tax, the city or county shall notify the director of revenue of the action at least one hundred twenty days prior to the effective date of the repeal.**

11. After the effective date of any tax imposed under the provisions of this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax and collect, in addition to the sales tax for the state of Missouri, the additional tax authorized under this section. The tax imposed under this section and the tax imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.

12. Except as provided in this section, all provisions of sections 32.085 to 32.087 shall apply to the tax imposed under this section.

67.1305. 1. As used in this section, the term “city” shall mean any incorporated city, town, or village.

2. In lieu of the sales taxes authorized under sections 67.1300 and 67.1303, the governing body of any city or county may impose, by order or ordinance, a sales tax on all retail sales made in the city or county which are subject to sales tax under chapter 144. The tax authorized in this section shall not be more than one-half of one percent. The order or ordinance imposing the tax shall not become effective unless the

governing body of the city or county submits to the voters of the city or county at any citywide, county or state general, primary or special election a proposal to authorize the governing body to impose a tax under this section. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes. The tax authorized in this section shall not be imposed by any city or county that has imposed a tax under section 67.1300 or 67.1303 unless the tax imposed under those sections has expired or been repealed.

3. The ballot of submission for the tax authorized in this section shall be in substantially the following form:

Shall (insert the name of the city or county) impose a sales tax at a rate of (insert rate of percent) percent for economic development purposes?

YES

NO

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax shall become effective on the first day of the second calendar quarter following the calendar quarter in which the election was held. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the question, then the tax shall not become effective unless and until the question is resubmitted under this section to the qualified voters and such question is approved by a majority of the qualified voters voting on the question, provided that no proposal shall be resubmitted to the voters sooner than twelve months from the date of the submission of the last proposal.

4. All sales taxes collected by the director of revenue under this section on behalf of any county or municipality[, less one percent for 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 32.087,] shall be deposited in a special trust fund, which is hereby created, to be known as the "Local Option Economic Development Sales Tax Trust Fund".

5. [The moneys in the local option economic development sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the trust fund and which was collected in each city or county imposing a sales tax pursuant to this section, and the records shall be open to the inspection of officers of the city or county and the public.

6. 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 city or county which levied the tax. Such funds shall be deposited with the county treasurer of each such county or the appropriate municipal officer in the case of a municipal tax, and all expenditures of funds arising from the local economic development sales tax trust fund shall be in accordance with this section.

7. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any city or county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such cities and counties.

8. If any county or municipality abolishes the tax, the city or county shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal and **the repeal shall be effective as provided by section 32.087**. 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 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 tax in such city or county, the director of revenue shall remit the balance in the account to the city or county and close the account of that city or county. The director of revenue shall notify each city or county of each instance of any amount refunded or any check redeemed from receipts due the city or county.

9. Except as modified in this section, all provisions of sections 32.085 [and] to 32.087 shall apply to the tax imposed pursuant to this section.

10. (1) No revenue generated by the tax authorized in this section shall be used for any retail development project, except for the redevelopment of downtown areas and historic districts. Not more than twenty-five percent of the revenue generated shall be used annually for administrative purposes, including staff and facility costs.

(2) At least twenty percent of the revenue generated by the tax authorized in this section shall be used solely for projects directly related to long-term economic development preparation, including, but not limited to, the following:

- (a) Acquisition of land;
- (b) Installation of infrastructure for industrial or business parks;
- (c) Improvement of water and wastewater treatment capacity;
- (d) Extension of streets;
- (e) Public facilities directly related to economic development and job creation; and
- (f) Providing matching dollars for state or federal grants relating to such long-term projects.

(3) The remaining revenue generated by the tax authorized in this section may be used for, but shall not be limited to, the following:

- (a) Marketing;
- (b) Providing grants and loans to companies for job training, equipment acquisition, site development, and infrastructures;
- (c) Training programs to prepare workers for advanced technologies and high skill jobs;
- (d) Legal and accounting expenses directly associated with the economic development planning and preparation process;
- (e) Developing value-added and export opportunities for Missouri agricultural products.

11. All revenue generated by the tax shall be deposited in a special trust fund and shall be used solely for the designated purposes. If the tax is repealed, all funds remaining in the special trust fund shall continue to be used solely for the designated purposes. Any funds in the special trust fund which are not needed for current expenditures may be invested by the governing body in accordance with applicable laws relating to the investment of other city or county funds.

12. (1) Any city or county imposing the tax authorized in this section shall establish an economic development tax board. The volunteer board shall receive no compensation or operating budget.

(2) The economic development tax board established by a city shall consist of at least five members, but may be increased to nine members. Either a five-member or nine-member board shall be designated in the order or ordinance imposing the sales tax authorized by this section, and the members are to be

appointed as follows:

(a) One member of a five-member board, or two members of a nine-member board, shall be appointed by the school districts included within any economic development plan or area funded by the sales tax authorized in this section. Such member or members shall be appointed in any manner agreed upon by the affected districts;

(b) Three members of a five-member board, or five members of a nine-member board, shall be appointed by the chief elected officer of the city with the consent of the majority of the governing body of the city;

(c) One member of a five-member board, or two members of a nine-member board, shall be appointed by the governing body of the county in which the city is located.

(3) The economic development tax board established by a county shall consist of seven members, to be appointed as follows:

(a) One member shall be appointed by the school districts included within any economic development plan or area funded by the sales tax authorized in this section. Such member shall be appointed in any manner agreed upon by the affected districts;

(b) Four members shall be appointed by the governing body of the county; and

(c) Two members from the cities, towns, or villages within the county appointed in any manner agreed upon by the chief elected officers of the cities or villages.

Of the members initially appointed, three shall be designated to serve for terms of two years, except that when a nine-member board is designated, seven of the members initially appointed shall be designated to serve for terms of two years, and the remaining members shall be designated to serve for a term of four years from the date of such initial appointments. Thereafter, the members appointed shall serve for a term of four years, except that all vacancies shall be filled for unexpired terms in the same manner as were the original appointments.

(4) If an economic development tax board established by a city is already in existence on August 28, 2012, any increase in the number of members of the board shall be designated in an order or ordinance. The four board members added to the board shall be appointed to a term with an expiration coinciding with the expiration of the terms of the three board member positions that were originally appointed to terms of two years. Thereafter, the additional members appointed shall serve for a term of four years, except that all vacancies shall be filled for unexpired terms in the same manner as were the additional appointments.

13. The board, subject to approval of the governing body of the city or county, shall consider economic development plans, economic development projects, or designations of an economic development area, and shall hold public hearings and provide notice of any such hearings. The board shall vote on all proposed economic development plans, economic development projects, or designations of an economic development area, and amendments thereto, within thirty days following completion of the hearing on any such plan, project, or designation, and shall make recommendations to the governing body within ninety days of the hearing concerning the adoption of or amendment to economic development plans, economic development projects, or designations of an economic development area. The governing body of the city or county shall have the final determination on use and expenditure of any funds received from the tax imposed under this section.

14. The board may consider and recommend using funds received from the tax imposed under this section for plans, projects or area designations outside the boundaries of the city or county imposing the tax if, and only if:

(1) The city or county imposing the tax or the state receives significant economic benefit from the plan, project or area designation; and

(2) The board establishes an agreement with the governing bodies of all cities and counties in which the plan, project or area designation is located detailing the authority and responsibilities of each governing body with regard to the plan, project or area designation.

15. Notwithstanding any other provision of law to the contrary, the economic development sales tax imposed under this section when imposed within a special taxing district, including but not limited to a tax increment financing district, neighborhood improvement district, or community improvement district, shall be excluded from the calculation of revenues available to such districts, and no revenues from any sales tax imposed under this section shall be used for the purposes of any such district unless recommended by the economic development tax board established under this section and approved by the governing body imposing the tax.

16. The board and the governing body of the city or county imposing the tax shall report at least annually to the governing body of the city or county on the use of the funds provided under this section and on the progress of any plan, project, or designation adopted under this section and shall make such report available to the public.

17. Not later than the first day of March each year the board shall submit to the joint committee on economic development a report, not exceeding one page in length, which must include the following information for each project using the tax authorized under this section:

(1) A statement of its primary economic development goals;

(2) A statement of the total economic development sales tax revenues received during the immediately preceding calendar year;

(3) A statement of total expenditures during the preceding calendar year in each of the following categories:

(a) Infrastructure improvements;

(b) Land and/or buildings;

(c) Machinery and equipment;

(d) Job training investments;

(e) Direct business incentives;

(f) Marketing;

(g) Administration and legal expenses; and

(h) Other expenditures.

18. The governing body of any city or county that has adopted the sales tax authorized in this section may submit the question of repeal of the tax to the voters on any date available for elections for the city or county. The ballot of submission shall be in substantially the following form:

Shall (insert the name of the city or county) repeal the sales tax imposed at a rate of (insert rate of percent) percent for economic development purposes?

YES

NO

If a majority of the votes cast on the proposal are in favor of the repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized in this section shall remain effective until the question is resubmitted under this section to the qualified voters of the city or county, and the repeal is approved by a majority of the qualified voters voting on the question.

19. Whenever the governing body of any city or county that has adopted the sales tax authorized in this section receives a petition, signed by ten percent of the registered voters of the city or county voting in the last gubernatorial election, calling for an election to repeal the sales tax imposed under this section, the governing body shall submit to the voters a proposal to repeal the tax. If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the tax shall remain effective until the question is resubmitted under this section to the qualified voters and the repeal is approved by a majority of the qualified voters voting on the question.

20. If any provision of this section or section 67.1303 or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or application of this section or section 67.1303 which can be given effect without the invalid provision or application, and to this end the provisions of this section and section 67.1303 are declared severable.

67.1545. 1. Any district formed as a political subdivision may impose by resolution a district sales and use tax on all retail sales made in such district which are subject to taxation pursuant to sections 144.010 to 144.525, except sales of [motor vehicles, trailers, boats or outboard motors and sales to or by public utilities and providers of communications, cable, or video services] **fuel used to power motor vehicles, aircraft, locomotives, or watercraft, or sales of electricity, piped natural or artificial gas, or other fuels delivered by the seller, and the retail sale or transfer of motor vehicles, aircraft, watercraft, modular homes, manufactured homes, or mobile homes.** Any sales and use tax imposed pursuant to this section may be imposed in increments of one-eighth of one percent, up to a maximum of one percent. Such district sales and use tax may be imposed for any district purpose designated by the district in its ballot of submission to its qualified voters; except that, no resolution adopted pursuant to this section shall become effective unless the board of directors of the district submits to the qualified voters of the district, by mail-in ballot, a proposal to authorize a sales and use tax pursuant to this section. If a majority of the votes cast by the qualified voters on the proposed sales tax are in favor of the sales tax, then the resolution is adopted. If a majority of the votes cast by the qualified voters are opposed to the sales tax, then the resolution is void.

2. The ballot shall be substantially in the following form:

Shall the (insert name of district) Community Improvement District impose a community improvement districtwide sales and use tax at the maximum rate of (insert amount) for a period of (insert number) years from the date on which such tax is first imposed for the purpose of providing revenue for (insert general description of the purpose)?

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”.

3. Within ten days after the qualified voters have approved the imposition of the sales and use tax, the district shall, in accordance with section 32.087, notify the director of the department of revenue. The sales and use tax authorized by this section shall become effective on the first day of the second calendar quarter after the director of the department of revenue receives notice of the adoption of such tax.

4. [The director of the department of revenue shall collect any tax adopted pursuant to this section pursuant to section 32.087] **After the effective date of any tax imposed under the provisions of this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax and collect, in addition to the sales tax for the state of Missouri, the additional tax authorized under the authority of this section. The tax imposed under this section and the tax imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.**

5. In each district in which a sales and use tax is imposed pursuant to this section, every retailer shall add such additional tax imposed by the district to such retailer’s sale price, and when so added such tax shall constitute a part of the purchase 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.

6. [In order to allow retailers to collect and report the sales and use tax authorized by this section as well as all other sales and use taxes required by law in the simplest and most efficient manner possible, a district may establish appropriate brackets to be used in the district imposing a tax pursuant to this section in lieu of the brackets provided in section 144.285.

7.] The penalties provided in sections 144.010 to 144.525 shall apply to violations of this section.

[8.] **7.** All revenue received by the district from a sales and use tax imposed pursuant to this section which is designated for a specific purpose shall be deposited into a special trust fund and expended solely for such purpose. Upon the expiration of any sales and use tax adopted pursuant to this section, all funds remaining in the special trust fund shall continue to be used solely for the specific purpose designated in the resolution adopted by the qualified voters. Any funds in such special trust fund which are not needed for current expenditures may be invested by the board of directors pursuant to applicable laws relating to the investment of other district funds.

[9.] **8.** A district may repeal by resolution any sales and use tax imposed pursuant to this section before the expiration date of such sales and use tax unless the repeal of such sales and use tax will impair the district’s ability to repay any liabilities the district has incurred, moneys the district has borrowed or obligation the district has issued to finance any improvements or services rendered for the district.

[10.] **9.** Notwithstanding the provisions of chapter 115, an election for a district sales and use tax under this section shall be conducted in accordance with the provisions of this section.

10. Except as provided in this section, all provisions of sections 32.085 to 32.087 shall apply to the tax imposed under this section.

67.1712. 1. The governing body of any county located within the proposed metropolitan district is

hereby authorized to impose by ordinance a one-tenth of one cent sales tax on all retail sales subject to taxation pursuant to sections 144.010 to 144.525 for the purpose of funding the creation, operation and maintenance of a metropolitan park and recreation district.

2. In addition to the tax authorized in subsection 1 of this section, the governing body of any county located within the metropolitan district as of January 1, 2012, is authorized to impose by ordinance an incremental sales tax of up to three-sixteenths of one cent on all retail sales subject to taxation under sections 144.010 to 144.525 for the purpose of funding the operation and maintenance of the metropolitan park and recreation district. Such incremental sales tax shall not be implemented unless approved by the voters of the county with the largest population within the district and at least one other such county under subsection 2 of section 67.1715.

3. The taxes authorized by sections 67.1700 to 67.1769 shall be in addition to all other sales taxes allowed by law. The governing body of any county within the metropolitan district enacting such an ordinance shall submit to the voters of such county a proposal to approve its ordinance imposing or increasing the tax. Such ordinance shall become effective only after the majority of the voters voting on such ordinance approve such ordinance. The provisions of sections 32.085 [and] to 32.087 shall apply to any tax and increase in tax approved pursuant to this section and sections 67.1715 to 67.1721.

67.1775. 1. The governing body of a city not within a county, or any county of this state may, after voter approval under this section, levy a sales tax not to exceed one-quarter of a cent in the county or city, or city not within a county, for the purpose of providing services described in section 210.861, including counseling, family support, and temporary residential services to persons nineteen years of age or less. The question shall be submitted to the qualified voters of the county or city, or city not within a county, at a county or city or state general, primary or special election upon the motion of the governing body of the county or city, or city not within a county or upon the petition of eight percent of the qualified voters of the county or city, or city not within a county, determined on the basis of the number of votes cast for governor in such county at the last gubernatorial election held prior to the filing of the petition. The election officials of the county or city, or city not within a county, shall give legal notice as provided in chapter 115. The question shall be submitted in substantially the following form:

Shall County or City, solely for the purpose of establishing a community children’s services fund for the purpose of providing services to protect the well-being and safety of children and youth nineteen years of age or less and to strengthen families, be authorized to levy a sales tax of (not to exceed one-quarter of a cent) in the city or county?

YES

NO

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the ordinance or order and any amendments thereto shall be in effect on the first day of the second calendar quarter after the director receives notification of the local sales tax. If a question receives less than the required majority, then the governing authority of the city or county, or city not within a county, shall have no power to impose the sales tax unless and until the governing authority of the city or county, or city not within a county, has submitted another question to authorize the imposition of the sales tax authorized by this section and such question is approved by the required majority of the qualified voters voting thereon. However, in no event shall a question under this section be submitted to the voters sooner than twelve months from the date of the last question under this section.

2. After the effective date of any tax imposed under the provisions of this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax and the director of revenue shall collect in addition to the sales tax for the state of Missouri the additional tax authorized under the authority of this section. The tax imposed under this section and the tax imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.

3. All sales taxes collected by the director of revenue under this section on behalf of any city or county, or city not within a county[, 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 32.087,] shall be deposited with the state treasurer in a special fund, which is hereby created, to be known as the "Community Children's Services Fund". [The moneys in the city or county, or city not within a county, community children's services fund shall not be deemed to be state funds and shall not be commingled with any funds of the state.] The director of revenue shall keep accurate records of the amount of money in the fund which was collected in each city or county, or city not within a county, imposing a sales tax under this section, and the records shall be open to the inspection of officers of each city or county, or city not within a county, and the general public. Not later than the tenth day of each month, the director of revenue shall distribute all moneys deposited in the fund during the preceding month by distributing to the city or county treasurer, or the treasurer of a city not within a county, or such other officer as may be designated by a city or county ordinance or order, or ordinance or order of a city not within a county, of each city or county, or city not within a county, imposing the tax authorized by this section, the sum, as certified by the director of revenue, due the city or county.

4. The director of revenue may authorize the state treasurer to make refunds from the amounts in the fund and credited to any city or county, or city not within a county, for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties. Each city or county, or city not within a county, shall notify the director of revenue at least ninety days prior to the effective date of the expiration of the sales tax authorized by this section and **the repeal shall be effective as provided by section 32.087**. The director of revenue may order retention in the 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 such tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the date of expiration of the tax authorized by this section in such city not within a county or such city or county, the director of revenue shall remit the balance in the account to the city or county, or city not within a county, and close the account of that city or county, or city not within a county. The director of revenue shall notify each city or county, or city not within a county, of each instance of any amount refunded or any check redeemed from receipts due the city or county.

5. Except as modified in this section, all provisions of sections 32.085 [and] ~~to~~ 32.087 shall apply to the tax imposed under this section.

6. All revenues generated by the tax prescribed in this section shall be deposited in the county treasury or, in a city not within a county, to the board established by law to administer such fund to the credit of a special community children's services fund to accomplish the purposes set out herein and in section 210.861, and shall be used for no other purpose. Such fund shall be administered by a board of directors, established under section 210.861.

67.1959. 1. The board, by a majority vote, may submit to the residents of such district a tax of not more

than one percent on all retail sales, except sales of [food as defined in section 144.014, sales of] new or used motor vehicles, trailers, boats, or other outboard motors, [all utilities, telephone and wireless services,] and sales of funeral services, made **on or after January 1, 2014**, within the district which are subject to taxation pursuant to the provisions of sections 144.010 to 144.525. Upon the written request of the board to the election authority of the county in which a majority of the area of the district is situated, such election authority shall submit a proposition to the residents of such district at a municipal or statewide primary or general election, or at a special election called for that purpose. Such election authority shall give legal notice as provided in chapter 115.

2. Such proposition shall be submitted to the voters of the district in substantially the following form at such election:

Shall the Tourism Community Enhancement District impose a sales tax of (insert amount) for the purpose of promoting tourism 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".

If a majority of the votes cast on the proposal by the qualified voters of the proposed district voting thereon are in favor of the proposal, then the order shall become effective on the first day of the second calendar quarter after the director of revenue receives notice of adoption of the tax. If the proposal receives less than the required majority, then the board shall have no power to impose the sales tax authorized pursuant to this section unless and until the board shall again have submitted another proposal to authorize the board to impose the sales tax authorized by this section and such proposal is approved by the required majority of the qualified voters of the district.

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

2. An exhibition center and recreational facility district may be created under this section in the following counties:

(1) Any county of the first classification with more than seventy-one thousand three hundred but less than seventy-one thousand four hundred inhabitants;

(2) 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;

(3) Any county of the first classification with more than eighty-five thousand nine hundred but less than eighty-six thousand inhabitants;

(4) Any county of the second classification with more than fifty-two thousand six hundred but less than fifty-two thousand seven hundred inhabitants;

(5) 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;

(6) 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;

(7) Any county of the first classification with more than thirty-seven thousand but less than thirty-seven thousand one hundred inhabitants;

(8) 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;

(9) 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;

(10) Any county of the first classification with more than two hundred forty thousand three hundred but less than two hundred forty thousand four hundred inhabitants;

(11) Any county of the third classification with a township form of government and with more than eight thousand nine hundred but fewer than nine thousand inhabitants;

(12) Any county of the third classification without a township form of government and with more than eighteen thousand nine hundred but fewer than nineteen thousand inhabitants;

(13) Any county of the third classification with a township form of government and with more than eight thousand but fewer than eight thousand one hundred inhabitants;

(14) Any county of the third classification with a township form of government and with more than eleven thousand five hundred but fewer than eleven thousand six hundred inhabitants.

3. Whenever not less than fifty owners of real property located within any county listed in subsection 2 of this section 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.

4. 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.

5. 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.

6. 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.

7. 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, 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] **as provided by section 32.087**. 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.

8. 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.

9. 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. 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.

10. 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 32.087, 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.

11. The sales tax authorized by this section is in addition to all other sales taxes allowed by law. **After the effective date of any tax imposed under the provisions of this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax and collect, in addition to the sales tax for the state of Missouri, the additional tax authorized under**

the authority of this section. The tax imposed under this section and the tax imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.

12. Except as modified in this section, all provisions of sections 32.085 [and] to 32.087 apply to the sales tax imposed pursuant to this section.

[12.] **13.** 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.

[13.] **14.** 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 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.

[14.] **15.** 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.

67.2030. 1. The governing authority of any city of the fourth classification with more than one thousand six hundred but less than one thousand seven hundred inhabitants and located in any county of the first classification with more than seventy-three thousand seven hundred but less than seventy-three thousand eight hundred inhabitants is hereby authorized to impose, by ordinance or order, a sales tax in the amount not to exceed one-half of one percent on all retail sales made in such city which are subject to taxation pursuant to sections 144.010 to 144.525 for the promotion of tourism in such city. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales tax pursuant to this section shall be effective unless the governing authority of the city submits to the qualified voters of the city, at any municipal or state general, primary, or special election, a proposal to authorize the governing authority of the city to impose a tax.

2. The ballot of submission shall be in substantially the following form:

Shall the city of (city’s name) impose a citywide sales tax of (insert amount) for the purpose of promoting tourism in the city?

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 voting thereon are in favor of the proposal, then the ordinance or order and any amendments thereto shall be in effect [on the first day of the first calendar quarter immediately following notification to the director of the department of revenue of the election approving the proposal] **as provided by section 32.087**. If a proposal receives less than the required majority, then the governing authority of the city shall have no power to impose the sales tax unless and until the governing authority of the city has submitted another proposal to authorize the imposition of the sales tax authorized by this section and such proposal is approved by the required majority of the qualified voters voting thereon. However, in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve months from the date of the last proposal pursuant to this section.

3. [On and after the effective date of any tax authorized in this section, the city may adopt one of the two following provisions for the collection and administration of the tax:

(1) The city may adopt rules and regulations for the internal collection of such tax by the city officers usually responsible for collection and administration of city taxes; or

(2) The city may enter into an agreement with the director of revenue of the state of Missouri for the purpose of collecting the tax authorized in this section. In the event any city enters into an agreement with the director of revenue of the state of Missouri for the collection of the tax authorized in this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and

operation of such tax, and the director of revenue shall collect the additional tax authorized in this section. The tax authorized in this section shall be collected and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue, and the director of revenue shall retain an amount not to exceed one percent for cost of collection.

4. If a tax is imposed by a city pursuant to this section, the city may collect a penalty of one percent and interest not to exceed two percent per month on unpaid taxes which shall be considered delinquent thirty days after the last day of each quarter] **After the effective date of any tax imposed under the provisions of this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax and collect, in addition to the sales tax for the state of Missouri, the additional tax authorized under the authority of this section. The tax imposed under this section and the tax imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.**

[5.] 4. (1) The governing authority of any city that has adopted any sales tax pursuant to this section shall, upon filing of a petition calling for the repeal of such sales tax signed by at least ten percent of the qualified voters in the city, submit the question of repeal of the sales tax to the qualified voters at any primary or general election. The ballot of submission shall be in substantially the following form:

Shall (insert name of city) repeal the sales tax of (insert rate of percent) percent for tourism purposes now in effect in (insert name of city)?

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 are in favor of repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved. **If the city or county abolishes the tax, the city or county shall notify the director of revenue of the action at least one hundred twenty days prior to the effective date of the repeal.**

(2) Once the tax is repealed as provided in this section, all funds remaining in any trust fund or account established to receive revenues generated by the tax shall be used solely for the original stated purpose of the tax. Any funds which are not needed for current expenditures may be invested by the governing authority in accordance with applicable laws relating to the investment of other city funds.

(3) The governing authority of a city repealing a tax pursuant to this section shall notify the director of revenue of the action at least forty-five days before the effective date of the repeal and the director of revenue may order retention in any trust fund created in the state treasury associated with the tax, for a period of one year, of two percent of the amount collected after receipt of such notice to cover refunds or overpayment of the 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 repeal of the tax in the city, the director of revenue shall remit the balance in the trust fund to the city and close the account of that city. The director of revenue shall notify each city of each instance of any amount refunded or any check redeemed from receipts due the city.

(4) In the event that the repeal of a sales tax pursuant to this section dissolves or terminates a taxing

district, the governing authority of the city 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 authority of the city, 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 city treasurer or the equivalent official and take receipt for all remaining moneys. Upon payment to the city treasurer, the trustee shall deliver to the clerk of the governing authority of the city all books, papers, records, and deeds belonging to the dissolved district.

[6.] **5.** Except as modified in this section, all provisions of sections 32.085 [and] **to** 32.087 shall apply to the tax imposed pursuant to this section.”; and

Further amend said bill, Page 10, Section 67.2050, Line 73, by inserting after all of said line the following:

“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] **as provided by section 32.087.**

14. Each director shall devote such time to the duties of the office as the faithful discharge thereof may require and be reimbursed for his or her actual expenditures in the performance of his or her 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.

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. 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. [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.

6.] 4. 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.] 5. 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. 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 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)] 6. After the effective date of any tax imposed under the provisions of this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax and collect, in addition to the sales tax for the state of Missouri, the additional tax authorized under the authority of this section. The tax imposed under this section and the tax imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.

7. 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 governing the state sales tax, sections 32.085 and 32.087, and section 32.057, 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 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 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 and sections 144.010 to 144.525 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) **8.** 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] **as provided by section 32.087.**

[11.] **9.** (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. **If the district abolishes the tax, the district shall notify the director of revenue of the action at least one hundred twenty days prior to the effective date of the repeal.**

[12.] **10.** (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.

11. Except as provided in this section, all provisions of sections 32.085 to 32.087 shall apply to the tax imposed under this section.”; and

Further amend said bill, Page 10, Section 92.387, Line 2, by inserting after all of said line the following:

“94.578. 1. In addition to the sales tax authorized in section 94.577, the governing body of any home rule city with more than one hundred fifty-one thousand five hundred but less than one hundred fifty-one thousand six hundred inhabitants is hereby authorized to impose, by order or ordinance, a sales tax on all retail sales made within the city which are subject to sales tax under chapter 144. The tax authorized in this section may be imposed at a rate of one-eighth, one-fourth, three-eighths, or one-half of one percent, but shall not exceed one-half of one percent, shall not be imposed for longer than three years, and shall be imposed solely for the purpose of funding the construction, operation, and maintenance of capital improvements in the city’s center city. The governing body may issue bonds for the funding of such capital improvements, which will be retired by the revenues received from the sales tax authorized by this section. The order or ordinance shall not become effective unless the governing body of the city submits to the voters residing within the city at a state or municipal general, primary, or special election a proposal to authorize the governing body of the city to impose a tax under this section. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes.

2. The ballot submission for the tax authorized in this section shall be in substantially the following form:

Shall (insert the name of the city) impose a sales tax at a rate of(insert rate of percent) percent for [a] capital improvements purposes in the city’s center city for a period of

(insert number of years, not to exceed three) years?

YES

NO

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax shall become effective on the first day of the second calendar quarter after the director of revenue receives notice of the adoption of the sales tax. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the question, then the tax shall not become effective unless and until the question is resubmitted under this section to the qualified voters and such question is approved by a majority of the qualified voters voting on the question. In no case shall a tax be resubmitted to the qualified voters of the city sooner than twelve months from the date of the proposal under this section.

3. Any sales tax imposed under this section shall be administered, collected, enforced, and operated as required in [section] **sections 32.085 to 32.087**. All revenue generated by the tax shall be deposited in a special trust fund and shall be used solely for the designated purposes. If the tax is repealed, all funds remaining in the special trust fund shall continue to be used solely for the designated purposes. Any funds in the special trust fund which are not needed for current expenditures shall be invested in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund.

4. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any city for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such cities. If any city abolishes the tax, the city 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 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 tax in such city, the director of revenue shall remit the balance in the account to the city and close the account of that city. The director of revenue shall notify each city of each instance of any amount refunded.

5. The governing body of any city that has adopted the sales tax authorized in this section may submit the question of repeal of the tax to the voters on any date available for elections for the city. The ballot of submission shall be in substantially the following form:

Shall (insert the name of the city) repeal the sales tax imposed at a rate of (insert rate of percent) percent for capital improvements purposes in the city’s center city?

YES

NO

If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the sales tax authorized in this section shall remain effective until the question is resubmitted under this section to the qualified voters, and the repeal is approved by a majority of the qualified voters voting on the question. **If the city or county abolishes the tax, the city or county shall notify the director of revenue of the action at least one hundred twenty days prior to the effective date of the repeal.**

6. Whenever the governing body of any city that has adopted the sales tax authorized in this section

receives a petition, signed by ten percent of the registered voters of the city voting in the last gubernatorial election, calling for an election to repeal the sales tax imposed under this section, the governing body shall submit to the voters of the city a proposal to repeal the tax. If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal, then the tax shall remain effective until the question is resubmitted under this section to the qualified voters and the repeal is approved by a majority of the qualified voters voting on the question.

7. Except as provided in this section, all provisions of sections 32.085 to 32.087 apply to the sales tax imposed under this section.

94.605. 1. Any city as defined in section 94.600 may by a majority vote of its governing body impose a sales tax for transportation purposes enumerated in sections 94.600 to 94.655.

2. The sales tax may be imposed at a rate not to exceed one-half of one percent on the receipts from the sale at retail of all tangible personal property or taxable services at retail within any city adopting such tax, if such property and services are subject to taxation by the state of Missouri under the provisions of sections 144.010 to 144.525.

3. With respect to any tax increment financing plan originally approved by ordinance of the city council after March 31, 2009, in any home rule city with more than four hundred thousand inhabitants and located in more than one county, any three-eighths of one cent sales tax imposed under sections 94.600 to 94.655 shall not be considered economic activity taxes as such term is defined under sections 99.805 and 99.918, and tax revenues derived from such taxes shall not be subject to allocation under the provisions of subsection 3 of section 99.845 or subsection 4 of section 99.957. Any one-eighth of one cent sales tax imposed in such city under sections 94.600 to 94.655 for constructing and operating a light-rail transit system shall not be considered economic activity taxes as such term is defined under sections 99.805 and 99.918, and tax revenues derived from such tax shall not be subject to allocation under the provisions of subsection 3 of section 99.845 or subsection 4 of section 99.957.

[4. If the boundaries of a city in which such sales tax has been imposed shall thereafter be changed or altered, the city or county clerk shall forward to the director of revenue by United States registered mail or certified mail a certified copy of the ordinance adding or detaching territory from the city. The ordinance shall reflect the effective date thereof, and shall be accompanied by a map of the city clearly showing the territory added thereto or detached therefrom. Upon receipt of the ordinance and map, the tax imposed by sections 94.600 to 94.655 shall be effective in the added territory or abolished in the detached territory on the effective date of the change of the city boundary.]

94.660. 1. The governing body of any city not within a county and any county of the first classification having a charter form of government with a population of over nine hundred thousand inhabitants may propose, by ordinance or order, a transportation sales tax of up to one percent for submission to the voters of that city or county at an authorized election date selected by the governing body.

2. Any sales tax approved under this section shall be imposed on the receipts from the sale at retail of all tangible personal property or taxable services within the city or county adopting the tax, if such property and services are subject to taxation by the state of Missouri under sections 144.010 to 144.525.

3. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the county/city of (county's or city's name) impose a county/citywide sales tax of percent for the purpose of providing a source of funds for public transportation purposes?

YES

NO

Except as provided in subsection 4 of this section, if a majority of the votes cast in that county or city not within a county on the proposal by the qualified voters voting thereon are in favor of the proposal, then the tax shall go into effect [on the first day of the next calendar quarter beginning after its adoption and notice to the director of revenue, but no sooner than thirty days after such adoption and notice] **as provided by section 32.087**. If a majority of the votes cast in that county or city not within a county by the qualified voters voting are opposed to the proposal, then the additional sales tax shall not be imposed in that county or city not within a county unless and until the governing body of that county or city not within a county shall have submitted another proposal to authorize the local option transportation sales tax authorized in this section, and such proposal is approved by a majority of the qualified voters voting on it. In no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve months from the date of the last proposal.

4. No tax shall go into effect under this section in any city not within a county or any county of the first classification having a charter form of government with a population over nine hundred thousand inhabitants unless and until both such city and such county approve the tax.

5. The provisions of subsection 4 of this section requiring both the city and county to approve a transportation sales tax before a transportation sales tax may go into effect in either jurisdiction shall not apply to any transportation sales tax submitted to and approved by the voters in such city or such county on or after August 28, 2007.

6. All sales taxes collected by the director of revenue under this section on behalf of any city or county, less one percent for cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds, shall be deposited with the state treasurer in a special trust fund, which is hereby created, to be known as the "County Public Transit Sales Tax Trust Fund". The sales taxes shall be collected as provided in section 32.087. The moneys in the trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state. The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each city or county approving a sales tax under this section, and the records shall be open to inspection by officers of the city or county and the 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 city or county which levied the tax, and such funds shall be deposited with the treasurer of each such city or county and all expenditures of funds arising from the county public transit sales tax trust fund shall be by an appropriation act to be enacted by the governing body of each such county or city not within a county.

7. The revenues derived from any transportation sales tax under this section shall be used only for the planning, development, acquisition, construction, maintenance and operation of public transit facilities and systems other than highways.

8. The director of revenue may authorize the state treasurer to make refunds from the amount in the trust fund and credited to any city or county for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such cities or counties. If any city or county abolishes the tax, the city or county shall notify the director of revenue of the action at least ninety days

prior to 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 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 tax in such city or county, the director of revenue shall authorize the state treasurer to remit the balance in the account to the city or county and close the account of that city or county. The director of revenue shall notify each city or county of each instance of any amount refunded or any check redeemed from receipts due the city or county.

94.705. 1. Any city may by a majority vote of its governing body impose a sales tax for transportation purposes enumerated in sections 94.700 to 94.755, and issue bonds for transportation purposes which shall be retired by the revenues received from the sales tax authorized by this section. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law. No ordinance imposing a sales tax pursuant to the provisions of this section shall become effective unless the council or other governing body submits to the voters of the city, at a city or state general, primary, or special election, a proposal to authorize the council or other governing body of the city to impose such a sales tax and, if such tax is to be used to retire bonds authorized pursuant to this section, to authorize such bonds and their retirement by such tax; except that no vote shall be required in any city that imposed and collected such tax under sections 94.600 to 94.655, before January 5, 1984. The ballot of the submission shall contain, but is not limited to, the following language:

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

Shall the city of (city’s name) impose a sales tax of (insert amount) for transportation purposes?

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

Shall the city of (city’s name) issue bonds in the amount of (insert amount) for transportation purposes and impose a sales tax of (insert amount) to repay such bonds?

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, provided in subdivision (1) of this subsection, by the qualified voters voting thereon are in favor of the proposal, then the ordinance and any amendments thereto shall be in effect. If the four-sevenths majority of the votes, as required by the Missouri Constitution, article VI, section 26, cast on the proposal, provided in subdivision (2) of this subsection to issue bonds and impose a sales tax to retire such bonds, by the qualified voters voting thereon are in favor of the proposal, then the ordinance and any amendments thereto shall be in effect. If a majority of the votes cast on the proposal, as provided in subdivision (1) of this subsection, by the qualified voters voting thereon are opposed to the proposal, then the council or other governing body of the city shall have no power to impose the tax

authorized in subdivision (1) of this subsection unless and until the council or other governing body of the city submits another proposal to authorize the council or other governing body of the city to impose the tax and such proposal is approved by a majority of the qualified voters voting thereon. If more than three-sevenths of the votes cast by the qualified voters voting thereon are opposed to the proposal, as provided in subdivision (2) of this subsection to issue bonds and impose a sales tax to retire such bonds, then the council or other governing body of the city shall have no power to issue any bonds or to impose the tax authorized in subdivision (2) of this subsection unless and until the council or other governing body of the city submits another proposal to authorize the council or other governing body of the city to issue such bonds or impose the tax to retire such bonds and such proposal is approved by four-sevenths of the qualified voters voting thereon.

2. No incorporated municipality located wholly or partially within any first class county operating under a charter form of government and having a population of over nine hundred thousand inhabitants shall impose such a sales tax for that part of the city, town or village that is located within such first class county, in the event such a first class county imposes a sales tax under the provisions of sections 94.600 to 94.655.

3. The sales tax may be imposed at a rate not to exceed one-half of one percent on the receipts from the sale at retail of all tangible personal property or taxable services at retail within any city adopting such tax, if such property and services are subject to taxation by the state of Missouri under the provisions of sections 144.010 to 144.525.

4. [If the boundaries of a city in which such sales tax has been imposed shall thereafter be changed or altered, the city clerk shall forward to the director of revenue by United States registered mail or certified mail a certified copy of the ordinance adding or detaching territory from the city. The ordinance shall reflect the effective date thereof, and shall be accompanied by a map of the city clearly showing the territory added thereto or detached therefrom. Upon receipt of the ordinance and map, the tax imposed by sections 94.700 to 94.755 shall be effective in the added territory or abolished in the detached territory on the effective date of the change of the city boundary.

5.] No tax imposed pursuant to this section for the purpose of retiring bonds issued pursuant to this section may be terminated until all of such bonds have been retired.”; and

Further amend said bill, Pages 12 to 15, Section 144.010, by deleting all of said section and inserting in lieu thereof the following:

“144.010. 1. The following words, terms, and phrases when used in [sections 144.010 to 144.525] **this chapter shall** have the meanings ascribed to them in this section, except when the context indicates a different meaning:

(1) “Admission” includes seats and tables, reserved or otherwise, and other similar accommodations and charges made therefor and amount paid for admission, exclusive of any admission tax imposed by the federal government or by sections 144.010 to 144.525;

(2) “Advertising and promotional direct mail”, **printed material that meets the definition of direct mail, the primary purpose of which is to attract public attention to a product, person, business, or organization, or to attempt to sell, popularize, or secure financial support for a product, person, business, or organization. As used in this subdivision, the word “product” means tangible personal property, a product transferred electronically or a service;**

(3) “Agreement”, **the streamlined sales and use tax agreement, as amended from time to time;**

(4) “Air-to-ground radiotelephone service”, a radio service, as that term is defined in 47 CFR 22.99, in which common carriers are authorized to offer and provide radio telecommunications service for hire to subscribers in aircraft;

(5) “Alcoholic beverages”, beverages that are suitable for human consumption and contain one-half of one percent or more of alcohol by volume;

(6) “Ancillary services”, services that are associated with or incidental to the provisions of telecommunications services, including but not limited to, detailed telecommunications billing, directory assistance, vertical service, and voice mail services. Ancillary services shall not include specified digital products, digital audio-visual works, digital audio works, or digital books;

(7) “Appliance”, clothes washer and dryer, water heater, trash compactor, dishwasher, conventional oven, range, stove, air conditioner, furnace, refrigerator and freezer;

(8) “Bottled water”, water that is placed in a safety sealed container or package for human consumption. Bottled water is calorie free and does not contain sweeteners or other additives except that it may contain:

- (a) Antimicrobial agents;
- (b) Fluoride;
- (c) Carbonation;
- (d) Vitamins, minerals, and electrolytes;
- (e) Oxygen;
- (f) Preservatives; and
- (g) Only those flavors, extracts, or essences derived from a spice or fruit.

Bottled water includes water that is delivered to the buyer in a reusable container that is not sold with the water;

(9) “Bundled transaction”:

(a) The retail sale of two or more products, except real property and services to real property, where the products are otherwise distinct and identifiable, and the products are sold for one nonitemized price. A bundled transaction shall not include the sale of any products in which the sales price varies, or is negotiable, based on the selection by the purchaser of the products included in the transaction;

(b) As used in this paragraph, the term “distinct and identifiable products” shall not include:

a. Packaging, such as containers, boxes, sacks, bags, and bottles, or other materials, such as wrapping, labels, tags, and instruction guides, that accompany the retail sale of the products and are incidental or immaterial to the retail sale thereof;

b. A product provided free of charge with the required purchase of another product. A product is provided free of charge if the sales price of the product purchased does not vary depending on the inclusion of the product provided free of charge;

c. Items included in the definition of the term sales price;

(c) As used in this paragraph, the term “one nonitemized price” shall not include a price that is separately identified by product on binding sales or other supporting sales-related documentation made available to the customer in paper or electronic form, including but not limited to an invoice, bill of sale, receipt, contract, service agreement, lease agreement, periodic notice of rates and services, rate card, or price list;

(d) a. A transaction that otherwise meets the definition of a bundled transaction as defined in this subdivision shall not constitute a bundled transaction if it is:

(i) A retail sale of tangible personal property and a service where the tangible personal property is essential to the use of the service, and is provided exclusively in connection with the service, and the true object of the transaction is the service; or

(ii) A retail sale of services where one service is provided that is essential to the use or receipt of a second service and the first service is provided exclusively in connection with the second service and the true object of the transaction is the second service; or

(iii) A transaction that includes taxable products and nontaxable products and the sales price of the taxable products is de minimis.

b. “De minimis” means the sales price of the taxable product is ten percent or less of the total sales price of the bundled products.

c. Sellers shall use the sales price of the products to determine if the taxable products are de minimis.

d. (i) Sellers shall use the full term of a service contract to determine if the taxable products are de minimis; or

(ii) A retail sale of exempt tangible personal property and taxable tangible personal property where:

i. The transaction includes food and food ingredients, drugs, durable medical equipment, mobility enhancing equipment, over-the-counter drugs, prosthetic devices, or medical supplies; and

ii. The seller’s purchase price or sales price of the taxable tangible personal property is fifty percent or less of the total sales price of the bundled tangible personal property. Sellers shall not use a combination of the purchase price and sales price of the tangible personal property when making the fifty percent determination for a transaction;

(10) “Business” includes any activity engaged in by any person, or caused to be engaged in by him, with the object of gain, benefit or advantage, either direct or indirect, and the classification of which business is of such character as to be subject to the terms of sections 144.010 to 144.525. A person is “engaging in business” in this state for purposes of sections 144.010 to 144.525 if such person “engages in business in this state” or “maintains a place of business in this state” under section 144.605. The isolated or occasional sale of tangible personal property, service, substance, or thing, by a person not engaged in such business, does not constitute engaging in business within the meaning of sections 144.010 to 144.525 unless the total amount of the gross receipts from such sales, exclusive of receipts from the sale of tangible personal property by persons which property is sold in the course of the partial or complete liquidation of a household, farm or nonbusiness enterprise, exceeds three thousand dollars in any calendar year. The provisions of this subdivision shall not be construed to make any sale of property which is exempt from

sales tax or use tax on June 1, 1977, subject to that tax thereafter;

[(3)] (11) “Calendar quarter”, the period of three consecutive calendar months ending on March thirty-first, June thirtieth, September thirtieth or December thirty-first;

(12) “Call-by-call basis”, any method of charging for telecommunications services where the price is measured by individual calls;

(13) “Candy”, a preparation of sugar, honey, or other natural or artificial sweeteners in combination with chocolate, fruits, nuts or other ingredients or flavorings in the form of bars, drops, or pieces. Candy shall not include any preparation containing flour and shall require no refrigeration;

(14) “Captive wildlife”, includes but is not limited to exotic partridges, gray partridge, northern bobwhite quail, ring-necked pheasant, captive waterfowl, captive white-tailed deer, captive elk, and captive furbearers held under permit issued by the Missouri department of conservation for hunting purposes. The provisions of this subdivision shall not apply to sales tax on a harvested animal;

(15) “Certified automated system” or “CAS”, software certified under the streamlined sales and use tax agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to remit to the appropriate state, and maintain a record of the transaction;

(16) “Certified service provider” or “CSP”, an agent certified under the streamlined sales and use tax agreement to perform all the seller’s sales and use tax functions, other than the seller’s obligation to remit tax on its own purchases;

(17) “Clothing”:

(a) All human wearing apparel suitable for general use;

(b) Clothing shall include:

a. Aprons, household and shop;

b. Athletic supporters;

c. Baby receiving blankets;

d. Bathing suits and caps;

e. Beach capes and coats;

f. Belts and suspenders;

g. Boots;

h. Coats and jackets;

i. Costumes;

j. Diapers, children and adult, including disposable diapers;

k. Ear muffs;

l. Footlets;

m. Formal wear;

n. Garters and garter belts;

- o. Girdles;**
- p. Gloves and mittens for general use;**
- q. Hats and caps;**
- r. Hosiery;**
- s. Insoles for shoes;**
- t. Lab coats;**
- u. Neckties;**
- v. Overshoes;**
- w. Pantyhose;**
- x. Rainwear;**
- y. Rubber pants;**
- z. Sandals;**
- aa. Scarves;**
- bb. Shoes and shoelaces;**
- cc. Slippers;**
- dd. Sneakers;**
- ee. Socks and stockings;**
- ff. Steel toed-shoes;**
- gg. Underwear;**
- hh. Uniforms, athletic and nonathletic; and**

ii. Wedding apparel;

(c) Clothing shall not include:

- a. Belt buckles sold separately;**
- b. Costume masks sold separately;**
- c. Patches and emblems sold separately;**
- d. Sewing equipment and supplies, including but not limited to, knitting needles, patterns, pins, scissors, sewing machines, sewing needles, tape measures, and thimbles; and**
- e. Sewing materials that become part of clothing, including but not limited to buttons, fabric, lace, thread, yarn, and zippers;**

(18) “Clothing accessories and equipment”, incidental items worn on the person or in conjunction with clothing. Clothing accessories and equipment are mutually exclusive of clothing, sport or recreational equipment, and protective equipment;

(19) “Coin-operated telephone service”, a telecommunications service paid for by inserting money

into a telephone accepting direct deposits of money to operate;

(20) “Communications channel”, a physical or virtual path of communications over which signals are transmitted between or among customer channel termination points;

(21) “Computer”, an electronic device that accepts information in digital or similar form and manipulates it for a result based on a sequence of instructions;

(22) “Computer software”, a set of coded instructions designed to cause a computer or automatic data processing equipment to perform a task. Computer software shall not include specified digital products, digital audio-visual works, digital audio works, or digital books;

(23) “Conference bridging service”, an ancillary service that links two or more participants of an audio or video conference call and may include the provision of a telephone number. Conference bridging service does not include the telecommunications services used to reach the conference bridge;

(24) “Customer”, the person or entity that contracts with the seller of telecommunications services. If the end user of telecommunications services is not the contracting party, the end user of the telecommunications service is the customer of the telecommunication service, but this definition only applies to the purpose of sourcing sales of telecommunications services under section 144.043. Customer shall not include a reseller of telecommunications service or for mobile telecommunications service of a serving carrier under an agreement to serve the customer outside the home service provider’s licensed service area;

(25) “Customer channel termination point”, the location where the customer either inputs or receives the communication;

(26) “Delivered electronically”, delivered to the purchaser by means other than tangible storage media;

(27) “Delivery charges”, charges by the seller of personal property or services for preparation and delivery to a location designated by the purchaser of personal property or services, including but not limited to transportation, shipping, postage, handling, crating, and packing;

(28) “Detailed telecommunications billing service”, an ancillary service of separately stating information pertaining to individual calls on a customer’s billing statement;

(29) “Dietary supplement”, any product, other than tobacco, intended to supplement the diet that contains one or more of the following dietary ingredients: a vitamin; a mineral; an herb or other botanical; an amino acid; a dietary substance for use by humans to supplement the diet by increasing the total dietary intake; or a concentrate, metabolite, constituent, extract, or combination of any ingredient described above; and that is intended for ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form, or if not intended for ingestion in such a form, is not represented as a conventional food and is not represented for use as a sole item of a meal or of the diet; and that is required to be labeled as a dietary supplement, identifiable by the supplemental facts box found on the label and as required under 21 CFR Section 101.36;

(30) “Digital audio works”, works that result from the fixation of a series of musical, spoken, or other sounds, including ringtones;

(31) “Digital audio-visual works”, a series of related images which, when shown in succession,

impart an impression of motion, together with accompanying sounds, if any;

(32) “Digital books”, works that are generally recognized in the ordinary and usual sense as books;

(33) “Direct mail”, printed material delivered or distributed by United States mail or other delivery service to a mass audience or to addressees on a mailing list provided by the purchaser or at the direction of the purchaser when the cost of the items is not billed directly to the recipients. Direct mail shall include tangible personal property supplied directly or indirectly by the purchaser to the direct mail seller for inclusion in the package containing the printed material. Direct mail shall not include multiple items of printed material delivered to a single address;

(34) “Directory assistance”, an ancillary service of providing telephone number information, or address information;

(35) “Drug”:

(a) A compound, substance, or preparation, and any component of a compound, substance, or preparation, other than food and food ingredients, dietary supplements, alcoholic beverages, or grooming and hygiene products:

a. Recognized in the official United States Pharmacopoeia, official Homeopathic Pharmacopoeia of the United States, or official National Formulary, or supplement to any of them;

b. Intended for use in the diagnosis, cure, mitigation, treatment, or prevention of disease; or

c. Intended to affect the structure or any function of the body;

(b) Drug shall include insulin and medical oxygen;

(36) “Durable medical equipment”, equipment including repair and replacement parts for same, excluding mobility enhancing equipment. Durable medical equipment:

(a) Can withstand repeated use;

(b) Is primarily and customarily used to serve a medical purpose;

(c) Generally is not useful to a person in the absence of illness or injury;

(d) Is not worn in or on the body;

(e) Is for home use;

(f) Is within the classification of devices eligible for MO HealthNet and Medicare reimbursement;

(g) Shall not include:

a. Kidney dialysis equipment not worn in or on the body, including repair and replacement parts; and

b. Enteral feeding systems not worn in or on the body, including repair and replacement parts.

