

**SENATE AMENDMENT NO. \_\_\_\_\_**

Offered by \_\_\_\_\_ of \_\_\_\_\_

Amend SCS/HCS/House Bill No. 1296, Page 9, Section 143.451, Line 280,

2 by inserting after all of said line the following:

3 "144.049. 1. For purposes of this section, the following  
4 terms mean:

5 (1) "Clothing", any article of wearing apparel, including  
6 footwear, intended to be worn on or about the human body. The  
7 term shall include but not be limited to cloth and other material  
8 used to make school uniforms or other school clothing. Items  
9 normally sold in pairs shall not be separated to qualify for the  
10 exemption. The term shall not include watches, watchbands,  
11 jewelry, handbags, handkerchiefs, umbrellas, scarves, ties,  
12 headbands, or belt buckles; and

13 (2) "Personal computers", a laptop, desktop, or tower  
14 computer system which consists of a central processing unit,  
15 random access memory, a storage drive, a display monitor, and a  
16 keyboard and devices designed for use in conjunction with a  
17 personal computer, such as a disk drive, memory module, compact  
18 disk drive, daughterboard, [digitalizer] digitizer, microphone,  
19 modem, motherboard, mouse, multimedia speaker, printer, scanner,  
20 single-user hardware, single-user operating system, soundcard, or  
21 video card;

1           (3) "School supplies", any item normally used by students  
2 in a standard classroom for educational purposes, including but  
3 not limited to textbooks, notebooks, paper, writing instruments,  
4 crayons, art supplies, rulers, book bags, backpacks, handheld  
5 calculators, chalk, maps, and globes. The term shall not include  
6 watches, radios, CD players, headphones, sporting equipment,  
7 portable or desktop telephones, copiers or other office  
8 equipment, furniture, or fixtures. School supplies shall also  
9 include computer software having a taxable value of three hundred  
10 fifty dollars or less and any graphing calculator having a  
11 taxable value of one hundred fifty dollars or less.

12           2. In each year beginning on or after January 1, 2005,  
13 there is hereby specifically exempted from state sales tax law  
14 all retail sales of any article of clothing having a taxable  
15 value of one hundred dollars or less, all retail sales of school  
16 supplies not to exceed fifty dollars per purchase, all computer  
17 software with a taxable value of three hundred fifty dollars or  
18 less, all graphing calculators having a taxable value of one  
19 hundred fifty dollars or less, and all retail sales of personal  
20 computers or computer peripheral devices not to exceed three  
21 thousand five hundred dollars, during a three-day period  
22 beginning at 12:01 a.m. on the first Friday in August and ending  
23 at midnight on the Sunday following.

24           3. If the governing body of any political subdivision  
25 adopted an ordinance that applied to the 2004 sales tax holiday  
26 to prohibit the provisions of this section from allowing the  
27 sales tax holiday to apply to such political subdivision's local  
28 sales tax, then, notwithstanding any provision of a local  
29 ordinance to the contrary, the 2005 sales tax holiday shall not

1 apply to such political subdivision's local sales tax. However,  
2 any such political subdivision may enact an ordinance to allow  
3 the 2005 sales tax holiday to apply to its local sales taxes. A  
4 political subdivision must notify the department of revenue not  
5 less than forty-five calendar days prior to the beginning date of  
6 the sales tax holiday occurring in that year of any ordinance or  
7 order rescinding an