As used in this subdivision, repair and replacement parts shall include all components or attachments used in conjunction with the durable medical equipment;

(37) “Electronic”, relating to technology having electrical, digital, magnetic, wireless, optical, electromagnetic, or similar capabilities;

(38) “End user”, the person who utilizes the telecommunication service. In case of an entity, “end user” means the individual who utilizes the service on behalf of the entity;

(39) “Energy star qualified product”, a product that meets the energy efficient guidelines set by the United States Environmental Protection Agency and the United States Department of Energy that is authorized to carry the Energy Star label. Covered products are those listed at www.energystar.gov or successor address;

(40) “Engages in business activities within this state”, includes:

(a) Purposefully or systematically exploiting the market provided by this state by any media-assisted, media-facilitated, or media-solicited means, including but not limited to direct mail advertising, distribution of catalogs, computer-assisted shopping, telephone, television, radio, or other electronic media, or magazine or newspaper advertisements, or other media; or

(b) Being owned or controlled by the same interests which own or control any seller engaged in the same or similar line of business in this state; or

(c) Maintaining or having a franchisee or licensee operating under the seller’s trade name in this state if the franchisee or licensee is required to collect sales tax under sections 144.010 to 144.525; or

(d) Soliciting sales or taking orders by sales agents or traveling representatives;

(41) “Food and food ingredients”, substances, whether in liquid, concentrated, solid, frozen, dried, or dehydrated form, that are sold for ingestion or chewing by humans and are consumed for their taste or nutritional value. Food and food ingredients shall not include alcoholic beverages, tobacco, or dietary supplements;

(42) “Food sold through a vending machine”, food dispensed from a machine or other mechanical device that accepts payment;

(43) “Grooming and hygiene products”, soaps and cleaning solutions, shampoo, toothpaste, mouthwash, antiperspirants, and suntan lotions and screens, regardless of whether the items meet the definition of over-the-counter drugs;

[(4)] (44) “Gross receipts”[,] or “sales price”:

(a) Except as provided in section 144.012, [means the total amount of the sale price of the sales at retail including any services other than charges incident to the extension of credit that are a part of such sales made by the businesses herein referred to, capable of being valued in money, whether received in money or otherwise; except that, the term “gross receipts” shall not include the sale price of property returned by customers when the full sale price thereof is refunded either in cash or by credit. In determining any tax due under sections 144.010 to 144.525 on the gross receipts, charges incident to the extension of credit shall be specifically exempted. For the purposes of sections 144.010 to 144.525 the total amount of the sale price above mentioned shall be deemed to be the amount received. It shall also include the lease or rental consideration where the right to continuous possession or use of any article of tangible personal property is granted under a lease or contract and such transfer of possession would be taxable if outright sale were made and, in such cases, the same shall be taxable as if outright sale were made and considered as a sale of such article, and the tax shall be computed and paid by the lessee upon the rentals paid;] **applies to the measure subject to sales tax and means the total amount of consideration, including cash, credit, property, and services, for which personal property or services are sold, leased, or rented, valued in**

money, whether received in money or otherwise, without any deduction for the following:

a. The seller's cost of the property sold;

b. The cost of materials used, labor or service cost, interest, losses, all costs of transportation to the seller, all taxes imposed on the seller, and any other expense of the seller;

c. Charges by the seller for any services necessary to complete the sale, other than delivery and installation charges;

d. Delivery charges; and

e. Credit for any trade-in;

(b) Shall not include:

a. Discounts, including cash, term, or coupons that are not reimbursed by a third party that are allowed by a seller and taken by a purchaser on a sale;

b. Interest, financing, and carrying charges from credit extended on the sale of personal property or services, if the amount is separately stated on the invoice, bill of sale or similar document given to the purchaser; and

c. Any taxes legally imposed directly on the consumer that are separately stated on the invoice, bill of sale or similar document given to the purchaser;

(c) Shall include consideration received by the seller from third parties if:

a. The seller actually receives consideration from a party other than the purchaser and the consideration is directly related to a price reduction or discount on the sale;

b. The seller has an obligation to pass the price reduction or discount through to the purchaser;

c. The amount of the consideration attributable to the sale is fixed and determinable by the seller at the time of the sale of the item to the purchaser; and

d. One of the following criteria is met:

(i) The purchaser presents a coupon, certificate or other documentation to the seller to claim a price reduction or discount where the coupon, certificate or documentation is authorized, distributed, or granted by a third party with the understanding that the third party will reimburse any seller to whom the coupon, certificate or documentation is presented;

(ii) The purchaser identifies himself or herself to the seller as a member of a group or organization entitled to a price reduction or discount (a preferred customer card that is available to any patron does not constitute membership in such a group); or

(iii) The price reduction or discount is identified as a third-party price reduction or discount on the invoice received by the purchaser or on a coupon, certificate or other documentation presented by the purchaser;

(45) "Home service provider", the same as such term is defined in Section 124(5) of Public Law 106-252, Mobile Telecommunications Sourcing Act;

(46) "Lease or rental":

(a) Any transfer of possession or control of tangible personal property for a fixed or indeterminate term for consideration. A lease or rental may include future options to purchase or extend;

(b) Lease or rental shall not include:

a. A transfer of possession or control of property under a security agreement or deferred payment plan that requires the transfer of title upon completion of the required payments;

b. A transfer of possession or control of property under an agreement that requires the transfer of title upon completion of required payments and where any payment of an option price does not exceed the greater of one hundred dollars or one percent of the total required payments;

c. Providing tangible personal property along with an operator for a fixed or indeterminate period of time provided that the operator is necessary for the equipment to perform as designed and the operator does more than maintain, inspect, or set up the tangible personal property;

(c) Lease or rental includes agreements covering motor vehicles and trailers where the amount of consideration may be increased or decreased by reference to the amount realized upon sale or disposition of the property as defined in 26 U.S.C. Section 7701(h)(1), as amended;

(47) “Light aircraft”, a light airplane that seats no more than four persons, with a gross weight of three thousand pounds or less, which is primarily used for recreational flying or flight training;

(48) “Light aircraft kit”, factory manufactured light aircraft parts and components, including engine, propeller, instruments, wheels, brakes, and air frame parts which make up a complete aircraft kit or partial kit designed to be assembled into a light aircraft and then operated by a qualified light aircraft purchaser for recreational and educational purposes;

(49) “Light aircraft parts and components”, manufactured light aircraft parts, including air frame and engine parts, that are required by the qualified light aircraft purchaser to complete a light aircraft kit, or spare or replacement parts for an already completed light aircraft;

[(5)] (50) “Livestock”, cattle, calves, sheep, swine, ratite birds, including but not limited to, ostrich and emu, aquatic products as defined in section 277.024, llamas, alpaca, buffalo, elk documented as obtained from a legal source and not from the wild, goats, horses, other equine, or rabbits raised in confinement for human consumption;

[(6)] (51) “Load and leave”, delivery to the purchaser by use of a tangible storage media where the tangible storage media is not physically transferred to the purchaser;

(52) “Maintains a place of business in this state”, includes maintaining, occupying, or using, permanently or temporarily, directly or indirectly, or through a subsidiary, or agent, by whatever name called, an office, place of distribution, sales or sample room or place, warehouse or storage place, or other place of business;

(53) “Mobile telecommunications service”, the same as such term is defined in Section 124(7) of Public Law 106-252, Mobile Telecommunications Sourcing Act;

(54) “Mobility enhancing equipment”, equipment, including repair and replacement parts to same, which:

(a) Is primarily and customarily used to provide or increase the ability to move from one place to another and which is appropriate for use either in a home or a motor vehicle; and

(b) Is not generally used by persons with normal mobility; and

(c) Is within the classification of devices eligible for MO HealthNet and Medicare reimbursement.

Mobility enhancement equipment shall not include durable medical equipment or any motor vehicle or equipment on a motor vehicle normally provided by a motor vehicle manufacturer;

(55) “Model 1 seller”, a seller registered under the agreement that has selected a certified service provider as its agent to perform all the seller’s sales and use tax functions, other than the seller’s obligation to remit tax on its own purchases;

(56) “Model 2 seller”, a seller that has selected a certified automated system (CAS) to perform part of its sales and use tax functions, but retains responsibility for remitting the tax;

(57) “Model 3 seller”, a seller registered under the agreement that has sales in at least five member states, has total annual sales revenue of at least five hundred million dollars, has a proprietary system that calculates the amount of tax due each jurisdiction, and has entered into a performance agreement with the member states that establishes a tax performance standard for the seller. As used in this subdivision, a seller shall include an affiliated group of sellers using the same proprietary system;

(58) “Model 4 seller”, a seller that is registered under the agreement and is not a Model 1 Seller, a Model 2 Seller or a Model 3 Seller;

(59) “Motor vehicle leasing company” [shall be], a company obtaining a permit from the director of revenue to operate as a motor vehicle leasing company. Not all persons renting or leasing trailers or motor vehicles need to obtain such a permit; however, no person failing to obtain such a permit may avail itself of the optional tax provisions of subsection 5 of section 144.070, as hereinafter provided;

[(7)] (60) “Other direct mail”, any direct mail that is not advertising and promotional direct mail regardless of whether advertising and promotional direct mail is included in the same mailing. Other direct mail includes, but is not limited to:

(a) Transactional direct mail that contains personal information specific to the one addressee including, but not limited to, invoices, bills, statements of account, and payroll advices;

(b) Any legally required mailings including, but not limited to, privacy notices, tax reports, and stockholder reports; and

(c) Other nonpromotional direct mail delivered to existing or former shareholders, customers, employees, or agents including, but not limited to, newsletters and informational pieces.

Other direct mail shall not include the development of billing information or the provision of any data processing service that is more than incidental;

(61) “Over-the-counter drug”, a drug, excluding grooming and hygiene products, that contains a label that identifies the product as a drug as required by 21 CFR Section 201.66 and includes:

(a) A drug facts panel; or

(b) A statement of the active ingredients with a list of those ingredients contained in the compound, substance, or preparation;

(62) “Person” includes any individual, firm, copartnership, joint adventure, association, corporation, municipal or private, and whether organized for profit or not, state, county, political subdivision, state

department, commission, board, bureau or agency, [except the state transportation department,] estate, trust, business trust, receiver or trustee appointed by the state or federal court, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular number, **or any other legal entity**;

[(8)] (63) “Place of primary use”, the street address representative of where the customer’s use of the telecommunications service primarily occurs, which shall be the residential street address or the primary business street address of the customer. In the case of mobile telecommunications services, place of primary use shall be within the licensed service area of the home service provider;

(64) “Post-paid calling service”, the telecommunications service obtained by making a payment on a call-by-call basis either through the use of a credit card or payment mechanism such as a bank card, travel card, credit card, or debit card, or by charge made to a telephone number which is not associated with the origination or termination of the telecommunications service. A post-paid calling service includes a telecommunications service, except a prepaid wireless calling service, that would be a prepaid calling service except it is not exclusively a telecommunications service;

(65) “Prepaid calling service”, the right to access exclusively telecommunications services, which must be paid for in advance and which enables the origination of calls using an access number or authorization code, whether manually or electronically dialed, and that is sold in predetermined units or dollars of which the number declines with use in a known amount;

(66) “Prepaid wireless calling service”, a telecommunications service that provides the right to utilize mobile wireless services as well as other nontelecommunications services, including the download of digital products delivered electronically, content and ancillary services, which must be paid for in advance and that is sold in predetermined units or dollars of which the number declines with use in a known amount;

(67) “Prepared food”, food sold in a heated state or heated by the seller; two or more food ingredients mixed or combined by the seller for sale as a single item; or food sold with eating utensils provided by the seller, including plates, knives, forks, spoons, glasses, cups, napkins, or straws. A plate shall not include a container or packaging used to transport the food. Prepared food shall not include food that is only cut, repackaged, or pasteurized by the seller and eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the Food and Drug Administration in Chapter 3, Part 401.11 of the Food Code so as to prevent food borne illnesses;

(68) “Prescription”, an order, formula, or recipe issued in any form of oral, written, electronic, or other means of transmission by a duly licensed practitioner authorized by the laws of the state;

(69) “Prewritten computer software”, computer software, including prewritten upgrades, which is not designed and developed by the author or other creator to the specifications of a specific purchaser. The combining of two or more prewritten computer software programs or prewritten portions thereof shall not cause the combination to be other than prewritten computer software. Prewritten computer software shall include software designed and developed by the author or other creator to the specifications of a specific purchaser when it is sold to a person other than the specific purchaser. Where a person modifies or enhances computer software of which the person is not the author or creator, the person shall be deemed to be the author or creator only of such person’s modifications or enhancements. Prewritten computer software or a prewritten portion thereof that is modified or enhanced to any degree, where such modification or enhancement is designed and

developed to the specifications of a specific purchaser, remains prewritten computer software; provided, however, that where there is a reasonable, separately stated charge or an invoice or other statement of the price given to the purchaser for such modification or enhancement, such modification or enhancement shall not constitute prewritten computer software;

(70) “Private communication service”, a telecommunications service that entitles the customer to exclusive or priority use of a communications channel or group of channels between or among termination points, regardless of the manner in which such channel or channels are connected, and includes switching capacity, extension lines, stations, and any other associated services that are provided in connection with the use of such channel or channels;

(71) “Product-based exemption”, an exemption based on the description of the product and not based on who purchases the product or how the purchaser intends to use the product;

(72) “Product which is intended to be sold ultimately for final use or consumption”, tangible personal property, or any service that is subject to state or local sales or use taxes, or any tax that is substantially equivalent to these taxes, in this state or any other state;

(73) “Prosthetic device”, a replacement, corrective, or supportive device including repair and replacement parts for same worn on or in the body to artificially replace a missing portion of the body, prevent or correct physical deformity or malfunction, or support a weak or deformed portion of the body. The term “prosthetic device” shall not include corrective eyeglasses or contact lenses and shall be limited to the classification of devices eligible for MO HealthNet and Medicare reimbursement;

(74) “Protective equipment”, items for human wear and designed as protection of the wearer against injury or disease or as protection against damage or injury of other persons or property but not suitable for general use. Protective equipment is mutually exclusive of clothing, clothing accessories or equipment, and sport or recreational equipment;

(75) “Purchase”, the acquisition of the ownership of, or title to, tangible personal property, through a sale, as defined herein, for the purpose of storage, use or consumption in this state;

(76) “Purchase price”, applies to the measure subject to use tax and has the same meaning as sales price;

(77) “Purchaser” [means], a person [who purchases tangible] to whom a sale of personal property is made or to whom [are rendered services, receipts from which are taxable under sections 144.010 to 144.525] a service is furnished;

[(9)] (78) “Qualified light aircraft purchaser”, a purchaser of a light aircraft, light aircraft kit, light aircraft parts or components who is a nonresident of this state, who will transport the light aircraft, light aircraft kit, light aircraft parts or components outside this state within ten days after the date of purchase, and who will register any light aircraft so purchased in another state or country. Such purchaser shall not base such aircraft in this state and such purchaser shall not be a resident of the state unless such purchaser has paid sales or use tax on such aircraft in another state;

(79) “Receive” or “receipt”, taking possession of tangible personal property; making first use of services; or taking possession or making first use of digital goods, whichever comes first. Receive and receipt shall not include possession by a shipping company on behalf of the purchaser;

(80) “Registered under the agreement”, registration by a seller with the member states under the central registration system provided in Article IV of the agreement;

(81) “Research or experimentation activities” are the development of an experimental or pilot model, plant process, formula, invention or similar property, and the improvement of existing property of such type. Research or experimentation activities do not include activities such as ordinary testing or inspection of materials or products for quality control, efficiency surveys, advertising promotions or research in connection with literary, historical or similar projects;

[(10) “Sale” or “sales” includes installment and credit sales, and the exchange of properties as well as the sale thereof for money, every closed transaction constituting a sale, and means any transfer, exchange or barter, conditional or otherwise, in any manner or by any means whatsoever, of tangible personal property for valuable consideration and the rendering, furnishing or selling for a valuable consideration any of the substances, things and services herein designated and defined as taxable under the terms of sections 144.010 to 144.525;

(11) **(82)** “Sale at retail” [means any transfer made by any person engaged in business as defined herein of the ownership of, or title to, tangible personal property to the purchaser, for use or consumption and not for resale in any form as tangible personal property, for a valuable consideration; except that, for the purposes of sections 144.010 to 144.525 and the tax imposed thereby: (i) purchases of tangible personal property made by duly licensed physicians, dentists, optometrists and veterinarians and used in the practice of their professions shall be deemed to be purchases for use or consumption and not for resale; and (ii) the selling of computer printouts, computer output or microfilm or microfiche and computer-assisted photo compositions to a purchaser to enable the purchaser to obtain for his or her own use the desired information contained in such computer printouts, computer output on microfilm or microfiche and computer-assisted photo compositions shall be considered as the sale of a service and not as the sale of tangible personal property] **or “retail sale”, any sale, lease, or rental for any purpose other than for resale, sublease, or subrent. Purchases of tangible personal property made by duly licensed physicians, dentists, optometrists, and veterinarians and used in the practice of their professions shall be deemed to be purchases for use or consumption and not for resale.** Where necessary to conform to the context of sections 144.010 to 144.525 and the tax imposed thereby, the term “sale at retail” shall be construed to embrace:

(a) Sales of admission tickets, cash admissions, charges and fees to or in places of amusement, entertainment and recreation, games and athletic events;

(b) Sales of electricity, electrical current, water and gas, natural or artificial, to domestic, commercial or industrial consumers;

(c) Sales of local and long distance telecommunications service to telecommunications subscribers and to others through equipment of telecommunications subscribers for the transmission of messages and conversations, and the sale, rental or leasing of all equipment or services pertaining or incidental thereto;

(d) Sales of service for transmission of messages by telegraph companies;

(e) Sales or charges for all rooms, meals and drinks furnished at any hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car, tourist camp, tourist cabin, or other place in which rooms, meals or drinks are regularly served to the public;

(f) Sales of tickets by every person operating a railroad, sleeping car, dining car, express car, boat,

airplane, and such buses and trucks as are licensed by the division of motor carrier and railroad safety of the department of economic development of Missouri, engaged in the transportation of persons for hire;

(83) “School art supply”:

(a) An item commonly used by a student in a course of study for artwork. The term is mutually exclusive of the terms school supply, school instructional material, and school computer supply;

(b) The following is an all-inclusive list:

- a. Clay and glazes;**
- b. Paints, acrylic, tempora, and oil;**
- c. Paintbrushes for artwork;**
- d. Sketch and drawing pads; and**
- e. Watercolors;**

(84) “School computer supply”:

(a) An item commonly used by a student in a course of study in which a computer is used. The term is mutually exclusive of the terms school supply, school art supply, and school instructional material.

(b) The following is an all-inclusive list:

- a. Computer storage media, diskettes, compact disks;**
- b. Handheld electronic schedulers, except devices that are cellular phones;**
- c. Personal digital assistants, except devices that are cellular phones; and**
- d. Computer printers and printer supplies for computers, printer paper, and printer ink;**

(85) “School instructional material”:

(a) Written material commonly used by a student in a course of study as a reference and to learn the subject being taught. The term is mutually exclusive of the terms school supply, school art supply, and school computer supply;

(b) The following is an all-inclusive list:

- a. Reference books;**
- b. Reference maps and globes;**
- c. Textbooks; and**
- d. Workbooks;**

(86) “School supply”:

(a) An item commonly used by a student in a course of study. The term is mutually exclusive of the terms school art supply, school instructional material, and school computer supply;

(b) The following is an all-inclusive list:

- a. Binders;**

- b. Book bags;**
- c. Calculators;**
- d. Cellophane tape;**
- e. Blackboard chalk;**
- f. Compasses;**
- g. Composition books;**
- h. Crayons;**
- i. Erasers;**
- j. Folders, expandable, pocket, plastic, and manila;**
- k. Glue, paste, and paste sticks;**
- l. Highlighters;**
- m. Index cards;**
- n. Index card boxes;**
- o. Legal pads;**
- p. Lunch boxes;**
- q. Markers;**
- r. Notebooks;**
- s. Paper, loose leaf notebook paper, copy paper, graph paper, tracing paper, manila paper, colored paper, poster board, and construction paper;**
- t. Pencil boxes and other school supply boxes;**
- u. Pencil sharpeners;**
- v. Pencils;**
- w. Pens;**
- x. Protractors;**
- y. Rulers;**
- z. Scissors; and**
- aa. Writing tablets;**

[(12)] **(87)** “Seller” means a person [selling or furnishing tangible] **making sales, leases, or rentals of personal property or [rendering services, on the receipts from which a tax is imposed pursuant to section 144.020] services;**

(88) “Selling agent”, every person acting as a representative of a principal, when such principal is not registered with the director of revenue of the state of Missouri for the collection of the taxes imposed under this chapter and who receives compensation by reason of the sale of tangible personal property of the principal, if such property is to be stored, used, or consumed in this state;

(89) “Service address”:

(a) The location of the telecommunications equipment to which a customer’s call is charged and from which the call originates or terminates, regardless of where the call is billed or paid;

(b) If the location in paragraph (a) of this subdivision is not known, “service address” means the origination point of the signal of the telecommunications services first identified by either the seller’s telecommunications system or in information received by the seller from its service provider, where the system used to transport such signals is not that of the seller;

(c) If the location in paragraphs (a) and (b) of this subdivision are not known, the service address shall be the location of the customer’s place of primary use;

(90) “Specified digital products”, electronically transferred digital audio-visual works, digital audio works, and digital books;

(91) “Sport or recreational equipment”, items designed for human use and worn in conjunction with an athletic or recreational activity that are not suitable for general use. Sport or recreational equipment are mutually exclusive of clothing, clothing accessories or equipment, and protective equipment;

(92) “State”, any state of the United States, the District of Columbia, and the Commonwealth of Puerto Rico;

(93) “Storage”, any keeping or retention in this state of tangible personal property purchased from a vendor, except property for sale or property that is temporarily kept or retained in this state for subsequent use outside the state;

(94) “Tangible personal property”, personal property that can be seen, weighed, measured, felt, or touched, or that is in any other manner perceptible to the senses. Tangible personal property shall include electricity, water, gas, steam, and prewritten computer software. Tangible personal property shall not include specified digital products, digital audio-visual works, digital audio works, or digital books;

[(13) The noun] **(95) “Tax” [means], either the tax payable by the purchaser of a commodity or service subject to tax, or the aggregate amount of taxes due from the vendor of such commodities or services during the period for which he or she is required to report his or her collections, as the context may require;**

(96) “Taxpayer”, any person remitting the tax or who should remit the tax levied by this chapter;

(97) “Telecommunications nonrecurring charges”, an amount billed for the installation, connection, change or initiation of telecommunications service received by the customer;

[(14)] **(98) “Telecommunications service”[, for the purpose of this chapter, the transmission of information by wire, radio, optical cable, coaxial cable, electronic impulses, or other similar means. As used in this definition, “information” means knowledge or intelligence represented by any form of writing, signs, signals, pictures, sounds, or any other symbols. Telecommunications service does not include the following if such services are separately stated on the customer’s bill or on records of the seller maintained in the ordinary course of business:**

(a) Access to the internet, access to interactive computer services or electronic publishing services, except the amount paid for the telecommunications service used to provide such access;

(b) Answering services and one-way paging services;

(c) Private mobile radio services which are not two-way commercial mobile radio services such as wireless telephone, personal communications services or enhanced specialized mobile radio services as defined pursuant to federal law; or

(d) Cable or satellite television or music services; and

(15) “Product which is intended to be sold ultimately for final use or consumption” means tangible personal property, or any service that is subject to state or local sales or use taxes, or any tax that is substantially equivalent thereto, in this state or any other state.];

(a) The electronic transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals to a point, or between or among points;

(b) Telecommunications service shall include such transmission, conveyance, or routing in which computer processing applications are used to act on the form, code, or protocol of the content for purposes of transmission, conveyance, or routing without regard to whether such service is referred to as voice over internet protocol services or is classified by the Federal Communications Commission as enhanced or value added;

(c) Telecommunications service shall include air-to-ground radiotelephone service, mobile telecommunications service, post-paid calling service, prepaid calling service, prepaid wireless calling service, and private communication service;

(d) Telecommunications service shall not include:

a. Data processing and information services that allow data to be generated, acquired, stored, processed, or retrieved and delivered by an electronic transmission to a purchaser where such purchaser’s primary purpose for the underlying transaction is the processed data or information;

b. Installation or maintenance of wiring or equipment on a customer’s premises;

c. Tangible personal property;

d. Advertising, including but not limited to directory advertising;

e. Billing and collection services provided to third parties;

f. Internet access service;

g. Radio and television audio and video programming services, regardless of the medium, including the furnishing of transmission, conveyance, and routing of such services by the programming service provider. Radio and television audio and video programming services shall include but not be limited to cable service, as defined in 47 U.S.C. Section 522(6), as amended, and audio and video programming services delivered by commercial mobile radio service providers, as defined in 47 CFR 20.3;

h. Ancillary services; or

i. Digital products delivered electronically, including, but not limited to, software, music, video, reading materials, or ring tones;

(99) “Transportation equipment”, any of the following:

(a) Locomotives and railcars that are utilized for the carriage of persons or property in interstate commerce;

(b) Trucks and truck-tractors with a gross vehicle weight rating (GVWR) of ten thousand one pounds or greater, trailers, semitrailers, or passenger buses that are:

a. Registered through the International Registration Plan; and

b. Operated under authority of a carrier authorized and certificated by the United States Department of Transportation or another federal authority to engage in the carriage of persons or property in interstate commerce;

(c) Aircraft that are operated by air carriers authorized and certificated by the United States Department of Transportation or another federal or a foreign authority to engage in the carriage of persons or property in interstate or foreign commerce;

(d) Containers designed for use on and component parts attached or secured on the items set forth in paragraphs (a) to (c) of this subdivision;

(100) “Tobacco”, cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco;

(101) “Use”, the exercise of any right or power over tangible personal property incident to the ownership or control of that property, except that it does not include the temporary storage of property in this state for subsequent use outside the state, or the sale of the property in the regular course of business;

(102) “Use-based exemption”, an exemption based on a specified use of the product by the purchaser;

(103) “Vendor”, every person engaged in making sales of tangible personal property by mail order, by advertising, by agent or peddling tangible personal property, soliciting or taking orders for sales of tangible personal property, for storage, use or consumption in this state, all salesmen, solicitors, hawkers, representatives, consignees, peddlers or canvassers, as agents of the dealers, distributors, consignors, supervisors, principals or employers under whom they operate or from whom they obtain the tangible personal property sold by them, and every person who maintains a place of business in this state, maintains a stock of goods in this state, or engages in business activities within this state and every person who engages in this state in the business of acting as a selling agent for persons not otherwise vendors as defined in this subdivision. Irrespective of whether they are making sales on their own behalf or on behalf of the dealers, distributors, consignors, supervisors, principals or employers, they shall be regarded as vendors and the dealers, distributors, consignors, supervisors, principals or employers shall be regarded as vendors for the purposes of sections 144.600 to 144.745. A person shall not be considered a vendor for the purposes of sections 144.600 to 144.745 if all of the following apply:

(a) The person’s total gross receipts did not exceed five hundred thousand dollars in this state, or twelve and one-half million dollars in the entire United States, in the immediately preceding calendar year;

(b) The person maintains no place of business in this state; and

(c) The person has no selling agents in this state.

2. For purposes of the taxes imposed under sections 144.010 to 144.525, and any other provisions of law pertaining to sales or use taxes which incorporate the provisions of sections 144.010 to 144.525 by reference, the term “manufactured homes” shall have the same meaning given it in section 700.010.

3. Sections 144.010 to 144.525 may be known and quoted as the “Sales Tax Law”.

144.014. 1. Notwithstanding other provisions of law to the contrary, beginning October 1, 1997, the tax levied and imposed pursuant to sections 144.010 to 144.525 and sections 144.600 to 144.746 on all retail sales of food **and food ingredients** shall be at the rate of one percent. The revenue derived from the one percent rate pursuant to this section shall be deposited by the state treasurer in the school district trust fund and shall be distributed as provided in section 144.701.

2. [For the purposes of this section, the term “food” shall include only those products and types of food for which food stamps may be redeemed pursuant to the provisions of the Federal Food Stamp Program as contained in 7 U.S.C. Section 2012, as that section now reads or as it may be amended hereafter, and shall include food dispensed by or through vending machines. For the purpose of this section,] Except for **food sold through** vending [machine sales, the term “food”] **machines, subsection 1 of this section** shall not [include] **apply to** food or drink sold by any establishment where the gross receipts derived from the sale of food prepared by such establishment for immediate consumption on or off the premises of the establishment constitutes more than eighty percent of the total gross receipts of that establishment, regardless of whether such prepared food is consumed on the premises of that establishment, including, but not limited to, sales of food by any restaurant, fast food restaurant, delicatessen, eating house, or café.”; and

Further amend said bill, Page 17, Section 144.021, Line 13, by inserting after all of said line the following:

“144.022. 1. In the case of a bundled transaction that includes any of the following: telecommunication service, ancillary service, internet access, or audio or video programming service:

(1) If the price is attributable to products that are taxable and products that are nontaxable, the portion of the price attributable to the nontaxable products may be subject to tax unless the provider can identify by reasonable and verifiable standards such portion from its books and records that are kept in the regular course of business for other purposes, including, but not limited to, nontax purposes;

(2) If the price is attributable to products that are subject to tax at different tax rates, the total price shall be treated as attributable to the products subject to tax at the highest tax rate unless the provider can identify by reasonable and verifiable standards the portion of the price attributable to the products subject to tax at the lower rate from its books and records that are kept in the regular course of business for other purposes, including, but not limited to, nontax purposes;

(3) The provisions of this section shall apply unless otherwise provided by federal law.

2. In the case of a transaction that includes an optional computer software maintenance contract for prewritten computer software, the following provisions apply:

(1) If an optional computer software maintenance contract only obligates the vendor to provide upgrades and updates, it shall be characterized as a sale of prewritten computer software;

(2) If an optional computer software maintenance contract only obligates the vendor to provide support services, it shall be characterized as a sale of services and not a sale of tangible personal

property;

(3) If an optional computer software maintenance contract is a bundled transaction in which both taxable and nontaxable or exempt products that are not separately itemized on the invoice or similar billing document, the purchase price under the contract shall be taxable.”; and

Further amend said bill, Pages 17 to 26, Section 144.030, Lines 1 to 300, by deleting all of said section and inserting in lieu thereof the following:

“144.030. 1. There is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to sections 144.010 to 144.525 such retail sales as may be made in commerce between this state and any other state of the United States, or between this state and any foreign country, and any retail sale which the state of Missouri is prohibited from taxing pursuant to the Constitution or laws of the United States of America, and such retail sales of tangible personal property which the general assembly of the state of Missouri is prohibited from taxing or further taxing by the constitution of this state.

2. There are also specifically exempted from the provisions of the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761 and from the computation of the tax levied, assessed or payable pursuant to the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.745:

(1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed form at retail; economic poisons registered pursuant to the provisions of the Missouri pesticide registration law (sections 281.220 to 281.310) which are to be used in connection with the growth or production of crops, fruit trees or orchards applied before, during, or after planting, the crop of which when harvested will be sold at retail or will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

(2) Materials, manufactured goods, machinery and parts which when used in manufacturing, processing, compounding, mining, producing or fabricating become a component part or ingredient of the new personal property resulting from such manufacturing, processing, compounding, mining, producing or fabricating and which new personal property is intended to be sold ultimately for final use or consumption; and materials, including without limitation, gases and manufactured goods, including without limitation slagging materials and firebrick, which are ultimately consumed in the manufacturing process by blending, reacting or interacting with or by becoming, in whole or in part, component parts or ingredients of steel products intended to be sold ultimately for final use or consumption;

(3) Materials, replacement parts and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock or aircraft engaged as common carriers of persons or property;

(4) Motor vehicles registered in excess of fifty-four thousand pounds, and the trailers pulled by such motor vehicles, that are actually used in the normal course of business to haul property on the public

highways of the state, and that are capable of hauling loads commensurate with the motor vehicle's registered weight; and the materials, replacement parts, and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of such vehicles. For purposes of this subdivision "motor vehicle" and "public highway" shall have the meaning as ascribed in section 390.020;

(5) Replacement machinery, equipment, and parts and the materials and supplies solely required for the installation or construction of such replacement machinery, equipment, and parts, used directly in manufacturing, mining, fabricating or producing a product which is intended to be sold ultimately for final use or consumption; and machinery and equipment, and the materials and supplies required solely for the operation, installation or construction of such machinery and equipment, purchased and used to establish new, or to replace or expand existing, material recovery processing plants in this state. For the purposes of this subdivision, a "material recovery processing plant" means a facility that has as its primary purpose the recovery of materials into a usable product or a different form which is used in producing a new product and shall include a facility or equipment which are used exclusively for the collection of recovered materials for delivery to a material recovery processing plant but shall not include motor vehicles used on highways. For purposes of this section, the terms motor vehicle and highway shall have the same meaning pursuant to section 301.010. Material recovery is not the reuse of materials within a manufacturing process or the use of a product previously recovered. The material recovery processing plant shall qualify under the provisions of this section regardless of ownership of the material being recovered;

(6) Machinery and equipment, and parts and the materials and supplies solely required for the installation or construction of such machinery and equipment, purchased and used to establish new or to expand existing manufacturing, mining or fabricating plants in the state if such machinery and equipment is used directly in manufacturing, mining or fabricating a product which is intended to be sold ultimately for final use or consumption;

(7) Tangible personal property which is used exclusively in the manufacturing, processing, modification or assembling of products sold to the United States government or to any agency of the United States government;

(8) Animals or poultry used for breeding or feeding purposes, or captive wildlife;

(9) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and other machinery, equipment, replacement parts and supplies used in producing newspapers published for dissemination of news to the general public;

(10) The rentals of films, records or any type of sound or picture transcriptions for public commercial display;

(11) Pumping machinery and equipment used to propel products delivered by pipelines engaged as common carriers;

(12) Railroad rolling stock for use in transporting persons or property in interstate commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or more or trailers used by common carriers, as defined in section 390.020, in the transportation of persons or property;

(13) Electrical energy used in the actual primary manufacture, processing, compounding, mining or producing of a product, or electrical energy used in the actual secondary processing or fabricating of the product, or a material recovery processing plant as defined in subdivision (5) of this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical energy so used exceeds ten percent of the total

cost of production, either primary or secondary, exclusive of the cost of electrical energy so used or if the raw materials used in such processing contain at least twenty-five percent recovered materials as defined in section 260.200. There shall be a rebuttable presumption that the raw materials used in the primary manufacture of automobiles contain at least twenty-five percent recovered materials. For purposes of this subdivision, "processing" means any mode of treatment, act or series of acts performed upon materials to transform and reduce them to a different state or thing, including treatment necessary to maintain or preserve such processing by the producer at the production facility;

(14) Anodes which are used or consumed in manufacturing, processing, compounding, mining, producing or fabricating and which have a useful life of less than one year;

(15) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring air pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;

(16) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring water pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;

(17) Tangible personal property purchased by a rural water district;

(18) All amounts paid or charged for admission or participation or other fees paid by or other charges to individuals in or for any place of amusement, entertainment or recreation, games or athletic events, including museums, fairs, zoos and planetariums, owned or operated by a municipality or other political subdivision where all the proceeds derived therefrom benefit the municipality or other political subdivision and do not inure to any private person, firm, or corporation;

(19) All sales of [insulin and prosthetic or orthopedic devices as defined on January 1, 1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically including hearing aids and hearing aid supplies and all sales of drugs which may be legally dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to administer those items, including samples and materials used to manufacture samples which may be dispensed by a practitioner authorized to dispense such samples and all sales or rental of medical oxygen, home respiratory equipment and accessories, hospital beds and accessories and ambulatory aids, all sales or rental of manual and powered wheelchairs, stairway lifts, Braille writers, electronic Braille equipment and, if purchased or rented by or on behalf of a person with one or more physical or mental disabilities to enable them to function more independently, all sales or rental of scooters, reading machines, electronic print enlargers and magnifiers, electronic alternative and augmentative communication devices, and items used solely to modify motor vehicles to permit the use of such motor vehicles by individuals with disabilities or sales of] over-the-counter [or nonprescription] drugs to individuals with disabilities, **all sales of kidney dialysis equipment and enteral feeding systems, all sales of durable medical equipment, prosthetic devices, and mobility enhancing equipment**, and [drugs required by the Food and Drug Administration to meet the] **all sales of** over-the-counter [drug product labeling requirements in 21 CFR 201.66, or its successor,] **drugs** as prescribed by a health care practitioner licensed to prescribe;

(20) All sales made by or to religious and charitable organizations and institutions in their religious, charitable or educational functions and activities and all sales made by or to all elementary and secondary schools operated at public expense in their educational functions and activities;

(21) All sales of aircraft to common carriers for storage or for use in interstate commerce and all sales made by or to not-for-profit civic, social, service or fraternal organizations, including fraternal organizations which have been declared tax-exempt organizations pursuant to Section 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or charitable functions and activities and all sales made to eleemosynary and penal institutions and industries of the state, and all sales made to any private not-for-profit institution of higher education not otherwise excluded pursuant to subdivision (20) of this subsection or any institution of higher education supported by public funds, and all sales made to a state relief agency in the exercise of relief functions and activities;

(22) All ticket sales made by benevolent, scientific and educational associations which are formed to foster, encourage, and promote progress and improvement in the science of agriculture and in the raising and breeding of animals, and by nonprofit summer theater organizations if such organizations are exempt from federal tax pursuant to the provisions of the Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any fair conducted by a county agricultural and mechanical society organized and operated pursuant to sections 262.290 to 262.530;

(23) All sales made to any private not-for-profit elementary or secondary school, all sales of feed additives, medications or vaccines administered to livestock or poultry in the production of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as defined in section 142.028, natural gas, propane, and electricity used by an eligible new generation cooperative or an eligible new generation processing entity as defined in section 348.432, and all sales of farm machinery and equipment, other than airplanes, motor vehicles and trailers, and any freight charges on any exempt item. As used in this subdivision, the term “feed additives” means tangible personal property which, when mixed with feed for livestock or poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term “pesticides” includes adjuvants such as crop oils, surfactants, wetting agents and other assorted pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark the application of pesticides and herbicides for the production of crops, livestock or poultry. As used in this subdivision, the term “farm machinery and equipment” means new or used farm tractors and such other new or used farm machinery and equipment and repair or replacement parts thereon and any accessories for and upgrades to such farm machinery and equipment, rotary mowers used exclusively for agricultural purposes, and supplies and lubricants used exclusively, solely, and directly for producing crops, raising and feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for ultimate sale at retail, including field drain tile, and one-half of each purchaser’s purchase of diesel fuel therefor which is:

(a) Used exclusively for agricultural purposes;

(b) Used on land owned or leased for the purpose of producing farm products; and

(c) Used directly in producing farm products to be sold ultimately in processed form or otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold ultimately in processed form at retail;

(24) Except as otherwise provided in section 144.032, all sales of metered water service, electricity, [electrical current, natural, artificial or propane gas, wood, coal or home heating oil] **pipd natural or artificial gas, or other fuels delivered by the seller** for domestic use [and in any city not within a county,

all sales of metered or unmetered water service for domestic use]:

(a) “Domestic use” means that portion of metered water service, electricity, [electrical current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not within a county, metered or unmetered water service,] **piped natural or artificial gas, or other fuels delivered by the seller** which an individual occupant of a residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility service through a single or master meter for residential apartments or condominiums, including service for common areas and facilities and vacant units, shall be deemed to be for domestic use. Each seller shall establish and maintain a system whereby individual purchases are determined as exempt or nonexempt;

(b) Regulated utility sellers shall determine whether individual purchases are exempt or nonexempt based upon the seller’s utility service rate classifications as contained in tariffs on file with and approved by the Missouri public service commission. Sales and purchases made pursuant to the rate classification “residential” and sales to and purchases made by or on behalf of the occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, shall be considered as sales made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales tax upon the entire amount of purchases classified as nondomestic use. The seller’s utility service rate classification and the provision of service thereunder shall be conclusive as to whether or not the utility must charge sales tax;

(c) Each person making domestic use purchases of [services or property] **electricity, piped natural or artificial gas, or other fuels delivered by the seller** and who uses any portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of the fourth month following the year of purchase, and without assessment, notice or demand, file a return and pay sales tax on that portion of nondomestic purchases. Each person making nondomestic purchases of [services or property] **electricity, piped natural or artificial gas, or other fuels delivered by the seller** and who uses any portion of the [services or property] **electricity, piped natural or artificial gas, or other fuels delivered by the seller** so purchased for domestic use, and each person making domestic purchases on behalf of occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, under a nonresidential utility service rate classification may, between the first day of the first month and the fifteenth day of the fourth month following the year of purchase, apply for credit or refund to the director of revenue and the director shall give credit or make refund for taxes paid on the domestic use portion of the purchase. The person making such purchases on behalf of occupants of residential apartments or condominiums shall have standing to apply to the director of revenue for such credit or refund;

(25) All sales of handicraft items made by the seller or the seller’s spouse if the seller or the seller’s spouse is at least sixty-five years of age, and if the total gross proceeds from such sales do not constitute a majority of the annual gross income of the seller;

(26) Excise taxes, collected on sales at retail, imposed by Sections 4041, [4061,] 4071, 4081, [4091,] 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of revenue shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales taxes on such excise taxes;

(27) Sales of fuel consumed or used in the operation of ships, barges, or waterborne vessels which are used primarily in or for the transportation of property or cargo, or the conveyance of persons for hire, on navigable rivers bordering on or located in part in this state, if such fuel is delivered by the seller to the

purchaser's barge, ship, or waterborne vessel while it is afloat upon such river;

(28) All sales made to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities of such agency as provided pursuant to the compact;

(29) Computers, computer software and computer security systems purchased for use by architectural or engineering firms headquartered in this state. For the purposes of this subdivision, "headquartered in this state" means the office for the administrative management of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;

(30) All livestock sales when either the seller is engaged in the growing, producing or feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering or leasing of such livestock;

(31) All sales of barges which are to be used primarily in the transportation of property or cargo on interstate waterways;

(32) Electrical energy or gas, whether natural, artificial or propane, water, or other utilities which are ultimately consumed in connection with the manufacturing of cellular glass products or in any material recovery processing plant as defined in subdivision (5) of this subsection;

(33) Notwithstanding other provisions of law to the contrary, all sales of pesticides or herbicides used in the production of crops, aquaculture, livestock or poultry;

(34) Tangible personal property and utilities purchased for use or consumption directly or exclusively in the research and development of agricultural/biotechnology and plant genomics products and prescription pharmaceuticals consumed by humans or animals;

(35) All sales of grain bins for storage of grain for resale;

(36) All sales of feed which are developed for and used in the feeding of pets owned by a commercial breeder when such sales are made to a commercial breeder, as defined in section 273.325, and licensed pursuant to sections 273.325 to 273.357;

(37) All purchases by a contractor on behalf of an entity located in another state, provided that the entity is authorized to issue a certificate of exemption for purchases to a contractor under the provisions of that state's laws. For purposes of this subdivision, the term "certificate of exemption" shall mean any document evidencing that the entity is exempt from sales and use taxes on purchases pursuant to the laws of the state in which the entity is located. Any contractor making purchases on behalf of such entity shall maintain a copy of the entity's exemption certificate as evidence of the exemption. If the exemption certificate issued by the exempt entity to the contractor is later determined by the director of revenue to be invalid for any reason and the contractor has accepted the certificate in good faith, neither the contractor or the exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result of use of the invalid exemption certificate. Materials shall be exempt from all state and local sales and use taxes when purchased by a contractor for the purpose of fabricating tangible personal property which is used in fulfilling a contract for the purpose of constructing, repairing or remodeling facilities for the following:

(a) An exempt entity located in this state, if the entity is one of those entities able to issue project exemption certificates in accordance with the provisions of section 144.062; or

(b) An exempt entity located outside the state if the exempt entity is authorized to issue an exemption

certificate to contractors in accordance with the provisions of that state's law and the applicable provisions of this section;

(38) All sales or other transfers of tangible personal property to a lessor who leases the property under a lease of one year or longer executed or in effect at the time of the sale or other transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100;

(39) Sales of tickets to any collegiate athletic championship event that is held in a facility owned or operated by a governmental authority or commission, a quasi-governmental agency, a state university or college or by the state or any political subdivision thereof, including a municipality, and that is played on a neutral site and may reasonably be played at a site located outside the state of Missouri. For purposes of this subdivision, "neutral site" means any site that is not located on the campus of a conference member institution participating in the event;

(40) All purchases by a sports complex authority created under section 64.920, and all sales of utilities by such authority at the authority's cost that are consumed in connection with the operation of a sports complex leased to a professional sports team;

(41) Beginning January 1, 2009, but not after January 1, 2015, materials, replacement parts, and equipment purchased for use directly upon, and for the modification, replacement, repair, and maintenance of aircraft, aircraft power plants, and aircraft accessories;

(42) Sales of sporting clays, wobble, skeet, and trap targets to any shooting range or similar places of business for use in the normal course of business and money received by a shooting range or similar places of business from patrons and held by a shooting range or similar place of business for redistribution to patrons at the conclusion of a shooting event;

(43) All sales of new light aircraft, light aircraft kits, light aircraft parts or components manufactured or substantially completed within this state, when such new light aircraft, light aircraft kits, light aircraft parts or components are sold by the manufacturer to a qualified purchaser. The director of revenue shall prescribe the manner for a purchaser of a light aircraft, light aircraft kit, parts or components to establish that such person is a qualified purchaser and is eligible for the exemption established in this section;

(44) All sales of computer printouts, computer output or microfilm or microfiche and computer-assisted photo compositions to a purchaser to enable the purchaser to obtain for his or her own use the desired information contained in such computer printouts, computer output on microfilm or microfiche and computer-assisted photo compositions;

(45) Sales made to any person where payment is being made by a nongovernmental agency as part of a disaster relief service.

3. Any ruling, agreement, or contract, whether written or oral, express or implied, between a person and this state's executive branch, or any other state agency or department, stating, agreeing, or ruling that such person is not required to collect sales and use tax in this state despite the presence of a warehouse, distribution center, or fulfillment center in this state that is owned or operated by the person or an affiliated person shall be null and void unless it is specifically approved by a majority vote of each of the houses of the general assembly. For purposes of this subsection, an "affiliated person" means any person that is a member of the same "controlled group of corporations" as defined in Section 1563(a) of the Internal Revenue Code of 1986, as amended, as the vendor or any other

entity that, notwithstanding its form of organization, bears the same ownership relationship to the vendor as a corporation that is a member of the same “controlled group of corporations” as defined in Section 1563(a) of the Internal Revenue Code, as amended.

144.032. The provisions of section 144.030 to the contrary notwithstanding, any city imposing a sales tax under the provisions of sections 94.500 to 94.570, or any county imposing a sales tax under the provisions of sections 66.600 to 66.635, or any county imposing a sales tax under the provisions of sections 67.500 to 67.729, or any hospital district imposing a sales tax under the provisions of section 205.205 may by ordinance impose a sales tax upon all sales of [metered water services,] electricity, [electrical current and natural, artificial or propane gas, wood, coal, or home heating oil] **pipéd natural or artificial gas, or other fuels delivered by the seller** for domestic use only. Such tax shall be administered by the department of revenue and assessed by the retailer in the same manner as any other city, county, or hospital district sales tax. Domestic use shall be determined in the same manner as the determination of domestic use for exemption of such sales from the state sales tax under the provisions of section 144.030.

144.040. 1. (1) All retail sales in Missouri, excluding leases and rentals, of tangible personal property or digital goods shall be sourced to the location where the order is received by the seller.

(2) This subsection shall apply only if:

(a) The location where receipt of the product by the purchaser occurs is determined in accordance with subsection 2 of this section; and

(b) At the time the order is received, the record keeping system of the seller used to calculate the proper amount of sales or use tax to be imposed captures the location where the order is received.

(3) When the sale is sourced under this section to the location where the order is received by the seller, only the sales tax for the location where the order is received by the seller may be levied. No additional sales or use tax based on the location where the product is delivered to the purchaser may be levied on that sale. The purchaser shall not be entitled to any refund if the combined state and local rate or rates at the location where the product is received by the purchaser is lower than the rate where the order is received by the seller.

(4) A purchaser shall have no additional liability to the state for tax, penalty or interest on a sale for which the purchaser remits tax to the seller in the amount invoiced by the seller if such invoice amount is calculated at either the rate applicable to the location where receipt by the purchaser occurs or at the rate applicable to the location where the order is received by the seller. A purchaser may rely on a written representation by the seller as to the location where the order for such sale was received by the seller. When the purchaser does not have a written representation by the seller as to the location where the order for such sale was received by the seller, the purchaser may use a location indicated by a business address for the seller that is available from the business records of the purchaser that are maintained in the ordinary course of the purchaser’s business to determine the rate applicable to the location where the order was received.

(5) The location where the order is received by or on behalf of the seller means the physical location of a seller or third party such as an established outlet, office location or automated order receipt system operated by or on behalf of the seller where an order is initially received by or on behalf of the seller and not where the order may be subsequently accepted, completed or fulfilled. An order is received when all of the information from the purchaser necessary to the determination

whether the order can be accepted has been received by or on behalf of the seller. The location from which a product is shipped shall not be used in determining the location where the order is received by the seller.

(6) When taxable services are sold with tangible personal property or digital products pursuant to a single contract or in the same transaction, are billed on the same billing statement or statements, and, because of the application of this section, would be sourced to different jurisdictions, this subsection shall apply to determine the source for tax.

2. Except as provided in subsection 7 of this section, when the location where the order is received by the seller and the location where the receipt of the product by the purchaser (or the purchaser's donee, designated as such by the purchaser) occurs are in different states, the retail sale, excluding lease or rental, of a product shall be sourced as follows:

(1) When the product is received by the purchaser at a business location of the seller, the sale shall be sourced to such business location;

(2) When the product is not received by the purchaser at a business location of the seller, the sale shall be sourced to the location where receipt by the purchaser (or the purchaser's donee, designated as such by the purchaser) occurs, including the location indicated by instructions for delivery to the purchaser or donee, known to the seller;

(3) When subdivisions (1) and (2) of this subsection do not apply, the sale shall be sourced to the location indicated by an address for the purchaser that is available from the business records of the seller that are maintained in the ordinary course of the seller's business when use of this address does not constitute bad faith;

(4) When subdivisions (1), (2), and (3) of this subsection do not apply, the sale shall be sourced to the location indicated by an address for the purchaser obtained during the consummation of the sale, including the address of a purchaser's payment instrument, if no other address is available, when use of this address does not constitute bad faith;

(5) When none of the previous rules of subdivisions (1), (2), (3), and (4) of this subsection do not apply, including the circumstances in which the seller is without sufficient information to apply the previous rules, then the location will be determined by the address from which tangible personal property was shipped, from which the digital good or computer software delivered electronically was first available for transmission from the seller, or from which the service was provided (disregarding for these purposes any location that merely provided the digital transfer of the product sold).

3. Notwithstanding subsections 1 and 2 of this section, all sales of motor vehicles, trailers, semitrailers, watercraft and aircraft that do not qualify as transportation equipment shall be sourced to the address of the owner thereof.

4. The lease or rental of tangible personal property, other than property identified in subsection 2 or 3 of this section or transactions regulated under sections 407.660 to 407.665, shall be sourced as follows:

(1) For a lease or rental that requires recurring periodic payments, the first periodic payment is sourced the same as a retail sale in accordance with the provisions of subsection 1 of this section. Periodic payments made subsequent to the first payment are sourced to the primary property location

for each period covered by the payment. The primary property location shall be as indicated by an address for the property provided by the lessee that is available to the lessor from its records maintained in the ordinary course of business, when use of this address does not constitute bad faith. The property location shall not be altered by intermittent use at different locations, such as use of business property that accompanies employees on business trips and service calls;

(2) For a lease or rental that does not require recurring periodic payments, the payment is sourced the same as a retail sale in accordance with the provisions of subsection 1 of this section;

(3) This subsection does not affect the imposition or computation of sales or use tax on leases or rentals based on a lump sum or accelerated basis, or on the acquisition of property for lease.

5. The lease or rental of motor vehicles, trailers, semitrailers, or aircraft that do not qualify as transportation equipment, as defined in section 144.010, shall be sourced as follows:

(1) For a lease or rental that requires recurring periodic payments, each periodic payment is sourced to the primary property location. The primary property location shall be as indicated by an address for the property provided by the lessee that is available to the lessor from its records maintained in the ordinary course of business, when use of such address does not constitute bad faith. Such location shall not be altered by intermittent use at different locations;

(2) For a lease or rental that does not require recurring periodic payments, the payment is sourced the same as a retail sale in accordance with the provisions of subsection 1 of this section;

(3) This subsection does not affect the imposition or computation of sales or use tax on leases or rentals based on a lump sum or accelerated basis, or on the acquisition of property for lease.

6. The retail sale, including lease or rental, of transportation equipment shall be sourced the same as a retail sale in accordance with the provisions of subsection 1 of this section, notwithstanding the exclusion of lease or rental in subsection 1 of this section.

7. (1) The retail sale of a product shall be sourced in accordance with this section. The provisions of this section shall apply regardless of the characterization of a product as tangible personal property, a digital good, or a service. The provisions of this section shall only apply to determine a seller's obligation to pay or collect and remit sales or use tax with respect to the seller's retail sale of a product. The provisions of this subsection shall not affect the obligation of a purchaser or lessee to remit tax on the use of the product to the taxing jurisdictions of that use.

(2) This section shall not apply to sales or use taxes levied on the following:

(a) Retail sales or transfers of watercraft, modular homes, manufactured homes, or mobile homes;
and

(b) Telecommunications services and ancillary services.

144.042. 1. (1) A purchaser of advertising and promotional direct mail may provide the seller with either:

(a) A direct pay permit;

(b) An agreement certificate of exemption claiming direct mail (or other written statement approved, authorized or accepted by the state); or

(c) Information showing the jurisdictions to which the advertising and promotional direct mail is to be delivered to recipients.

(2) If the purchaser provides the permit, certificate or statement referred to in paragraph (a) or (b) of subdivision (1) of subsection 1 of this section, the seller, in the absence of bad faith, is relieved of all obligations to collect, pay, or remit any tax on any transaction involving advertising and promotional direct mail to which the permit, certificate or statement applies. The purchaser shall source the sale to the jurisdictions to which the advertising and promotional direct mail is to be delivered to the recipients and shall report and pay any applicable tax due.

(3) If the purchaser provides the seller information showing the jurisdictions to which the advertising and promotional direct mail is to be delivered to recipients, the seller shall source the sale to the jurisdictions to which the advertising and promotional direct mail is to be delivered and shall collect and remit the applicable tax. In the absence of bad faith, the seller is relieved of any further obligation to collect any additional tax on the sale of advertising and promotional direct mail where the seller has sourced the sale according to the delivery information provided by the purchaser.

(4) If the purchaser does not provide the seller with any of the items listed in paragraph (a), (b) or (c) of subdivision (1) of subsection 1 of this section, the sale shall be sourced according to subdivision (5) of subsection 2 of section 144.040. The state to which the advertising and promotional direct mail is delivered may disallow credit for tax paid on sales sourced under this subdivision.

(5) Notwithstanding section 144.040, this subsection shall apply to sales of advertising and promotional direct mail.

2. (1) Except as otherwise provided in this subsection, sales of other direct mail are sourced in accordance with subdivision (3) of subsection 2 of section 144.040.

(2) A purchaser of other direct mail may provide the seller with either:

(a) A direct pay permit; or

(b) An agreement certificate of exemption claiming direct mail (or other written statement approved, authorized or accepted by the state).

(3) If the purchaser provides the permit, certificate or statement referred to in paragraph (a) or (b) of subdivision (2) of this subsection, the seller, in the absence of bad faith, is relieved of all obligations to collect, pay or remit any tax on any transaction involving other direct mail to which the permit, certificate or statement apply. Notwithstanding subdivision (1) of this subsection, the sale shall be sourced to the jurisdictions to which the other direct mail is to be delivered to the recipients and the purchaser shall report and pay applicable tax due.

(4) Notwithstanding section 144.040, this subsection shall apply to sales of other direct mail.

3. (1) (a) This section applies to a transaction characterized under state law as the sale of services only if the service is an integral part of the production and distribution of printed material that meets the definition of direct mail.

(b) This section does not apply to any transaction that includes the development of billing information or the provision of any data processing service that is more than incidental regardless of whether advertising and promotional direct mail is included in the same mailing.

(2) If a transaction is a bundled transaction that includes advertising and promotion direct mail, this section applies only if the primary purpose of the transaction is the sale of products or services that meet the definition of advertising and promotional direct mail.

(3) Nothing in this section shall limit any purchaser's:

(a) Obligation for sales or use tax to any state to which the direct mail is delivered;

(b) Right under local, state, federal or constitutional law, to a credit for sales or use taxes legally due and paid to other jurisdictions; or

(c) Right to a refund of sales or use taxes overpaid to any jurisdiction.

(4) This section applies for purposes of uniformly sourcing direct mail transactions and does not impose requirements on states regarding the taxation of products that meet the definition of direct mail or to the application of sales for resale or other exemptions.

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

(1) "Light aircraft", a light airplane that seats no more than four persons, with a gross weight of three thousand pounds or less, which is primarily used for recreational flying or flight training;

(2) "Light aircraft kit", factory manufactured parts and components, including engine, propeller, instruments, wheels, brakes, and air frame parts which make up a complete aircraft kit or partial kit designed to be assembled into a light aircraft and then operated by a qualified purchaser for recreational and educational purposes;

(3) "Parts and components", manufactured light aircraft parts, including air frame and engine parts, that are required by the qualified purchaser to complete a light aircraft kit, or spare or replacement parts for an already completed light aircraft;

(4) "Qualified purchaser", a purchaser of a light aircraft, light aircraft kit, parts or components who is nonresident of this state, who will transport the light aircraft, light aircraft kit, parts or components outside this state within ten days after the date of purchase, and who will register any light aircraft so purchased in another state or country. Such purchaser shall not base such aircraft in this state and such purchaser shall not be a resident of the state unless such purchaser has paid sales or use tax on such aircraft in another state.

2. In addition to the exemptions granted under the provisions of section 144.030, there shall also be specifically exempted from the provisions of sections 144.010 to 144.525, sections 144.600 to 144.748, section 238.235, and from the provisions of any local sales tax law, as defined in section 32.085, and from the computation of the tax levied, assessed or payable under sections 144.010 to 144.525, sections 144.600 to 144.748, section 238.235, and under any local sales tax law, as defined in section 32.085, all sales of new light aircraft, light aircraft kits, parts or components manufactured or substantially completed within this state, when such new light aircraft, light aircraft kits, parts or components are sold by the manufacturer to a qualified purchaser. The director of revenue shall prescribe the manner for a purchaser of a light aircraft, light aircraft kit, parts or components to establish that such person is a qualified purchaser and is eligible for the exemption established in this section] **Except for the defined telecommunication services in subsection 3 of this section, the sale of telecommunication service sold on a call-by-call basis shall be sourced to:**

(1) Each level of taxing jurisdiction where the call originates and terminates in that jurisdiction;
or

(2) Each level of taxing jurisdiction where the call either originates or terminates and in which the service address is also located.

2. Except for the defined telecommunication services in subsection 3 of this section, a sale of telecommunications services sold on a basis other than a call-by-call basis is sourced to the customer's place of primary use.

3. The sale of the following telecommunication services shall be sourced to each level of taxing jurisdiction as follows:

(1) A sale of mobile telecommunications services other than air-to-ground radiotelephone service and prepaid calling service is sourced to the customer's place of primary use as required by the Mobile Telecommunications Sourcing Act;

(2) A sale of post-paid calling service is sourced to the origination point of the telecommunications signal as first identified by either:

(a) The seller's telecommunications system; or

(b) Information received by the seller from its service provider, where the system used to transport such signals is not that of the seller;

(3) A sale of prepaid calling service or a sale of a prepaid wireless calling service is sourced in accordance with section 144.040, provided however, in the case of a sale of prepaid wireless calling service, the rule provided in subdivision (5) of subsection 2 of section 144.040 shall include as an option the location associated with the mobile telephone number;

(4) A sale of a private communication service is sourced as follows:

(a) Service for a separate charge related to a customer channel termination point is sourced to each level of jurisdiction in which such customer channel termination point is located;

(b) Service where all customer termination points are located entirely within one jurisdiction or levels of jurisdiction is sourced in such jurisdiction in which the customer channel termination points are located;

(c) Service for segments of a channel between two customer channel termination points located in different jurisdictions and which segment of channel are separately charged is sourced fifty percent in each level of jurisdiction in which the customer channel termination points are located; and

(d) Service for segments of a channel located in more than one jurisdiction or levels of jurisdiction and which segments are not separately billed is sourced in each jurisdiction based on the percentage determined by dividing the number of customer channel termination points in such jurisdiction by the total number of customer channel termination points.

4. The sale of internet access service is sourced to the customer's place of primary use.

5. The sale of an ancillary service is sourced to the customer's place of primary use.

144.049. 1. [For purposes of this section, the following terms mean:

(1) "Clothing", any article of wearing apparel, including footwear, intended to be worn on or about the human body. The term shall include but not be limited to cloth and other material used to make school uniforms or other school clothing. Items normally sold in pairs shall not be separated to qualify for the

exemption. The term shall not include watches, watchbands, jewelry, handbags, handkerchiefs, umbrellas, scarves, ties, headbands, or belt buckles; and

(2) “Personal computers”, a laptop, desktop, or tower computer system which consists of a central processing unit, random access memory, a storage drive, a display monitor, and a keyboard and devices designed for use in conjunction with a personal computer, such as a disk drive, memory module, compact disk drive, daughterboard, digitalizer, microphone, modem, motherboard, mouse, multimedia speaker, printer, scanner, single-user hardware, single-user operating system, soundcard, or video card;

(3) “School supplies”, any item normally used by students in a standard classroom for educational purposes, including but not limited to textbooks, notebooks, paper, writing instruments, crayons, art supplies, rulers, book bags, backpacks, handheld calculators, chalk, maps, and globes. The term shall not include watches, radios, CD players, headphones, sporting equipment, portable or desktop telephones, copiers or other office equipment, furniture, or fixtures. School supplies shall also include computer software having a taxable value of three hundred fifty dollars or less.

2.] In each year beginning on or after January 1, 2005, there is hereby specifically exempted from state sales tax law all retail sales of any article of clothing having a taxable value of one hundred dollars or less[.]; all retail sales of school supplies, **school art supplies, and school instructional materials** not to exceed fifty dollars per purchase[.]; all **prewritten** computer software with a taxable value of three hundred fifty dollars or less[.]; and all retail sales of [personal] computers [or computer peripheral devices] **and school computer supplies** not to exceed three thousand five hundred dollars, during a three-day period beginning at 12:01 a.m. on the first Friday in August and ending at midnight on the Sunday following.

[3. If the governing body of any political subdivision adopted an ordinance that applied to the 2004 sales tax holiday to prohibit the provisions of this section from allowing the sales tax holiday to apply to such political subdivision’s local sales tax, then, notwithstanding any provision of a local ordinance to the contrary, the 2005 sales tax holiday shall not apply to such political subdivision’s local sales tax. However, any such political subdivision may enact an ordinance to allow the 2005 sales tax holiday to apply to its local sales taxes. A political subdivision must notify the department of revenue not less than forty-five calendar days prior to the beginning date of the sales tax holiday occurring in that year of any ordinance or order rescinding an ordinance or order to opt out.

4.] **2.** This section shall not apply to any sales which take place within the Missouri state fairgrounds.

[5.] **3.** This section applies to sales of items bought for personal use only.

[6. After the 2005 sales tax holiday, any political subdivision may, by adopting an ordinance or order, choose to prohibit future annual sales tax holidays from applying to its local sales tax. After opting out, the political subdivision may rescind the ordinance or order. The political subdivision must notify the department of revenue not less than forty-five calendar days prior to the beginning date of the sales tax holiday occurring in that year of any ordinance or order rescinding an ordinance or order to opt out.

7.] **4.** This section may not apply to any retailer when less than two percent of the retailer’s merchandise offered for sale qualifies for the sales tax holiday. The retailer shall offer a sales tax refund in lieu of the sales tax holiday.

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

(1) “Processing”, any mode of treatment, act, or series of acts performed upon materials to transform

or reduce them to a different state or thing, including treatment necessary to maintain or preserve such processing by the producer at the production facility;

(2) “Recovered materials”, those materials which have been diverted or removed from the solid waste stream for sale, use, reuse, or recycling, whether or not they require subsequent separation and processing.

2. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of [sections 144.010 to 144.525 and 144.600 to 144.761, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761,] **this chapter and from the computation of the tax levied, assessed, or payable under this chapter** electrical energy and gas, whether natural, artificial, or propane, water, coal, and energy sources, chemicals, machinery, equipment, and materials used or consumed in the manufacturing, processing, compounding, mining, or producing of any product, or used or consumed in the processing of recovered materials, or used in research and development related to manufacturing, processing, compounding, mining, or producing any product. [The exemptions granted in this subsection shall not apply to local sales taxes as defined in section 32.085 and the provisions of this subsection shall be in addition to any state and local sales tax exemption provided in section 144.030.] **This section shall not apply to local sales or use taxes levied on electricity, piped natural or artificial gas, or other fuels delivered by the seller.**

3. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of [sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085] **this chapter and from the computation of the tax levied, assessed, and payable under this chapter**, all utilities, machinery, and equipment used or consumed directly in television or radio broadcasting and all sales and purchases of tangible personal property, utilities, services, or any other transaction that would otherwise be subject to the state or local sales or use tax when such sales are made to or purchases are made by a contractor for use in fulfillment of any obligation under a defense contract with the United States government, and all sales and leases of tangible personal property by any county, city, incorporated town, or village, provided such sale or lease is authorized under chapter 100, and such transaction is certified for sales tax exemption by the department of economic development, and tangible personal property used for railroad infrastructure brought into this state for processing, fabrication, or other modification for use outside the state in the regular course of business.

4. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of [sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085] **this chapter and from the computation of the tax levied, assessed, and payable under this chapter**, all sales and purchases of tangible personal property, utilities, services, or any other transaction that would otherwise be subject to the state or local sales or use tax when such sales are made to or purchases are made by a private partner for use in completing a project under sections 227.600 to 227.669.”; and

Further amend said bill, Page 26, Section 144.069, Line 10, by inserting after all of said line the following:

“144.070. 1. At the time the owner of any new or used motor vehicle, trailer, boat, or outboard motor

which was acquired in a transaction subject to sales tax under the Missouri sales tax law makes application to the director of revenue for an official certificate of title and the registration of the motor vehicle, trailer, boat, or outboard motor as otherwise provided by law, the owner shall present to the director of revenue evidence satisfactory to the director of revenue showing the purchase price exclusive of any charge incident to the extension of credit paid by or charged to the applicant in the acquisition of the motor vehicle, trailer, boat, or outboard motor, or that no sales tax was incurred in its acquisition, and if sales tax was incurred in its acquisition, the applicant shall pay or cause to be paid to the director of revenue the sales tax provided by the Missouri sales tax law in addition to the registration fees now or hereafter required according to law, and the director of revenue shall not issue a certificate of title for any new or used motor vehicle, trailer, boat, or outboard motor subject to sales tax as provided in the Missouri sales tax law until the tax levied for the sale of the same under sections 144.010 to 144.510 has been paid as provided in this section or is registered under the provisions of subsection 5 of this section.

2. [As used in subsection 1 of this section, the term “purchase price” shall mean the total amount of the contract price agreed upon between the seller and the applicant in the acquisition of the motor vehicle, trailer, boat, or outboard motor, regardless of the medium of payment therefor.

3.] In the event that the purchase price is unknown or undisclosed, or that the evidence thereof is not satisfactory to the director of revenue, the same shall be fixed by appraisalment by the director.

[4.] **3.** The director of the department of revenue shall endorse upon the official certificate of title issued by the director upon such application an entry showing that such sales tax has been paid or that the motor vehicle, trailer, boat, or outboard motor represented by such certificate is exempt from sales tax and state the ground for such exemption.

[5.] **4.** Any person, company, or corporation engaged in the business of renting or leasing motor vehicles, trailers, boats, or outboard motors, which are to be used exclusively for rental or lease purposes, and not for resale, may apply to the director of revenue for authority to operate as a leasing company. Any company approved by the director of revenue may pay the tax due on any motor vehicle, trailer, boat, or outboard motor as required in section 144.020 at the time of registration thereof or in lieu thereof may pay a sales tax as provided in sections 144.010, 144.020, 144.070 and 144.440. A sales tax shall be charged to and paid by a leasing company which does not exercise the option of paying in accordance with section 144.020, on the amount charged for each rental or lease agreement while the motor vehicle, trailer, boat, or outboard motor is domiciled in this state. Any motor vehicle, trailer, boat, or outboard motor which is leased as the result of a contract executed in this state shall be presumed to be domiciled in this state.

[6.] **5.** Any corporation may have one or more of its divisions separately apply to the director of revenue for authorization to operate as a leasing company, provided that the corporation:

(1) Has filed a written consent with the director authorizing any of its divisions to apply for such authority;

(2) Is authorized to do business in Missouri;

(3) Has agreed to treat any sale of a motor vehicle, trailer, boat, or outboard motor from one of its divisions to another of its divisions as a sale at retail;

(4) Has registered under the fictitious name provisions of sections 417.200 to 417.230 each of its divisions doing business in Missouri as a leasing company; and

(5) Operates each of its divisions on a basis separate from each of its other divisions. However, when the transfer of a motor vehicle, trailer, boat or outboard motor occurs within a corporation which holds a license to operate as a motor vehicle or boat dealer pursuant to sections 301.550 to 301.573 the provisions in subdivision (3) of this subsection shall not apply.

[7.] 6. If the owner of any motor vehicle, trailer, boat, or outboard motor desires to charge and collect sales tax as provided in this section, the owner shall make application to the director of revenue for a permit to operate as a motor vehicle, trailer, boat, or outboard motor leasing company. The director of revenue shall promulgate rules and regulations determining the qualifications of such a company, and the method of collection and reporting of sales tax charged and collected. Such regulations shall apply only to owners of motor vehicles, trailers, boats, or outboard motors, electing to qualify as motor vehicle, trailer, boat, or outboard motor leasing companies under the provisions of subsection 5 of this section, and no motor vehicle renting or leasing, trailer renting or leasing, or boat or outboard motor renting or leasing company can come under sections 144.010, 144.020, 144.070 and 144.440 unless all motor vehicles, trailers, boats, and outboard motors held for renting and leasing are included.

[8.] 7. Beginning July 1, 2010, any motor vehicle dealer licensed under section 301.560 engaged in the business of selling motor vehicles or trailers may apply to the director of revenue for authority to collect and remit the sales tax required under this section on all motor vehicles sold by the motor vehicle dealer. A motor vehicle dealer receiving authority to collect and remit the tax is subject to all provisions under sections 144.010 to 144.525. Any motor vehicle dealer authorized to collect and remit sales taxes on motor vehicles under this subsection shall be entitled to deduct and retain an amount equal to two percent of the motor vehicle sales tax pursuant to section 144.140. Any amount of the tax collected under this subsection that is retained by a motor vehicle dealer pursuant to section 144.140 shall not constitute state revenue. In no event shall revenues from the general revenue fund or any other state fund be utilized to compensate motor vehicle dealers for their role in collecting and remitting sales taxes on motor vehicles. In the event this subsection or any portion thereof is held to violate article IV, section 30(b) of the Missouri Constitution, no motor vehicle dealer shall be authorized to collect and remit sales taxes on motor vehicles under this section. No motor vehicle dealer shall seek compensation from the state of Missouri or its agencies if a court of competent jurisdiction declares that the retention of two percent of the motor vehicle sales tax is unconstitutional and orders the return of such revenues.”; and

Further amend said bill, Page 26, Section 144.071, Line 17, by inserting after all of said line the following:

“144.080. 1. Every person receiving any payment or consideration upon the sale of property or rendering of service, subject to the tax imposed by the provisions of sections 144.010 to 144.525, is exercising the taxable privilege of selling the property or rendering the service at retail and is subject to the tax levied in section 144.020. The person shall be responsible not only for the collection of the amount of the tax imposed on the sale or service to the extent possible under the provisions of section 144.285, but shall, on or before the last day of the month following each calendar quarterly period of three months, file a return with the director of revenue showing the person’s gross receipts and the amount of tax levied in section 144.020 for the preceding quarter, and shall remit to the director of revenue, with the return, the taxes levied in section 144.020, except as provided in subsections 2 and 3 of this section. The director of revenue may promulgate rules or regulations changing the filing and payment requirements of sellers, but shall not require any seller to file and pay more frequently than required in this section.

2. [Where the aggregate amount levied and imposed upon a seller by section 144.020 is in excess of two hundred and fifty dollars for either the first or second month of a calendar quarter, the seller shall file a return and pay such aggregate amount for such months to the director of revenue by the twentieth day of the succeeding month.

3.] Where the aggregate amount levied and imposed upon a seller by section 144.020 is less than forty-five dollars in a calendar quarter, the director of revenue shall by regulation permit the seller to file a return for a calendar year. The return shall be filed and the taxes paid on or before January thirty-first of the succeeding year.

[4.] **3.** The seller of any property or person rendering any service, subject to the tax imposed by sections 144.010 to 144.525, shall collect the tax from the purchaser of such property or the recipient of the service to the extent possible under the provisions of section 144.285, but the seller's inability to collect any part or all of the tax does not relieve the seller of the obligation to pay to the state the tax imposed by section 144.020; except that the collection of the tax imposed by sections 144.010 to 144.525 on motor vehicles and trailers shall be made as provided in sections 144.070 and 144.440.

[5.] **4.** It shall be unlawful for any person to advertise or hold out or state to the public or to any customer directly or indirectly that the tax or any part thereof imposed by sections 144.010 to 144.525, and required to be collected by the person, will be assumed or absorbed by the person, or that it will not be separately stated and added to the selling price of the property sold or service rendered, or if added, that it or any part thereof will be refunded. Any person violating any of the provisions of this section shall be guilty of a misdemeanor.

144.082. 1. The director shall participate in an online registration system that will allow sellers to register in this state and other member states.

2. By registering, the seller agrees to collect and remit sales and use taxes for all taxable sales into this state as well as the other member states, including member states joining after the seller's registration. Withdrawal or revocation of this state from the agreement shall not relieve a seller of its responsibility to remit taxes previously or subsequently collected on behalf of this state.

3. If the seller has a requirement to register prior to registering under the agreement, such seller shall obtain a retail sales license under section 144.083 and register under section 144.650.

4. Registration with the central registration system and the collection of sales and use taxes in this state shall not be used as a factor in determining whether the seller has nexus with this state for any tax at any time.

144.083. 1. The director of revenue shall require all persons who are responsible for the collection of taxes under the provisions of section 144.080 to procure a retail sales license at no cost to the licensee which shall be prominently displayed at the licensee's place of business, and the license is valid until revoked by the director or surrendered by the person to whom issued when sales are discontinued. The director shall issue the retail sales license within ten working days following the receipt of a properly completed application. Any person applying for a retail sales license or reinstatement of a revoked sales tax license who owes any tax under sections 144.010 to 144.510 or sections 143.191 to 143.261 must pay the amount due plus interest and penalties before the department may issue the applicant a license or reinstate the revoked license. All persons beginning business subsequent to August 13, 1986, and who are required to collect the sales tax shall secure a retail sales license prior to making sales at retail. Such license may, after

ten days' notice, be revoked by the director of revenue only in the event the licensee shall be in default for a period of sixty days in the payment of any taxes levied under section 144.020 or sections 143.191 to 143.261. Notwithstanding the provisions of section 32.057 in the event of revocation, the director of revenue may publish the status of the business account including the date of revocation in a manner as determined by the director.

2. The possession of a retail sales license and a statement from the department of revenue that the licensee owes no tax due under sections 144.010 to 144.510 or sections 143.191 to 143.261 shall be a prerequisite to the issuance or renewal of any city or county occupation license or any state license which is required for conducting any business where goods are sold at retail. The date of issuance on the statement that the licensee owes no tax due shall be no more than ninety days before the date of submission for application or renewal of the local license. The revocation of a retailer's license by the director shall render the occupational license or the state license null and void.

3. No person responsible for the collection of taxes under section 144.080 shall make sales at retail unless such person is the holder of a valid retail sales license. After all appeals have been exhausted, the director of revenue may notify the county or city law enforcement agency representing the area in which the former licensee's business is located that the retail sales license of such person has been revoked, and that any county or city occupation license of such person is also revoked. The county or city may enforce the provisions of this section, and may prohibit further sales at retail by such person.

4. In addition to the provisions of subsection 2 of this section, beginning January 1, 2009, the possession of a statement from the department of revenue stating no tax is due under sections 143.191 to 143.265 or sections 144.010 to 144.510 shall also be a prerequisite to the issuance or renewal of any city or county occupation license or any state license required for conducting any business where goods are sold at retail. The statement of no tax due shall be dated no longer than ninety days before the date of submission for application or renewal of the city or county license.

[5. Notwithstanding any law or rule to the contrary, sales tax shall only apply to the sale price paid by the final purchaser and not to any off-invoice discounts or other pricing discounts or mechanisms negotiated between manufacturers, wholesalers, and retailers.]

144.084. 1. The director shall promulgate rules and regulations for remittance of returns. Such rules shall:

- (1) Allow for electronic payments by all remitters by both ACH credit and ACH debit;**
- (2) Provide an alternative method for making "same day" payments if an electronic funds transfer fails;**
- (3) Provide that if a due date falls on a legal banking holiday in the state, the taxes shall be due on the next succeeding business day; and**
- (4) Require that any data that accompanies a remittance be formatted using uniform tax type and payment type codes approved by the streamlined sales and use tax governing board.**

2. All model 1, model 2, and model 3 sellers shall file returns electronically. Any model 1, model 2, or model 3 seller shall submit its sales and use tax returns in a simplified format approved by the director at such times as may be prescribed by the director.

144.100. 1. Every person making any taxable sales of property or service, except transactions provided

for in sections 144.070 and 144.440, individually or by duly authorized officer or agent, shall make and file a written return with the director of revenue in such manner as he may prescribe.

2. The returns shall be on blanks designed and furnished by the director of the department of revenue and shall be filed at the times provided in sections 144.080 and 144.090. The returns shall [show the amount of gross receipts from sales of taxable property and services by the person and the amount of tax due thereon by that person during and for the period covered by the return] **state:**

(1) The name and address of the retailer;

(2) The total amount of gross sales of all tangible personal property and taxable services rendered by the retailer during the period for which the return is made;

(3) The total amount received during the period for which the return is made on charge and time sales of tangible personal property made and taxable services rendered prior to the period for which the return is made;

(4) Deductions allowed by law from such total amount of gross sales and from total amount received during the period for which the return is made on such charge and time sales;

(5) Receipts during the period for which the return is made from the total amount of sales of tangible personal property and taxable services rendered during such period in the course of such business, after deductions allowed by law have been made;

(6) Receipts during the period for which the return is made from charge and time sales of tangible personal property made and taxable services rendered prior to such period in the course of such business, after deductions allowed by law have been made;

(7) Gross receipts during the period for which the return is made from sales of tangible personal property and taxable services rendered in the course of such business upon the basis of which the tax is imposed; and

(8) Such other pertinent information as the director may require.

3. In making such return, the retailer shall determine the market value of any consideration, other than money, received in connection with the sale of any tangible personal property in the course of the business and shall include such value in the return. Such value shall be subject to review and revision by the director as hereinafter provided. Refunds made by a retailer during the period for which the return is made on account of tangible personal property returned to the retailer shall be allowed as a deduction under subdivision (4) of subsection 2 of this section in case the retailer has included the receipts from such sale in a return made by such retailer and paid taxes on such sale. The retailer shall, at the time of making such return, pay to the director the amount of tax owed, except as otherwise provided in this section. The director may extend the time for making returns and paying the tax required by this section for any period not to exceed sixty days under such rules and regulations as the director of revenue may prescribe.

4. The director shall only require a single tax return for each taxing period and such return shall include only the taxing jurisdictions in which the seller makes sales within the state. With each return, the person shall remit to the director of revenue the full amount of the tax due.

[3.] **5. In case of charge and time sales the gross receipts thereof shall be included as sales in the returns as and when payments are received by the person, without any deduction therefrom whatsoever.**

[4.] **6.** If an error or omission is discovered in a return or a change be necessary to show the true facts, the error may be corrected, the omission supplied, or the change made in the return next filed with the director for the filing period immediately following the filing period in which the error was made or the omission occurred, as prescribed by law, except that no refund under this chapter shall be allowed for any amount of tax paid by a seller which is based upon charges incident to credit card discounts. Any other omission or error must be corrected by filing an amended return for the erroneously reported period if the amount of tax is less than that originally reported, or an additional return if the amount of tax is greater than that originally reported. An additional return shall be deemed filed on the date the envelope in which it is mailed is postmarked or the date it is received by the director, whichever is earlier. Any payment of tax, interest, penalty or additions to tax shall be deemed filed on the date the envelope containing the payment is postmarked or the date the payment is received by the director, whichever is earlier. If a refund or credit results from the filing of an amended return, no refund or credit shall be allowed unless an application for refund or credit is properly completed and submitted to the director pursuant to section 144.190.

[5.] **7.** The amount of gross receipts from sales and the amount of tax due returned by the person, as well as all matters contained in the return, is subject to review and revision in the manner herein provided for the correction of the returns.

144.104. 1. A seller shall be allowed a deduction from taxable sales for bad debts attributable to taxable sales of such seller that have become uncollectable. Any deduction taken that is attributed to bad debts shall not include interest.

2. The amount of the bad debt deduction shall be calculated pursuant to 26 U.S.C. Section 166(b), as amended, except that such amount shall be adjusted to exclude financing charges or interest, sales, or use taxes charged on the purchase price, uncollectable amounts on property that remain in the possession of the seller until the full purchase price is paid, and expenses incurred in attempting to collect any debt or repossessed property.

3. Bad debts may be deducted on the return for the period during which the bad debt is written off as uncollectable in the seller's books and records and is eligible to be deducted for federal income tax purposes. For purposes of this subsection, a seller who is not required to file federal income tax returns may deduct a bad debt on a return filed for the period in which the bad debt is written off as uncollectable in the seller's books and records and would be eligible for a bad debt deduction for federal income tax purposes if the seller was required to file a federal income tax return.

4. If a deduction is taken for a bad debt and the debt is subsequently collected in whole or in part, the tax on the amount so collected shall be paid and reported on the return filed for the period in which the collection is made.

5. When the amount of bad debt exceeds the amount of taxable sales for the period during which the bad debt is written off, a refund claim may be filed by the seller within the applicable statute of limitations for refund claim; however, the statute of limitations shall be measured from the due date of the return on which the bad debt could first be claimed.

6. Where filing responsibilities have been assumed by a certified service provider, such service provider may claim, on behalf of the seller, any bad debt allowance provided by this section. The certified service provider shall credit or refund the full amount of any bad debt allowance or refund received to the seller.

7. For the purposes of reporting a payment received on a previously claimed bad debt, any payments made on a debt or account shall first be applied proportionally to the taxable price of the property or service and the sales tax thereon, and secondly to interest, service charges, and any other charges.

8. In situations where the books and records of the seller, or certified service provider on behalf of the seller, claiming the bad debt allowance support an allocation of the bad debts among the member states, such an allocation shall be permitted.

144.105. 1. The state shall review software submitted to the streamlined sales and use tax governing board for certification as a certified automated system (CAS) under Section 501 of the streamlined sales and use tax agreement. Such review shall include a review to determine that the program adequately classifies the state's product-based exemptions. Upon completion of the review, the state shall certify to the governing board its acceptance of the classifications made by the system. The state shall relieve a certified service provider (CSP) or model 2 seller from liability to this state and its local jurisdictions for failure to collect sales or use taxes resulting from the CSP or model 2 seller's reliance on the certification provided by the state.

2. The streamlined sales and use tax governing board and this state shall not be responsible for classification of an item or transaction with the product-based exemptions. The relief from liability provided in this section shall not be available for a CSP or model 2 seller that has incorrectly classified an item or transaction into a product-based exemption certified by this state. This subsection shall apply to the individual listing of items or transactions within a product definition approved by the governing board or the state.

3. If the state determines that an item or transaction is incorrectly classified as to its taxability, it shall notify the CSP or model 2 seller of the incorrect classification. The CSP or model 2 seller shall have ten days to revise the classification after receipt of notice from the state of the determination. Upon expiration of the ten days, such CSP or model 2 seller shall be liable for failure to collect the correct amount of sales or use taxes due and owing to the state.

144.123. 1. The director shall provide and maintain a database that describes boundary changes for all taxing jurisdictions and the effective dates of such changes for sales and use tax purposes.

2. The director shall provide and maintain a database of all sales and use tax rates for all taxing jurisdictions. For the identification of counties and cities, codes corresponding to the rates shall be provided according to Federal Information Processing Standards (FIPS) as developed by the National Institute of Standards and Technology. For the identification of all other jurisdictions, codes corresponding to the rates shall be in a format determined by the director.

3. The director shall provide and maintain a database that assigns each five- and nine-digit zip code to the proper rates and taxing jurisdictions. The lowest combined tax rate imposed in the zip code area shall apply if the area includes more than one tax rate in any level of taxing jurisdiction. If a nine-digit zip code designation is not available for a street address, or if a seller or a certified service provider (CSP) is unable to determine the nine-digit zip code designation applicable to a purchase after exercising due diligence to determine the designation, the seller or CSP may apply the rate for the five-digit zip code area. For purposes of this section, there shall be a rebuttable presumption that a seller or CSP has exercised due diligence if the seller has attempted to determine the nine-digit zip code designation by utilizing software approved by the secretary that makes this

designation from the street address and the five-digit zip code applicable to a purchase.

4. The director may provide address-based boundary database records for assigning taxing jurisdictions and associated rates which shall be in addition to the requirements of subsection 3 of this section. The database records shall be in the same approved format as the database records required under subsection 3 of this section and shall meet the requirements developed under the federal Mobile Telecommunications Sourcing Act, 4 U.S.C. Section 119(a), as amended. If the director develops address-based assignment database records under the agreement, sellers that register under the agreement shall be required to use such database. A seller or CSP shall use such database records in place of the five- and nine-digit zip code database records provided for in subsection 3 of this section. If a seller or CSP is unable to determine the applicable rate and jurisdiction using an address-based database record after exercising due diligence, the seller or CSP may apply the nine-digit zip code designation applicable to a purchase. If a nine-digit zip code designation is not available for a street address or if a seller or CSP is unable to determine the nine-digit zip code designation applicable to a purchase after exercising due diligence to determine the designation, the seller or CSP may apply the rate for the five-digit zip code area. For the purposes of this section, there shall be a rebuttable presumption that a seller or CSP has exercised due diligence if the seller or CSP has attempted to determine the tax rate and jurisdiction by utilizing software approved by the director and makes the assignment from the address and zip code information applicable to the purchase. If the director has met the requirements of subsection 3 of this section, the director may also elect to certify vendor provided address-based databases for assigning tax rates and jurisdictions. The databases shall be in the same approved format as the database records under this section and meet the requirements developed under the federal Mobile Telecommunications Sourcing Act, 4 U.S.C. Section 119(a), as amended. If the director certifies a vendor address-based database, a seller or CSP may use such database in place of the database provided for in this subsection.

5. The electronic databases provided for in subsections 1, 2, 3, and 4 of this section shall be in downloadable format as determined by the director. The databases may be directly provided by the director or provided by a vendor as designated by the director. A database provided by a vendor as designated by the director shall be applicable and subject to the provisions of section 144.1031 and this section. The databases shall be provided at no cost to the user of the database. The provisions of subsections 3 and 4 of this section shall not apply when the purchased product is received by the purchaser at the business location of the seller.

6. No seller or CSP shall be liable for reliance upon erroneous data provided by the director on tax rates, boundaries, or taxing jurisdiction assignments.

144.124. 1. The director shall complete a taxability matrix. The state's entries in the matrix shall be provided and maintained by the director in a database that is in a downloadable format.

2. The director shall provide reasonable notice of changes in the taxability of the products or services listed in the taxability matrix.

3. A seller or certified service provider (CSP) shall be relieved from liability to this state or any local taxing jurisdiction for having charged and collected the incorrect amount of state or local sales or use tax resulting from such seller's or CSP's reliance upon erroneous data provided by the director in the taxability matrix.

144.125. 1. (1) Amnesty shall be granted for uncollected or unpaid sales or use tax to a seller who

registers to pay or to collect and remit applicable sales or use tax on sales made to purchasers in this state in accordance with the terms of the agreement, provided that the seller was not so registered in this state in the twelve-month period preceding the effective date of this state's participation in the agreement.

(2) Amnesty shall preclude assessment for uncollected or unpaid sales or use tax together with penalty or interest for sales made during the period the seller was not registered in this state, provided registration occurs within twelve months of the effective date of this state's participation in the agreement.

(3) Amnesty shall be provided if this state joins the agreement after the seller has registered.

2. Amnesty shall not be available to a seller with respect to any matter or matters for which the seller received notice of the commencement of an audit and which audit is not yet finally resolved including any related administrative and judicial processes. The amnesty shall not be available for sales or use taxes already paid or remitted to this state or to taxes collected by the seller.

3. Amnesty provided under this section shall be fully effective, absent the seller's fraud or intentional misrepresentation of a material fact, as long as the seller continues registration and payment or collection and remittance of applicable sales or use taxes for a period of at least thirty-six months. The statute of limitations applicable to asserting a tax liability during this thirty-six month period shall be tolled.

4. Amnesty provided under this section shall be applicable only to sales or use taxes due from a seller in its capacity as a seller and not to sales or use taxes due from a seller in its capacity as a purchaser.

5. The provisions of this section shall become effective as of the date that the state joins and becomes a member state of the agreement.

144.140. 1. From every remittance to the director of revenue made on or before the date when the same becomes due, the person required to remit the same shall be entitled to deduct and retain an amount equal to two percent thereof.

2. If the director of the department of revenue enters into the streamlined sales and use tax agreement under section 32.070, the director shall provide a monetary allowance from the taxes collected to each of the following:

(1) A certified service provider, in accordance with the agreement and under the terms of the contract signed with the provider, provided that such allowance shall not exceed two percent of the amount collected;

(2) Any vendor registered under the agreement that selects a certified automated system to perform part of its sales or use tax functions;

(3) Any vendor registered under the agreement that uses a proprietary system to calculate taxes due and has entered into a performance agreement with states that are members to the streamlined sales and use tax agreement.

3. The monetary allowance provided for vendors in subdivision (2) or (3) of subsection 2 of this section shall be in an amount equal to two percent of the taxes collected.

4. Any vendor receiving an allowance under subsection 2 of this section shall not be entitled simultaneously to deduct the allowance provided for in subsection 1 of this section.

144.210. 1. The burden of proving that a sale of tangible personal property, services, substances or things was not a sale at retail shall be upon the person who made the sale, except that with respect to sales, services, or transactions provided for in section 144.070. [The seller shall obtain and maintain exemption certificates signed by the purchaser or his agent as evidence for any exempt sales claimed; provided, however, that before any administrative tribunal of this state, a seller may prove that sale is exempt from tax under this chapter in accordance with proof admissible under the applicable rules of evidence; except that when a purchaser has purchased tangible personal property or services sales tax free under a claim of exemption which is found to be improper, the director of revenue may collect the proper amount of tax, interest, additions to tax and penalty from the purchaser directly. Any tax, interest, additions to tax or penalty collected by the director from the purchaser shall be credited against the amount otherwise due from the seller on the purchases or sales where the exemption was claimed.]

2. If the director of revenue is not satisfied with the return and payment of the tax made by any person, he is hereby authorized and empowered to make an additional assessment of tax due from such person, based upon the facts contained in the return or upon any information within his possession or that shall come into his possession.

3. The director of revenue shall give to the person written notice of such additional or revised assessment by certified or registered mail to the person at his or its last known address.

144.212. 1. In addition to all other provisions of law provided for exemptions, when an exemption is claimed by a purchaser:

(1) The seller shall obtain identifying information of the purchaser and the reason for claiming a tax exemption at the time of the purchase;

(2) A purchaser shall not be required to provide a signature to claim an exemption from tax unless a paper exemption certificate is used;

(3) The seller shall use the standard form for claiming an exemption electronically prescribed by the director of the department of revenue and acceptable to the streamlined sales and use tax governing board;

(4) The seller shall obtain the same information for proof of a claimed exemption regardless of the medium in which the transaction occurred;

(5) The seller shall maintain proper records of exempt transactions and provide such records to the director of the department of revenue or the director's designee upon request;

(6) In the case of drop shipment sales, a third-party vendor, such as a drop shipper, may claim a resale exemption based on an exemption certificate provided by its customer or any other acceptable information available to the third-party vendor evidencing qualification for a resale exemption, regardless of whether the customer is registered to collect and remit sales and use tax in the state where the sale is sourced.

2. Sellers that comply with the requirements of this section shall be relieved from collecting and remitting tax otherwise applicable if it is determined that the purchaser improperly claimed an exemption and such purchaser shall be liable for the nonpayment of tax. Relief from liability provided

under this section shall not apply to a seller who fraudulently fails to collect tax; to a seller who solicits purchasers to participate in the unlawful claim of an exemption; to a seller who accepts an exemption certificate when the purchaser claims an entity-based exemption when the subject of the transaction sought to be covered by the exemption certificate is actually received by the purchaser at a location operated by the seller and the state in which that location resides provides an exemption certificate that clearly and affirmatively indicates that the claimed exemption is not available in such state; or to a seller who accepts an exemption certificate claiming multiple points of use for tangible personal property other than computer software for which an exemption claiming multiple points of use not available in such state.

(1) A seller shall be relieved from collecting and remitting tax otherwise applicable if the seller obtains a fully completed exemption certificate or captures the relevant data elements required under the agreement within ninety days subsequent to the date of sale.

(2) If a seller fails to obtain an exemption certificate or all relevant data elements as provided in this section, the seller may, within one hundred twenty days subsequent to a request for substantiation by the director of the department of revenue or the director's designee, either prove that the transaction was not subject to tax by other means or obtain a fully completed exemption certificate from the purchaser, taken in good faith.

3. Nothing in this section shall affect the ability of the director of the department of revenue or the director's designee to require purchasers to update exemption certificate information or to reapply with the state to claim certain exemptions.

4. Notwithstanding the provisions of subsection 2 of this section to the contrary, the director shall relieve a seller of the tax otherwise applicable if the seller obtains a blanket exemption certificate for a purchaser with which the seller has a recurring business relationship. The director shall not request from the seller renewal of blanket certificates or updates of exemption certificate information or data elements when there is a recurring business relationship between the buyer and seller. For purposes of this section, a recurring business relationship exists when a period of no more than twelve months elapses between sales transactions.

144.285. 1. [In order to permit sellers required to collect and report the sales tax 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 director of revenue shall establish brackets, showing the amounts of tax to be collected on sales of specified amounts, which shall be applicable to all taxable transactions] **When the seller is computing the amount of tax owed by the purchaser and remitted to the state:**

(1) Tax computation shall be carried to the third decimal place; and

(2) The tax shall be rounded to a whole cent using a method that rounds up to the next cent whenever the third decimal place is greater than four.

2. [In all instances where statements covering taxable purchases are rendered to the taxpayer on a monthly or other periodic basis, the amount of tax shall be determined by applying the applicable tax rate to the taxable purchases represented on the statement, rounded to the nearest whole cent, or by application of the brackets established by the director of revenue, at the option of the retail vendor] **Sellers may elect to compute the tax due on a transaction on an item or an invoice basis. The provision of this**

subsection may be applied to the aggregated state and local taxes.

3. No vendor or seller shall knowingly charge or receive from a purchaser as a sales tax any sum in excess of the sums provided for in this section.

4. [A vendor may, at his option, determine the amount charged to and received from each purchaser by use of a formula which applies the applicable tax rate to each taxable purchase, rounded to the nearest whole cent. The formula shall be uniformly and consistently applied to all purchases similarly situated.

5.] Amounts which a vendor charges to and receives from the purchaser in accordance with this section shall not be includable in his gross receipts if the amounts are separately charged or stated.

[6.] **5.** If sales tax for one or more local political subdivisions is owed by a taxpayer pursuant to chapter 66, 67, 92, or 94 and that taxpayer remits less than all sales tax due for a filing period specified in section 144.080, the director of revenue shall deposit the tax remitted proportionately to each taxing jurisdiction in accordance with the percentage that each such jurisdiction's share of the tax due for the filing period bears to the total tax due from such taxpayer for such period. The unpaid balance due along with penalties and interest shall be similarly prorated among the state and all local jurisdictions for which tax was due during the filing period for which an underpayment occurs. The provisions of this subsection shall apply to all returns or remittances relating to sales made on or after January 1, 1984.”; and

Further amend said bill, Page 29, Section 144.525, Line 9, by inserting after all of said line the following:

“144.526. 1. This section shall be known and may be cited as the “Show Me Green Sales Tax Holiday”.

2. [For purposes of this section, the following terms mean:

(1) “Appliance”, clothes washers and dryers, water heaters, trash compactors, dishwashers, conventional ovens, ranges, stoves, air conditioners, furnaces, refrigerators and freezers; and

(2) “Energy star certified”, any appliance approved by both the United States Environmental Protection Agency and the United States Department of Energy as eligible to display the energy star label, as amended from time to time.

3.] In each year beginning on or after January 1, 2009, there is hereby specifically exempted from state sales tax law all retail sales of any [energy star certified] new appliance **that is an energy star qualified product**, up to one thousand five hundred dollars per appliance, during a seven-day period beginning at 12:01 a.m. on April nineteenth and ending at midnight on April twenty-fifth.

[4. A political subdivision may allow the sales tax holiday under this section to apply to its local sales taxes by enacting an ordinance to that effect. Any such political subdivision shall notify the department of revenue not less than forty-five calendar days prior to the beginning date of the sales tax holiday occurring in that year of any such ordinance or order.

5. This section may not apply to any retailer when less than two percent of the retailer's merchandise offered for sale qualifies for the sales tax holiday. The retailer shall offer a sales tax refund in lieu of the sales tax holiday.]”; and

Further amend said bill, Page 34, Section 144.615, Line 21, by inserting after all of said line the following:

“144.655. 1. Every vendor, on or before the last day of the month following each calendar quarterly

period of three months, shall file with the director of revenue a return of all taxes collected for the preceding quarter in the form prescribed by the director of revenue, showing the total sales price of the tangible personal property sold by the vendor, the storage, use or consumption of which is subject to the tax levied by this law, and other information the director of revenue deems necessary. The return shall be accompanied by a remittance of the amount of the tax required to be collected by the vendor during the period covered by the return. Returns shall be signed by the vendor or the vendor's authorized agent. The director of revenue may promulgate rules or regulations changing the filing and payment requirements of vendors, but shall not require any vendor to file and pay more frequently than required in this section.

2. Where the aggregate amount of tax required to be collected by a vendor is in excess of two hundred and fifty dollars for either the first or second month of a calendar quarter, the vendor shall pay such aggregate amount for such months to the director of revenue by the twentieth day of the succeeding month. The amount so paid shall be allowed as a credit against the liability shown on the vendor's quarterly return required by this section.

3. Where the aggregate amount of tax required to be collected by a vendor is less than forty-five dollars in a calendar quarter, the director of revenue shall by regulation permit the vendor to file a return for a calendar year. The return shall be filed and the taxes paid on or before January thirty-first of the succeeding year.

4. Except as provided in subsection 5 of this section, every person purchasing tangible personal property, the storage, use or consumption of which is subject to the tax levied by sections 144.600 to 144.748, who has not paid the tax due to a vendor registered in accordance with the provisions of section 144.650, shall file with the director of revenue a return for the preceding reporting period in the form and manner that the director of revenue prescribes, showing the total sales price of the tangible property purchased during the preceding reporting period and any other information that the director of revenue deems necessary for the proper administration of sections 144.600 to 144.748. The return shall be accompanied by a remittance of the amount of the tax required by sections 144.600 to 144.748 to be paid by the person. Returns shall be signed by the person liable for the tax or such person's duly authorized agent. For purposes of this subsection, the reporting period shall be determined by the director of revenue and may be a calendar quarter or a calendar year. Annual returns and payments required by the director pursuant to this subsection shall be due on or before April fifteenth of the year for the preceding calendar year and quarterly returns and payments shall be due on or before the last day of the month following each calendar period of three months. Upon the taxpayer's request, the director may allow the filing of such returns and payments on a monthly basis. If a taxpayer elects to file a monthly return and payment, such return and payment shall be due on or before the twentieth day of the succeeding month.

5. Any person purchasing tangible personal property subject to the taxes imposed by sections 144.600 to 144.748 shall not be required to file a use tax return with the director of revenue if such purchases on which such taxes were not paid do not exceed in the aggregate two thousand dollars in any calendar year.

6. Nothing in subsection 5 of this section shall relieve a vendor of liability to collect the tax imposed pursuant to sections 144.600 to 144.748 on the total gross receipts of all sales of tangible personal property used, stored or consumed in this state and to remit all taxes collected to the director of revenue in accordance with the provisions of this section nor shall it relieve a purchaser from paying such taxes to a vendor registered in accordance with the provisions of section 144.650.

7. Any out-of-state seller which is not legally required to register for use tax in this state but

chooses to collect and remit use tax under sections 144.600 to 144.761 shall file a return for the calendar year. The return shall be filed and the taxes paid on or before January thirty-first of the succeeding year. In the event that any out-of-state seller which is not legally required to register for use tax in this state but chooses to collect and remit use tax under sections 144.600 to 144.761 has accumulated state and local use tax funds in an amount equal to one thousand dollars or more, such vendor shall file a return and remit the amount due for the month in which the accumulated state and local use tax funds equal or exceed one thousand dollars.

144.710. [From every remittance made by a vendor as required by sections 144.600 to 144.745 to the director of revenue on or before the date when the remittance becomes due, the vendor may deduct and retain an amount equal to two percent thereof.] **Sections 144.210 and 144.212, pertaining to the allowance for timely remittance of payment, are applicable to the tax levied by this law.**”; and

Further amend said bill, Pages 44 to 46, Section 184.845, by deleting all of said section and inserting in lieu thereof the following:

“184.845. 1. The board of the district may impose a museum **and cultural** district sales tax by resolution on all retail sales made in such museum **and cultural** district which are subject to taxation pursuant to the provisions of sections 144.010 to 144.525. Such museum **and cultural** district sales tax may be imposed for any museum purpose designated by the board of the museum **and cultural** district. If the resolution is adopted the board of the district may submit the question of whether to impose a sales tax authorized by this section to [either the legal voters of the district and/or to the owners of real property within the district] **the qualified voters** who shall have the same voting interests as with the election of members of the board of the district.

2. The sales tax authorized by this section shall become effective on the first day of the second calendar quarter [following adoption of the tax by the qualified voters] **after the director of revenue receives notification of the adoption of the local sales tax.**

3. In each museum **and cultural** 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 museum **and cultural** 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.

4. 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 museum **and cultural** 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 [144.825] **144.285.**

5. All revenue received by a museum **and cultural** district from the tax authorized by this section which has been designated for a certain museum **and cultural** purpose shall be deposited in a special trust fund and shall be used solely for such designated purpose. All funds remaining in the special trust fund shall continue to be used solely for such designated museum **and cultural** purpose. Any funds in such special trust fund which are not needed for current expenditures may be invested by the board of directors in accordance with applicable laws relating to the investment of other museum **and cultural** district funds.

6. The sales tax may be imposed at a rate of one-half of one percent, three-fourths of one percent or one

percent on the receipts from the sale at retail of all tangible personal property or taxable services at retail within the museum **and cultural** 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. Any museum **and cultural** district sales tax imposed pursuant to this section shall be imposed at a rate that shall be uniform throughout the district.

7. On and after the effective date of any tax imposed pursuant to this section, the [museum district] **director of revenue** shall perform all functions incident to the administration, collection, enforcement, and operation of the tax. The 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 [museum district] **director**.

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

9. 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 are hereby made applicable to the imposition and collection of the tax imposed by this section.

10. The same sales tax permit, exemption certificate and retail certificate required by sections 144.010 to 144.525 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 museum **and cultural** district may prescribe a form of exemption certificate for an exemption from the tax imposed by this section.

11. The penalties provided in section 32.057 and sections 144.010 to 144.525 for violation of those sections are hereby made applicable to violations of this section.

12. For the purpose of a sales tax imposed by a resolution pursuant to this section, all retail sales except retail sales of motor vehicles 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 shall 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.

13. All sales taxes collected by the museum **and cultural** district shall be deposited by the museum **and cultural** district in a special fund to be expended for the purposes authorized in this section. The museum **and cultural** 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 by the officers and directors of each museum **and cultural** district and the Missouri department of revenue. Tax returns filed by businesses within the district shall otherwise be considered as confidential in the same manner as sales tax returns filed with the Missouri department of revenue.

14. No museum **and cultural** district imposing a sales tax pursuant to this section may repeal or amend

such sales tax unless such repeal or amendment will not impair the district’s ability to repay any liabilities which it has incurred, money which it has borrowed or revenue bonds, notes or other obligations which it has issued or which have been issued to finance any project or projects.”; and

Further amend said bill, Page 48, Section 184.865, Line 7, by inserting after all of said line the following:

“21.407. 1. The commission of any regional jail district may impose, by order, a sales tax in the amount of one-eighth of one percent, one-fourth of one percent, three-eighths of one percent, or one-half of one percent on all retail sales made in such region which are subject to taxation pursuant to the provisions of sections 144.010 to 144.525 for the purpose of providing jail services and court facilities and equipment for such region. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no order imposing a sales tax pursuant to this section shall be effective unless the commission submits to the voters of the district, on any election date authorized in chapter 115, a proposal to authorize the commission to impose a tax.

2. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the regional jail district of (counties’ names) impose a region-wide sales tax of (insert amount) for the purpose of providing jail services and court facilities and equipment for the region?

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 proposal, then the order and any amendment to such order shall be in effect on the first day of the second **calendar** quarter [immediately following the election approving the proposal] **after the director of revenue receives notification of adoption of the local sales tax**. If the proposal receives less than the required majority, the commission shall have no power to impose the sales tax authorized pursuant to this section unless and until the commission shall again have submitted another proposal to authorize the commission to impose the sales tax authorized by this section and such proposal is approved by the required majority of the qualified voters of the district voting on such proposal; however, in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve months from the date of the last submission of a proposal pursuant to this section.

3. All revenue received by a district from the tax authorized pursuant to this section shall be deposited in a special trust fund and shall be used solely for providing jail services and court facilities and equipment for such district for so long as the tax shall remain in effect.

4. Once the tax authorized by this section is abolished or terminated by any means, all funds remaining in the special trust fund shall be used solely for providing jail services and court facilities and equipment for the district. Any funds in such special trust fund which are not needed for current expenditures may be invested by the commission in accordance with applicable laws relating to the investment of other county funds.

5. All sales taxes collected by the director of revenue pursuant to this section on behalf of any district, less one percent for 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 32.087, shall be deposited in a special trust fund, which is hereby created, to be known as the “Regional Jail District Sales Tax Trust Fund”. The moneys in the regional jail district sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state. The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each district imposing a sales tax pursuant to this section, and the records shall be open to the inspection of officers of each member county and the 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 which levied the tax. Such funds shall be deposited with the treasurer of each such district, and all expenditures of funds arising from the regional jail district sales tax trust fund shall be paid pursuant to an appropriation adopted by the commission and shall be approved by the commission. Expenditures may be made from the fund for any function authorized in the order adopted by the commission submitting the regional jail district tax to the voters.

6. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any district for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such districts. If any district abolishes the tax, the commission shall notify the director of revenue of the action at least ninety days prior to 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 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 tax in such district, the director of revenue shall remit the balance in the account to the district and close the account of that district. The director of revenue shall notify each district in each instance of any amount refunded or any check redeemed from receipts due the district.

7. Except as provided in this section, all provisions of sections 32.085 and 32.087 shall apply to the tax imposed pursuant to this section.

8. The provisions of this section shall expire September 30, 2015.

238.235. 1. (1) Any transportation development district may by resolution impose a transportation development district sales tax on all retail sales made in such transportation development district which are subject to taxation pursuant to the provisions of sections 144.010 to 144.525, except such transportation development district sales tax shall not apply to the sale or use of [motor vehicles, trailers, boats or outboard motors nor to all sales of electricity or electrical current, water and gas, natural or artificial, nor to sales of service to telephone subscribers, either local or long distance] **fuel used to power motor vehicles, aircraft, locomotives, or watercraft, or to electricity, piped natural or artificial gas, or other fuels delivered by the seller, and the retail sale or transfer of motor vehicles, aircraft, watercraft, modular homes, manufactured homes, or mobile homes.** Such transportation development district sales tax may be imposed for any transportation development purpose designated by the transportation development district in its ballot of submission to its qualified voters, except that no resolution enacted pursuant to the authority granted by this section shall be effective unless:

(a) The board of directors of the transportation development district submits to the qualified voters of the transportation development district a proposal to authorize the board of directors of the transportation development district to impose or increase the levy of an existing tax pursuant to the provisions of this section; or

(b) The voters approved the question certified by the petition filed pursuant to subsection 5 of section 238.207.

(2) If the transportation district submits to the qualified voters of the transportation development district a proposal to authorize the board of directors of the transportation development district to impose or increase the levy of an existing tax pursuant to the provisions of paragraph (a) of subdivision (1) of this subsection, the ballot of submission shall contain, but need not be limited to, the following language:

Shall the transportation development district of (transportation development district's name) impose a transportation development district-wide sales tax at the rate of (insert amount) for a period of (insert number) years from the date on which such tax is first imposed for the purpose of (insert transportation development purpose)?

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 voting thereon are in favor of the proposal, then the resolution and any amendments thereto shall be in effect. If a majority of the votes cast by the qualified voters voting are opposed to the proposal, then the board of directors of the transportation development district shall have no power to impose the sales tax authorized by this section unless and until the board of directors of the transportation development district shall again have submitted another proposal to authorize it to impose the sales tax pursuant to the provisions of this section and such proposal is approved by a majority of the qualified voters voting thereon.

(3) [The sales tax authorized by this section shall become effective on the first day of the second calendar quarter after the department of revenue receives notification of the tax.

(4) In each transportation development 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 transportation development 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 transportation development 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.

(6) All revenue received by a transportation development district from the tax authorized by this section which has been designated for a certain transportation development purpose shall be deposited in a special trust fund and shall be used solely for such designated purpose. Upon the expiration of the period of years approved by the qualified voters pursuant to subdivision (2) of this subsection or if the tax authorized by this section is repealed pursuant to subsection 6 of this section, all funds remaining in the special trust fund shall continue to be used solely for such designated transportation development purpose. Any funds in such special trust fund which are not needed for current expenditures may be invested by the board of directors in accordance with applicable laws relating to the investment of other transportation development district

funds.

[(7)] (4) The sales tax may be imposed in increments of one-eighth of one percent, up to a maximum of one percent on the receipts from the sale at retail of all tangible personal property or taxable services at retail within the transportation development 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, except such transportation development district sales tax shall not apply to the sale or use of motor vehicles, trailers, boats or outboard motors nor to public utilities. Any transportation development district sales tax imposed pursuant to this section shall be imposed at a rate that shall be uniform throughout the district.

2. 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, 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 transportation development district.

3. [On and after the effective date of any tax imposed pursuant to this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax, and the director of revenue shall collect, in addition to all other sales taxes imposed by law, the additional tax authorized pursuant to this section. The tax imposed pursuant to this section and the taxes imposed pursuant to all other laws of the state of Missouri shall be collected together and reported upon such forms and pursuant to such administrative rules and regulations as may be prescribed by the director of revenue.

4. (1) All applicable provisions contained in sections 144.010 to 144.525, governing the state sales tax, sections 32.085 and 32.087 and section 32.057, 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 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 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 transportation development 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 and sections 144.010 to 144.525 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 except retail sales of motor vehicles 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.

5.] All sales taxes received by the transportation development district shall be deposited by the director of revenue in a special fund to be expended for the purposes authorized in this section. The director of revenue 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 transportation development district and the general public.

[6.] 4. (1) No transportation development district imposing a sales tax pursuant to this section may repeal or amend such sales tax unless such repeal or amendment will not impair the district's ability to repay any liabilities which it has incurred, money which it has borrowed or revenue bonds, notes or other obligations which it has issued or which have been issued by the commission or any local transportation authority to finance any project or projects.

(2) Whenever the board of directors of any transportation development district in which a transportation development sales tax has been imposed in the manner provided by this section receives a petition, signed by ten percent of the qualified voters calling for an election to repeal such transportation development sales tax, the board of directors shall, if such repeal will not impair the district's ability to repay any liabilities which it has incurred, money which it has borrowed or revenue bonds, notes or other obligations which it has issued or which have been issued by the commission or any local transportation authority to finance any project or projects, submit to the qualified voters of such transportation development district a proposal to repeal the transportation development sales tax imposed pursuant to the provisions of this section. If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal to repeal the transportation development sales tax, then the resolution imposing the transportation development sales tax, along with any amendments thereto, is repealed. If a majority of the votes cast by the qualified voters voting thereon are opposed to the proposal to repeal the transportation development sales tax, then the ordinance or resolution imposing the transportation development sales tax, along with any amendments thereto, shall remain in effect.

[7.] 5. Notwithstanding any provision of sections 99.800 to 99.865 and this section to the contrary, the sales tax imposed by a district whose project is a public mass transportation system shall not be considered economic activity taxes as such term is defined under sections 99.805 and 99.918 and shall not be subject to allocation under the provisions of subsection 3 of section 99.845, or subsection 4 of section 99.957.

6. After the effective date of any tax imposed under the provisions of this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax and collect, in addition to the sales tax for the state of Missouri, the additional tax authorized under the authority of this section. The tax imposed under this section and the tax imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue.

7. Except as provided in this section, all provisions of sections 32.085 to 32.087 shall apply to the tax imposed under this section.

238.410. 1. Any county transit authority established pursuant to section 238.400 may impose a sales tax of up to one percent on all retail sales made in such county which are subject to taxation under the provisions of sections 144.010 to 144.525. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no sales tax imposed under the provisions of this section shall be effective unless the governing body of the county, on behalf of the transit authority, submits to the voters of the county, at a county or state general, primary or special election, a proposal to authorize the transit authority to impose a tax.

2. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the Transit Authority impose a countywide sales tax of (insert amount) in order to provide revenues for the operation of transportation facilities operated by the transit authority?

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 voting thereon are in favor of the proposal, then the tax shall become effective on the first day of the second calendar quarter following notification to the department of revenue of adoption of the tax. If a majority of the votes cast by the qualified voters voting are opposed to the proposal, then the transit authority shall have no power to impose the sales tax authorized by this section unless and until another proposal to authorize the transit authority to impose the sales tax authorized by this section has been submitted and such proposal is approved by a majority of the qualified voters voting thereon.

3. All revenue received by the transit authority from the tax authorized under the provisions of this section shall be deposited in a special trust fund and shall be used solely by the transit authority for construction, purchase, lease, maintenance and operation of transportation facilities located within the county for so long as the tax shall remain in effect. Any funds in such special trust fund which are not needed for current expenditures may be invested by the transit authority in accordance with applicable laws relating to the investment of county funds.

4. No transit authority imposing a sales tax pursuant to this section may repeal or amend such sales tax unless such repeal or amendment is submitted to and approved by the voters of the county in the same manner as provided in subsection 1 of this section for approval of such tax. Whenever the governing body of any county in which a sales tax has been imposed in the manner provided by this section receives a petition, signed by ten percent of the registered voters of such county voting in the last gubernatorial election, calling for an election to repeal such sales tax, the governing body shall submit to the voters of such county a proposal to repeal the sales tax imposed under the provisions of this section. If a majority of the votes cast on the proposal by the registered voters voting thereon are in favor of the proposal to repeal the sales tax, then such sales tax is repealed. If a majority of the votes cast by the registered voters voting thereon are opposed to the proposal to repeal the sales tax, then such sales tax shall remain in effect.

5. The sales tax imposed under the provisions of 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 and the rules and regulations of the director of revenue issued pursuant thereto; except that the rate of the tax shall be the rate approved pursuant to this section. The amount reported and returned to the director of revenue by the seller shall be computed on the basis of the combined rate of the tax imposed by sections 144.010 to 144.525 and the tax

imposed by this section, plus any amounts imposed under other provisions of law.

6. After the effective date of any tax imposed under the provisions of this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax, and the director of revenue shall collect in addition to the sales tax for the state of Missouri the additional tax authorized under the authority of this section. The tax imposed under this section and the tax imposed under the sales tax law of the state of Missouri shall be collected together and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue. In order to permit sellers required to collect and report the sales tax 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 applicable provisions of section 144.285 shall apply to all taxable transactions.

7. All applicable provisions contained in sections 144.010 to 144.525 governing the state sales tax and section 32.057, the uniform confidentiality provision, shall apply to the collection of the tax imposed by this section, except as modified in this section. 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 under the provisions of sections 144.010 to 144.525 are hereby made applicable to the imposition and collection of the tax imposed by this section. The same sales tax permit, exemption certificate and retail certificate required by sections 144.010 to 144.525 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 director of revenue may prescribe a form of exemption certificate for an exemption from the tax imposed by this section. All discounts allowed the retailer under the provisions of the state sales tax law for the collection of and for payment of taxes under chapter 144 are hereby allowed and made applicable to any taxes collected under the provisions of this section. The penalties provided in section 32.057 and sections 144.010 to 144.525 for a violation of those sections are hereby made applicable to violations of this section.

8. [For the purposes of a sales tax imposed pursuant to this section, all retail sales shall be deemed to be consummated at the place of business of the retailer, except for tangible personal property sold which is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination and except for the sale of motor vehicles, trailers, boats and outboard motors, which is provided for in subsection 12 of this section. 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 he works.

9.] All sales taxes collected by the director of revenue under this section on behalf of any transit authority, less one percent for cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in this section, shall be deposited in the state treasury in a special trust fund, which is hereby created, to be known as the "County Transit Authority Sales Tax Trust Fund". The moneys in the county transit authority sales tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state. The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each transit authority imposing a sales tax under this section, and the records shall be open to the inspection of officers of the county and the 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 transit authority which levied the tax.

[10.] **9.** The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any transit authority for erroneous payments and overpayments made, and may authorize the state treasurer to redeem dishonored checks and drafts deposited to the credit of such transit authorities. If any transit authority abolishes the tax, the transit authority shall notify the director of revenue of the action at least ninety days prior to 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 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 tax in such transit authority, the director of revenue shall authorize the state treasurer to remit the balance in the account to the transit authority and close the account of that transit authority. The director of revenue shall notify each transit authority of each instance of any amount refunded or any check redeemed from receipts due the transit authority. The director of revenue shall annually report on his management of the trust fund and administration of the sales taxes authorized by this section. He shall provide each transit authority imposing the tax authorized by this section with a detailed accounting of the source of all funds received by him for the transit authority.

[11.] **10.** The director of revenue and any of his deputies, assistants and employees who shall have any duties or responsibilities in connection with the collection, deposit, transfer, transmittal, disbursement, safekeeping, accounting, or recording of funds which come into the hands of the director of revenue under the provisions of this section shall enter a surety bond or bonds payable to any and all transit authorities in whose behalf such funds have been collected under this section in the amount of one hundred thousand dollars; but the director of revenue may enter into a blanket bond or bonds covering himself and all such deputies, assistants and employees. The cost of the premium or premiums for the surety bond or bonds shall be paid by the director of revenue from the share of the collection retained by the director of revenue for the benefit of the state.

[12.] **11.** Sales taxes imposed pursuant to this section and use taxes on the purchase and sale of motor vehicles, trailers, boats, and outboard motors shall not be collected and remitted by the seller, but shall be collected by the director of revenue at the time application is made for a certificate of title, if the address of the applicant is within a county where a sales tax is imposed under this section. The amounts so collected, less the one percent collection cost, shall be deposited in the county transit authority sales tax trust fund. The purchase or sale of motor vehicles, trailers, boats, and outboard motors shall be deemed to be consummated at the address of the applicant. As used in this subsection, the term “boat” shall only include motorboats and vessels as the terms “motorboat” and “vessel” are defined in section 306.010.

[13.] **12.** In any county where the transit authority sales tax has been imposed, if any person is delinquent in the payment of the amount required to be paid by him under this section or in the event a determination has been made against him for taxes and penalty under this section, the limitation for bringing suit for the collection of the delinquent tax and penalty shall be the same as that provided in sections 144.010 to 144.525. Where the director of revenue has determined that suit must be filed against any person for the collection of delinquent taxes due the state under the state sales tax law, and where such person is also delinquent in payment of taxes under this section, the director of revenue shall notify the transit authority to which delinquent taxes are due under this section by United States registered mail or certified mail at least ten days before turning the case over to the attorney general. The transit authority, acting through its attorney, may join in such suit as a party plaintiff to seek a judgment for the delinquent taxes and

penalty due such transit authority. In the event any person fails or refuses to pay the amount of any sales tax due under this section, the director of revenue shall promptly notify the transit authority to which the tax would be due so that appropriate action may be taken by the transit authority.

[14.] **13.** Where property is seized by the director of revenue under the provisions of any law authorizing seizure of the property of a taxpayer who is delinquent in payment of the tax imposed by the state sales tax law, and where such taxpayer is also delinquent in payment of any tax imposed by this section, the director of revenue shall permit the transit authority to join in any sale of property to pay the delinquent taxes and penalties due the state and to the transit authority under this section. The proceeds from such sale shall first be applied to all sums due the state, and the remainder, if any, shall be applied to all sums due such transit authority under this section.

[15. The transit authority created under the provisions of sections 238.400 to 238.412 shall notify any and all affected businesses of the change in tax rate caused by the imposition of the tax authorized by sections 238.400 to 238.412.

16.] **14.** In the event that any transit authority in any county with a charter form of government and with more than two hundred fifty thousand but fewer than three hundred fifty thousand inhabitants submits a proposal in any election to increase the sales tax under this section, and such proposal is approved by the voters, the county shall be reimbursed for the costs of submitting such proposal from the funds derived from the tax levied under this section.

15. Except as provided in sections 238.400 to 238.412, all provisions of sections 32.085 to 32.087 shall apply to the tax imposed under sections 238.410 to 238.412.”; and

Further amend said bill, Page 93, Section 577.041, Line 138, by inserting after all of said line the following:

“44.032. 1. The governing body of any municipality or county may impose, by ordinance or order, a sales tax in an amount not to exceed one-half of one percent on all retail sales made in such municipality or county which are subject to taxation under the provisions of sections 144.010 to 144.525. The tax authorized by this section and section 644.033 shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales tax under the provisions of this section and section 644.033 shall be effective unless the governing body of the municipality or county submits to the voters of the municipality or county, at a municipal, county or state general, primary or special election, a proposal to authorize the governing body of the municipality or county to impose a tax[, provided, that the tax authorized by this section shall not be imposed on the sales of food, as defined in section 144.014, when imposed by any county with a charter form of government and with more than one million inhabitants].

2. The ballot of submission shall contain, but need not be limited to, the following language:

Shall the municipality (county) of impose a sales tax of (insert amount) for the purpose of providing funding for (insert either storm water control, or local parks, or storm water control and local parks) for the municipality (county)?

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 ordinance or order and any amendments thereto shall be in effect on the first day of the second quarter after the director of revenue receives notice of adoption of the tax. If a majority of the votes

cast by the qualified voters voting are opposed to the proposal, then the governing body of the municipality or county shall not impose the sales tax authorized in this section and section 644.033 until the governing body of the municipality or county resubmits another proposal to authorize the governing body of the municipality or county to impose the sales tax authorized by this section and section 644.033 and such proposal is approved by a majority of the qualified voters voting thereon; however, in no event shall a proposal pursuant to this section and section 644.033 be submitted to the voters sooner than twelve months from the date of the last proposal pursuant to this section and section 644.033.

3. All revenue received by a municipality or county from the tax authorized under the provisions of this section and section 644.033 shall be deposited in a special trust fund and shall be used to provide funding for storm water control or for local parks, or both, within such municipality or county, provided that such revenue may be used for local parks outside such municipality or county if the municipality or county is engaged in a cooperative agreement pursuant to section 70.220.

4. Any funds in such special trust fund which are not needed for current expenditures may be invested by the governing body in accordance with applicable laws relating to the investment of other municipal or county funds.

[66.601. The duties of the director of revenue with respect to the allocation, division and distribution of sales and use tax proceeds determined to be due any county of the first classification having a charter form of government and having a population of nine hundred thousand or more inhabitants and all municipalities within such county, resulting from taxes levied or imposed under the authority of sections 66.600 to 66.630, section 144.748, and sections 94.850 to 94.857, may be delegated to the county levying the county sales tax under sections 66.600 to 66.630, at the discretion of the director of revenue and with the consent of the county. Notwithstanding the provisions of section 32.057 to the contrary, if such duties are so assigned, the director of revenue shall furnish the county with sufficient information to perform such duties in such form as may be agreed upon by the director and the county at no cost to the county. The county shall be bound by the provisions of section 32.057, and shall use any information provided by the director of revenue under the provisions of this section solely for the purpose of allocating, dividing and distributing such sales and use tax revenues. The county shall exercise all of the director's powers and duties with respect to such allocation, division and distribution, and shall receive no fee for carrying out such powers and duties.]

[67.1713. Beginning January 1, 2002, there is hereby specifically exempted from the tax imposed pursuant to section 67.1712 all sales of food as defined by section 144.014.]

[67.1971. All entities remitting the sales tax authorized pursuant to section 67.1959 shall have their liability reduced by an amount equal to twenty-five percent of any taxes collected and remitted pursuant to sections 94.802 to 94.805.]

[144.069. All sales of motor vehicles, trailers, boats and outboard motors shall be deemed to be consummated at the address of the owner thereof, and all leases of over sixty-day duration of motor vehicles, trailers, boats and outboard motors subject to sales taxes under this chapter shall be deemed to be consummated unless the vehicle, trailer, boat or motor has been registered and sales taxes have been paid prior to the consummation of the lease agreement at the address of the lessee thereof on the date the lease is consummated, and all applicable sales taxes levied by any political

subdivision shall be collected on such sales by the state department of revenue on that basis.]

[144.517. In addition to the exemptions granted pursuant to section 144.030, there shall also be exempted from state sales and use taxes all sales of textbooks, as defined by section 170.051, when such textbook is purchased by a student who possesses proof of current enrollment at any Missouri public or private university, college or other postsecondary institution of higher learning offering a course of study leading to a degree in the liberal arts, humanities or sciences or in a professional, vocational or technical field, provided that the books which are exempt from state sales tax are those required or recommended for a class. Upon request the institution or department must provide at least one list of textbooks to the bookstore each semester. Alternately, the student may provide to the bookstore a list from the instructor, department or institution of his or her required or recommended textbooks. This exemption shall not apply to any locally imposed sales or use tax.]

[144.605. The following words and phrases as used in sections 144.600 to 144.745 mean and include:

(1) "Calendar quarter", the period of three consecutive calendar months ending on March thirty-first, June thirtieth, September thirtieth or December thirty-first;

(2) "Engages in business activities within this state" includes:

(a) Purposefully or systematically exploiting the market provided by this state by any media-assisted, media-facilitated, or media-solicited means, including, but not limited to, direct mail advertising, distribution of catalogs, computer-assisted shopping, telephone, television, radio, or other electronic media, or magazine or newspaper advertisements, or other media; or

(b) Being owned or controlled by the same interests which own or control any seller engaged in the same or similar line of business in this state; or

(c) Maintaining or having a franchisee or licensee operating under the seller's trade name in this state if the franchisee or licensee is required to collect sales tax pursuant to sections 144.010 to 144.525; or

(d) Soliciting sales or taking orders by sales agents or traveling representatives;

(3) "Maintains a place of business in this state" includes maintaining, occupying, or using, permanently or temporarily, directly or indirectly, or through a subsidiary, or agent, by whatever name called, an office, place of distribution, sales or sample room or place, warehouse or storage place, or other place of business;

(4) "Person", any individual, firm, copartnership, joint venture, association, corporation, municipal or private, and whether organized for profit or not, state, county, political subdivision, state department, commission, board, bureau or agency, except the state transportation department, estate, trust, business trust, receiver or trustee appointed by the state or federal court, syndicate, or any other group or combination acting as a unit, and the plural as well as the singular number;

(5) "Purchase", the acquisition of the ownership of, or title to, tangible personal property, through a sale, as defined herein, for the purpose of storage, use or consumption in this state;

(6) "Purchaser", any person who is the recipient for a valuable consideration of any sale of tangible personal property acquired for use, storage or consumption in this state;

(7) "Sale", any transfer, barter or exchange of the title or ownership of tangible personal

property, or the right to use, store or consume the same, for a consideration paid or to be paid, and any transaction whether called leases, rentals, bailments, loans, conditional sales or otherwise, and notwithstanding that the title or possession of the property or both is retained for security. For the purpose of this law the place of delivery of the property to the purchaser, user, storer or consumer is deemed to be the place of sale, whether the delivery be by the vendor or by common carriers, private contractors, mails, express, agents, salesmen, solicitors, hawkers, representatives, consignors, peddlers, canvassers or otherwise;

(8) “Sales price”, the consideration including the charges for services, except charges incident to the extension of credit, paid or given, or contracted to be paid or given, by the purchaser to the vendor for the tangible personal property, including any services that are a part of the sale, valued in money, whether paid in money or otherwise, and any amount for which credit is given to the purchaser by the vendor, without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service cost, losses or any other expenses whatsoever, except that cash discounts allowed and taken on sales shall not be included and “sales price” shall not include the amount charged for property returned by customers upon rescission of the contract of sales when the entire amount charged therefor is refunded either in cash or credit or the amount charged for labor or services rendered in installing or applying the property sold, the use, storage or consumption of which is taxable pursuant to sections 144.600 to 144.745. In determining the amount of tax due pursuant to sections 144.600 to 144.745, any charge incident to the extension of credit shall be specifically exempted;

(9) “Selling agent”, every person acting as a representative of a principal, when such principal is not registered with the director of revenue of the state of Missouri for the collection of the taxes imposed pursuant to sections 144.010 to 144.525 or sections 144.600 to 144.745 and who receives compensation by reason of the sale of tangible personal property of the principal, if such property is to be stored, used, or consumed in this state;

(10) “Storage”, any keeping or retention in this state of tangible personal property purchased from a vendor, except property for sale or property that is temporarily kept or retained in this state for subsequent use outside the state;

(11) “Tangible personal property”, all items subject to the Missouri sales tax as provided in subdivisions (1) and (3) of section 144.020;

(12) “Taxpayer”, any person remitting the tax or who should remit the tax levied by sections 144.600 to 144.745;

(13) “Use”, the exercise of any right or power over tangible personal property incident to the ownership or control of that property, except that it does not include the temporary storage of property in this state for subsequent use outside the state, or the sale of the property in the regular course of business;

(14) “Vendor”, every person engaged in making sales of tangible personal property by mail order, by advertising, by agent or peddling tangible personal property, soliciting or taking orders for sales of tangible personal property, for storage, use or consumption in this state, all salesmen, solicitors, hawkers, representatives, consignees, peddlers or canvassers, as agents of the dealers, distributors, consignors, supervisors, principals or employers under whom they operate or from whom they obtain the tangible personal property sold by them, and every person who maintains a

place of business in this state, maintains a stock of goods in this state, or engages in business activities within this state and every person who engages in this state in the business of acting as a selling agent for persons not otherwise vendors as defined in this subdivision. Irrespective of whether they are making sales on their own behalf or on behalf of the dealers, distributors, consignors, supervisors, principals or employers, they must be regarded as vendors and the dealers, distributors, consignors, supervisors, principals or employers must be regarded as vendors for the purposes of sections 144.600 to 144.745. A person shall not be considered a vendor for the purposes of sections 144.600 to 144.745 if all of the following apply:

(a) The person's total gross receipts did not exceed five hundred thousand dollars in this state, or twelve and one-half million dollars in the entire United States, in the immediately preceding calendar year;

(b) The person maintains no place of business in this state; and

(c) The person has no selling agents in this state.]

[144.1000. Sections 144.1000 to 144.1015 shall be known as and referred to as the "Simplified Sales and Use Tax Administration Act".]

[144.1003. As used in sections 144.1000 to 144.1015, the following terms shall mean:

(1) "Agreement", the streamlined sales and use tax agreement;

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

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

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

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

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

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

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

[144.1006. For the purposes of reviewing and, if necessary, amending the agreement embodying the simplification recommendations contained in section 144.1015, the state may enter into multistate discussions. For purposes of such discussions, the state shall be represented by seven delegates, one of whom shall be appointed by the governor, two members appointed by the speaker of the house of representatives, one member appointed by the minority leader of the house of representatives, two members appointed by the president pro tempore of the senate and one member appointed by the minority leader of the senate. The delegates need not be members of the general assembly and at least one of the delegates appointed by the speaker of the house of representatives and one member appointed by the president pro tempore of the senate shall be from the private sector and represent the interests of Missouri businesses. The delegates shall recommend to the

committees responsible for reviewing tax issues in the senate and the house of representatives each year any amendment of state statutes required to be substantially in compliance with the agreement. Such delegates shall make a written report by the fifteenth day of January each year regarding the status of the multistate discussions and upon final adoption of the terms of the sales and use tax agreement by the multistate body.]

[144.1009. No provision of the agreement authorized by sections 144.1000 to 144.1015 in whole or in part invalidates or amends any provision of the law of this state. Implementation of any condition of this agreement in this state, whether adopted before, at, or after membership of this state in the agreement, must be by action of the general assembly. Such report shall be delivered to the governor, the secretary of state, the president pro tempore of the senate and the speaker of the house of representatives and shall simultaneously be made publicly available by the secretary of state to any person requesting a copy.]

[144.1012. Unless five of the seven delegates agree, the delegates shall not enter into or vote for any streamlined sales and use tax agreement that:

(1) Requires adoption of a definition of any term that would cause any item or transaction that is now excluded or exempted from sales or use tax to become subject to sales or use tax;

(2) Requires the state of Missouri to fully exempt or fully apply sales taxes to the sale of food or any other item;

(3) Restricts the ability of local governments under statutes in effect on August 28, 2002, to enact one or more local taxes on one or more items without application of the tax to all sales within the taxing jurisdiction, however, restriction of any such taxes allowed by statutes effective after August 28, 2002, may be supported;

(4) Provides for adoption of any uniform rate structure that would result in a tax increase for any Missouri taxpayer;

(5) Affects the sourcing of sales tax transactions; or

(6) Prohibits limitations or thresholds on the application of sales and use tax rates or prohibits any current sales or use tax exemption in the state of Missouri, including exemptions that are based on the value of the transaction or item.]

[144.1015. In addition to the requirements of section 144.1012, the delegates should consider the following features when deciding whether or not to enter into any streamlined sales and use tax agreement:

(1) The agreement should address the limitation of the number of state rates over time;

(2) The agreement should establish uniform standards for administration of exempt sales and the form used for filing sales and use tax returns and remittances;

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

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

(5) The agreement should provide for reduction of the burdens of complying with local sales and use taxes through the following so long as they do not conflict with the provisions of section 144.1012:

(a) Restricting variances between the state and local tax bases;

(b) Requiring states to administer any sales and use taxes levied by local jurisdictions within the state so that sellers collecting and remitting these taxes will not have to register or file returns with, remit funds to, or be subject to independent audits from local taxing jurisdictions;

(c) Restricting the frequency of changes in the local sales and use tax rates and setting effective dates for the application of local jurisdictional boundary changes to local sales and use taxes; and

(d) Providing notice of changes in local sales and use tax rates and of changes in the boundaries of local taxing jurisdictions;

(6) The agreement should outline any monetary allowances that are to be provided by the states to sellers or certified service providers. The agreement must allow for a joint public and private sector study of the compliance cost on sellers and certified service providers to collect sales and use taxes for state and local governments under various levels of complexity to be completed by July 1, 2003;

(7) The agreement should require each state to certify compliance with the terms of the agreement prior to joining and to maintain compliance, under the laws of the member state, with all provisions of the agreement while a member, only if the agreement and any amendment thereto complies with the provisions of section 144.1012;

(8) The agreement should require each state to adopt a uniform policy for certified service providers that protects the privacy of consumers and maintains the confidentiality of tax information; and

(9) The agreement should provide for the appointment of an advisory council of private sector representatives and an advisory council of nonmember state representatives to consult with in the administration of the agreement.]; and

Further amend said bill, Page 94, Section D, Line 3, by inserting after all of said line the following:

“Section E. The provisions of the streamlined sales and use tax agreement act shall become effective January 1, 2015.”; and

Further amend said title, enacting clause and intersectional references accordingly.

HOUSE SUBSTITUTE AMENDMENT NO. 1 FOR
HOUSE AMENDMENT NO. 20

Amend House Committee Substitute for Senate Bill No. 23, Page 8, Section 32.087, Line 191, by inserting after all of said line the following:

“64.196. 1. After August 28, 2001, any county seeking to adopt a building code in a manner set forth in section 64.180 shall, in creating or amending such code, adopt a current, calendar year 1999 or later

edition, nationally recognized building code, as amended.

2. No county building ordinance so adopted shall conflict with liquefied petroleum gas installations governed by section 323.020.”;

Further amend said bill, Page 77, Section 302.525, Line 60, by inserting after all of said line the following:

“323.100. **1.** The director of the department of agriculture shall annually inspect and test all liquid meters used for the measurement and retail sale of liquefied petroleum gas and shall condemn all meters which are found to be inaccurate. All meters shall meet the tolerances and specifications of the National Institute of Standards and Technology Handbook 44, 1994 edition and supplements thereto. It is unlawful to use a meter for retail measurement and sale which has been condemned. All condemned meters shall be conspicuously marked “inaccurate”, and the mark shall not be removed or defaced except upon authorization of the director of the department of agriculture or his authorized representative. It is the duty of each person owning or in possession of a meter to pay to the director of the department of agriculture at the time of each test a testing fee of ten dollars[, except that the testing fee herein provided for shall not be applied more than once in a calendar year to each meter tested]. **On January 1, 2014, the testing fee shall be twenty-five dollars. On January 1, 2015, the testing fee shall be set at fifty dollars. On January 1, 2016, and annually thereafter, the director shall ascertain the total expenses for administering this section and shall set the testing fee at a rate to cover the expenses for the ensuing year but not to exceed seventy-five dollars.**

2. On the first day of October 2014, and each year thereafter, the director of the department of agriculture shall submit a report to the general assembly that states the current testing fee, the expenses for administering this section for the previous calendar year, any proposed change to the testing fee, and estimated expenses for administering this section during the ensuing year. The proposed change to the testing fee shall not yield revenue greater than the total cost of administering this section during the ensuing year.

3. Beginning August 28, 2013, and each year thereafter, the director of the department of agriculture shall publish the testing fee schedule on the departmental website. The website shall be updated within thirty days of a change in the testing fee schedule set forth in this section.”; and

Further amend said bill, Page 87, Section 348.274, Line 140, by inserting after all of said line the following:

“413.225. **1.** There is established a fee for registration, inspection and calibration services performed by the division of weights and measures. The fees are due at the time the service is rendered and shall be paid to the director by the person receiving the service. The director shall collect fees according to the following schedule and shall deposit them with the state treasurer into [general revenue for the use of the state of Missouri] **the agriculture protection fund as set forth in section 261.200:**

(1) From August 28, [1994] **2013**, until the next January first, laboratory fees for metrology calibrations shall be at the rate of [twenty-five] **sixty** dollars per hour for tolerance testing [and thirty-five dollars per hour for] **or** precision calibration. Time periods over one hour shall be computed to the nearest **one quarter** hour. On the first day of January, [1995] **2014**, and each year thereafter, the director of agriculture shall ascertain the total receipts and expenses for the metrology calibrations during the preceding year and shall fix a fee schedule for the ensuing year at a rate per hour [which shall not exceed sixty dollars per hour for

either method but shall not be less than twenty-five dollars per hour for tolerance testing and thirty-five dollars per hour for precision calibration,] as will yield revenue not more than the total cost of operating the metrology laboratory during the ensuing year, **but not to exceed one hundred twenty-five dollars;**

(2) [From August 28, 1994, until the next January first,] All [scale] **device** test fees [shall be] charged [as follows] **shall include, but not be limited to, the following devices:**

(a) Small scales [shall be five dollars for each counter scale, ten dollars for platform scales up to one thousand-pound capacity, and twenty dollars for each platform scale over one thousand-pound capacity];

(b) Vehicle scales [shall be fifty dollars each for the initial test and seventy-five dollars for each subsequent test within the same calendar year];

(c) Livestock scales [shall be seventy-five dollars each for the initial test, and one hundred dollars for each subsequent test within the same calendar year];

(d) Hopper scales [with a capacity of one thousand pounds or less shall be ten dollars each; for each hopper scale with a capacity of more than one thousand pounds up to and including two thousand pounds, the fee shall be twenty dollars; for each hopper scale with a capacity of more than two thousand pounds up to and including ten thousand pounds, the fee shall be fifty dollars; and for those hopper scales with a capacity of more than ten thousand pounds, the test fee shall be seventy-five dollars each];

(e) Railroad scales [shall be fifty dollars each];

(f) Monorail scales [shall be twenty-five dollars each for the initial test and fifty dollars for each subsequent test in the same calendar year];

(g) [Participation in on-site field evaluations of devices for National Type Evaluation Program certification and all tests of] In-motion scales including but not limited to vehicle, railroad and belt conveyor scales [will be charged at the rate of thirty dollars per hour, plus mileage from the inspector's official domicile to and from the inspection site. The time shall begin when the state inspector performing the inspection arrives at the site to be inspected and shall end when the final report is signed by the owner/operator and the inspector departs];

[(3) From August 28, 1994, until the next January first, certification of]

(h) Taximeters [shall be five dollars per meter];

(i) Timing devices[, five dollars per device];

(j) Fabric-measuring devices[.,] ;

(k) Wire- and cordage-measuring devices[, five dollars per device];

(l) Milk for quantity determination[, twenty-five dollars per plant inspected]; **and**

[(4) From August 28, 1994, until the next January first, certification of]

(m) Vehicle tank meters [shall be twenty-five dollars each for the initial test and fifty dollars for each subsequent test in the same calendar year];

(3) Devices that require participation in on-site field evaluations for National Type Evaluation Program Certification and all tests of in-motion scales shall be charged a fee, plus mileage from the inspector's official domicile to and from the inspection site. The time shall begin when the state inspector performing the inspection arrives at the site to be inspected and shall end when the final

report is signed by the owner/operator and the inspector departs;

~~[(5)]~~ **(4)** Every person shall register each location of such person's place of business where devices or instruments are used to ascertain the moisture content of grains and seeds offered for sale, processing or storage in this state with the director and shall pay a registration fee [of ten dollars] for each location so registered and a fee [of five dollars] for each additional device or instrument at such location. Thereafter, by January thirty-first of each year, each person who is required to register pursuant to this subdivision shall pay an annual fee [of ten dollars] for each location so registered and an additional [five dollars] fee for each additional machine at each location. The fee on newly purchased devices shall be paid within thirty days after the date of purchase. Application for registration of a place of business shall be made on forms provided by the director and shall require information concerning the make, model and serial number of the device and such other information as the director shall deem necessary. Provided, however, this subsection shall not apply to moisture-measuring devices used exclusively for the purpose of obtaining information necessary to manufacturing processes involving plant products. In addition to fees required by this subdivision, a fee [of ten dollars] shall be charged for each device subject to retest.

2. On the first day of January, 1995, and each year thereafter, the director of agriculture shall ascertain the total receipts and expenses for the testing of weighing and measuring devices referred to in subdivisions (2), (3), **and** (4) [and (5)] of subsection 1 of this section and shall fix the fees or rate per hour for such weighing and measuring devices to derive revenue not more than the total cost of the operation[, but such fees shall not be fixed in amounts less than the amounts contained in subdivisions (2), (3), (4) and (5) of subsection 1 of this section].

3. [Except as indicated in paragraphs (b), (c), and (f) of subdivision (2) and subdivisions (4) and (5) of subsection 1,] **On the first day of October 2014, and each year thereafter, the director of the department of agriculture shall submit a report to the general assembly that states the current laboratory fees for metrology calibration, the expenses for administering this section for the previous calendar year, any proposed change to the laboratory fee structure, and estimated expenses for administering this section during the ensuing year. The proposed change to the laboratory fee structure shall not yield revenue greater than the total cost of administering this section during the ensuing year.**

4. Beginning August 28, 2013, and each year thereafter, the director of the department of agriculture shall publish the laboratory fee schedule on the departmental website. The website shall be updated within thirty days of a change in the laboratory fee schedule set forth in this section.

5. Retests for any device within the same calendar year will be charged at the same rate as the initial test. Devices being retested in the same calendar year as a result of rejection and repair are exempt from the requirements of this subsection.

~~[4.]~~ **6.** All device inspection fees shall be paid within thirty days of the issuance of the original invoice. Any fee not paid within ninety days after the date of the original invoice will be cause for the director to deem the device as incorrect and it may be condemned and taken out of service, and may be seized by the director until all fees are paid.

~~[5.]~~ **7.** No fee provided for by this section shall be required of any person owning or operating a moisture-measuring device or instrument who uses such device or instrument solely in agricultural or horticultural operations on such person's own land, and not in performing services, whether with or without compensation, for another person.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 21

Amend House Committee Substitute for Senate Bill No. 23, Page 10, Section 92.387, Line 2, by inserting after all of said section the following:

“137.090. **1.** All tangible personal property of whatever nature and character situate in a county other than the one in which the owner resides shall be assessed in the county where the owner resides; except that, houseboats, cabin cruisers, floating boat docks, and manufactured homes, as defined in section 700.010, used for lodging shall be assessed in the county where they are located, and tangible personal property belonging to estates shall be assessed in the county in which the probate division of the circuit court has jurisdiction. Tangible personal property, other than motor vehicles as the term is defined in section 301.010, used exclusively in connection with farm operations of the owner and kept on the farmland, shall not be assessed by a city, town or village unless the farmland is totally within the boundaries of the city, town or village. No tangible personal property shall be simultaneously assessed in more than one county.

2. The assessed valuation of any tractor or trailer as defined in section 301.010 owned by an individual, partner, or member and used in interstate commerce must be apportioned to Missouri based on the ratio of miles traveled in this state to miles traveled in the United States in interstate commerce during the preceding tax year or on the basis of the most recent annual mileage figures available.”; and

Further amend said bill, Page 10, Section 92.387, Line 2, by inserting after all of said section the following:

“137.095. **1.** The real and tangible personal property of all corporations operating in any county in the state of Missouri and in the city of St. Louis, and subject to assessment by county or township assessors, shall be assessed and taxed in the county in which the property is situated on the first day of January of the year for which the taxes are assessed, and every general or business corporation having or owning tangible personal property on the first day of January in each year, which is situated in any other county than the one in which the corporation is located, shall make return to the assessor of the county or township where the property is situated, in the same manner as other tangible personal property is required by law to be returned, except that all motor vehicles which are the property of the corporation and which are subject to regulation under chapter 390 shall be assessed for tax purposes in the county in which the motor vehicles are based.

2. For the purposes of subsection 1 of this section, the term “based” means the place where the vehicle is most frequently dispatched, garaged, serviced, maintained, operated or otherwise controlled, except that leased passenger vehicles shall be assessed at the residence of the driver or, if the residence of the driver is unknown, at the location of the lessee.

3. The assessed valuation of any tractor or trailer as defined in section 301.010 owned by a corporation and used in interstate commerce must be apportioned to Missouri based on the ratio of miles traveled in this state to miles traveled in the United States in interstate commerce during the preceding tax year or on the basis of the most recent annual mileage figures available.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 22

Amend House Committee Substitute for Senate Bill No. 23, Page 10, Section 92.387, Line 2, by

inserting after all of said section the following:

“137.720. 1. A percentage of all ad valorem property tax collections allocable to each taxing authority within the county and the county shall be deducted from the collections of taxes each year and shall be deposited into the assessment fund of the county as required pursuant to section 137.750. The percentage shall be one-half of one percent for all counties of the first and second classification and cities not within a county and one percent for counties of the third and fourth classification.

2. Prior to July 1, 2009, for counties of the first classification, counties with a charter form of government, and any city not within a county, an additional one-eighth of one percent of all ad valorem property tax collections shall be deducted from the collections of taxes each year and shall be deposited into the assessment fund of the county as required pursuant to section 137.750, and for counties of the second, third, and fourth classification, an additional one-quarter of one percent of all ad valorem property tax collections shall be deducted from the collections of taxes each year and shall be deposited into the assessment fund of the county as required pursuant to section 137.750, provided that such additional amounts shall not exceed one hundred thousand dollars in any year for any county of the first classification and any county with a charter form of government and fifty thousand dollars in any year for any county of the second, third, or fourth classification.

3. Effective July 1, 2009, for counties of the first classification, counties with a charter form of government, and any city not within a county, an additional one-eighth of one percent of all ad valorem property tax collections shall be deducted from the collections of taxes each year and shall be deposited into the assessment fund of the county as required pursuant to section 137.750, and for counties of the second, third, and fourth classification, an additional one-half of one percent of all ad valorem property tax collections shall be deducted from the collections of taxes each year and shall be deposited into the assessment fund of the county as required pursuant to section 137.750, provided that such additional amounts shall not exceed one hundred twenty-five thousand dollars in any year for any county of the first classification and any county with a charter form of government and seventy-five thousand dollars in any year for any county of the second, third, or fourth classification.

4. The county shall bill any taxing authority collecting its own taxes. The county may also provide additional moneys for the fund. To be eligible for state cost-share funds provided pursuant to section 137.750, every county shall provide from the county general revenue fund an amount equal to an average of the three most recent years of the amount provided from general revenue to the assessment fund; provided, however, that capital expenditures and equipment expenses identified in a memorandum of understanding signed by the county’s governing body and the county assessor prior to transfer of county general revenue funds to the assessment fund shall be deducted from a year’s contribution before computing the three-year average, except that a lesser amount shall be acceptable if unanimously agreed upon by the county assessor, the county governing body, and the state tax commission. The county shall deposit the county general revenue funds in the assessment fund as agreed to in its original or amended maintenance plan, state reimbursement funds shall be withheld until the amount due is properly deposited in such fund.

5. For all years beginning on or after January 1, 2010, any property tax collections deposited into the county assessment funds provided for in subsection 2 of this section shall be disallowed in any year in which the state tax commission notifies the county that state assessment reimbursement funds have been withheld from the county for three consecutive quarters due to noncompliance by the assessor or county commission

with the county's assessment maintenance plan.

[6. The provisions of subsections 2, 3, and 5 of this section shall expire on December 31, 2015.]; and
Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 23

Amend House Committee Substitute for Senate Bill No. 23, Section 144.810, Page 40, Line 242, by inserting after all of said line the following:

“160.261. 1. The local board of education of each school district shall clearly establish a written policy of discipline, including the district's determination on the use of corporal punishment and the procedures in which punishment will be applied. A written copy of the district's discipline policy and corporal punishment procedures, if applicable, shall be provided to the pupil and parent or legal guardian of every pupil enrolled in the district at the beginning of each school year and also made available in the office of the superintendent of such district, during normal business hours, for public inspection. All employees of the district shall annually receive instruction related to the specific contents of the policy of discipline and any interpretations necessary to implement the provisions of the policy in the course of their duties, including but not limited to approved methods of dealing with acts of school violence, disciplining students with disabilities and instruction in the necessity and requirements for confidentiality.

2. The policy shall require school administrators to report acts of school violence to all teachers at the attendance center and, in addition, to other school district employees with a need to know. For the purposes of this chapter or chapter 167, “need to know” is defined as school personnel who are directly responsible for the student's education or who otherwise interact with the student on a professional basis while acting within the scope of their assigned duties. As used in this section, the phrase “act of school violence” or “violent behavior” means the exertion of physical force by a student with the intent to do serious physical injury as defined in subdivision (6) of section 565.002 to another person while on school property, including a school bus in service on behalf of the district, or while involved in school activities. The policy shall at a minimum require school administrators to report, as soon as reasonably practical, to the appropriate law enforcement agency any of the following crimes, or any act which if committed by an adult would be one of the following crimes:

- (1) First degree murder under section 565.020;
- (2) Second degree murder under section 565.021;
- (3) Kidnapping under section 565.110;
- (4) First degree assault under section 565.050;
- (5) Forcible rape under section 566.030;
- (6) Forcible sodomy under section 566.060;
- (7) Burglary in the first degree under section 569.160;
- (8) Burglary in the second degree under section 569.170;
- (9) Robbery in the first degree under section 569.020;
- (10) Distribution of drugs under section 195.211;
- (11) Distribution of drugs to a minor under section 195.212;

- (12) Arson in the first degree under section 569.040;
- (13) Voluntary manslaughter under section 565.023;
- (14) Involuntary manslaughter under section 565.024;
- (15) Second degree assault under section 565.060;
- (16) Sexual assault under section 566.040;
- (17) Felonious restraint under section 565.120;
- (18) Property damage in the first degree under section 569.100;
- (19) The possession of a weapon under chapter 571;
- (20) Child molestation in the first degree pursuant to section 566.067;
- (21) Deviate sexual assault pursuant to section 566.070;
- (22) Sexual misconduct involving a child pursuant to section 566.083;
- (23) Sexual abuse pursuant to section 566.100;
- (24) Harassment under section 565.090; [or]
- (25) Stalking under section 565.225; **or**
- (26) Making a terrorist threat under section 574.115;**

committed on school property, including but not limited to actions on any school bus in service on behalf of the district or while involved in school activities. The policy shall require that any portion of a student's individualized education program that is related to demonstrated or potentially violent behavior shall be provided to any teacher and other school district employees who are directly responsible for the student's education or who otherwise interact with the student on an educational basis while acting within the scope of their assigned duties. The policy shall also contain the consequences of failure to obey standards of conduct set by the local board of education, and the importance of the standards to the maintenance of an atmosphere where orderly learning is possible and encouraged.

3. The policy shall provide that any student who is on suspension for any of the offenses listed in subsection 2 of this section or any act of violence or drug-related activity defined by school district policy as a serious violation of school discipline pursuant to subsection 9 of this section shall have as a condition of his or her suspension the requirement that such student is not allowed, while on such suspension, to be within one thousand feet of any school property in the school district where such student attended school or any activity of that district, regardless of whether or not the activity takes place on district property unless:

(1) Such student is under the direct supervision of the student's parent, legal guardian, or custodian and the superintendent or the superintendent's designee has authorized the student to be on school property;

(2) Such student is under the direct supervision of another adult designated by the student's parent, legal guardian, or custodian, in advance, in writing, to the principal of the school which suspended the student and the superintendent or the superintendent's designee has authorized the student to be on school property;

(3) Such student is enrolled in and attending an alternative school that is located within one thousand feet of a public school in the school district where such student attended school; or

(4) Such student resides within one thousand feet of any public school in the school district where such student attended school in which case such student may be on the property of his or her residence without direct adult supervision.

4. Any student who violates the condition of suspension required pursuant to subsection 3 of this section may be subject to expulsion or further suspension pursuant to the provisions of sections 167.161, 167.164, and 167.171. In making this determination consideration shall be given to whether the student poses a threat to the safety of any child or school employee and whether such student's unsupervised presence within one thousand feet of the school is disruptive to the educational process or undermines the effectiveness of the school's disciplinary policy. Removal of any pupil who is a student with a disability is subject to state and federal procedural rights. This section shall not limit a school district's ability to:

(1) Prohibit all students who are suspended from being on school property or attending an activity while on suspension;

(2) Discipline students for off-campus conduct that negatively affects the educational environment to the extent allowed by law.

5. The policy shall provide for a suspension for a period of not less than one year, or expulsion, for a student who is determined to have brought a weapon to school, including but not limited to the school playground or the school parking lot, brought a weapon on a school bus or brought a weapon to a school activity whether on or off of the school property in violation of district policy, except that:

(1) The superintendent or, in a school district with no high school, the principal of the school which such child attends may modify such suspension on a case-by-case basis; and

(2) This section shall not prevent the school district from providing educational services in an alternative setting to a student suspended under the provisions of this section.

6. For the purpose of this section, the term "weapon" shall mean a firearm as defined under 18 U.S.C. 921 and the following items, as defined in section 571.010: a blackjack, a concealable firearm, an explosive weapon, a firearm, a firearm silencer, a gas gun, a knife, knuckles, a machine gun, a projectile weapon, a rifle, a shotgun, a spring gun or a switchblade knife; except that this section shall not be construed to prohibit a school board from adopting a policy to allow a Civil War reenactor to carry a Civil War era weapon on school property for educational purposes so long as the firearm is unloaded. The local board of education shall define weapon in the discipline policy. Such definition shall include the weapons defined in this subsection but may also include other weapons.

7. All school district personnel responsible for the care and supervision of students are authorized to hold every pupil strictly accountable for any disorderly conduct in school or on any property of the school, on any school bus going to or returning from school, during school-sponsored activities, or during intermission or recess periods.

8. Teachers and other authorized district personnel in public schools responsible for the care, supervision, and discipline of schoolchildren, including volunteers selected with reasonable care by the school district, shall not be civilly liable when acting in conformity with the established policies developed by each board, including but not limited to policies of student discipline or when reporting to his or her supervisor or other person as mandated by state law acts of school violence or threatened acts of school violence, within the course and scope of the duties of the teacher, authorized district personnel or volunteer, when such individual is acting in conformity with the established policies developed by the board. Nothing

in this section shall be construed to create a new cause of action against such school district, or to relieve the school district from liability for the negligent acts of such persons.

9. Each school board shall define in its discipline policy acts of violence and any other acts that constitute a serious violation of that policy. “Acts of violence” as defined by school boards shall include but not be limited to exertion of physical force by a student with the intent to do serious bodily harm to another person while on school property, including a school bus in service on behalf of the district, or while involved in school activities. School districts shall for each student enrolled in the school district compile and maintain records of any serious violation of the district’s discipline policy. Such records shall be made available to teachers and other school district employees with a need to know while acting within the scope of their assigned duties, and shall be provided as required in section 167.020 to any school district in which the student subsequently attempts to enroll.

10. Spanking, when administered by certificated personnel and in the presence of a witness who is an employee of the school district, or the use of reasonable force to protect persons or property, when administered by personnel of a school district in a reasonable manner in accordance with the local board of education’s written policy of discipline, is not abuse within the meaning of chapter 210. The provisions of sections 210.110 to 210.165 notwithstanding, the children’s division shall not have jurisdiction over or investigate any report of alleged child abuse arising out of or related to the use of reasonable force to protect persons or property when administered by personnel of a school district or any spanking administered in a reasonable manner by any certificated school personnel in the presence of a witness who is an employee of the school district pursuant to a written policy of discipline established by the board of education of the school district, as long as no allegation of sexual misconduct arises from the spanking or use of force.

11. If a student reports alleged sexual misconduct on the part of a teacher or other school employee to a person employed in a school facility who is required to report such misconduct to the children’s division under section 210.115, such person and the superintendent of the school district shall forward the allegation to the children’s division within twenty-four hours of receiving the information. Reports made to the children’s division under this subsection shall be investigated by the division in accordance with the provisions of sections 210.145 to 210.153 and shall not be investigated by the school district under subsections 12 to 20 of this section for purposes of determining whether the allegations should or should not be substantiated. The district may investigate the allegations for the purpose of making any decision regarding the employment of the accused employee.

12. Upon receipt of any reports of child abuse by the children’s division other than reports provided under subsection 11 of this section, pursuant to sections 210.110 to 210.165 which allegedly involve personnel of a school district, the children’s division shall notify the superintendent of schools of the district or, if the person named in the alleged incident is the superintendent of schools, the president of the school board of the school district where the alleged incident occurred.

13. If, after an initial investigation, the superintendent of schools or the president of the school board finds that the report involves an alleged incident of child abuse other than the administration of a spanking by certificated school personnel or the use of reasonable force to protect persons or property when administered by school personnel pursuant to a written policy of discipline or that the report was made for the sole purpose of harassing a public school employee, the superintendent of schools or the president of the school board shall immediately refer the matter back to the children’s division and take no further action. In all matters referred back to the children’s division, the division shall treat the report in the same

manner as other reports of alleged child abuse received by the division.

14. If the report pertains to an alleged incident which arose out of or is related to a spanking administered by certificated personnel or the use of reasonable force to protect persons or property when administered by personnel of a school district pursuant to a written policy of discipline or a report made for the sole purpose of harassing a public school employee, a notification of the reported child abuse shall be sent by the superintendent of schools or the president of the school board to the law enforcement in the county in which the alleged incident occurred.

15. The report shall be jointly investigated by the law enforcement officer and the superintendent of schools or, if the subject of the report is the superintendent of schools, by a law enforcement officer and the president of the school board or such president's designee.

16. The investigation shall begin no later than forty-eight hours after notification from the children's division is received, and shall consist of, but need not be limited to, interviewing and recording statements of the child and the child's parents or guardian within two working days after the start of the investigation, of the school district personnel allegedly involved in the report, and of any witnesses to the alleged incident.

17. The law enforcement officer and the investigating school district personnel shall issue separate reports of their findings and recommendations after the conclusion of the investigation to the school board of the school district within seven days after receiving notice from the children's division.

18. The reports shall contain a statement of conclusion as to whether the report of alleged child abuse is substantiated or is unsubstantiated.

19. The school board shall consider the separate reports referred to in subsection 17 of this section and shall issue its findings and conclusions and the action to be taken, if any, within seven days after receiving the last of the two reports. The findings and conclusions shall be made in substantially the following form:

(1) The report of the alleged child abuse is unsubstantiated. The law enforcement officer and the investigating school board personnel agree that there was not a preponderance of evidence to substantiate that abuse occurred;

(2) The report of the alleged child abuse is substantiated. The law enforcement officer and the investigating school district personnel agree that the preponderance of evidence is sufficient to support a finding that the alleged incident of child abuse did occur;

(3) The issue involved in the alleged incident of child abuse is unresolved. The law enforcement officer and the investigating school personnel are unable to agree on their findings and conclusions on the alleged incident.

20. The findings and conclusions of the school board under subsection 19 of this section shall be sent to the children's division. If the findings and conclusions of the school board are that the report of the alleged child abuse is unsubstantiated, the investigation shall be terminated, the case closed, and no record shall be entered in the children's division central registry. If the findings and conclusions of the school board are that the report of the alleged child abuse is substantiated, the children's division shall report the incident to the prosecuting attorney of the appropriate county along with the findings and conclusions of the school district and shall include the information in the division's central registry. If the findings and conclusions of the school board are that the issue involved in the alleged incident of child abuse is unresolved, the children's division shall report the incident to the prosecuting attorney of the appropriate county along with

the findings and conclusions of the school board, however, the incident and the names of the parties allegedly involved shall not be entered into the central registry of the children's division unless and until the alleged child abuse is substantiated by a court of competent jurisdiction.

21. Any superintendent of schools, president of a school board or such person's designee or law enforcement officer who knowingly falsifies any report of any matter pursuant to this section or who knowingly withholds any information relative to any investigation or report pursuant to this section is guilty of a class A misdemeanor.

22. In order to ensure the safety of all students, should a student be expelled for bringing a weapon to school, violent behavior, or for an act of school violence, that student shall not, for the purposes of the accreditation process of the Missouri school improvement plan, be considered a dropout or be included in the calculation of that district's educational persistence ratio.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 24

Amend House Committee Substitute for Senate Bill No. 23, Section 67.2050, Page 10, Line 73, by inserting after all of said Line the following:

“71.012. 1. Notwithstanding the provisions of sections 71.015 and 71.860 to 71.920, the governing body of any city, town or village may annex unincorporated areas which are contiguous and compact to the existing corporate limits of the city, town or village pursuant to this section. The term “contiguous and compact” does not include a situation whereby the unincorporated area proposed to be annexed is contiguous to the annexing city, town or village only by a railroad line, trail, pipeline or other strip of real property less than one-quarter mile in width within the city, town or village so that the boundaries of the city, town or village after annexation would leave unincorporated areas between the annexed area and the prior boundaries of the city, town or village connected only by such railroad line, trail, pipeline or other such strip of real property. The term “contiguous and compact” does not prohibit voluntary annexations pursuant to this section merely because such voluntary annexation would create an island of unincorporated area within the city, town or village, so long as the owners of the unincorporated island were also given the opportunity to voluntarily annex into the city, town or village. Notwithstanding the provisions of this section, the governing body of any city, town or village in any county of the third classification which borders a county of the fourth classification, a county of the second classification and **the** Mississippi River may annex areas along a road or highway up to two miles from existing boundaries of the city, town or village or the governing body in any city, town or village in any county of the third classification without a township form of government with a population of at least twenty-four thousand inhabitants but not more than thirty thousand inhabitants and such county contains a state correctional center may voluntarily annex such correctional center pursuant to the provisions of this section if the correctional center is along a road or highway within two miles from the existing boundaries of the city, town or village.

2. (1) When a [verified] **notarized** petition, requesting annexation and signed by the owners of all fee interests of record in all tracts of real property located within the area proposed to be annexed, or a request for annexation signed under the authority of the governing body of any common interest community and approved by a majority vote of unit owners located within the area proposed to be annexed is presented to the governing body of the city, town or village, the governing body shall hold a public hearing concerning

the matter not less than fourteen nor more than sixty days after the petition is received, and the hearing shall be held not less than seven days after notice of the hearing is published in a newspaper of general circulation qualified to publish legal matters and located within the boundary of the petitioned city, town or village. If no such newspaper exists within the boundary of such city, town or village, then the notice shall be published in the qualified newspaper nearest the petitioned city, town or village. For the purposes of this subdivision, the term "common-interest community" shall mean a condominium as said term is used in chapter 448, or a common-interest community, a cooperative, or a planned community.

(a) A "common-interest community" shall be defined as real property with respect to which a person, by virtue of such person's ownership of a unit, is obliged to pay for real property taxes, insurance premiums, maintenance or improvement of other real property described in a declaration. "Ownership of a unit" does not include a leasehold interest of less than twenty years in a unit, including renewal options;

(b) A "cooperative" shall be defined as a common-interest community in which the real property is owned by an association, each of whose members is entitled by virtue of such member's ownership interest in the association to exclusive possession of a unit;

(c) A "planned community" shall be defined as a common-interest community that is not a condominium or a cooperative. A condominium or cooperative may be part of a planned community.

(2) At the public hearing any interested person, corporation or political subdivision may present evidence regarding the proposed annexation.

If, after holding the hearing, the governing body of the city, town or village determines that the annexation is reasonable and necessary to the proper development of the city, town or village, and the city, town or village has the ability to furnish normal municipal services to the area to be annexed within a reasonable time, it may, subject to the provisions of subdivision (3) of this subsection, annex the territory by ordinance without further action.

(3) If a written objection to the proposed annexation is filed with the governing body of the city, town or village not later than fourteen days after the public hearing by at least five percent of the qualified voters of the city, town or village, or two qualified voters of the area sought to be annexed if the same contains two qualified voters, the provisions of sections 71.015 and 71.860 to 71.920, shall be followed.

3. If no objection is filed, the city, town or village shall extend its limits by ordinance to include such territory, specifying with accuracy the new boundary lines to which the city's, town's or village's limits are extended. Upon duly enacting such annexation ordinance, the city, town or village shall cause three certified copies of the same to be filed with the county assessor and the clerk of the county wherein the city, town or village is located, and one certified copy to be filed with the election authority, if different from the clerk of the county which has jurisdiction over the area being annexed, whereupon the annexation shall be complete and final and thereafter all courts of this state shall take judicial notice of the limits of that city, town or village as so extended.

4. That a petition requesting annexation is not or was not verified or notarized shall not affect the validity of an annexation heretofore or hereafter undertaken in accordance with this section.

5. Any action of any kind seeking to deannex from any city, town, or village any area annexed under this section, or seeking in any way to reverse, invalidate, set aside, or otherwise challenge such annexation or oust such city, town, or village from jurisdiction over such annexed area shall be brought within three years of the date of adoption of the annexation ordinance.

71.014. **1.** Notwithstanding the provisions of section 71.015, the governing body of any city, town, or village which is located within a county which borders a county of the first classification with a charter form of government with a population in excess of six hundred fifty thousand, proceeding as otherwise authorized by law or charter, may annex unincorporated areas which are contiguous and compact to the existing corporate limits upon [verified] **notarized** petition requesting such annexation signed by the owners of all fee interests of record in all tracts located within the area to be annexed. **That a petition requesting annexation is not or was not verified or notarized shall not affect the validity of an annexation heretofore or hereafter undertaken in accordance with this section.**

2. Any action of any kind seeking to deannex from any city, town, or village any area annexed under this section, or seeking in any way to reverse, invalidate, set aside, or otherwise challenge such annexation or oust such city, town, or village from jurisdiction over such annexed area shall be brought within three years of the date of adoption of the annexation ordinance.

71.015. 1. Should any city, town, or village, not located in any county of the first classification which has adopted a constitutional charter for its own local government, seek to annex an area to which objection is made, the following shall be satisfied:

(1) Before the governing body of any city, town, or village has adopted a resolution to annex any unincorporated area of land, such city, town, or village shall first as a condition precedent determine that the land to be annexed is contiguous to the existing city, town, or village limits and that the length of the contiguous boundary common to the existing city, town, or village limit and the proposed area to be annexed is at least fifteen percent of the length of the perimeter of the area proposed for annexation.

(2) The governing body of any city, town, or village shall propose an ordinance setting forth the following:

(a) The area to be annexed and affirmatively stating that the boundaries comply with the condition precedent referred to in subdivision (1) above;

(b) That such annexation is reasonable and necessary to the proper development of the city, town, or village;

(c) That the city has developed a plan of intent to provide services to the area proposed for annexation;

(d) That a public hearing shall be held prior to the adoption of the ordinance;

(e) When the annexation is proposed to be effective, the effective date being up to thirty-six months from the date of any election held in conjunction thereto.

(3) The city, town, or village shall fix a date for a public hearing on the ordinance and make a good faith effort to notify all fee owners of record within the area proposed to be annexed by certified mail, not less than thirty nor more than sixty days before the hearing, and notify all residents of the area by publication of notice in a newspaper of general circulation qualified to publish legal matters in the county or counties where the proposed area is located, at least once a week for three consecutive weeks prior to the hearing, with at least one such notice being not more than twenty days and not less than ten days before the hearing.

(4) At the hearing referred to in subdivision (3), the city, town, or village shall present the plan of intent and evidence in support thereof to include:

(a) A list of major services presently provided by the city, town, or village including, but not limited to, police and fire protection, water and sewer systems, street maintenance, parks and recreation, **and** refuse

collection[, etc.];

(b) A proposed time schedule whereby the city, town, or village plans to provide such services to the residents of the proposed area to be annexed within three years from the date the annexation is to become effective;

(c) The level at which the city, town, or village assesses property and the rate at which it taxes that property;

(d) How the city, town, or village proposes to zone the area to be annexed;

(e) When the proposed annexation shall become effective.

(5) Following the hearing, and either before or after the election held in subdivision (6) of this subsection, should the governing body of the city, town, or village vote favorably by ordinance to annex the area, the governing body of the city, town or village shall file an action in the circuit court of the county in which such unincorporated area is situated, under the provisions of chapter 527, praying for a declaratory judgment authorizing such annexation. The petition in such action shall state facts showing:

(a) The area to be annexed and its conformity with the condition precedent referred to in subdivision (1) of this subsection;

(b) That such annexation is reasonable and necessary to the proper development of the city, town, or village; and

(c) The ability of the city, town, or village to furnish normal municipal services of the city, town, or village to the unincorporated area within a reasonable time not to exceed three years after the annexation is to become effective. Such action shall be a class action against the inhabitants of such unincorporated area under the provisions of section 507.070.

(6) Except as provided in subsection 3 of this section, if the court authorizes the city, town, or village to make an annexation, the legislative body of such city, town, or village shall not have the power to extend the limits of the city, town, or village by such annexation until an election is held at which the proposition for annexation is approved by a majority of the total votes cast in the city, town, or village and by a separate majority of the total votes cast in the unincorporated territory sought to be annexed. However, should less than a majority of the total votes cast in the area proposed to be annexed vote in favor of the proposal, but at least a majority of the total votes cast in the city, town, or village vote in favor of the proposal, then the proposal shall again be voted upon in not more than one hundred twenty days by both the registered voters of the city, town, or village and the registered voters of the area proposed to be annexed. If at least two-thirds of the qualified electors voting thereon are in favor of the annexation, then the city, town, or village may proceed to annex the territory. If the proposal fails to receive the necessary majority, no part of the area sought to be annexed may be the subject of another proposal to annex for a period of two years from the date of the election, except that, during the two-year period, the owners of all fee interests of record in the area or any portion of the area may petition the city, town, or village for the annexation of the land owned by them pursuant to the procedures in section 71.012. The elections shall if authorized be held, except as herein otherwise provided, in accordance with the general state law governing special elections, and the entire cost of the election or elections shall be paid by the city, town, or village proposing to annex the territory.

(7) Failure to comply in providing services to the said area or to zone in compliance with the plan of

intent within three years after the effective date of the annexation, unless compliance is made unreasonable by an act of God, shall give rise to a cause of action for deannexation which may be filed in the circuit court by any resident of the area who was residing in the area at the time the annexation became effective.

(8) No city, town, or village which has filed an action under this section as this section read prior to May 13, 1980, which action is part of an annexation proceeding pending on May 13, 1980, shall be required to comply with subdivision (5) of this subsection in regard to such annexation proceeding.

(9) If the area proposed for annexation includes a public road or highway but does not include all of the land adjoining such road or highway, then such fee owners of record, of the lands adjoining said highway shall be permitted to intervene in the declaratory judgment action described in subdivision (5) of this subsection.

2. Notwithstanding any provision of subsection 1 of this section, for any annexation by any city with a population of three hundred fifty thousand or more inhabitants which is located in more than one county that becomes effective after August 28, 1994, if such city has not provided water and sewer service to such annexed area within three years of the effective date of the annexation, a cause of action shall lie for deannexation, unless the failure to provide such water and sewer service to the annexed area is made unreasonable by an act of God. The cause of action for deannexation may be filed in the circuit court by any resident of the annexed area who is presently residing in the area at the time of the filing of the suit and was a resident of the annexed area at the time the annexation became effective. If the suit for deannexation is successful, the city shall be liable for all court costs and attorney fees.

3. Notwithstanding the provisions of subdivision (6) of subsection 1 of this section, all cities, towns, and villages located in any county of the first classification with a charter form of government with a population of two hundred thousand or more inhabitants which adjoins a county with a population of nine hundred thousand or more inhabitants shall comply with the provisions of this subsection. If the court authorizes any city, town, or village subject to this subsection to make an annexation, the legislative body of such city, town or village shall not have the power to extend the limits of such city, town, or village by such annexation until an election is held at which the proposition for annexation is approved by a majority of the total votes cast in such city, town, or village and by a separate majority of the total votes cast in the unincorporated territory sought to be annexed; except that:

(1) In the case of a proposed annexation in any area which is contiguous to the existing city, town or village and which is within an area designated as flood plain by the Federal Emergency Management Agency and which is inhabited by no more than thirty registered voters and for which a final declaratory judgment has been granted prior to January 1, 1993, approving such annexation and where notarized affidavits expressing approval of the proposed annexation are obtained from a majority of the registered voters residing in the area to be annexed, the area may be annexed by an ordinance duly enacted by the governing body and no elections shall be required; and

(2) In the case of a proposed annexation of unincorporated territory in which no qualified electors reside, if at least a majority of the qualified electors voting on the proposition are in favor of the annexation, the city, town or village may proceed to annex the territory and no subsequent election shall be required. If the proposal fails to receive the necessary separate majorities, no part of the area sought to be annexed may be the subject of any other proposal to annex for a period of two years from the date of such election, except that, during the two-year period, the owners of all fee interests of record in the area or any portion of the area may petition the city, town, or village for the annexation of the land owned by them pursuant to the

procedures in section 71.012 **or 71.014**. The election shall, if authorized, be held, except as otherwise provided in this section, in accordance with the general state laws governing special elections, and the entire cost of the election or elections shall be paid by the city, town, or village proposing to annex the territory. Failure of the city, town or village to comply in providing services to the area or to zone in compliance with the plan of intent within three years after the effective date of the annexation, unless compliance is made unreasonable by an act of God, shall give rise to a cause of action for deannexation which may be filed in the circuit court **not later than four years after the effective date of the annexation** by any resident of the area who was residing in such area at the time the annexation became effective or by any nonresident owner of real property in such area. **Except for a cause of action for deannexation under this subdivision (2) of this subsection, any action of any kind seeking to deannex from any city, town, or village any area annexed under this section, or seeking in any way to reverse, invalidate, set aside, or otherwise challenge such annexation or oust such city, town, or village from jurisdiction over such annexed area shall be brought within three years of the date of the adoption of the annexation ordinance.**”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

Emergency clause adopted.

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SB 197**, entitled:

An Act to repeal sections 199.170, 199.180, 199.190, 199.200, 199.210, 199.240, 199.250, 199.260, and 199.270, RSMo, and to enact in lieu thereof twelve new sections relating to tuberculosis testing, with penalty provisions.

With House Amendment No. 1.

HOUSE AMENDMENT NO. 1

Amend Senate Bill No. 197, Page 1, Line 4 in the Title, by deleting the phrase “tuberculosis testing” and inserting in lieu thereof the phrase “disease management”; and

Further amend said bill and page, Section A, Line 5, by inserting after all of said section and line the following:

“167.638. 1. The department of health and senior services shall develop an informational brochure relating to meningococcal disease that states that an immunization against meningococcal disease is available. The department shall make the brochure available on its website and shall notify every public institution of higher education in this state of the availability of the brochure. Each public institution of higher education shall provide a copy of the brochure to all students and if the student is under eighteen years of age, to the student's parent or guardian. Such information in the brochure shall include:

(1) The risk factors for and symptoms of meningococcal disease, how it may be diagnosed, and its possible consequences if untreated;

(2) How meningococcal disease is transmitted;

(3) The latest scientific information on meningococcal disease immunization and its effectiveness; and

(4) A statement that any questions or concerns regarding immunization against meningococcal disease may be answered by contacting the individuals’s health care provider.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SCS for SB 106**, entitled:

An Act to amend chapters 173, 192, and 324, RSMo, by adding thereto three new sections relating to current and former military personnel.

With House Amendment Nos. 1, 2, and 3, House Amendment No. 1 to House Amendment No. 4, House Amendment No. 4, as amended, and House Amendment No. 5.

HOUSE AMENDMENT NO. 1

Amend Senate Committee Substitute for Senate Bill No. 106, Page 3, Section 324.007, Line 23, by inserting immediately after said line the following:

“452.413. 1. As used in this section, the following terms shall mean:

(1) “Deploying parent”, a parent of a child less than eighteen years of age whose parental rights have not been terminated by a court of competent jurisdiction or a guardian of a child less than eighteen years of age who is deployed or who has received written orders to deploy with the United States Army, Navy, Air Force, Marine Corps, Coast Guard, National Guard, or any other reserve component thereof;

(2) “Deployment”, military service in compliance with military orders received by a member of the United States Army, Navy, Air Force, Marine Corps, Coast Guard, National Guard, or any other reserve component thereof to report for combat operations, contingency operations, peacekeeping operations, temporary duty (TDY), a remote tour of duty, or other service for which the deploying parent is required to report unaccompanied by any family member. Military service includes a period during which a military parent remains subject to deployment orders and remains deployed on account of sickness, wounds, leave, or other lawful cause;

(3) “Military parent”, a parent of a child less than eighteen years of age whose parental rights have not been terminated by a court of competent jurisdiction or a guardian of a child less than eighteen years of age who is a service member of the United States Army, Navy, Air Force, Marine Corps, Coast Guard, National Guard, or any other reserve component thereof;

(4) “Nondeploying parent”, a parent or guardian not subject to deployment.

2. If a military parent is required to be separated from a child due to deployment, a court shall

not enter a final order modifying the terms establishing custody or visitation contained in an existing order until ninety days after the deployment ends unless there is a written agreement by both parties.

3. In accordance with section 452.412, deployment or the potential for future deployment shall not be the sole factor supporting a change in circumstances or grounds sufficient to support a permanent modification of the custody or visitation terms established in an existing order.

4. (1) An existing order establishing the terms of custody or visitation in place at the time a military parent is deployed may be temporarily modified to make reasonable accommodation for the parties due to the deployment.

(2) A temporary modification order issued under this section shall provide that the deploying parent shall have custody of the child or reasonable visitation, whichever is applicable under the original order, during a period of leave granted to the deploying parent, unless it is not in the best interest of the child.

(3) Any court order modifying a previously ordered custody or visitation due to deployment shall specify that the deployment is the basis for the order and shall be entered by the court as a temporary order.

(4) Any such temporary custody or visitation order shall require the nondeploying parent to provide the court and the deploying parent with written notice of the nondeploying parent's address and telephone number, and update such information within seven days of any change. However, if a valid order of protection under chapter 455 from this or another jurisdiction is in effect that requires that the address or contact information of the parent who is not deployed be kept confidential, the notification shall be made to the court only, and a copy of the order shall be included in the notification. Nothing in this subdivision shall be construed to eliminate the requirements under section 452.377.

(5) Upon motion of a deploying parent, with reasonable advance notice and for good cause shown, the court shall hold an expedited hearing in any custody or visitation matters instituted under this section when the military duties of the deploying parent have a material effect on his or her ability or anticipated ability to appear in person at a regularly scheduled hearing.

5. (1) A temporary modification of such an order automatically ends no later than thirty days after the return of the deploying parent and the original terms of the custody or visitation order in place at the time of deployment are automatically reinstated.

(2) Nothing in this section shall limit the power of the court to conduct an expedited or emergency hearing regarding custody or visitation upon return of the deploying parent, and the court shall do so within ten days of the filing of a motion alleging an immediate danger or irreparable harm to the child.

(3) The nondeploying parent shall bear the burden of showing that reentry of the custody or visitation order in effect before the deployment is no longer in the child's best interests. The court shall set any nonemergency motion by the nondeploying parent for hearing within thirty days of the filing of the motion.

6. (1) Upon motion of the deploying parent or upon motion of a family member of the deploying parent with his or her consent, the court may delegate his or her visitation rights, or a portion of such

rights, to a family member with a close and substantial relationship to the minor child or children for the duration of the deployment if it is in the best interest of the child.

(2) Such delegated visitation time or access does not create an entitlement or standing to assert separate rights to parent time or access for any person other than a parent, and shall terminate by operation of law upon the end of the deployment, as set forth in this section.

(3) Such delegated visitation time shall not exceed the visitation time granted to the deploying parent under the existing order; except that, the court may take into consideration the travel time necessary to transport the child for such delegated visitation time.

(4) In addition, there is a rebuttable presumption that a deployed parent's visitation rights shall not be delegated to a family member who has a history of perpetrating domestic violence as defined under section 455.010 against another family or household member, or delegated to a family member with an individual in the family member's household who has a history of perpetrating domestic violence against another family or household member.

(5) The person or persons to whom delegated visitation time has been granted shall have full legal standing to enforce such rights.

7. Upon motion of a deploying parent and upon reasonable advance notice and for good cause shown, the court shall permit such parent to present testimony and evidence by affidavit or electronic means in support, custody, and visitation matters instituted under this section when the military duties of such parent have a material effect on his or her ability to appear in person at a regularly scheduled hearing. Electronic means includes communication by telephone, video conference, or the internet.

8. Any order entered under this section shall require that the nondeploying parent:

(1) Make the child or children reasonably available to the deploying parent when the deploying parent has leave;

(2) Facilitate opportunities for telephonic and electronic mail contact between the deploying parent and the child or children during deployment; and

(3) Receive timely information regarding the deploying parent's leave schedule.

9. (1) If there is no existing order establishing the terms of custody and visitation and it appears that deployment is imminent, upon the filing of initial pleadings and motion by either parent, the court shall expedite a hearing to establish temporary custody or visitation to ensure the deploying parent has access to the child, to ensure disclosure of information, to grant other rights and duties set forth in this section, and to provide other appropriate relief.

(2) Any initial pleading filed to establish custody or visitation for a child of a deploying parent shall be so identified at the time of filing by stating in the text of the pleading the specific facts related to deployment.

10. (1) Since military necessity may preclude court adjudication before deployment, the parties shall cooperate with each other in an effort to reach a mutually agreeable resolution of custody, visitation, and child support.

(2) A deploying parent shall provide a copy of his or her orders to the nondeploying parent

promptly and without delay prior to deployment. Notification shall be made within ten days of receipt of deployment orders. If less than ten days notice is received by the deploying parent, notice shall be given immediately upon receipt of military orders. If all or part of the orders are classified or restricted as to release, the deploying parent shall provide, under the terms of this subdivision, all such nonclassified or nonrestricted information to the nondeploying parent.

11. In an action brought under this chapter, whenever the court declines to grant or extend a stay of proceedings under the Servicemembers Civil Relief Act, 50 U.S.C. Appendix Sections 521-522, and decides to proceed in the absence of the deployed parent, the court shall appoint a guardian ad litem to represent the minor child's interests.

12. Service of process on a nondeploying parent whose whereabouts are unknown may be accomplished in accordance with the provisions of section 506.160.

13. In determining whether a parent has failed to exercise visitation rights, the court shall not count any time periods during which the parent did not exercise visitation due to the material effect of such parent's military duties on visitation time.

14. Once an order for custody has been entered in Missouri, any absence of a child from this state during deployment shall be denominated a temporary absence for the purposes of application of the Uniform Child Custody Jurisdiction and Enforcement Act (UCCJEA). For the duration of the deployment, Missouri shall retain exclusive jurisdiction under the UCCJEA and deployment shall not be used as a basis to assert inconvenience of the forum under the UCCJEA.

15. In making determinations under this section, the court may award attorney's fees and costs based on the court's consideration of:

(1) The failure of either party to reasonably accommodate the other party in custody or visitation matters related to a military parent's service;

(2) Unreasonable delay caused by either party in resolving custody or visitation related to a military parent's service;

(3) Failure of either party to timely provide military orders, income, earnings, or payment information, housing or education information, or physical location of the child to the other party; and

(4) Other factors as the court may consider appropriate and as may be required by law.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 2

Amend Senate Committee Substitute for Senate Bill No. 106, Page 3, Section 324.007, Line 23, by inserting after all of said line the following:

“478.1100. 1. Sections 478.1100 to 478.1120 shall be known and may be cited as the “Veterans Treatment Intervention Act”.

2. For purposes of sections 478.1100 to 478.1120, the following terms shall mean:

(1) “Servicemember”, any person serving as a member of the United States Armed Forces on active duty or state active duty and all members of the Missouri National Guard and United States

Reserve Forces;

(2) “Veteran”, any person defined as a veteran by the United States Department of Veterans Affairs or its successor agency.

478.1105. The presiding judge of any judicial circuit or a combination of circuit courts, upon agreement of the presiding judges of such circuit courts, in this state may establish a “Military Veterans and Servicemembers Court Program” under which veterans and servicemembers who suffer from a military-related mental illness, traumatic brain injury, substance abuse disorder, or psychological problem may be sentenced in a manner that appropriately addresses the severity of the mental illness, traumatic brain injury, substance abuse disorder, or psychological problem through services tailored to the individual needs of the participant. Entry into any military veterans and servicemembers court program shall be based upon the sentencing court’s assessment of the defendant’s criminal history, military service, substance abuse treatment needs, mental health treatment needs, amenability to the services of the program, the recommendation of the prosecuting attorney and the victim, if any, and the defendant’s agreement to enter the program.

478.1110. 1. Any person who is charged with a felony, other than a felony listed in subsection 2 of this section, identified as a veteran or servicemember who suffers from a military service-related mental illness, traumatic brain injury, substance abuse disorder, or psychological problem is eligible for admission into a veterans’ treatment intervention program approved by the presiding judge of the circuit upon motion of either party or the court’s own motion, except:

(1) If a defendant was previously offered admission to a veterans’ treatment intervention program at any time before trial and the defendant rejected such offer on the record, the court may deny the defendant’s admission to such a program;

(2) If a defendant previously entered a court-ordered veterans’ treatment program, the court may deny the defendant’s admission into the veterans’ treatment program.

In order to maintain compliance with federal law, nothing in sections 478.1100 to 478.1120 shall apply to any offense committed by a holder of a commercial driver’s license or any person operating a commercial motor vehicle when the offense was committed, if the provisions of sections 478.1100 to 478.1120 as applied to such offenses results in this state’s failure to comply with applicable federal laws and regulations.

2. Any person charged with the following felonies, including attempt of such felonies, shall not be eligible for admission into a veterans’ treatment intervention program under sections 478.1100 to 478.1120:

- (1) Murder or manslaughter under chapter 565;
- (2) Kidnapping or false imprisonment under chapter 565;
- (3) Aggravated assault under chapter 565;
- (4) Stalking under chapter 565;
- (5) Elder abuse under chapter 565;
- (6) Sexual offenses under chapter 566;
- (7) Offenses against the family under chapter 568;

- (8) Robbery or burglary under chapter 569;**
- (9) Arson under chapter 569;**
- (10) Water contamination under chapter 569;**
- (11) Child pornography under chapter 573;**
- (12) Treason; and**

(13) Any offense committed in another jurisdiction which would be a felony offense listed in this subsection if committed in this state.

3. (1) While enrolled in an intervention program authorized by this section, the participant shall be subject to a coordinated strategy developed by a veterans' treatment intervention team. The coordinated strategy shall be modeled after the therapeutic jurisprudence principles and key components listed in subdivision (2) of this subsection, with treatment specific to the needs of veterans and servicemembers. The coordinated strategy may include a protocol of sanctions that may be imposed upon the participant for noncompliance with program rules. The protocol of sanctions may include, but not be limited to, placement in a treatment program offered by a licensed service provider or in a jail-based treatment program. The coordinated strategy shall be provided in writing to the participant before the participant agrees to enter into a veterans' treatment intervention program or other intervention program. Any person whose charges are dismissed after successful completion of the veterans' treatment intervention program, if otherwise eligible, may have his or her arrest record of the dismissed charges expunged under chapter 610.

(2) The treatment program shall include:

- (a) Integrate alcohol and other drug treatment services with justice system case processing;**
- (b) Use a nonadversarial approach in which prosecution and defense counsel promote public safety while protecting participants' due process rights;**
- (c) Eligible participants are identified early and promptly placed in the treatment program;**
- (d) The treatment program provides access to a continuum of alcohol, drug, and other related treatment and rehabilitation services;**
- (e) Abstinence is monitored by frequent and random testing for alcohol and other drugs;**
- (f) A coordinated strategy governs treatment program responses to participants' compliance;**
- (g) Ongoing judicial interaction with each treatment program participant is essential;**
- (h) Monitoring and evaluation measure the achievement of program goals and gauge treatment program effectiveness;**
- (i) Continuing interdisciplinary education promotes effective treatment program planning, implementation, and operations;**
- (j) Forging partnerships among treatment programs, public agencies, and community-based organizations generates local support and enhances treatment program effectiveness.**

4. At the end of the intervention period, the court shall consider the recommendation of the treatment program and the recommendation of the prosecuting attorney as to disposition of the

pending charges. The court shall determine, by written finding, whether the defendant has successfully completed the intervention program. If the court finds that the defendant has not successfully completed the intervention program, the court may order the person to continue in education and treatment, which may include treatment programs offered by licensed service providers or jail-based treatment programs, or order that the charges revert to normal channels for prosecution. The court shall dismiss the charges upon a finding that the defendant has successfully completed the intervention program.

478.1115. 1. Any veteran or servicemember who suffers from a military service-related mental illness, traumatic brain injury, substance abuse disorder, or psychological problem, and who is charged with a misdemeanor is eligible for admission into a veterans' treatment intervention program approved by the presiding judge of the circuit for a period based on the program's requirements and the treatment plan for the offender, upon motion of either party or the court's own motion. However, the court may deny the defendant admission into a veterans' treatment intervention program if the defendant has previously entered a court-ordered veterans' treatment program.

2. While enrolled in an intervention program authorized by this section, the participant shall be subject to a coordinated strategy developed by a veterans' treatment intervention team. The coordinated strategy shall be modeled after the therapeutic jurisprudence principles and key components in subdivision (2) of subsection 3 of section 478.1110, with treatment specific to the needs of veterans and servicemembers. The coordinated strategy may include a protocol of sanctions that may be imposed upon the participant for noncompliance with program rules. The protocol of sanctions may include, but not be limited to, placement in a treatment program offered by a licensed service provider or in a jail-based treatment program. The coordinated strategy shall be provided in writing to the participant before the participant agrees to enter into a veterans' treatment intervention program. Any person whose charges are dismissed after successful completion of the veterans' treatment intervention program, if otherwise eligible, may have his or her arrest record of the dismissed charges expunged under chapter 610.

3. At the end of the intervention period, the court shall consider the recommendation of the treatment program and the recommendation of the prosecuting attorney as to disposition of the pending charges. The court shall determine, by written finding, whether the defendant successfully completed the intervention program. Notwithstanding the coordinated strategy developed by a team under subdivision (2) of subsection 2 of section 478.1110 or by the veterans' treatment intervention team, if the court finds that the defendant has not successfully completed the intervention program, the court may order the person to continue in education and treatment or return the charges to the criminal docket for prosecution. The court shall dismiss the charges upon finding that the defendant has successfully completed the intervention program.

4. Any public or private entity providing a substance abuse education and treatment program under this section shall contract with the county or appropriate governmental entity. Except for services provided by the United States Department of Veterans Affairs, the terms of the contract shall include, but not be limited to, the following requirements:

- (1) The extent of the services to be rendered by the entity providing supervision or rehabilitation;
- (2) Staff qualifications and criminal record checks of staff in accordance with essential standards established by the American Correctional Association;

- (3) Staffing levels;
- (4) The number of face-to-face contacts with the offender;
- (5) Procedures for handling the collection of all offender fees and restitution;
- (6) Procedures for handling indigent offenders which ensure placement irrespective of ability to pay;
- (7) Circumstances under which revocation of an offender's probation may be recommended;
- (8) Reporting and record-keeping requirements;
- (9) Default and contract termination procedures;
- (10) Procedures that aid offenders with job assistance; and
- (11) Procedures for accessing criminal history records of probationers. In addition, the entity shall supply the presiding judge's office with a quarterly report summarizing the number of offenders supervised by the private entity, payment of the required contribution under supervision or rehabilitation, and the number of offenders for whom supervision or rehabilitation will be terminated. All records of the entity shall be open to inspection upon the request of the county, the court, the state auditor, and the office of administration, or agents thereof.

478.1120. For a person on probation who is a veteran or servicemember who suffers from a military service-related mental illness, traumatic brain injury, substance abuse disorder, or psychological problem, the court may, in addition to any other conditions imposed, impose a condition requiring the probationer to participate in a treatment program capable of treating the probationer's mental illness, traumatic brain injury, substance abuse disorder, or psychological problem. The court shall give preference to treatment programs for which the probationer is eligible through the United States Department of Veterans Affairs. The department of corrections is not required to spend state funds to implement this subsection.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 3

Amend Senate Committee Substitute for Senate Bill No. 106, Page 1, Section A, Line 3, by inserting after said line the following:

“168.021. 1. Certificates of license to teach in the public schools of the state shall be granted as follows:

(1) By the state board, under rules and regulations prescribed by it:

(a) Upon the basis of college credit;

(b) Upon the basis of examination;

(2) By the state board, under rules and regulations prescribed by the state board with advice from the advisory council established by section 168.015 to any individual who presents to the state board a valid doctoral degree from an accredited institution of higher education accredited by a regional accrediting association such as North Central Association. Such certificate shall be limited to the major area of postgraduate study of the holder, shall be issued only after successful completion of the examination required for graduation pursuant to rules adopted by the state board of education, and shall be restricted to those certificates established pursuant to subdivision (1) of subsection 3 of this section;

(3) By the state board, which shall issue the professional certificate classification in both the general and specialized areas most closely aligned with the current areas of certification approved by the state board, commensurate with the years of teaching experience of the applicant, and based upon the following criteria:

(a) Recommendation of a state-approved baccalaureate-level teacher preparation program;

(b) Successful attainment of the Missouri qualifying score on the exit assessment for teachers or administrators designated by the state board of education. Applicants who have not successfully achieved a qualifying score on the designated examinations will be issued a two-year nonrenewable provisional certificate; and

(c) Upon completion of a background check as prescribed in section 168.133 and possession of a valid teaching certificate in the state from which the applicant's teacher preparation program was completed;

(4) By the state board, under rules prescribed by it, on the basis of a relevant bachelor's degree, or higher degree, and a passing score for the designated exit examination, for individuals whose academic degree and professional experience are suitable to provide a basis for instruction solely in the subject matter of banking or financial responsibility, at the discretion of the state board. Such certificate shall be limited to the major area of study of the holder and shall be restricted to those certificates established under subdivision (1) of subsection 3 of this section. Holders of certificates granted under this subdivision shall be exempt from the teacher tenure act under sections 168.102 to 168.130 and each school district shall have the decision-making authority on whether to hire the holders of such certificates; or

(5) By the state board, under rules and regulations prescribed by it, on the basis of certification by the American Board for Certification of Teacher Excellence (ABCTE) and verification of ability to work with children as demonstrated by sixty contact hours in any one of the following areas as validated by the school principal: sixty contact hours in the classroom, of which at least forty-five must be teaching; sixty contact hours as a substitute teacher, with at least thirty consecutive hours in the same classroom; sixty contact hours of teaching in a private school; or sixty contact hours of teaching as a paraprofessional, for an initial four-year ABCTE certificate of license to teach, except that such certificate shall not be granted for the areas of early childhood education, elementary education, or special education. Upon the completion of the requirements listed in paragraphs (a), (b), (c), and (d) of this subdivision, an applicant shall be eligible to apply for a career continuous professional certificate under subdivision (2) of subsection 3 of this section:

(a) Completion of thirty contact hours of professional development within four years, which may include hours spent in class in an appropriate college curriculum;

(b) Validated completion of two years of the mentoring program of the American Board for Certification of Teacher Excellence or a district mentoring program approved by the state board of education;

(c) Attainment of a successful performance-based teacher evaluation; and

(d) Participate in a beginning teacher assistance program.

2. All valid teaching certificates issued pursuant to law or state board policies and regulations prior to September 1, 1988, shall be exempt from the professional development requirements of this section and shall continue in effect until they expire, are revoked or suspended, as provided by law. When such certificates are required to be renewed, the state board or its designee shall grant to each holder of such a certificate the certificate most nearly equivalent to the one so held. Anyone who holds, as of August 28, 2003, a valid PC-I, PC-II, or continuous professional certificate shall, upon expiration of his or her current

certificate, be issued the appropriate level of certificate based upon the classification system established pursuant to subsection 3 of this section.

3. Certificates of license to teach in the public schools of the state shall be based upon minimum requirements prescribed by the state board of education which shall include completion of a background check as prescribed in section 168.133. The state board shall provide for the following levels of professional certification: an initial professional certificate and a career continuous professional certificate.

(1) The initial professional certificate shall be issued upon completion of requirements established by the state board of education and shall be valid based upon verification of actual teaching within a specified time period established by the state board of education. The state board shall require holders of the four-year initial professional certificate to:

(a) Participate in a mentoring program approved and provided by the district for a minimum of two years;

(b) Complete thirty contact hours of professional development, which may include hours spent in class in an appropriate college curriculum, or for holders of a certificate under subdivision (4) of subsection 1 of this section, an amount of professional development in proportion to the certificate holder's hours in the classroom, if the certificate holder is employed less than full time; and

(c) Participate in a beginning teacher assistance program;

(2) (a) The career continuous professional certificate shall be issued upon verification of completion of four years of teaching under the initial professional certificate and upon verification of the completion of the requirements articulated in paragraphs (a), (b), and (c) of subdivision (1) of this subsection or paragraphs (a), (b), (c), and (d) of subdivision (5) of subsection 1 of this section.

(b) The career continuous professional certificate shall be continuous based upon verification of actual employment in an educational position as provided for in state board guidelines and completion of fifteen contact hours of professional development per year which may include hours spent in class in an appropriate college curriculum. Should the possessor of a valid career continuous professional certificate fail, in any given year, to meet the fifteen-hour professional development requirement, the possessor may, within two years, make up the missing hours. In order to make up for missing hours, the possessor shall first complete the fifteen-hour requirement for the current year and then may count hours in excess of the current year requirement as make-up hours. Should the possessor fail to make up the missing hours within two years, the certificate shall become inactive. In order to reactivate the certificate, the possessor shall complete twenty-four contact hours of professional development which may include hours spent in the classroom in an appropriate college curriculum within the six months prior to or after reactivating his or her certificate. The requirements of this paragraph shall be monitored and verified by the local school district which employs the holder of the career continuous professional certificate.

(c) A holder of a career continuous professional certificate shall be exempt from the professional development contact hour requirements of paragraph (b) of this subdivision if such teacher has a local professional development plan in place within such teacher's school district and meets two of the three following criteria:

a. Has ten years of teaching experience as defined by the state board of education;

b. Possesses a master's degree; or

c. Obtains a rigorous national certification as approved by the state board of education.

4. Policies and procedures shall be established by which a teacher who was not retained due to a reduction in force may retain the current level of certification. There shall also be established policies and procedures allowing a teacher who has not been employed in an educational position for three years or more to reactivate his or her last level of certification by completing twenty-four contact hours of professional development which may include hours spent in the classroom in an appropriate college curriculum within the six months prior to or after reactivating his or her certificate.

5. The state board shall, upon completion of a background check as prescribed in section 168.133, issue a professional certificate classification in the areas most closely aligned with an applicant's current areas of certification, commensurate with the years of teaching experience of the applicant, to any person who is hired to teach in a public school in this state and who possesses a valid teaching certificate from another state or certification under subdivision (4) of subsection 1 of this section, provided that the certificate holder shall annually complete the state board's requirements for such level of certification, and shall establish policies by which residents of states other than the state of Missouri may be assessed a fee for a certificate license to teach in the public schools of Missouri. Such fee shall be in an amount sufficient to recover any or all costs associated with the issuing of a certificate of license to teach. The board shall promulgate rules to authorize the issuance of a provisional certificate of license, which shall allow the holder to assume classroom duties pending the completion of a criminal background check under section 168.133, for any applicant who:

(1) Is the spouse of a member of the Armed Forces stationed in Missouri;

(2) Relocated from another state within one year of the date of application;

(3) Underwent a criminal background check in order to be issued a teaching certificate of license from another state; and

(4) Otherwise qualifies under this section.

6. The state board may assess to holders of an initial professional certificate a fee, to be deposited into the excellence in education revolving fund established pursuant to section 160.268, for the issuance of the career continuous professional certificate. However, such fee shall not exceed the combined costs of issuance and any criminal background check required as a condition of issuance. Applicants for the initial ABCTE certificate shall be responsible for any fees associated with the program leading to the issuance of the certificate, but nothing in this section shall prohibit a district from developing a policy that permits fee reimbursement.

7. Any member of the public school retirement system of Missouri who entered covered employment with ten or more years of educational experience in another state or states and held a certificate issued by another state and subsequently worked in a school district covered by the public school retirement system of Missouri for ten or more years who later became certificated in Missouri shall have that certificate dated back to his or her original date of employment in a Missouri public school.

[8. The provisions of subdivision (5) of subsection 1 of this section, as well as any other provision of this section relating to the American Board for Certification of Teacher Excellence, shall terminate on August 28, 2014.]'; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 1 TO
HOUSE AMENDMENT NO. 4

Amend House Amendment No. 4 to Senate Committee Substitute for Senate Bill No. 106, Page 2 Line 1 by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said page, Line 20, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said page, Line 39, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said amendment, Page 3, Line 36, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said amendment, Page 4, Line 4, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said amendment, Page 7, Line 19, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said page, Line 39, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said amendment, Page 8, Line 11, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said page, Line 19, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 4

Amend Senate Committee Substitute for Senate Bill No. 106, Page 3, Section 324.007, Line 23, by inserting after all of said section the following:

“347.179. **1.** The secretary shall charge and collect:

- (1) For filing the original articles of organization, a fee of one hundred dollars;
- (2) For filing the original articles of organization online, in an electronic format prescribed by the secretary of state, a fee of forty-five dollars;
- (3) Applications for registration of foreign limited liability companies and issuance of a certificate of registration to transact business in this state, a fee of one hundred dollars;
- (4) Amendments to and restatements of articles of limited liability companies to application for registration of a foreign limited liability company or any other filing otherwise provided for, a fee of twenty dollars;
- (5) Articles of termination of limited liability companies or cancellation of registration of foreign limited liability companies, a fee of twenty dollars;

- (6) For filing notice of merger or consolidation, a fee of twenty dollars;
- (7) For filing a notice of winding up, a fee of twenty dollars;
- (8) For issuing a certificate of good standing, a fee of five dollars;
- (9) For a notice of the abandonment of merger or consolidation, a fee of twenty dollars;
- (10) For furnishing a copy of any document or instrument, a fee of fifty cents per page;
- (11) For accepting an application for reservation of a name, or for filing a notice of the transfer or cancellation of any name reservation, a fee of twenty dollars;
- (12) For filing a statement of change of address of registered office or registered agent, or both, a fee of five dollars;
- (13) For any service of notice, demand, or process upon the secretary as resident agent of a limited liability company, a fee of twenty dollars, which amount may be recovered as taxable costs by the party instituting such suit, action, or proceeding causing such service to be made if such party prevails therein;
- (14) For filing an amended certificate of registration a fee of twenty dollars; and
- (15) For filing a statement of correction a fee of five dollars.

2. Fees mandated in subdivisions (1) and (2) of subsection 1 of this section and for application of a reservation of a name in subdivision (11) of subsection 1 of this section shall be waived when an organizer is listed as a member in the operating agreement of the limited liability company and such organizer is a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

351.065. 1. No corporation shall be organized under the general and business corporation law of Missouri unless the persons named as incorporators shall at or before the filing of the articles of incorporation pay to the director of revenue three dollars for the issuance of the certificate and fifty dollars for the first thirty thousand dollars or less of the authorized shares of the corporation and a further sum of five dollars for each additional ten thousand dollars of its authorized shares, and no increase in the authorized shares of the corporation shall be valid or effectual unless the corporation has paid the director of revenue five dollars for each ten thousand dollars or less of the increase in the authorized shares of the corporation, and the corporation shall file a duplicate receipt issued by the director of revenue for the payments required by this section to be made with the secretary of state as is provided by this chapter for the filing of articles of incorporation; except that the requirements of this section to pay incorporation taxes and fees shall not apply to foreign railroad corporations which built their lines of railway into or through this state prior to November 21, 1943.

2. For the purpose of this section, the dollar amount of authorized shares is the par value thereof in the case of shares with par value and is one dollar per share in the case of shares without par value.

3. Fees mandated in subsection 1 of this section shall be waived when a majority shareholder, officer, or director of the organizing corporation is a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

354.150. 1. Every health services corporation subject to the provisions of sections 354.010 to 354.380 shall pay the following fees to the director for the administration and enforcement of the provisions of this

chapter:

(1) For filing the declaration required on organization of each domestic company, two hundred fifty dollars;

(2) For filing statement and certified copy of charter required of foreign companies, two hundred fifty dollars;

(3) For filing application to renew certificate of authority, along with all required annual reports, including the annual statement, actuarial statement, risk-based capital report, report of valuation of policies or other obligations of assurance, and audited financial report of any company doing business in this state, one thousand five hundred dollars;

(4) For filing any paper, document, or report not filed under subdivision (1), (2), or (3) of this section but required to be filed in the office of the director, fifty dollars each;

(5) For affixing the seal of office of the director, ten dollars;

(6) For accepting each service of process upon the company, ten dollars.

2. Fees mandated in subdivision (1) of subsection 1 of this section shall be waived when a majority shareholder, officer, or director of the organizing corporation is a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

355.021. 1. The secretary of state shall collect the following fees when the documents described in this subsection are delivered for filing:

(1) Articles of incorporation, twenty dollars;

(2) Application for reserved name, twenty dollars;

(3) Notice of transfer of reserved name, two dollars;

(4) Application for renewal of reserved name, twenty dollars;

(5) Corporation's statement of change of registered agent or registered office or both, five dollars;

(6) Agent's statement of change of registered office for each affected corporation, five dollars;

(7) Agent's statement of resignation, five dollars;

(8) Amendment of articles of incorporation, five dollars;

(9) Restatement of articles of incorporation with amendments, five dollars;

(10) Articles of merger, five dollars;

(11) Articles of dissolution, five dollars;

(12) Articles of revocation of dissolution, five dollars;

(13) Application for reinstatement following administrative dissolution, twenty dollars;

(14) Application for certificate of authority, twenty dollars;

(15) Application for amended certificate of authority, five dollars;

(16) Application for certificate of withdrawal, five dollars;

(17) Corporate registration report filed annually, ten dollars if filed in a written format or five dollars if filed electronically in a format prescribed by the secretary of state;

(18) Corporate registration report filed biennially, twenty dollars if filed in a written format or ten dollars if filed electronically in a format prescribed by the secretary of state;

(19) Articles of correction, five dollars;

(20) Certificate of existence or authorization, five dollars;

(21) Any other document required or permitted to be filed by this chapter, five dollars.

2. The secretary of state shall collect a fee of ten dollars upon being served with process under this chapter. The party to a proceeding causing service of process is entitled to recover the fee paid the secretary of state as costs if the party prevails in the proceeding.

3. The secretary of state shall collect the following fees for copying and certifying the copy of any filed document relating to a domestic or foreign corporation: in a written format fifty cents per page plus five dollars for certification, or in an electronic format five dollars for certification and copies.

4. Fees mandated in subdivisions (1) and (2) of subsection 1 of this section shall be waived when an initial officer or director of the nonprofit corporation includes a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

357.060. **1.** For incorporation under this chapter as herein provided, there shall be paid to and collected by the state director of revenue a fee of fifty dollars for the first fifty thousand dollars or less of capital stock, and the further sum of five dollars for each additional ten thousand dollars of its capital stock. The limitation upon the aggregate amount of capital stock shall be the same as in respect to other corporations.

2. Fees mandated in subsection 1 of this section shall be waived when the association of persons signing the written articles of association and agreement includes a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

358.440. **1.** To register as a limited liability partnership pursuant to this section, a written application shall be filed with the office of the secretary of state. The application shall set forth:

(1) The name of the partnership;

(2) The address of a registered office and the name and address of a registered agent for service of process required to be maintained by section 358.470;

(3) The number of partners in the partnership at the date of application;

(4) A brief statement of the principal business in which the partnership engages;

(5) That the partnership thereby applies for registration as a registered limited liability partnership; and

(6) Any other information the partnership determines to include in the application.

2. The application shall be signed on behalf of the partnership by a majority of the partners or by one or more partners authorized by a majority in interest of the partners to sign the application on behalf of the partnership.

3. The application shall be accompanied by a fee payable to the secretary of state of twenty-five dollars for each partner of the partnership, but the fee shall not exceed one hundred dollars. All moneys from the payment of this fee shall be deposited into the general revenue fund.

4. A person who files a document according to this section as an agent or fiduciary need not exhibit evidence of the partner's authority as a prerequisite to filing. Any signature on such document may be a facsimile. If the secretary of state finds that the filing conforms to law, the secretary of state shall:

- (1) Endorse on the copy the word "Filed" and the month, day and year of the filing;
- (2) File the original in the secretary of state's office; and
- (3) Return the copy to the person who filed it or to the person's representative.

5. A partnership becomes a registered limited liability partnership on the date of the filing in the office of the secretary of state of an application that, as to form, meets the requirements of subsections 1 and 2 of this section and that is accompanied by the fee specified in subsection 3 of this section, or at any later time specified in the application.

6. An initial application filed under subsection 1 of this section by a partnership registered by the secretary of state as a limited liability partnership expires one year after the date of registration unless earlier withdrawn or revoked or unless renewed in accordance with subsection 9 of this section.

7. If a person is included in the number of partners of a registered limited liability partnership set forth in an application, a renewal application or a certificate of amendment of an application or a renewal application, the inclusion of such person shall not be admissible as evidence in any action, suit or proceeding, whether civil, criminal, administrative or investigative, for the purpose of determining whether such person is liable as a partner of such registered limited liability partnership. The status of a partnership as a registered limited liability partnership and the liability of a partner of such registered limited liability partnership shall not be adversely affected if the number of partners stated in an application, a renewal application or a certificate of amendment of an application or a renewal application is erroneously stated provided that the application, renewal application or certificate of amendment of an application or a renewal application was filed in good faith.

8. Any person who files an application or a renewal application in the office of the secretary of state pursuant to this section shall not be required to file any other documents pursuant to chapter 417 which requires filing for fictitious names.

9. An effective registration may be renewed before its expiration by filing in duplicate with the secretary of state an application containing current information of the kind required in an initial application, including the registration number as assigned by the secretary of state. The renewal application shall be accompanied by a fee of one hundred dollars on the date of renewal plus, if the renewal increases the number of partners, fifty dollars for each partner added, but the fee shall not exceed two hundred dollars. All moneys from such fees shall be deposited into the general revenue fund. A renewal application filed under this section continues an effective registration for one year after the date the effective registration would otherwise expire.

10. A registration may be withdrawn by filing with the secretary of state a written withdrawal notice signed on behalf of the partnership by a majority of the partners or by one or more partners authorized by a majority of the partners to sign the notice on behalf of the partnership. A withdrawal notice shall include

the name of the partnership, the date of registration of the partnership's last application under this section, and a current street address of the partnership's principal office in this state or outside the state, as applicable. A withdrawal notice terminates the registration of the partnership as a limited liability partnership as of the date of filing the notice in the office of the secretary of state. The withdrawal notice shall be accompanied by a filing fee of twenty dollars.

11. If a partnership that has registered pursuant to this section ceases to be registered as provided in subsection 6 or 10 of this section, that fact shall not affect the status of the partnership as a registered limited liability partnership prior to the date the partnership ceased to be registered pursuant to this section.

12. A document filed under this section may be amended or corrected by filing with the secretary of state articles of amendment, signed by a majority of the partners or by one or more partners authorized by a majority of the partners. The articles of amendment shall contain:

- (1) The name of the partnership;
- (2) The identity of the document being amended;
- (3) The part of the document being amended; and
- (4) The amendment or correction.

The articles of amendment shall be accompanied by a filing fee of twenty dollars plus, if the amendment increases the number of partners, fifty dollars for each partner added, but the fee shall not exceed two hundred dollars; provided that no amendment of an application or a renewal application is required as a result of a change after the application or renewal application is filed in the number of partners of the registered limited liability partnership or in the business in which the registered limited liability partnership engages. All moneys from such fees shall be deposited into the general revenue fund. The status of a partnership as a registered limited liability partnership shall not be affected by changes after the filing of an application or a renewal application in the information stated in the application or renewal application.

13. No later than ninety days after the happening of any of the following events, an amendment to an application or a renewal application reflecting the occurrence of the event or events shall be executed and filed by a majority in interest of the partners or by one or more partners authorized by a majority of the partners to execute an amendment to the application or renewal application:

- (1) A change in the name of the registered limited liability partnership;
- (2) Except as provided in subsections 2 and 3 of section 358.470, a change in the address of the registered office or a change in the name or address of the registered agent of the registered limited liability partnership.

14. Unless otherwise provided in this chapter or in the certificate of amendment of an application or a renewal application, a certificate of amendment of an application or a renewal application or a withdrawal notice of an application or a renewal application shall be effective at the time of its filing with the secretary of state.

15. The secretary of state may provide forms for the application specified in subsection 1 of this section, the renewal application specified in subsection 9 of this section, the withdrawal notice specified in subsection 10 of this section, and the amendment or correction specified in subsection 12 of this section.

16. The secretary of state may remove from its active records the registration of a partnership whose

registration has been withdrawn, revoked or has expired.

17. The secretary of state may revoke the filing of a document filed under this section if the secretary of state determines that the filing fee for the document was paid by an instrument that was dishonored when presented by the state for payment. The secretary of state shall return the document and give notice of revocation to the filing party by regular mail. Failure to give or receive notice does not invalidate the revocation. A revocation of a filing does not affect an earlier filing.

18. If any person signs a document required or permitted to be filed pursuant to sections 358.440 to 358.500 which the person knows is false in any material respect with the intent that the document be delivered on behalf of a partnership to the secretary of state for filing, such person shall be guilty of a class A misdemeanor. Unintentional errors in the information set forth in an application filed pursuant to subsection 1 of this section, or changes in the information after the filing of the application, shall not affect the status of a partnership as a registered limited liability partnership.

19. Before transacting business in this state, a foreign registered limited liability partnership shall:

(1) Comply with any statutory or administrative registration or filing requirements governing the specific type of business in which the partnership is engaged; and

(2) Register as a limited liability partnership as provided in this section by filing an application which shall, in addition to the other matters required to be set forth in such application, include a statement:

(a) That the secretary is irrevocably appointed the agent of the foreign limited liability partnership for service of process if the limited liability partnership fails to maintain a registered agent in this state or if the agent cannot be found or served with the exercise of reasonable diligence; and

(b) Of the address of the office required to be maintained in the jurisdiction of its organization by the laws of that jurisdiction or, if not so required, of the principal office of the foreign limited liability partnership.

20. A partnership that registers as a limited liability partnership shall not be deemed to have dissolved as a result thereof and is for all purposes the same partnership that existed before the registration and continues to be a partnership under the laws of this state. If a registered limited liability partnership dissolves, a partnership which is a successor to such registered limited liability partnership and which intends to be a registered limited liability partnership shall not be required to file a new registration and shall be deemed to have filed any documents required or permitted under this chapter which were filed by the predecessor partnership.

21. Fees mandated in subsection 3 of this section shall be waived when a general partner of the partnership is a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

359.651. **1.** The secretary of state shall charge the fee specified for filing the following:

(1) Certificates of limited partnership: One hundred dollars;

(2) Applications for registration of foreign limited partnerships and issuance of a certificate of registration to transact business in this state:

One hundred dollars;

(3) Amendments to and restatements of certificates of limited partnerships or to applications for

registration of foreign limited partnerships or any other filing not otherwise provided for: Twenty dollars;

(4) Cancellations of certificates of limited partnerships or of registration of foreign limited partnerships: Twenty dollars;

(5) A consent required to be filed under this chapter: Twenty dollars;

(6) A change of address of registered agent, or change of registered agent, or both: Five dollars;

(7) A partner list: One dollar each page;

(8) Reservation of name: Twenty dollars;

(9) Rescission fee: One hundred dollars.

2. Fees mandated in subdivision (1) of subsection 1 of this section shall be waived when a general partner of the partnership is a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

394.250. 1. There shall be charged and collected for:

(1) Filing articles of incorporation, ten dollars;

(2) Filing articles of amendment, one dollar;

(3) Filing articles of consolidation or merger, ten dollars;

(4) Filing articles of conversion, ten dollars;

(5) Filing certificate of election to dissolve, one dollar;

(6) Filing articles of dissolution, two dollars; and

(7) Filing certificate of change of principal office, two dollars.

2. All fees shall be made payable to and collected by the state director of revenue.

3. Fees mandated in subdivision (1) of subsection 1 of this section shall be waived when an initial member of the cooperative includes a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

417.220. 1. For the registration or renewal of each fictitious name under sections 417.200 to 417.230 there shall be paid to the state director of revenue a fee of two dollars if filed electronically in a format prescribed by the secretary of state or if filed in a written format prescribed by the secretary of state.

2. Fees mandated in subsection 1 of this section shall be waived when a party owning any interest or part in the business is a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 5

Amend Senate Committee Substitute for Senate Bill No. 106, Page 1, Section A, Line 3, by inserting after all of said section and line the following:

“8.012. At all state buildings and upon the grounds thereof, the board of public buildings may accompany the display of the flag of the United States and the flag of this state with the display of the POW/MIA flag, which is designed to commemorate the service and sacrifice of the members of the Armed Forces of the United States who were prisoners of war or missing in action **and with the display of the Honor and Remember flag as an official recognition and in honor of fallen members of the Armed Forces of the United States.**”; and

Further amend said bill, Page 2, Section 192.360, Line 27, by inserting after all of said section and line the following:

“253.048. Within the state parks, the department may accompany the display of the flag of the United States and the flag of this state with the display of the MIA/POW flag, which is designed to commemorate the service and sacrifice of members of the Armed Forces of the United States who were prisoners of war or missing in action **and with the display of the Honor and Remember flag as an official recognition and in honor of fallen members of the Armed Forces of the United States.**”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SS** for **SB 28**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **HCS** for **SCS** for **SB 117**, entitled:

An Act to repeal sections 8.012 and 253.048, RSMo, and to enact in lieu thereof three new sections relating to military affairs.

With House Amendment Nos. 1 and 2, House Amendment No. 1 to House Amendment No. 3, House Amendment No. 3, as amended, House Amendment No. 1 to House Amendment No. 4 and House Amendment No. 4, as amended.

HOUSE AMENDMENT NO. 1

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 117, Page 2, Section 253.048, Line 6, by inserting immediately after said line the following:

“**452.413. 1. As used in this section, the following terms shall mean:**

(1) “**Deploying parent**”, a parent of a child less than eighteen years of age whose parental rights have not been terminated by a court of competent jurisdiction or a guardian of a child less than eighteen years of age who is deployed or who has received written orders to deploy with the United States Army, Navy, Air Force, Marine Corps, Coast Guard, National Guard, or any other reserve component thereof;

(2) “**Deployment**”, military service in compliance with military orders received by a member of the United States Army, Navy, Air Force, Marine Corps, Coast Guard, National Guard, or any other

reserve component thereof to report for combat operations, contingency operations, peacekeeping operations, temporary duty (TDY), a remote tour of duty, or other service for which the deploying parent is required to report unaccompanied by any family member. Military service includes a period during which a military parent remains subject to deployment orders and remains deployed on account of sickness, wounds, leave, or other lawful cause;

(3) “Military parent”, a parent of a child less than eighteen years of age whose parental rights have not been terminated by a court of competent jurisdiction or a guardian of a child less than eighteen years of age who is a service member of the United States Army, Navy, Air Force, Marine Corps, Coast Guard, National Guard, or any other reserve component thereof;

(4) “Nondeploying parent”, a parent or guardian not subject to deployment.

2. If a military parent is required to be separated from a child due to deployment, a court shall not enter a final order modifying the terms establishing custody or visitation contained in an existing order until ninety days after the deployment ends unless there is a written agreement by both parties.

3. In accordance with section 452.412, deployment or the potential for future deployment shall not be the sole factor supporting a change in circumstances or grounds sufficient to support a permanent modification of the custody or visitation terms established in an existing order.

4. (1) An existing order establishing the terms of custody or visitation in place at the time a military parent is deployed may be temporarily modified to make reasonable accommodation for the parties due to the deployment.

(2) A temporary modification order issued under this section shall provide that the deploying parent shall have custody of the child or reasonable visitation, whichever is applicable under the original order, during a period of leave granted to the deploying parent, unless it is not in the best interest of the child.

(3) Any court order modifying a previously ordered custody or visitation due to deployment shall specify that the deployment is the basis for the order and shall be entered by the court as a temporary order.

(4) Any such temporary custody or visitation order shall require the nondeploying parent to provide the court and the deploying parent with written notice of the nondeploying parent’s address and telephone number, and update such information within seven days of any change. However, if a valid order of protection under chapter 455 from this or another jurisdiction is in effect that requires that the address or contact information of the parent who is not deployed be kept confidential, the notification shall be made to the court only, and a copy of the order shall be included in the notification. Nothing in this subdivision shall be construed to eliminate the requirements under section 452.377.

(5) Upon motion of a deploying parent, with reasonable advance notice and for good cause shown, the court shall hold an expedited hearing in any custody or visitation matters instituted under this section when the military duties of the deploying parent have a material effect on his or her ability or anticipated ability to appear in person at a regularly scheduled hearing.

5. (1) A temporary modification of such an order automatically ends no later than thirty days after the return of the deploying parent and the original terms of the custody or visitation order in place

at the time of deployment are automatically reinstated.

(2) Nothing in this section shall limit the power of the court to conduct an expedited or emergency hearing regarding custody or visitation upon return of the deploying parent, and the court shall do so within ten days of the filing of a motion alleging an immediate danger or irreparable harm to the child.

(3) The nondeploying parent shall bear the burden of showing that reentry of the custody or visitation order in effect before the deployment is no longer in the child's best interests. The court shall set any nonemergency motion by the nondeploying parent for hearing within thirty days of the filing of the motion.

6. (1) Upon motion of the deploying parent or upon motion of a family member of the deploying parent with his or her consent, the court may delegate his or her visitation rights, or a portion of such rights, to a family member with a close and substantial relationship to the minor child or children for the duration of the deployment if it is in the best interest of the child.

(2) Such delegated visitation time or access does not create an entitlement or standing to assert separate rights to parent time or access for any person other than a parent, and shall terminate by operation of law upon the end of the deployment, as set forth in this section.

(3) Such delegated visitation time shall not exceed the visitation time granted to the deploying parent under the existing order; except that, the court may take into consideration the travel time necessary to transport the child for such delegated visitation time.

(4) In addition, there is a rebuttable presumption that a deployed parent's visitation rights shall not be delegated to a family member who has a history of perpetrating domestic violence as defined under section 455.010 against another family or household member, or delegated to a family member with an individual in the family member's household who has a history of perpetrating domestic violence against another family or household member.

(5) The person or persons to whom delegated visitation time has been granted shall have full legal standing to enforce such rights.

7. Upon motion of a deploying parent and upon reasonable advance notice and for good cause shown, the court shall permit such parent to present testimony and evidence by affidavit or electronic means in support, custody, and visitation matters instituted under this section when the military duties of such parent have a material effect on his or her ability to appear in person at a regularly scheduled hearing. Electronic means includes communication by telephone, video conference, or the internet.

8. Any order entered under this section shall require that the nondeploying parent:

(1) Make the child or children reasonably available to the deploying parent when the deploying parent has leave;

(2) Facilitate opportunities for telephonic and electronic mail contact between the deploying parent and the child or children during deployment; and

(3) Receive timely information regarding the deploying parent's leave schedule.

9. (1) If there is no existing order establishing the terms of custody and visitation and it appears

that deployment is imminent, upon the filing of initial pleadings and motion by either parent, the court shall expedite a hearing to establish temporary custody or visitation to ensure the deploying parent has access to the child, to ensure disclosure of information, to grant other rights and duties set forth in this section, and to provide other appropriate relief.

(2) Any initial pleading filed to establish custody or visitation for a child of a deploying parent shall be so identified at the time of filing by stating in the text of the pleading the specific facts related to deployment.

10. (1) Since military necessity may preclude court adjudication before deployment, the parties shall cooperate with each other in an effort to reach a mutually agreeable resolution of custody, visitation, and child support.

(2) A deploying parent shall provide a copy of his or her orders to the nondeploying parent promptly and without delay prior to deployment. Notification shall be made within ten days of receipt of deployment orders. If less than ten days notice is received by the deploying parent, notice shall be given immediately upon receipt of military orders. If all or part of the orders are classified or restricted as to release, the deploying parent shall provide, under the terms of this subdivision, all such nonclassified or nonrestricted information to the nondeploying parent.

11. In an action brought under this chapter, whenever the court declines to grant or extend a stay of proceedings under the Servicemembers Civil Relief Act, 50 U.S.C. Appendix Sections 521-522, and decides to proceed in the absence of the deployed parent, the court shall appoint a guardian ad litem to represent the minor child's interests.

12. Service of process on a nondeploying parent whose whereabouts are unknown may be accomplished in accordance with the provisions of section 506.160.

13. In determining whether a parent has failed to exercise visitation rights, the court shall not count any time periods during which the parent did not exercise visitation due to the material effect of such parent's military duties on visitation time.

14. Once an order for custody has been entered in Missouri, any absence of a child from this state during deployment shall be denominated a temporary absence for the purposes of application of the Uniform Child Custody Jurisdiction and Enforcement Act (UCCJEA). For the duration of the deployment, Missouri shall retain exclusive jurisdiction under the UCCJEA and deployment shall not be used as a basis to assert inconvenience of the forum under the UCCJEA.

15. In making determinations under this section, the court may award attorney's fees and costs based on the court's consideration of:

(1) The failure of either party to reasonably accommodate the other party in custody or visitation matters related to a military parent's service;

(2) Unreasonable delay caused by either party in resolving custody or visitation related to a military parent's service;

(3) Failure of either party to timely provide military orders, income, earnings, or payment information, housing or education information, or physical location of the child to the other party; and

(4) Other factors as the court may consider appropriate and as may be required by law.

“; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 2

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 117, Page 2, Section 253.048, Line 6, by inserting after all of said line the following:

“478.1100. 1. Sections 478.1100 to 478.1120 shall be known and may be cited as the “Veterans Treatment Intervention Act”.

2. For purposes of sections 478.1100 to 478.1120, the following terms shall mean:

(1) “Servicemember”, any person serving as a member of the United States Armed Forces on active duty or state active duty and all members of the Missouri National Guard and United States Reserve Forces;

(2) “Veteran”, any person defined as a veteran by the United States Department of Veterans Affairs or its successor agency.

478.1105. The presiding judge of any judicial circuit or a combination of circuit courts, upon agreement of the presiding judges of such circuit courts, in this state may establish a “Military Veterans and Servicemembers Court Program” under which veterans and servicemembers who suffer from a military-related mental illness, traumatic brain injury, substance abuse disorder, or psychological problem may be sentenced in a manner that appropriately addresses the severity of the mental illness, traumatic brain injury, substance abuse disorder, or psychological problem through services tailored to the individual needs of the participant. Entry into any military veterans and servicemembers court program shall be based upon the sentencing court’s assessment of the defendant’s criminal history, military service, substance abuse treatment needs, mental health treatment needs, amenability to the services of the program, the recommendation of the prosecuting attorney and the victim, if any, and the defendant’s agreement to enter the program.

478.1110. 1. Any person who is charged with a felony, other than a felony listed in subsection 2 of this section, identified as a veteran or servicemember who suffers from a military service-related mental illness, traumatic brain injury, substance abuse disorder, or psychological problem is eligible for admission into a veterans’ treatment intervention program approved by the presiding judge of the circuit upon motion of either party or the court’s own motion, except:

(1) If a defendant was previously offered admission to a veterans’ treatment intervention program at any time before trial and the defendant rejected such offer on the record, the court may deny the defendant’s admission to such a program;

(2) If a defendant previously entered a court-ordered veterans’ treatment program, the court may deny the defendant’s admission into the veterans’ treatment program.

In order to maintain compliance with federal law, nothing in sections 478.1100 to 478.1120 shall apply to any offense committed by a holder of a commercial driver’s license or any person operating a commercial motor vehicle when the offense was committed, if the provisions of sections 478.1100 to 478.1120 as applied to such offenses results in this state’s failure to comply with applicable federal laws and regulations.

2. Any person charged with the following felonies, including attempt of such felonies, shall not be eligible for admission into a veterans' treatment intervention program under sections 478.1100 to 478.1120:

- (1) Murder or manslaughter under chapter 565;**
- (2) Kidnapping or false imprisonment under chapter 565;**
- (3) Aggravated assault under chapter 565;**
- (4) Stalking under chapter 565;**
- (5) Elder abuse under chapter 565;**
- (6) Sexual offenses under chapter 566;**
- (7) Offenses against the family under chapter 568;**
- (8) Robbery or burglary under chapter 569;**
- (9) Arson under chapter 569;**
- (10) Water contamination under chapter 569;**
- (11) Child pornography under chapter 573;**
- (12) Treason; and**

(13) Any offense committed in another jurisdiction which would be a felony offense listed in this subsection if committed in this state.

3. (1) While enrolled in an intervention program authorized by this section, the participant shall be subject to a coordinated strategy developed by a veterans' treatment intervention team. The coordinated strategy shall be modeled after the therapeutic jurisprudence principles and key components listed in subdivision (2) of this subsection, with treatment specific to the needs of veterans and servicemembers. The coordinated strategy may include a protocol of sanctions that may be imposed upon the participant for noncompliance with program rules. The protocol of sanctions may include, but not be limited to, placement in a treatment program offered by a licensed service provider or in a jail-based treatment program. The coordinated strategy shall be provided in writing to the participant before the participant agrees to enter into a veterans' treatment intervention program or other intervention program. Any person whose charges are dismissed after successful completion of the veterans' treatment intervention program, if otherwise eligible, may have his or her arrest record of the dismissed charges expunged under chapter 610.

(2) The treatment program shall include:

- (a) Integrate alcohol and other drug treatment services with justice system case processing;**
- (b) Use a nonadversarial approach in which prosecution and defense counsel promote public safety while protecting participants' due process rights;**
- (c) Eligible participants are identified early and promptly placed in the treatment program;**
- (d) The treatment program provides access to a continuum of alcohol, drug, and other related treatment and rehabilitation services;**

- (e) Abstinence is monitored by frequent and random testing for alcohol and other drugs;**
- (f) A coordinated strategy governs treatment program responses to participants' compliance;**
- (g) Ongoing judicial interaction with each treatment program participant is essential;**
- (h) Monitoring and evaluation measure the achievement of program goals and gauge treatment program effectiveness;**
- (i) Continuing interdisciplinary education promotes effective treatment program planning, implementation, and operations;**
- (j) Forging partnerships among treatment programs, public agencies, and community-based organizations generates local support and enhances treatment program effectiveness.**

4. At the end of the intervention period, the court shall consider the recommendation of the treatment program and the recommendation of the prosecuting attorney as to disposition of the pending charges. The court shall determine, by written finding, whether the defendant has successfully completed the intervention program. If the court finds that the defendant has not successfully completed the intervention program, the court may order the person to continue in education and treatment, which may include treatment programs offered by licensed service providers or jail-based treatment programs, or order that the charges revert to normal channels for prosecution. The court shall dismiss the charges upon a finding that the defendant has successfully completed the intervention program.

478.1115. 1. Any veteran or servicemember who suffers from a military service-related mental illness, traumatic brain injury, substance abuse disorder, or psychological problem, and who is charged with a misdemeanor is eligible for admission into a veterans' treatment intervention program approved by the presiding judge of the circuit for a period based on the program's requirements and the treatment plan for the offender, upon motion of either party or the court's own motion. However, the court may deny the defendant admission into a veterans' treatment intervention program if the defendant has previously entered a court-ordered veterans' treatment program.

2. While enrolled in an intervention program authorized by this section, the participant shall be subject to a coordinated strategy developed by a veterans' treatment intervention team. The coordinated strategy shall be modeled after the therapeutic jurisprudence principles and key components in subdivision (2) of subsection 3 of section 478.1110, with treatment specific to the needs of veterans and servicemembers. The coordinated strategy may include a protocol of sanctions that may be imposed upon the participant for noncompliance with program rules. The protocol of sanctions may include, but not be limited to, placement in a treatment program offered by a licensed service provider or in a jail-based treatment program. The coordinated strategy shall be provided in writing to the participant before the participant agrees to enter into a veterans' treatment intervention program. Any person whose charges are dismissed after successful completion of the veterans' treatment intervention program, if otherwise eligible, may have his or her arrest record of the dismissed charges expunged under chapter 610.

3. At the end of the intervention period, the court shall consider the recommendation of the treatment program and the recommendation of the prosecuting attorney as to disposition of the pending charges. The court shall determine, by written finding, whether the defendant successfully completed the intervention program. Notwithstanding the coordinated strategy developed by a team

under subdivision (2) of subsection 2 of section 478.1110 or by the veterans' treatment intervention team, if the court finds that the defendant has not successfully completed the intervention program, the court may order the person to continue in education and treatment or return the charges to the criminal docket for prosecution. The court shall dismiss the charges upon finding that the defendant has successfully completed the intervention program.

4. Any public or private entity providing a substance abuse education and treatment program under this section shall contract with the county or appropriate governmental entity. Except for services provided by the United States Department of Veterans Affairs, the terms of the contract shall include, but not be limited to, the following requirements:

- (1) The extent of the services to be rendered by the entity providing supervision or rehabilitation;
- (2) Staff qualifications and criminal record checks of staff in accordance with essential standards established by the American Correctional Association;
- (3) Staffing levels;
- (4) The number of face-to-face contacts with the offender;
- (5) Procedures for handling the collection of all offender fees and restitution;
- (6) Procedures for handling indigent offenders which ensure placement irrespective of ability to pay;
- (7) Circumstances under which revocation of an offender's probation may be recommended;
- (8) Reporting and record-keeping requirements;
- (9) Default and contract termination procedures;
- (10) Procedures that aid offenders with job assistance; and
- (11) Procedures for accessing criminal history records of probationers. In addition, the entity shall supply the presiding judge's office with a quarterly report summarizing the number of offenders supervised by the private entity, payment of the required contribution under supervision or rehabilitation, and the number of offenders for whom supervision or rehabilitation will be terminated. All records of the entity shall be open to inspection upon the request of the county, the court, the state auditor, and the office of administration, or agents thereof.

478.1120. For a person on probation who is a veteran or servicemember who suffers from a military service-related mental illness, traumatic brain injury, substance abuse disorder, or psychological problem, the court may, in addition to any other conditions imposed, impose a condition requiring the probationer to participate in a treatment program capable of treating the probationer's mental illness, traumatic brain injury, substance abuse disorder, or psychological problem. The court shall give preference to treatment programs for which the probationer is eligible through the United States Department of Veterans Affairs. The department of corrections is not required to spend state funds to implement this subsection.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 1 TO
HOUSE AMENDMENT NO. 3

Amend House Amendment No. 3 to House Committee Substitute for Senate Committee Substitute for

Senate Bill No. 117 Page 1, Line 4, by inserting immediately after the word “**guard**” the following:

“**or reserve component of the United States Armed Forces**”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 3

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 117, Page 2, Section 253.048, Line 6, by inserting after of said section and line the following:

“**Section 1. 1. This section shall be known as “Clark’s Law.”**

2. No public institution of higher education shall require a member of the national guard to take any test or assessment within twenty-four hours of such member returning from active duty or national guard training.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 1 TO HOUSE AMENDMENT NO. 4

Amend House Amendment No. 4 to House Committee Substitute for Senate Committee Substitute for Senate Bill No. 117, Page 2, Line 2, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said page, Line 21, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said page, Line 40, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said amendment, Page 3, Line 37, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said amendment, Page 4, Line 5, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said amendment, Page 7, Line 20, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said page, Line 40, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said amendment, Page 8, Line 12, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said page, Line 20, by inserting after the word “**military**”; the words “**or such organizer resides in a third or fourth class county**”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

HOUSE AMENDMENT NO. 4

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 117, Page 2,

Section 253.048, Line 6, by inserting after all of said section and line the following:

“347.179. **1.** The secretary shall charge and collect:

- (1) For filing the original articles of organization, a fee of one hundred dollars;
- (2) For filing the original articles of organization online, in an electronic format prescribed by the secretary of state, a fee of forty-five dollars;
- (3) Applications for registration of foreign limited liability companies and issuance of a certificate of registration to transact business in this state, a fee of one hundred dollars;
- (4) Amendments to and restatements of articles of limited liability companies to application for registration of a foreign limited liability company or any other filing otherwise provided for, a fee of twenty dollars;
- (5) Articles of termination of limited liability companies or cancellation of registration of foreign limited liability companies, a fee of twenty dollars;
- (6) For filing notice of merger or consolidation, a fee of twenty dollars;
- (7) For filing a notice of winding up, a fee of twenty dollars;
- (8) For issuing a certificate of good standing, a fee of five dollars;
- (9) For a notice of the abandonment of merger or consolidation, a fee of twenty dollars;
- (10) For furnishing a copy of any document or instrument, a fee of fifty cents per page;
- (11) For accepting an application for reservation of a name, or for filing a notice of the transfer or cancellation of any name reservation, a fee of twenty dollars;
- (12) For filing a statement of change of address of registered office or registered agent, or both, a fee of five dollars;
- (13) For any service of notice, demand, or process upon the secretary as resident agent of a limited liability company, a fee of twenty dollars, which amount may be recovered as taxable costs by the party instituting such suit, action, or proceeding causing such service to be made if such party prevails therein;
- (14) For filing an amended certificate of registration a fee of twenty dollars; and
- (15) For filing a statement of correction a fee of five dollars.

2. Fees mandated in subdivisions (1) and (2) of subsection 1 of this section and for application of a reservation of a name in subdivision (11) of subsection 1 of this section shall be waived when an organizer is listed as a member in the operating agreement of the limited liability company and such organizer is a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

351.065. 1. No corporation shall be organized under the general and business corporation law of Missouri unless the persons named as incorporators shall at or before the filing of the articles of incorporation pay to the director of revenue three dollars for the issuance of the certificate and fifty dollars for the first thirty thousand dollars or less of the authorized shares of the corporation and a further sum of five dollars for each additional ten thousand dollars of its authorized shares, and no increase in the authorized shares of the corporation shall be valid or effectual unless the corporation has paid the director

of revenue five dollars for each ten thousand dollars or less of the increase in the authorized shares of the corporation, and the corporation shall file a duplicate receipt issued by the director of revenue for the payments required by this section to be made with the secretary of state as is provided by this chapter for the filing of articles of incorporation; except that the requirements of this section to pay incorporation taxes and fees shall not apply to foreign railroad corporations which built their lines of railway into or through this state prior to November 21, 1943.

2. For the purpose of this section, the dollar amount of authorized shares is the par value thereof in the case of shares with par value and is one dollar per share in the case of shares without par value.

3. Fees mandated in subsection 1 of this section shall be waived when a majority shareholder, officer, or director of the organizing corporation is a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

354.150. 1. Every health services corporation subject to the provisions of sections 354.010 to 354.380 shall pay the following fees to the director for the administration and enforcement of the provisions of this chapter:

(1) For filing the declaration required on organization of each domestic company, two hundred fifty dollars;

(2) For filing statement and certified copy of charter required of foreign companies, two hundred fifty dollars;

(3) For filing application to renew certificate of authority, along with all required annual reports, including the annual statement, actuarial statement, risk-based capital report, report of valuation of policies or other obligations of assurance, and audited financial report of any company doing business in this state, one thousand five hundred dollars;

(4) For filing any paper, document, or report not filed under subdivision (1), (2), or (3) of this section but required to be filed in the office of the director, fifty dollars each;

(5) For affixing the seal of office of the director, ten dollars;

(6) For accepting each service of process upon the company, ten dollars.

2. Fees mandated in subdivision (1) of subsection 1 of this section shall be waived when a majority shareholder, officer, or director of the organizing corporation is a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

355.021. 1. The secretary of state shall collect the following fees when the documents described in this subsection are delivered for filing:

(1) Articles of incorporation, twenty dollars;

(2) Application for reserved name, twenty dollars;

(3) Notice of transfer of reserved name, two dollars;

(4) Application for renewal of reserved name, twenty dollars;

(5) Corporation's statement of change of registered agent or registered office or both, five dollars;

- (6) Agent's statement of change of registered office for each affected corporation, five dollars;
- (7) Agent's statement of resignation, five dollars;
- (8) Amendment of articles of incorporation, five dollars;
- (9) Restatement of articles of incorporation with amendments, five dollars;
- (10) Articles of merger, five dollars;
- (11) Articles of dissolution, five dollars;
- (12) Articles of revocation of dissolution, five dollars;
- (13) Application for reinstatement following administrative dissolution, twenty dollars;
- (14) Application for certificate of authority, twenty dollars;
- (15) Application for amended certificate of authority, five dollars;
- (16) Application for certificate of withdrawal, five dollars;
- (17) Corporate registration report filed annually, ten dollars if filed in a written format or five dollars if filed electronically in a format prescribed by the secretary of state;
- (18) Corporate registration report filed biennially, twenty dollars if filed in a written format or ten dollars if filed electronically in a format prescribed by the secretary of state;
- (19) Articles of correction, five dollars;
- (20) Certificate of existence or authorization, five dollars;
- (21) Any other document required or permitted to be filed by this chapter, five dollars.

2. The secretary of state shall collect a fee of ten dollars upon being served with process under this chapter. The party to a proceeding causing service of process is entitled to recover the fee paid the secretary of state as costs if the party prevails in the proceeding.

3. The secretary of state shall collect the following fees for copying and certifying the copy of any filed document relating to a domestic or foreign corporation: in a written format fifty cents per page plus five dollars for certification, or in an electronic format five dollars for certification and copies.

4. Fees mandated in subdivisions (1) and (2) of subsection 1 of this section shall be waived when an initial officer or director of the nonprofit corporation includes a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

357.060. **1.** For incorporation under this chapter as herein provided, there shall be paid to and collected by the state director of revenue a fee of fifty dollars for the first fifty thousand dollars or less of capital stock, and the further sum of five dollars for each additional ten thousand dollars of its capital stock. The limitation upon the aggregate amount of capital stock shall be the same as in respect to other corporations.

2. Fees mandated in subsection 1 of this section shall be waived when the association of persons signing the written articles of association and agreement includes a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

358.440. 1. To register as a limited liability partnership pursuant to this section, a written application shall be filed with the office of the secretary of state. The application shall set forth:

- (1) The name of the partnership;
- (2) The address of a registered office and the name and address of a registered agent for service of process required to be maintained by section 358.470;
- (3) The number of partners in the partnership at the date of application;
- (4) A brief statement of the principal business in which the partnership engages;
- (5) That the partnership thereby applies for registration as a registered limited liability partnership; and
- (6) Any other information the partnership determines to include in the application.

2. The application shall be signed on behalf of the partnership by a majority of the partners or by one or more partners authorized by a majority in interest of the partners to sign the application on behalf of the partnership.

3. The application shall be accompanied by a fee payable to the secretary of state of twenty-five dollars for each partner of the partnership, but the fee shall not exceed one hundred dollars. All moneys from the payment of this fee shall be deposited into the general revenue fund.

4. A person who files a document according to this section as an agent or fiduciary need not exhibit evidence of the partner's authority as a prerequisite to filing. Any signature on such document may be a facsimile. If the secretary of state finds that the filing conforms to law, the secretary of state shall:

- (1) Endorse on the copy the word "Filed" and the month, day and year of the filing;
- (2) File the original in the secretary of state's office; and
- (3) Return the copy to the person who filed it or to the person's representative.

5. A partnership becomes a registered limited liability partnership on the date of the filing in the office of the secretary of state of an application that, as to form, meets the requirements of subsections 1 and 2 of this section and that is accompanied by the fee specified in subsection 3 of this section, or at any later time specified in the application.

6. An initial application filed under subsection 1 of this section by a partnership registered by the secretary of state as a limited liability partnership expires one year after the date of registration unless earlier withdrawn or revoked or unless renewed in accordance with subsection 9 of this section.

7. If a person is included in the number of partners of a registered limited liability partnership set forth in an application, a renewal application or a certificate of amendment of an application or a renewal application, the inclusion of such person shall not be admissible as evidence in any action, suit or proceeding, whether civil, criminal, administrative or investigative, for the purpose of determining whether such person is liable as a partner of such registered limited liability partnership. The status of a partnership as a registered limited liability partnership and the liability of a partner of such registered limited liability partnership shall not be adversely affected if the number of partners stated in an application, a renewal application or a certificate of amendment of an application or a renewal application is erroneously stated provided that the application, renewal application or certificate of amendment of an application or a renewal application was filed in good faith.

8. Any person who files an application or a renewal application in the office of the secretary of state pursuant to this section shall not be required to file any other documents pursuant to chapter 417 which requires filing for fictitious names.

9. An effective registration may be renewed before its expiration by filing in duplicate with the secretary of state an application containing current information of the kind required in an initial application, including the registration number as assigned by the secretary of state. The renewal application shall be accompanied by a fee of one hundred dollars on the date of renewal plus, if the renewal increases the number of partners, fifty dollars for each partner added, but the fee shall not exceed two hundred dollars. All moneys from such fees shall be deposited into the general revenue fund. A renewal application filed under this section continues an effective registration for one year after the date the effective registration would otherwise expire.

10. A registration may be withdrawn by filing with the secretary of state a written withdrawal notice signed on behalf of the partnership by a majority of the partners or by one or more partners authorized by a majority of the partners to sign the notice on behalf of the partnership. A withdrawal notice shall include the name of the partnership, the date of registration of the partnership's last application under this section, and a current street address of the partnership's principal office in this state or outside the state, as applicable. A withdrawal notice terminates the registration of the partnership as a limited liability partnership as of the date of filing the notice in the office of the secretary of state. The withdrawal notice shall be accompanied by a filing fee of twenty dollars.

11. If a partnership that has registered pursuant to this section ceases to be registered as provided in subsection 6 or 10 of this section, that fact shall not affect the status of the partnership as a registered limited liability partnership prior to the date the partnership ceased to be registered pursuant to this section.

12. A document filed under this section may be amended or corrected by filing with the secretary of state articles of amendment, signed by a majority of the partners or by one or more partners authorized by a majority of the partners. The articles of amendment shall contain:

- (1) The name of the partnership;
- (2) The identity of the document being amended;
- (3) The part of the document being amended; and
- (4) The amendment or correction.

The articles of amendment shall be accompanied by a filing fee of twenty dollars plus, if the amendment increases the number of partners, fifty dollars for each partner added, but the fee shall not exceed two hundred dollars; provided that no amendment of an application or a renewal application is required as a result of a change after the application or renewal application is filed in the number of partners of the registered limited liability partnership or in the business in which the registered limited liability partnership engages. All moneys from such fees shall be deposited into the general revenue fund. The status of a partnership as a registered limited liability partnership shall not be affected by changes after the filing of an application or a renewal application in the information stated in the application or renewal application.

13. No later than ninety days after the happening of any of the following events, an amendment to an application or a renewal application reflecting the occurrence of the event or events shall be executed and filed by a majority in interest of the partners or by one or more partners authorized by a majority of the

partners to execute an amendment to the application or renewal application:

(1) A change in the name of the registered limited liability partnership;

(2) Except as provided in subsections 2 and 3 of section 358.470, a change in the address of the registered office or a change in the name or address of the registered agent of the registered limited liability partnership.

14. Unless otherwise provided in this chapter or in the certificate of amendment of an application or a renewal application, a certificate of amendment of an application or a renewal application or a withdrawal notice of an application or a renewal application shall be effective at the time of its filing with the secretary of state.

15. The secretary of state may provide forms for the application specified in subsection 1 of this section, the renewal application specified in subsection 9 of this section, the withdrawal notice specified in subsection 10 of this section, and the amendment or correction specified in subsection 12 of this section.

16. The secretary of state may remove from its active records the registration of a partnership whose registration has been withdrawn, revoked or has expired.

17. The secretary of state may revoke the filing of a document filed under this section if the secretary of state determines that the filing fee for the document was paid by an instrument that was dishonored when presented by the state for payment. The secretary of state shall return the document and give notice of revocation to the filing party by regular mail. Failure to give or receive notice does not invalidate the revocation. A revocation of a filing does not affect an earlier filing.

18. If any person signs a document required or permitted to be filed pursuant to sections 358.440 to 358.500 which the person knows is false in any material respect with the intent that the document be delivered on behalf of a partnership to the secretary of state for filing, such person shall be guilty of a class A misdemeanor. Unintentional errors in the information set forth in an application filed pursuant to subsection 1 of this section, or changes in the information after the filing of the application, shall not affect the status of a partnership as a registered limited liability partnership.

19. Before transacting business in this state, a foreign registered limited liability partnership shall:

(1) Comply with any statutory or administrative registration or filing requirements governing the specific type of business in which the partnership is engaged; and

(2) Register as a limited liability partnership as provided in this section by filing an application which shall, in addition to the other matters required to be set forth in such application, include a statement:

(a) That the secretary is irrevocably appointed the agent of the foreign limited liability partnership for service of process if the limited liability partnership fails to maintain a registered agent in this state or if the agent cannot be found or served with the exercise of reasonable diligence; and

(b) Of the address of the office required to be maintained in the jurisdiction of its organization by the laws of that jurisdiction or, if not so required, of the principal office of the foreign limited liability partnership.

20. A partnership that registers as a limited liability partnership shall not be deemed to have dissolved as a result thereof and is for all purposes the same partnership that existed before the registration and continues to be a partnership under the laws of this state. If a registered limited liability partnership

dissolves, a partnership which is a successor to such registered limited liability partnership and which intends to be a registered limited liability partnership shall not be required to file a new registration and shall be deemed to have filed any documents required or permitted under this chapter which were filed by the predecessor partnership.

21. Fees mandated in subsection 3 of this section shall be waived when a general partner of the partnership is a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

359.651. 1. The secretary of state shall charge the fee specified for filing the following:

(1) Certificates of limited partnership: One hundred dollars;

(2) Applications for registration of foreign limited partnerships and issuance of a certificate of registration to transact business in this state:

One hundred dollars;

(3) Amendments to and restatements of certificates of limited partnerships or to applications for registration of foreign limited partnerships or any other filing not otherwise provided for: Twenty dollars;

(4) Cancellations of certificates of limited partnerships or of registration of foreign limited partnerships: Twenty dollars;

(5) A consent required to be filed under this chapter: Twenty dollars;

(6) A change of address of registered agent, or change of registered agent, or both: Five dollars;

(7) A partner list: One dollar each page;

(8) Reservation of name: Twenty dollars;

(9) Rescission fee: One hundred dollars.

2. Fees mandated in subdivision (1) of subsection 1 of this section shall be waived when a general partner of the partnership is a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

394.250. 1. There shall be charged and collected for:

(1) Filing articles of incorporation, ten dollars;

(2) Filing articles of amendment, one dollar;

(3) Filing articles of consolidation or merger, ten dollars;

(4) Filing articles of conversion, ten dollars;

(5) Filing certificate of election to dissolve, one dollar;

(6) Filing articles of dissolution, two dollars; and

(7) Filing certificate of change of principal office, two dollars.

2. All fees shall be made payable to and collected by the state director of revenue.

3. Fees mandated in subdivision (1) of subsection 1 of this section shall be waived when an initial

member of the cooperative includes a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.

417.220. **1.** For the registration or renewal of each fictitious name under sections 417.200 to 417.230 there shall be paid to the state director of revenue a fee of two dollars if filed electronically in a format prescribed by the secretary of state or if filed in a written format prescribed by the secretary of state.

2. Fees mandated in subsection 1 of this section shall be waived when a party owning any interest or part in the business is a member of the Missouri National Guard or any other active duty military, resides in the state of Missouri, and verifiable proof is shown to the secretary of state of such service.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **HCS for SCS for SB 186**, entitled:

An Act to repeal sections 193.145, 194.350, and 194.360, RSMo, and to enact in lieu thereof three new sections relating to unclaimed veterans' remains.

With House Amendment No. 1.

HOUSE AMENDMENT NO. 1

Amend House Committee Substitute for Senate Committee Substitute for Senate Bill No. 186, Page 6, Section 194.360, Line 75, by inserting after all of said line the following:

“447.559. All abandoned tangible personal property delivered to the treasurer pursuant to subdivision (4) of section 447.505 that has possible historical significance shall be reviewed as follows:

(1) The treasurer at the treasurer's discretion shall screen such property to determine if the property indicates a need for further review;

(2) In the event it is determined that such property needs further review, the treasurer shall make available such property to the state historical society of Missouri for historical review. The state historical society shall issue to the treasurer its report and recommend to the treasurer the appropriate state department or agency to act as custodian of any property deemed to be of such historical significance as to be retained;

(3) The state historical society shall receive a reasonable fee for its services. If the treasurer and the state historical society cannot agree on the amount of the fee, the commissioner of administration shall determine the fee. The fee shall be paid out of appropriations made from the abandoned fund account;

(4) The [state treasurer's office] **treasurer** upon receiving military medals shall hold and maintain such military medals until the original owner or [their] **such owner's** respective heirs or beneficiaries can be identified and the military medal returned. **The treasurer is authorized to make the information described in subsection 4 of section 447.560 available to the public in order to facilitate the identification of the original owner or such owner's respective heirs or beneficiaries.** The [state]

treasurer may designate a [veteran's] **veterans'** organization or other appropriate organization as custodian of **military** medals until the original owner or their respective heirs or beneficiaries are located **and to assist the treasurer in identifying the original owner or such owner's respective heirs or beneficiaries; except that, no person or entity entering into an agreement under section 447.581 shall be designated by the treasurer as custodian or military medals, and any agreement to pay compensation to recover or assist in the recovery of military medals delivered to the treasurer is unenforceable.**

447.560. 1. The treasurer shall retain a record of the name and last known address of each person appearing from the holders' reports to be entitled to the abandoned moneys and property and of the name and last known address of each insured person or annuitant, and with respect to each policy or contract listed in the report of a life insurance corporation, its number, the name of the corporation, and the amount due. The record shall be available for public inspection at all reasonable business hours.

2. Except as specifically provided by this section, no information furnished to the treasurer in the holder reports, including Social Security numbers or other identifying information, shall be open to public inspection or made public. Any officer, employee or agent of the treasurer who, in violation of the provisions of this section, divulges, discloses or permits the inspection of such information shall be guilty of a misdemeanor.

3. If an amount is turned over to the state that is less than fifty dollars, the amount reported may be made available as public information, along with the name and last known address of the person appearing from the holder report to be entitled to the abandoned moneys; except that, no additional information other than provided for in this section may be released, and any individual other than the person appearing from the holder report to be entitled to the abandoned moneys shall be governed by sections 447.500 to 447.595 and other applicable Missouri law in his or her use or dissemination of such information.

4. If the abandoned property is a military medal, the treasurer is authorized to make any information, other than Social Security numbers, contained in the holder report and record under subsection 1 of this section, and any photograph or other visual depiction of the military medal available to the public in order to facilitate the identification of the original owner or such owner's respective heirs or beneficiaries as described under subdivision (4) of section 447.559.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

In which the concurrence of the Senate is respectfully requested.

REPORTS OF STANDING COMMITTEES

Senator Richard, Chairman of the Committee on Rules, Joint Rules, Resolutions and Ethics, submitted the following reports:

Mr. President: Your Committee on Rules, Joint Rules, Resolutions and Ethics, to which were referred **SCS for SB 376; SB 329; SCS for SB 324; SB 306; SCS for SB 287; SB 237; SB 235; SB 234; SCS for SB 191; SB 80; SB 60; SB 59; and SB 16**, begs leave to report that it has examined the same and finds that the bills have been duly enrolled and that the printed copies furnished the Senators are correct.

SIGNING OF BILLS

The President Pro Tem announced that all other business would be suspended and **SB 16; SB 59; SB 60; SB 80; SCS for SB 191; SB 234; SB 235; SB 237; SCS for SB 287; SB 306; SCS for SB 324; SB 329; and**

SCS for **SB 376**, having passed both branches of the General Assembly, would be read at length by the Secretary, and if no objections be made, the bills would be signed by the President Pro Tem to the end that they may become law. No objections being made, the bills were so read by the Secretary and signed by the President Pro Tem.

PRIVILEGED MOTIONS

Senator Parson moved that the Senate refuse to concur in **HCS** for **SB 23**, as amended, and request the House to recede from its position or, failing to do so, grant the Senate a conference thereon, which motion prevailed.

Senator Romine moved that **SB 188**, with **HCS**, be taken up for 3rd reading and final passage, which motion prevailed.

HCS for **SB 188** was again taken up.

Senator Romine moved that **HCS** for **SB 188** be adopted, which motion prevailed by the following vote:

YEAS—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Emery	Holsman
Justus	Keaveny	Kehoe	Kraus	Lager	Lamping	LeVota	Libla
McKenna	Munzlinger	Nasheed	Nieves	Parson	Pearce	Richard	Romine
Sater	Schaaf	Schaefer	Schmitt	Sifton	Silvey	Wallingford	Walsh

Wasson—33

NAYS—Senators—None

Absent—Senator Rupp—1

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Romine, **HCS** for **SB 188** was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Emery	Holsman
Justus	Keaveny	Kehoe	Kraus	Lager	Lamping	LeVota	Libla
McKenna	Munzlinger	Nasheed	Nieves	Parson	Pearce	Richard	Romine
Sater	Schaaf	Schaefer	Schmitt	Sifton	Silvey	Wallingford	Walsh

Wasson—33

NAYS—Senators—None

Absent—Senator Rupp—1

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

The emergency clause was adopted by the following vote:

YEAS—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Emery	Holsman
Justus	Keaveny	Kehoe	Kraus	Lager	Lamping	LeVota	Libla
McKenna	Munzlinger	Nasheed	Nieves	Parson	Pearce	Richard	Romine
Sater	Schaaf	Schaefer	Schmitt	Sifton	Silvey	Wallingford	Walsh

Wasson—33

NAYS—Senators—None

Absent—Senator Rupp—1

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Romine, title to the bill was agreed to.

Senator Romine moved that the vote by which the bill passed be reconsidered.

Senator Richard moved that motion lay on the table, which motion prevailed.

Bill ordered enrolled.

Senator Kraus moved that the Senate refuse to concur in **HCS** for **SCS** for **SB 117**, as amended, and request the House to recede from its position or, failing to do so, grant the Senate a conference thereon, which motion prevailed.

Senator Brown moved that the Senate refuse to concur in **SCS** for **SB 106**, as amended, and request the House to recede from its position or, failing to do so, grant the Senate a conference thereon, which motion prevailed.

Senator Brown moved that **SCS** for **SB 186**, with **HCS**, as amended, be taken up for 3rd reading and final passage, which motion prevailed.

HCS for **SCS** for **SB 186**, as amended, entitled:

HOUSE COMMITTEE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 186

An Act to repeal sections 193.145, 194.350, and 194.360, RSMo, and to enact in lieu thereof three new sections relating to unclaimed veterans' remains.

Senator Brown moved that **HCS** for **SCS** for **SB 186**, as amended, be adopted, which motion prevailed by the following vote:

YEAS—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Emery	Holsman
Justus	Keaveny	Kehoe	Kraus	Lager	Lamping	LeVota	Libla
McKenna	Munzlinger	Nasheed	Nieves	Parson	Pearce	Richard	Romine
Sater	Schaaf	Schaefer	Schmitt	Sifton	Silvey	Wallingford	Walsh

Wasson—33

NAYS—Senators—None

Absent—Senator Rupp—1

Absent with leave—Senators—None

Vacancies—None

On motion of Senator Brown, **HCS** for **SCS** for **SB 186**, as amended, was read the 3rd time and passed by the following vote:

YEAS—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Emery	Holsman
Justus	Keaveny	Kehoe	Kraus	Lager	Lamping	LeVota	Libla
McKenna	Munzlinger	Nasheed	Nieves	Parson	Pearce	Richard	Romine
Sater	Schaaf	Schaefer	Schmitt	Sifton	Silvey	Wallingford	Walsh

Wasson—33

NAYS—Senators—None

Absent—Senator Rupp—1

Absent with leave—Senators—None

Vacancies—None

The President declared the bill passed.

On motion of Senator Brown, title to the bill was agreed to.

Senator Brown moved that the vote by which the bill passed be reconsidered.

Senator Richard moved that motion lay on the table, which motion prevailed.

Bill ordered enrolled.

HOUSE BILLS ON THIRD READING

HB 346, introduced by Representative Molendorp, entitled:

An Act to amend chapter 376, RSMo, by adding thereto one new section relating to insurance coverage for dental services.

Was called from the Informal Calendar and taken up by Senator Wasson.

Senator Pearce assumed the Chair.

Senator Schaaf offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend House Bill No. 346, Page 1, In the Title, Lines 2-3, by striking “insurance coverage for dental

services”; and inserting in lieu thereof the following: “health insurance”; and

Further amend said bill, Page 1, Section 376.1226, Line 15, by inserting immediately after said line the following:

“376.2020. 1. For purposes of this section, the following terms shall mean:

- (1) “Enrollee”, shall have the same meaning ascribed to it in section 376.1350;**
- (2) “Health care provider”, shall have the same meaning ascribed to it in section 376.1350;**
- (3) “Health care service”, shall have the same meaning ascribed to it in section 376.1350;**
- (4) “Health carrier”, shall have the same meaning ascribed to it in section 376.1350.**

2. No provision in a contract entered into, amended, or renewed on or after August 28, 2013, between a health carrier and a health care provider shall be enforceable if such contractual provision prohibits, conditions, or in any way restricts any party to such contract from disclosing to an enrollee, patient, potential patient, or such person’s parent or legal guardian, the contractual payment amount for a health care service if such payment amount is less than the health care provider’s usual charge for the health care service, and if such contractual provision prevents the determination of the potential out-of-pocket cost for the health care service by the enrollee, patient, potential patient, parent or legal guardian.”; and

Further amend the title and enacting clause accordingly.

Senator Schaaf moved that the above amendment be adopted and requested a roll call vote be taken. He was joined in his request by Senators Brown, Emery, Lamping and Libla.

SA 1 was adopted by the following vote:

YEAS—Senators

Brown	Chappelle-Nadal	Cunningham	Curls	Dempsey	Dixon	Emery	Holsman
Justus	Keaveny	Kraus	Lager	Lamping	LeVota	Libla	Munzlinger
Nasheed	Nieves	Parson	Richard	Romine	Sater	Schaaf	Schaefer
Schmitt	Sifton	Silvey	Wallingford	Walsh—29			

NAYS—Senators

McKenna	Pearce	Wasson—3
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Absent—Senators

Kehoe	Rupp—2
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Absent with leave—Senators—None

Vacancies—None

At the request of Senator Wasson, **HB 346**, as amended, was placed on the Informal Calendar.

SENATE BILLS FOR PERFECTION

At the request of Senator Brown, **SB 30**, with **SCS**, was placed on the Informal Calendar.

SB 325 was placed on the Informal Calendar.

Senator Lamping moved that **SB 78**, with **SCS**, be taken up for perfection, which motion prevailed.

SCS for **SB 78**, entitled:

SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 78

An Act to repeal section 105.456 as truly agreed to and finally passed by conference committee substitute no. 3 for house committee substitute no. 2 for senate bill no. 844, ninety-fifth general assembly, second regular session and section 105.456 as enacted by house bill no. 1120, ninety-first general assembly, second regular session, RSMo, and to enact in lieu thereof one new section relating to barring elected officials from acting as lobbyists.

Was taken up.

Senator Lamping moved that **SCS** for **SB 78** be adopted.

Senator Lamping offered **SS** for **SCS** for **SB 78**, entitled:

SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 78

An Act to repeal section 105.456 as truly agreed to and finally passed by conference committee substitute no. 3 for house committee substitute no. 2 for senate bill no. 844, ninety-fifth general assembly, second regular session, section 105.456 as enacted by house bill no. 1120, ninety-first general assembly, second regular session, section 130.044 as truly agreed to and finally passed by conference committee substitute no. 3 for house committee substitute no. 2 for senate bill no. 844, ninety-fifth general assembly, second regular session, and section 130.044 as enacted by senate bill no. 1038, ninety-fourth general assembly, second regular session, RSMo, and to enact in lieu thereof three new sections relating to ethical duties of candidates and members of the general assembly.

Senator Lamping moved that **SS** for **SCS** for **SB 78** be adopted.

Senator Justus offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Substitute for Senate Committee Substitute for Senate Bill No. 78, Page 7, Section 105.456, Line 1, by inserting after all of said line the following:

“130.032. 1. In addition to the limitations imposed pursuant to section 130.031, the amount of contributions made by or accepted from any committee, or any person other than the candidate in any one election shall not exceed the following:

(1) To elect an individual to the office of governor, lieutenant governor, secretary of state, state treasurer, state auditor, or attorney general, ten thousand dollars;

(2) To elect an individual to the office of state senator, five thousand dollars;

(3) To elect an individual to the office of state representative, two thousand five hundred dollars;

(4) To elect an individual to any other office, including judicial office, if the population of the

electoral district, ward, or other unit according to the latest decennial census is under one hundred thousand, two thousand five hundred dollars;

(5) To elect an individual to any other office, including judicial office, if the population of the electoral district, ward, or other unit according to the latest decennial census is at least one hundred thousand but less than two hundred fifty thousand, five thousand dollars; and

(6) To elect an individual to any other office, including judicial office, if the population of the electoral district, ward, or other unit according to the latest decennial census is at least two hundred fifty thousand, ten thousand dollars.

2. For purposes of this subsection “base year amount” shall be the contribution limits prescribed in this section on January 1, 2014. Such limits shall be increased on the first day of January in each even-numbered year by multiplying the base year amount by the cumulative consumer price index, as defined in section 104.010 and rounded to the nearest twenty-five-dollar amount.

3. Contributions from persons under fourteen years of age shall be considered made by the parents or guardians of such person and shall be attributed toward any contribution limits prescribed in this chapter. Where the contributor under fourteen years of age has two custodial parents or guardians, fifty percent of the contribution shall be attributed to each parent or guardian, and where such contributor has one custodial parent or guardian, all such contributions shall be attributed to the custodial parent or guardian.

4. Contributions received and expenditures made prior to August 28, 2013, shall be reported as a separate account and pursuant to the laws in effect at the time such contributions are received or expenditures made. Contributions received and expenditures made after August 28, 2013, shall be reported as a separate account from the aforementioned account and pursuant to the provisions of this chapter. The account reported pursuant to the prior law shall be retained as a separate account and any remaining funds in such account may be used pursuant to this chapter and section 130.034.

5. Any committee which accepts or gives contributions other than those allowed shall be subject to a surcharge of one thousand dollars plus an amount equal to the contribution per nonallowable contribution, to be paid to the ethics commission and which shall be transferred to the director of revenue, upon notification of such nonallowable contribution by the ethics commission, and after the candidate has had ten business days after receipt of notice to return the contribution to the contributor. The candidate and the candidate committee treasurer or deputy treasurer owing a surcharge shall be personally liable for the payment of the surcharge or may pay such surcharge only from campaign funds existing on the date of the receipt of notice. Such surcharge shall constitute a debt to the state enforceable under, but not limited to, the provisions of chapter 143.”; and

Further amend the title and enacting clause accordingly.

Senator Justus moved that the above amendment be adopted and requested a roll call vote be taken. She was joined in her request by Senators Holsman, Sifton, Walsh and LeVota.

At the request of Senator Lamping, **SB 78**, with SCS, SS for SCS and SA 1 (pending), was placed on the Informal Calendar.

HOUSE BILLS ON THIRD READING

HB 432, introduced by Representative Funderburk, et al, with SCS, entitled:

An Act to repeal section 386.210, RSMo, and to enact in lieu thereof one new section relating to the public service commission.

Was called from the Informal Calendar and taken up by Senator Lager.

SCS for **HB 432**, entitled:

SENATE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 432

An Act to repeal section 386.210, RSMo, and to enact in lieu thereof one new section relating to public service commission intervention in certain legal proceedings.

Was taken up.

Senator Lager moved that **SCS** for **HB 432** be adopted.

President Pro Tem Dempsey assumed the Chair.

Senator Lager offered **SS** for **SCS** for **HB 432**, entitled:

SENATE SUBSTITUTE FOR
SENATE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 432

An Act to repeal section 386.210, RSMo, and to enact in lieu thereof four new sections relating to public utilities.

Senator Lager moved that **SS** for **SCS** for **HB 432** be adopted.

Senator Kehoe offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Substitute for Senate Committee Substitute for House Bill No. 432, Pages 4-6, Section 393.1200, by striking all of said section and inserting in lieu thereof the following:

“393.1200. As used in sections 393.1200 to 393.1210, the following terms mean:

(1) “Appropriate pretax revenues”, the revenues necessary to produce net operating income equal to:

(a) The electrical corporation’s weighted cost of capital multiplied by the sum of the net original cost of eligible infrastructure system replacements and additions less associated plant-related accumulated deferred income taxes in compliance with normalization requirements of federal tax law, and ISRS costs;

(b) State, federal, and local income or excise taxes applicable to such income; and

(c) An annualized level of depreciation expense on the eligible infrastructure system replacements and additions net of retirements occurring since the date through which rate base additions were accounted for in developing the revenue requirement in the electrical corporation’s most recently concluded general rate proceeding or in developing the electrical corporation’s last ISRS, and an annualized level of amortization expense on the ISRS costs;

(2) “Commission”, the Missouri public service commission;

(3) “Electric utility plant projects”, consist of the following:

(a) Electric plant, as defined in subdivision (14) of section 386.020, excluding newly constructed or newly acquired electric generating plants and administrative office buildings and their furnishings;

(b) If not being recovered in a rate schedule authorized by subsection 2 of section 386.266, the costs of capital projects undertaken to comply with federal, state, or local environmental or safety statutes, ordinances, or regulations; and

(c) The costs of facilities relocations required due to construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain provided that the costs related to such projects have not been reimbursed to the electrical corporation;

(4) “Electrical corporation”, shall have the same meaning as in subdivision (15) of section 386.020;

(5) “Eligible infrastructure system replacements and additions”, electric utility plant projects that:

(a) Do not increase revenues by directly connecting the infrastructure replacement or addition to new customers;

(b) Are in service and used and useful;

(c) Were not included in the electrical corporation’s rate base in its most recently concluded general rate proceeding; and

(d) Replace or extend the useful life of existing infrastructure or are for additional infrastructure;

(6) “ISRS”, infrastructure system replacement surcharge;

(7) “ISRS costs”:

(a) The original cost of eligible infrastructure system replacements and additions that were placed in service and became used and useful since the date through which rate base additions were accounted for in developing the revenue requirement in the electrical corporation’s most recently concluded general rate proceeding or in developing the electrical corporation’s last ISRS, less the retirements occurring during the same period, with the difference multiplied by the applicable weighted average depreciation rate;

(b) “ISRS costs” also include the difference calculated under paragraph (a) of this subdivision prior to its multiplication by the applicable weighted average depreciation rate less changes in the electrical corporation’s accumulated depreciation reserve since the date through which rate base additions were accounted for in developing the revenue requirement in the electrical corporation’s most recently concluded general rate proceeding or in developing the electrical corporation’s last ISRS, with that difference to be multiplied by the electrical corporation’s weighted cost of capital used to determine the appropriate pretax revenues, plus applicable state, federal, and local income or excise taxes.

The sum of the amounts determined by paragraph (a) of this subdivision, and the amount determined in paragraph (b) of this subdivision shall be deferred on the electrical corporation’s books as a regulatory asset or regulatory liability between the time the eligible infrastructure system replacements and additions were placed in service and the effective date of an ISRS rate schedule reflecting the deferred depreciation and return;

(8) “ISRS revenues”, revenues produced through an ISRS exclusive of revenues from all other rates and charges;

(9) “Net original cost of eligible infrastructure system replacements and additions”, the original cost of the eligible infrastructure system replacements and additions net of accumulated depreciation on the eligible infrastructure system replacements and additions, offset by depreciation expense accrued on plant included in rate base in the electrical corporation’s most recently concluded general rate proceeding since the effective date of rates developed in that proceeding, and also offset by plant retirements and accumulated depreciation reserve associated with such retirements for retirements recorded after the date through which rate base additions were accounted for in developing the commission-approved revenue requirement in that general rate proceeding.”; and

further amend said bill, pages 6-7, section 393.1205 by striking all of said section and inserting in lieu thereof the following:

“393.1205. 1. Notwithstanding any provisions of chapter 386 or this chapter to the contrary, beginning August 28, 2013, an electrical corporation providing electric service may file a petition and proposed rate schedules with the commission to establish or change ISRS rate schedules that will allow for the adjustment of the electrical corporation’s rates and charges to provide for the recovery of costs for eligible infrastructure system replacements and additions. The commission may not approve an ISRS to the extent it would produce total annualized ISRS revenues below the lesser of one million dollars or one-half of one percent of the electrical corporation’s base revenue level approved by the commission in the electrical corporation’s most recent general rate proceeding. The commission may not approve an ISRS to the extent it would produce total annualized ISRS revenues exceeding eight percent of the electrical corporation’s base revenue level approved by the commission in the electrical corporation’s most recent general rate proceeding. An ISRS and any future changes thereto shall be calculated and implemented in accordance with the provisions of sections 393.1200 to 393.1210.

2. The commission shall not approve an ISRS for any electrical corporation that has not had a general rate proceeding decided or dismissed by issuance of a commission order within the past three years, unless the electrical corporation has filed for or is the subject of a new general rate proceeding.

3. In no event shall an electrical corporation collect an ISRS for a period exceeding three years unless the electrical corporation has filed for or is the subject of a new general rate proceeding; provided that the ISRS may be collected until the effective date of new rate schedules established as a result of the new general rate proceeding, or until the subject general rate proceeding is otherwise decided or dismissed by issuance of a commission order without new rates being established. An electrical corporation shall be permitted to establish or change ISRS rate schedules during the pendency of a general rate proceeding so long as the establishment or change in the ISRS rate schedules takes effect on or before the date through which rate base additions were accounted for in developing the commission-approved revenue requirement in that general rate proceeding.”; and

further amend said bill, pages 7-12, section 393.1210 by striking all of said section and inserting in lieu thereof the following:

“393.1210. 1. (1) At the time that an electrical corporation files a petition with the commission seeking to establish or change an ISRS, it shall submit proposed ISRS rate schedules and its supporting documentation regarding the calculation of the proposed ISRS with the petition, and shall

serve the office of the public counsel with a copy of its petition, its proposed rate schedules, and its supporting documentation.

(2) Upon the filing of a petition, and any associated rate schedules, seeking to establish or change an ISRS, the commission shall publish notice of the filing.

2. (1) When a petition, along with any associated proposed rate schedules, is filed pursuant to the provisions of sections 393.1200 to 393.1210, the commission shall conduct an examination of the proposed ISRS.

(2) The staff of the commission may examine information of the electrical corporation to confirm that the underlying costs are in accordance with the provisions of sections 393.1200 to 393.1210, and to confirm proper calculation of the proposed charge, and may submit a report regarding its examination to the commission not later than ninety days after the petition is filed. No other revenue requirement or ratemaking issues may be examined in consideration of the petition or associated proposed rate schedules filed pursuant to the provisions of sections 393.1200 to 393.1210.

(3) The commission may hold a hearing on the petition and any associated rate schedules and shall issue an order to become effective not later than one hundred fifty days after the petition is filed.

(4) If the commission finds that a petition complies with the requirements of sections 393.1200 to 393.1210, the commission shall enter an order authorizing the corporation to impose an ISRS that is sufficient to recover appropriate pretax revenue, as determined by the commission pursuant to the provisions of sections 393.1200 to 393.1210.

3. An electrical corporation may effectuate a change in its rate pursuant to the provisions of this section no more often than two times every twelve months.

4. In determining the appropriate pretax revenue, the commission shall consider only the following factors:

(1) The current state, federal, and local income tax or excise rates;

(2) The electrical corporation's actual regulatory capital structure as determined during the most recent general rate proceeding of the electrical corporation;

(3) The actual cost rates for the electrical corporation's debt and preferred stock as determined during the most recent general rate proceeding of the electrical corporation;

(4) The electrical corporation's cost of common equity as determined during the most recent general rate proceeding of the electrical corporation;

(5) The current depreciation rates applicable to the eligible infrastructure system replacements and additions;

(6) In the event information pursuant to subdivisions (2), (3), and (4) of this subsection is unavailable and the commission is not provided with such information on an agreed-upon basis, the commission shall refer to the testimony submitted during the most recent general rate proceeding of the electrical corporation and use, in lieu of any such unavailable information, the recommended capital structure, recommended cost rates for debt and preferred stock, and recommended cost of common equity that would produce the average weighted cost of capital based upon the various recommendations contained in such testimony.

5. (1) The monthly ISRS charge may be calculated based on a reasonable estimate of billing units in the period in which the charge will be in effect, which shall be conclusively established by dividing the appropriate pretax revenues by the customer numbers reported by the electrical corporation in the annual report it most recently filed with the commission pursuant to subdivision (6) of section 393.140, and then further dividing this quotient by twelve. Provided, however, that the monthly ISRS may vary according to customer class and may be calculated based on customer numbers as determined during the most recent general rate proceeding of the electrical corporation so long as the monthly ISRS for each customer class maintains a proportional relationship equivalent to the proportional relationship of the monthly customer charge for each customer class.

(2) At the end of each twelve-month calendar period the ISRS is in effect, the electrical corporation shall reconcile the differences between the revenues resulting from an ISRS and the appropriate pretax revenues as found by the commission for that period and shall submit the reconciliation and a proposed ISRS adjustment to the commission for approval to recover or refund the difference, as appropriate, through adjustments of an ISRS charge.

6. (1) An electrical corporation that has implemented an ISRS pursuant to the provisions of sections 393.1200 to 393.1210 shall file revised rate schedules to reset the ISRS to zero when new base rates and charges become effective for the electrical corporation following a commission order establishing customer rates in a general rate proceeding that incorporates in the utility's base rates subject to subsections 8 and 9 of this section eligible costs previously reflected in an ISRS.

(2) Upon the inclusion in an electrical corporation's base rates subject to subsections 8 and 9 of this section of eligible costs previously reflected in an ISRS, the electrical corporation shall immediately thereafter reconcile any previously unreconciled ISRS revenues as necessary to ensure that revenues resulting from the ISRS match as closely as possible the appropriate pretax revenues as found by the commission for that period.

7. An electrical corporation's filing of a petition or change to an ISRS pursuant to the provisions of sections 393.1200 to 393.1210 shall not be considered a request for a general increase in the electrical corporation's base rates and charges.

8. Commission approval of a petition, and any associated rate schedules, to establish or change an ISRS pursuant to the provisions of sections 393.1200 to 393.1210 shall in no way be binding upon the commission in determining the ratemaking treatment to be applied to eligible infrastructure system replacements and additions during a subsequent general rate proceeding when the commission may undertake to review the prudence of such costs. In the event the commission disallows, during a subsequent general rate proceeding, recovery of costs associated with eligible infrastructure system replacements and additions previously included in an ISRS, the electrical corporation shall credit the bills of its customers as of the time the credit is being given for the disallowed amount, plus interest at the electrical corporation's weighted cost of capital from its last general rate proceeding, over a period of no longer than six months. Credits shall be allocated to each rate class in proportion to the ISRS charges applicable to that rate class during the period when the overcollections occurred. Each customer in a given rate class shall receive the same credit, and each credit shall be shown as a separate line item on customers' bills.

9. Nothing in this section shall be construed as limiting the authority of the commission to review and consider infrastructure system replacement and addition costs along with other costs during any

general rate proceeding of any electrical corporation.

10. Nothing contained in sections 393.1200 to 393.1210 shall be construed to impair in any way the authority of the commission to review the reasonableness of the rates or charges of an electrical corporation, including review of the prudence of eligible infrastructure system replacements and additions made by an electrical corporation, pursuant to the provisions of section 386.390.

11. The commission shall have the authority to promulgate rules for the implementation of this section, but only to the extent such rules are consistent with, and do not delay the implementation of, the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid and void.

12. Sections 393.1200, 393.1205, and 393.1210 shall terminate and be of no further force and effect after August 27, 2028, unless those sections shall be reenacted by the general assembly. In the event of termination, any ISRS in effect shall also terminate and be of no further force and effect after such date.”.

Senator Kehoe moved that the above amendment be adopted.

Senator Emery offered SSA 1 for SA 1:

SENATE SUBSTITUTE AMENDMENT NO. 1 FOR
SENATE AMENDMENT NO. 1

Amend Senate Substitute for Senate Committee Substitute for House Bill No. 432, Pages 4-6, Section 393.1200, by striking all of said section and inserting in lieu thereof the following:

“393.1200. As used in sections 393.1200 to 393.1210, the following terms mean:

(1) “Appropriate pretax revenues”, the revenues necessary to produce net operating income equal to:

(a) The electrical corporation’s weighted cost of capital multiplied by the sum of the net original cost of eligible infrastructure system replacements and additions less associated plant-related accumulated deferred income taxes in compliance with normalization requirements of federal tax law, and ISRS costs;

(b) State, federal, and local income or excise taxes applicable to such income; and

(c) An annualized level of depreciation expense on the eligible infrastructure system replacements and additions net of retirements occurring since the date through which rate base additions were accounted for in developing the revenue requirement in the electrical corporation’s most recently concluded general rate proceeding or in developing the electrical corporation’s last ISRS, and an annualized level of amortization expense on the ISRS costs;

(2) “Commission”, the Missouri public service commission;

(3) “Electric utility plant projects”, consist of the following:

(a) Electric plant, as defined in subdivision (14) of section 386.020, excluding newly constructed or newly acquired electric generating plants and administrative office buildings and their furnishings;

(b) If not being recovered in a rate schedule authorized by subsection 2 of section 386.266, the costs of capital projects undertaken to comply with federal, state, or local environmental or safety statutes, ordinances, or regulations; and

(c) The costs of facilities relocations required due to construction or improvement of a highway, road, street, public way, or other public work by or on behalf of the United States, this state, a political subdivision of this state, or another entity having the power of eminent domain provided that the costs related to such projects have not been reimbursed to the electrical corporation;

(4) "Electrical corporation", shall have the same meaning as in subdivision (15) of section 386.020;

(5) "Eligible infrastructure system replacements and additions", electric utility plant projects that:

(a) Do not increase revenues by directly connecting the infrastructure replacement or addition to new customers;

(b) Are in service and used and useful;

(c) Were not included in the electrical corporation's rate base in its most recently concluded general rate proceeding; and

(d) Replace or extend the useful life of existing infrastructure or are for additional infrastructure;

(6) "ISRS", infrastructure system replacement surcharge;

(7) "ISRS costs":

(a) The original cost of eligible infrastructure system replacements and additions that were placed in service and became used and useful since the date through which rate base additions were accounted for in developing the revenue requirement in the electrical corporation's most recently concluded general rate proceeding or in developing the electrical corporation's last ISRS, less the retirements occurring during the same period, with the difference multiplied by the applicable weighted average depreciation rate;

(b) "ISRS costs" also include the difference calculated under paragraph (a) of this subdivision prior to its multiplication by the applicable weighted average depreciation rate less changes in the electrical corporation's accumulated depreciation reserve since the date through which rate base additions were accounted for in developing the revenue requirement in the electrical corporation's most recently concluded general rate proceeding or in developing the electrical corporation's last ISRS, with that difference to be multiplied by the electrical corporation's weighted cost of capital used to determine the appropriate pretax revenues, plus applicable state, federal, and local income or excise taxes.

The sum of the amounts determined by paragraph (a) of this subdivision, and the amount determined in paragraph (b) of this subdivision shall be deferred on the electrical corporation's books as a regulatory asset or regulatory liability between the time the eligible infrastructure system replacements and additions were placed in service and the effective date of an ISRS rate schedule reflecting the deferred depreciation and return;

(8) "ISRS revenues", revenues produced through an ISRS exclusive of revenues from all other

rates and charges;

(9) “Net original cost of eligible infrastructure system replacements and additions”, the original cost of the eligible infrastructure system replacements and additions net of accumulated depreciation on the eligible infrastructure system replacements and additions, offset by depreciation expense accrued on plant included in rate base in the electrical corporation’s most recently concluded general rate proceeding since the effective date of rates developed in that proceeding, and also offset by plant retirements and accumulated depreciation reserve associated with such retirements for retirements recorded after the date through which rate base additions were accounted for in developing the commission-approved revenue requirement in that general rate proceeding.”; and

further amend said bill, pages 6-7, section 393.1205 by striking all of said section and inserting in lieu thereof the following:

“393.1205. 1. Notwithstanding any provisions of chapter 386 or this chapter to the contrary, beginning August 28, 2013, an electrical corporation providing electric service may file a petition and proposed rate schedules with the commission to establish or change ISRS rate schedules that will allow for the adjustment of the electrical corporation’s rates and charges to provide for the recovery of costs for eligible infrastructure system replacements and additions. The commission may not approve an ISRS to the extent it would produce total annualized ISRS revenues below the lesser of one million dollars or one-half of one percent of the electrical corporation’s base revenue level approved by the commission in the electrical corporation’s most recent general rate proceeding. The commission may not approve an ISRS to the extent it would produce total annualized ISRS revenues exceeding seven percent of the electrical corporation’s base revenue level approved by the commission in the electrical corporation’s most recent general rate proceeding. An ISRS and any future changes thereto shall be calculated and implemented in accordance with the provisions of sections 393.1200 to 393.1210.

2. The commission shall not approve an ISRS for any electrical corporation that has not had a general rate proceeding decided or dismissed by issuance of a commission order within the past three years, unless the electrical corporation has filed for or is the subject of a new general rate proceeding.

3. In no event shall an electrical corporation collect an ISRS for a period exceeding three years unless the electrical corporation has filed for or is the subject of a new general rate proceeding; provided that the ISRS may be collected until the effective date of new rate schedules established as a result of the new general rate proceeding, or until the subject general rate proceeding is otherwise decided or dismissed by issuance of a commission order without new rates being established. An electrical corporation shall be permitted to establish or change ISRS rate schedules during the pendency of a general rate proceeding so long as the establishment or change in the ISRS rate schedules takes effect on or before the date through which rate base additions were accounted for in developing the commission-approved revenue requirement in that general rate proceeding.”; and

further amend said bill, pages 7-12, section 393.1210 by striking all of said section and inserting in lieu thereof the following:

“393.1210. 1. (1) At the time that an electrical corporation files a petition with the commission seeking to establish or change an ISRS, it shall submit proposed ISRS rate schedules and its supporting documentation regarding the calculation of the proposed ISRS with the petition, and shall serve the office of the public counsel with a copy of its petition, its proposed rate schedules, and its

supporting documentation.

(2) Upon the filing of a petition, and any associated rate schedules, seeking to establish or change an ISRS, the commission shall publish notice of the filing.

(3) Upon filing of a petition, and any associated rate schedules, the electrical corporation shall submit a filing fee to the commission in the amount of thirty thousand dollars, which shall be remitted by the commission to the office of the public counsel. This filing fee shall not be recoverable from consumers and shall not be considered as a recoverable expense in a general rate proceeding before the commission.

2. (1) When a petition, along with any associated proposed rate schedules, is filed pursuant to the provisions of sections 393.1200 to 393.1210, the commission shall conduct an examination of the proposed ISRS.

(2) The staff of the commission may examine information of the electrical corporation to confirm that the underlying costs are in accordance with the provisions of sections 393.1200 to 393.1210, and to confirm proper calculation of the proposed charge, and may submit a report regarding its examination to the commission not later than ninety days after the petition is filed. No other revenue requirement or ratemaking issues may be examined in consideration of the petition or associated proposed rate schedules filed pursuant to the provisions of sections 393.1200 to 393.1210.

(3) The commission may hold a hearing on the petition and any associated rate schedules and shall issue an order to become effective not later than one hundred fifty days after the petition is filed.

(4) If the commission finds that a petition complies with the requirements of sections 393.1200 to 393.1210, the commission shall enter an order authorizing the corporation to impose an ISRS that is sufficient to recover appropriate pretax revenue, as determined by the commission pursuant to the provisions of sections 393.1200 to 393.1210.

3. An electrical corporation may effectuate a change in its rate pursuant to the provisions of this section no more often than two times every twelve months.

4. In determining the appropriate pretax revenue, the commission shall consider only the following factors:

(1) The current state, federal, and local income tax or excise rates;

(2) The electrical corporation's actual regulatory capital structure as determined during the most recent general rate proceeding of the electrical corporation;

(3) The actual cost rates for the electrical corporation's debt and preferred stock as determined during the most recent general rate proceeding of the electrical corporation;

(4) The electrical corporation's cost of common equity as determined during the most recent general rate proceeding of the electrical corporation;

(5) The current depreciation rates applicable to the eligible infrastructure system replacements and additions;

(6) In the event information pursuant to subdivisions (2), (3), and (4) of this subsection is unavailable and the commission is not provided with such information on an agreed-upon basis, the commission shall refer to the testimony submitted during the most recent general rate proceeding of

the electrical corporation and use, in lieu of any such unavailable information, the recommended capital structure, recommended cost rates for debt and preferred stock, and recommended cost of common equity that would produce the average weighted cost of capital based upon the various recommendations contained in such testimony.

5. (1) The monthly ISRS charge may be calculated based on a reasonable estimate of billing units in the period in which the charge will be in effect, which shall be conclusively established by dividing the appropriate pretax revenues by the customer numbers reported by the electrical corporation in the annual report it most recently filed with the commission pursuant to subdivision (6) of section 393.140, and then further dividing this quotient by twelve. Provided, however, that the monthly ISRS may vary according to customer class and may be calculated based on customer numbers as determined during the most recent general rate proceeding of the electrical corporation so long as the monthly ISRS for each customer class maintains a proportional relationship equivalent to the proportional relationship of the monthly customer charge for each customer class.

(2) At the end of each twelve-month calendar period the ISRS is in effect, the electrical corporation shall reconcile the differences between the revenues resulting from an ISRS and the appropriate pretax revenues as found by the commission for that period and shall submit the reconciliation and a proposed ISRS adjustment to the commission for approval to recover or refund the difference, as appropriate, through adjustments of an ISRS charge.

6. (1) An electrical corporation that has implemented an ISRS pursuant to the provisions of sections 393.1200 to 393.1210 shall file revised rate schedules to reset the ISRS to zero when new base rates and charges become effective for the electrical corporation following a commission order establishing customer rates in a general rate proceeding that incorporates in the utility's base rates subject to subsections 8 and 9 of this section eligible costs previously reflected in an ISRS.

(2) Upon the inclusion in an electrical corporation's base rates subject to subsections 8 and 9 of this section of eligible costs previously reflected in an ISRS, the electrical corporation shall immediately thereafter reconcile any previously unreconciled ISRS revenues as necessary to ensure that revenues resulting from the ISRS match as closely as possible the appropriate pretax revenues as found by the commission for that period.

7. An electrical corporation's filing of a petition or change to an ISRS pursuant to the provisions of sections 393.1200 to 393.1210 shall not be considered a request for a general increase in the electrical corporation's base rates and charges.

8. Commission approval of a petition, and any associated rate schedules, to establish or change an ISRS pursuant to the provisions of sections 393.1200 to 393.1210 shall in no way be binding upon the commission in determining the ratemaking treatment to be applied to eligible infrastructure system replacements and additions during a subsequent general rate proceeding when the commission may undertake to review the prudence of such costs. In the event the commission disallows, during a subsequent general rate proceeding, recovery of costs associated with eligible infrastructure system replacements and additions previously included in an ISRS, the electrical corporation shall credit the bills of its customers as of the time the credit is being given for the disallowed amount, plus interest at the electrical corporation's weighted cost of capital from its last general rate proceeding, over a period of no longer than six months. Credits shall be allocated to each rate class in proportion to the ISRS charges applicable to that rate class during the period when the overcollections occurred. Each

customer in a given rate class shall receive the same credit, and each credit shall be shown as a separate line item on customers' bills.

9. Nothing in this section shall be construed as limiting the authority of the commission to review and consider infrastructure system replacement and addition costs along with other costs during any general rate proceeding of any electrical corporation.

10. Nothing contained in sections 393.1200 to 393.1210 shall be construed to impair in any way the authority of the commission to review the reasonableness of the rates or charges of an electrical corporation, including review of the prudence of eligible infrastructure system replacements and additions made by an electrical corporation, pursuant to the provisions of section 386.390.

11. The commission shall have the authority to promulgate rules for the implementation of this section, but only to the extent such rules are consistent with, and do not delay the implementation of, the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid and void.

12. Sections 393.1200, 393.1205, and 393.1210 shall terminate and be of no further force and effect after August 27, 2025, unless those sections shall be reenacted by the general assembly. In the event of termination, any ISRS in effect shall also terminate and be of no further force and effect after such date.”.

Senator Emery moved that the above substitute amendment be adopted.

Senator Wallingford offered **SA 1** to **SSA 1** for **SA 1**, which was read:

SENATE AMENDMENT NO. 1 TO
SENATE SUBSTITUTE AMENDMENT NO. 1 FOR
SENATE AMENDMENT NO. 1

Amend Senate Substitute Amendment No. 1 for Senate Amendment No. 1 to Senate Substitute for Senate Committee Substitute for House Bill 432, Pages 1-4, Section 393.1200, by deleting said section in its entirety; and

Further amend the title and enacting clause accordingly.

Senator Wallingford moved that the above amendment be adopted.

At the request of Senator Lager, **SS** for **SCS** for **HB 432** was withdrawn, which rendered **SA 1**, **SSA 1** for **SA 1** and **SA 1** to **SSA 1** for **SA 1** moot.

SCS for **HB 432** was again taken up.

Senator Holsman offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Committee Substitute for House Bill No. 432, Page 3, Section 386.210, Line 70, by inserting after all of said line the following:

“393.1030. 1. The commission shall, in consultation with the department, prescribe by rule a portfolio requirement for all electric utilities to generate or purchase electricity generated from renewable energy resources. Such portfolio requirement shall provide that electricity from renewable energy resources shall constitute the following portions of each electric utility’s sales:

- (1) No less than two percent for calendar years 2011 through 2013;
- (2) No less than five percent for calendar years 2014 through 2017;
- (3) No less than ten percent for calendar years 2018 through 2020; and
- (4) No less than fifteen percent in each calendar year beginning in 2021.

At least two percent of each portfolio requirement shall be derived from solar energy. The portfolio requirements shall apply to all power sold to Missouri consumers whether such power is self-generated or purchased from another source in or outside of this state. A utility may comply with the standard in whole or in part by purchasing RECs. Each kilowatt-hour of eligible energy generated in Missouri shall count as 1.25 kilowatt-hours for purposes of compliance.

2. The commission, in consultation with the department and within one year of November 4, 2008, shall select a program for tracking and verifying the trading of renewable energy credits. An unused credit may exist for up to three years from the date of its creation. A credit may be used only once to comply with sections 393.1020 to 393.1030 and may not also be used to satisfy any similar nonfederal requirement. An electric utility may not use a credit derived from a green pricing program. Certificates from net-metered sources shall initially be owned by the customer-generator. The commission, except where the department is specified, shall make whatever rules are necessary to enforce the renewable energy standard. Such rules shall include:

(1) A maximum average retail rate increase of one percent determined by estimating and comparing the electric utility’s cost of compliance with least-cost renewable generation and the cost of continuing to generate or purchase electricity from entirely nonrenewable sources, taking into proper account future environmental regulatory risk including the risk of greenhouse gas regulation. **Notwithstanding the foregoing, until June 30, 2020, if the maximum average retail rate increase would be less than or equal to one percent if an electric utility’s investment in solar-related projects initiated, owned or operated by the electric utility is ignored for purposes of calculating the increase, then additional solar rebates shall be paid and included in rates in an amount up to the amount that would produce a retail rate increase equal to the difference between a one percent retail rate increase and the retail rate increase calculated when ignoring an electric utility’s investment in solar-related projects initiated, owned, or operated by the electric utility. Notwithstanding anything to the contrary in this section, even if the payment of additional solar rebates will produce a maximum average retail rate increase of greater than one percent when an electric utility’s investment in solar-related projects initiated, owned or operated by the electric utility are included in the calculation, the additional solar rebate costs shall be included in the prudently incurred costs to be recovered as contemplated by subdivision (4) of this subsection;**

(2) Penalties of at least twice the average market value of renewable energy credits for the compliance period for failure to meet the targets of subsection 1 **of this section**. An electric utility will be excused if it proves to the commission that failure was due to events beyond its reasonable control that could not have been reasonably mitigated, or that the maximum average retail rate increase has been reached. Penalties

shall not be recovered from customers. Amounts forfeited under this section shall be remitted to the department to purchase renewable energy credits needed for compliance. Any excess forfeited revenues shall be used by the department's energy center solely for renewable energy and energy efficiency projects;

(3) Provisions for an annual report to be filed by each electric utility in a format sufficient to document its progress in meeting the targets;

(4) Provision for recovery outside the context of a regular rate case of prudently incurred costs and the pass-through of benefits to customers of any savings achieved by an electrical corporation in meeting the requirements of this section.

3. As provided for in this section, except for those electrical corporations that qualify for an exemption under section 393.1050, each electric utility shall make available to its retail customers a [standard] solar rebate [offer of at least two dollars per installed watt] for new or expanded solar electric systems sited on customers' premises, up to a maximum of twenty-five kilowatts per system, measured in direct current that [become operational after 2009] were confirmed by the electric utility to have become operational in compliance with the provisions of section 386.890. The solar rebates shall be two dollars per watt for systems becoming operational on or before June 30, 2014; one dollar and fifty cents per watt for systems becoming operational between July 1, 2014, and June 30, 2015; one dollar per watt for systems becoming operational between July 1, 2015, and June 30, 2016; fifty cents per watt for systems becoming operational between July 1, 2016, and June 30, 2017; fifty cents per watt for systems becoming operational between July 1, 2017, and June 30, 2019; twenty-five cents per watt for systems becoming operational between July 1, 2019, and June 30, 2020; and zero cents per watt for systems becoming operational after June 30, 2020. An electric utility may, through its tariffs, require applications for rebates to be submitted up to one hundred eighty-two days prior to the June 30 operational date. Nothing in this section shall prevent an electrical corporation from offering rebates after July 1, 2020, through an approved tariff. If the electric utility determines the maximum average retail rate increase provided for in subdivision (1) of subsection 2 of this section will be reached in any calendar year, the electric utility will be entitled to cease paying rebates to the extent necessary to avoid exceeding the maximum average retail rate increase if the electrical corporation files with the commission to suspend its rebate tariff for the remainder of that calendar year at least sixty days prior to the change taking effect. The filing with the commission to suspend the electrical corporation's rebate tariff will include the calculation reflecting that the maximum average retail rate increase will be reached and supporting documentation reflecting that the maximum average retail rate increase will be reached. The commission shall rule on the suspension filing within sixty days of the date it is filed and if the commission determines that the maximum average retail rate increase will be reached the commission will approve the tariff suspension. The electric utility will continue to process and pay applicable solar rebates until a final commission ruling, however, if the continued payment causes the electric utility to pay rebates that cause it to exceed the maximum average retail rate increase, the expenditures shall be considered prudently incurred costs as contemplated by subdivision (4) of subsection 2 of this section and shall be recoverable as such by the electric utility. As a condition of receiving a rebate, customers shall transfer to the electric utility all right, title, and interest in and to the renewable energy credits associated with the new or expanded solar electric system that qualified the customer for the solar rebate for a period of ten years from the date the electric utility confirmed that the solar electric system was installed and operational.

4. The department shall, in consultation with the commission, establish by rule a certification process

for electricity generated from renewable resources and used to fulfill the requirements of subsection 1 of this section. Certification criteria for renewable energy generation shall be determined by factors that include fuel type, technology, and the environmental impacts of the generating facility. Renewable energy facilities shall not cause undue adverse air, water, or land use impacts, including impacts associated with the gathering of generation feedstocks. If any amount of fossil fuel is used with renewable energy resources, only the portion of electrical output attributable to renewable energy resources shall be used to fulfill the portfolio requirements.

5. In carrying out the provisions of this section, the commission and the department shall include methane generated from the anaerobic digestion of farm animal waste and thermal depolymerization or pyrolysis for converting waste material to energy as renewable energy resources for purposes of this section.

6. The commission shall have the authority to promulgate rules for the implementation of this section, as amended, but only to the extent such rules are consistent with, and do not delay the implementation of, the provisions of this section, as amended. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2013, shall be invalid and void.”; and

Further amend the title and enacting clause accordingly.

Senator Holsman moved that the above amendment be adopted.

At the request of Senator Lager, **HB 432**, with **SCS** and **SA 1** (pending), was placed on the Informal Calendar.

MESSAGES FROM THE HOUSE

The following messages were received from the House of Representatives through its Chief Clerk:

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **SCS** for **SB 254**.

Bill ordered enrolled.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House has taken up and passed **HCS** for **SS** for **SB 34**, entitled:

An Act to amend chapter 287, RSMo, by adding thereto one new section relating to a database for workers' compensation claims.

With House Amendment No. 1.

HOUSE AMENDMENT NO. 1

Amend House Committee Substitute for Senate Substitute for Senate Bill No. 34, Page 1, Section 287.980, Line 8, by inserting the following after all of said line:

“287.957. The experience rating plan shall contain reasonable eligibility standards, provide adequate

incentives for loss prevention, and shall provide for sufficient premium differentials so as to encourage safety. The uniform experience rating plan shall be the exclusive means of providing prospective premium adjustment based upon measurement of the loss-producing characteristics of an individual insured. An insurer may submit a rating plan or plans providing for retrospective premium adjustments based upon an insured's past experience. Such system shall provide for retrospective adjustment of an experience modification and premiums paid pursuant to such experience modification where a prior reserved claim produced an experience modification that varied by greater than fifty percent from the experience modification that would have been established based on the settlement amount of that claim. The rating plan shall prohibit an adjustment to the experience modification of an employer if the total medical cost does not exceed [one thousand dollars] **twenty percent of the current split point of primary and excess losses under the uniform experience rating plan** and the employer pays all of the total medical costs and there is no lost time from the employment, other than the first three days or less of disability under subsection 1 of section 287.160, and no claim is filed. An employer opting to utilize this provision maintains an obligation to report the injury under subsection 1 of section 287.380.

287.975. 1. The advisory organization shall file with the director every pure premium rate, every manual of rating rules, every rating schedule and every change or amendment, or modification of any of the foregoing, proposed for use in this state no more than thirty days after it is distributed to members, subscribers or others.

2. The advisory organization which makes a uniform classification system for use in setting rates in this state shall collect data for two years after January 1, 1994, on the payroll differential between employers within the construction group of code classifications, including, but not limited to, payroll costs of the employer and number of hours worked by all employees of the employer engaged in construction work. Such data shall be transferred to the department of insurance, financial institutions and professional registration in a form prescribed by the director of the department of insurance, financial institutions and professional registration, and the department shall compile the data and develop a formula to equalize premium rates for employers within the construction group of code classifications based on such payroll differential within three years after the data is submitted by the advisory organization.

3. The formula to equalize premium rates for employers within the construction group of code classifications established under subsection 2 of this section shall be the formula in effect on January 1, 1999. This subsection shall be effective on January 1, 2014.

4. For purposes of calculating the premium credit under the Missouri contracting classification premium adjustment program, an employer within the construction group of code classifications may submit to the advisory organization the required payroll record information for the first, second, third, or fourth calendar quarter of the year prior to the workers' compensation policy beginning or renewal date, provided that the employer clearly indicates for which quarter the payroll information is being submitted.”; and

Further amend said bill by amending the title, enacting clause, and intersectional references accordingly.

In which the concurrence of the Senate is respectfully requested.

Also,

Mr. President: I am instructed by the House of Representatives to inform the Senate that the House refused to recede from its position on **HCS** for **SB 23**, as amended, and grants to the Senate a conference thereon. The Speaker has appointed the following committee to act with a like committee from the Senate

on **HCS** for **SB 23**, as amended. Representatives: Jones (50), Hough, and Rizzo.

CONFERENCE COMMITTEE APPOINTMENTS

President Pro Tem Dempsey appointed the following conference committee to act with a like committee from the House on **HCS** for **SB 23**, as amended: Senators Parson, Kehoe, Cunningham, Justus and Curls.

REPORTS OF STANDING COMMITTEES

Senator Richard, Chairman of the Committee on Rules, Joint Rules, Resolutions and Ethics, submitted the following reports:

Mr. President: Your Committee on Rules, Joint Rules, Resolutions and Ethics, to which were referred **HCS** for **SB 188** and **SS** for **SB 28**, begs leave to report that it has examined the same and finds that the bills have been duly enrolled and that the printed copies furnished the Senators are correct.

RESOLUTIONS

Senator Sifton offered Senate Resolution No. 857, regarding Katharine Loher, which was adopted.

Senator Schaefer offered Senate Resolution No. 858, regarding William Mustain, which was adopted.

Senator Dempsey offered Senate Resolution No. 859, regarding State Employee Recognition Week, which was adopted.

Senator Nasheed offered Senate Resolution No. 860, regarding Hannah M. Young, which was adopted.

Senator Nasheed offered Senate Resolution No. 861, regarding Brittany Campbell, which was adopted.

Senator Sifton offered Senate Resolution No. 862, regarding Elizabeth Stroble, PhD, which was adopted.

INTRODUCTIONS OF GUESTS

Senator Richard introduced to the Senate, Jay Decker, Don Danner, Butch Beeman, Stephanie Hams, Jeanne Dee, Dave Myers and Nick Myers, representatives from Missouri Society of Certified Public Accountants from around the state.

Senator Kehoe introduced to the Senate, Mrs. Laney Clemens, Mr. Tyler Clark and students from Simonsen Ninth Grade Center, Jefferson City.

Senator Schaefer introduced to the Senate, Coach Melissa Coil and the 2012 Class 2 State Champion Rock Bridge girls golf team; and Coaches Jill Nagel, Kelsey Gillespy, Cameo Holly, Meagan Halphin and the 2013 Class 5 Champion Rock Bridge girls basketball team.

Senator Keaveny introduced to the Senate, Stacy Elgin and John Breier, St. Louis.

On behalf of Senator Kehoe, the President introduced to the Senate, Ms. Maureen Doyle, Manchester, England; and Juanita Humphrey, Jefferson City.

Senator Munzlinger introduced to the Senate, his mother-in-law, Pearl Franks and Elaine Gorrell, Canton; and Tony and Lillian Maack, Harrison, Montana.

Senator Nieves introduced to the Senate, Mary Kleekamp, Rockwood.

Senator Cunningham introduced to the Senate, Esther Fetters, Lisa Keeler and Theresa Clement,

Marshfield.

On behalf of Senator Pearce, the President introduced to the Senate, Terry and Louise Farmer, Warrensburg.

Senator Dixon introduced to the Senate, Directors of Pregnancy Resource Centers from around the state.

Senator Nieves introduced to the Senate, twenty fourth grade students from Labadie Elementary School.

Senator Dempsey introduced to the Senate, Coaches Erin Pauk, Anne Witte, Kayla Marty, Dave Viviano; Managers Elizabeth Lersch and Mason Vieth; Athletic Director Doug Kuhlmann; and members of the 2013 Class 3 Champion Lutheran High School girls basketball team: Meg Derrington, Savannah Kluesner, Madison Knoblauch, Hannah Leppien, Ruthie Macke, Nicole Masters, Lauren Orr, Claire Schoedel, Jessica Skerston, Katie Umbach, Carley Von Deylen and Natalie Weinhold, St. Charles.

Senator Pearce introduced to the Senate, Jamee Sanders, parents and forty fourth grade students from New Franklin Elementary School.

Senator Schmitt introduced to the Senate, Chris Clayton, Tampa, Florida.

Senator Lamping introduced to the Senate, his wife, Caryn, and their daughter, Emma.

Senator Emery introduced to the Senate, Sarah Morris, Jimmy Morris, Susanna Thornton, Elizabeth Johnson, Michael Lane, Caleb Rouse and Jeremiah Gathright, representatives of American Government Camp.

Senator Chappelle-Nadal introduced to the Senate, Dayna Stock, St. Louis.

On motion of Senator Richard, the Senate adjourned under the rules.

SENATE CALENDAR

SIXTY-FIRST DAY—THURSDAY, MAY 2, 2013

FORMAL CALENDAR

VETOED BILLS

HCS for SCS for SB 182-Kehoe, et al

HOUSE BILLS ON SECOND READING

HCS for HJR 26
HCS for HB 653
HB 421-Curtman
HCS for HB 986

HCS for HB 675
HCS for HB 285
HCS for HB 859

THIRD READING OF SENATE BILLS

SCS for SB 411-Kehoe (In Fiscal Oversight)
SS for SB 401-Rupp (In Fiscal Oversight)

SS for SCS for SB 437-Pearce
SCS for SB 378-Pearce (In Fiscal Oversight)

SENATE BILLS FOR PERFECTION

SB 375-Nieves, with SCS

SB 52-Munzlinger and Romine, with SCS

HOUSE BILLS ON THIRD READING

1. HCS for HB 473 (Lager)
(In Fiscal Oversight)
2. HCS for HB 194 (Parson)
(In Fiscal Oversight)
3. HB 307-Riddle, et al, with SCS (Schmitt)
4. HCS for HB 656 (Nasheed)
5. HB 316-Phillips, et al (Sater)
(In Fiscal Oversight)
6. HCS for HBs 446 & 211 (Cunningham)

7. HB 478-Wieland, et al (Romine)
8. HCS for HBs 374 & 434, with SCS (Dixon)
9. HCS for HB 215, with SCS (Dixon)
(In Fiscal Oversight)
10. HB 400-Riddle, et al (Wallingford)
11. HB 274-Brattin, et al, with SCS (Brown)
(In Fiscal Oversight)
12. HCS for HB 168 (Kraus)
(In Fiscal Oversight)

INFORMAL CALENDAR

SENATE BILLS FOR PERFECTION

SB 3-Rupp, with SA 1 (pending)
SB 13-Schaefer, with SCS
SB 21-Dixon
SB 22-Dixon
SB 30-Brown, with SCS
SB 48-Lamping
SB 53-Lamping
SB 61-Keaveny, with SCA 1 (pending)
SB 65-Dixon, with SCS
SB 78-Lamping, with SCS, SS for SCS &
SA 1 (pending)

SB 82-Schaefer, with SCS
SB 109-Brown, with SCS
SB 133-Keaveny and Holsman, with SCS &
SA 1 (pending)
SB 141-Dempsey
SB 167-Sater and Wallingford, with SCS
SB 174-Parson, with SCS
SB 175-Wallingford
SB 207-Kehoe, et al, with SCS
SB 210-Lamping and Nieves, with SCS
SB 231-Munzlinger, with SA 1 (pending)

SB 239-Emery, with SCS & SA 2 (pending)	SB 371-Munzlinger, with SCS
SB 250-Schaaf, with SCS	SB 377-Dixon
SB 259-Schaaf, with SCS	SB 383-Wallingford
SB 272-Nieves, with SA 2 (pending)	SB 396-Holsman and Chappelle-Nadal, with SCS
SB 285-Romine	SB 403-Rupp, with SCS
SB 291-Rupp	SB 410-Kehoe
SB 292-Rupp	SB 419-Lager, with SCS
SB 308-Schaaf	SB 423-Nasheed
SB 315-Pearce	SB 441-Dempsey
SB 325-Nieves	SB 448-Schmitt and Keaveny
SB 339-Romine	SB 455-Nieves, with SCS
SB 343-Parson	SJR 2-Lager
SB 364-Parson	

HOUSE BILLS ON THIRD READING

HB 53-Gatschenberger (Rupp)	HB 346-Molendorp (Wasson)
HB 55-Flanigan and Allen, with SCS (Schaefer)	HB 432-Funderburk, et al, with SCS & SA 1 (pending) (Lager)
HB 112-Burlison, with SA 2 (pending) (Brown)	HCS for HB 436, with SCS (pending) (Nieves)
HB 184-Cox, et al (Parson)	HCS for HB 457, with SCS (Rupp)
HCS for HB 199 (Lamping)	SS for SCS for HB 542 (Munzlinger) (In Fiscal Oversight)
HCS for HBs 256, 33 & 305, with SA 1 (pending) (Kehoe)	

SENATE BILLS WITH HOUSE AMENDMENTS

SS#2 for SCS for SBs 26, 11 & 31-Kraus, with HCS, as amended	SB 197-Sater, et al, with HA 1
SS for SB 34-Cunningham, with HCS, as amended	

BILLS IN CONFERENCE AND BILLS CARRYING REQUEST MESSAGES

In Conference

SB 23-Parson, with HCS, as amended	HCS for HB 1, with SCS (Schaefer)
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HCS for HB 2, with SCS (Schaefer)
HCS for HB 3, with SCS (Schaefer)
HCS for HB 4, with SCS (Schaefer)
HCS for HB 5, with SCS (Schaefer)
HCS for HB 6, with SCS, as amended
(Schaefer)
HCS for HB 7, with SCS, as amended (Schaefer)
HCS for HB 8, with SCS (Schaefer)

HCS for HB 9, with SCS (Schaefer)
HCS for HB 10, with SCS (Schaefer)
HCS for HB 11, with SCS, as amended
(Schaefer)
HCS for HB 12, with SCS (Schaefer)
HCS for HB 13, with SCS (Schaefer)
HCS for HJRs 11 & 7, with SS, as amended
(Parson)

Requests to Recede or Grant Conference

SCS for SB 106-Brown, with HA 1, HA 2,
HA 3, HA 4, as amended & HA 5
(Senate requests House recede
or grant conference)

SCS for SB 117-Kraus, with HCS, as
amended (Senate requests House
recede or grant conference)

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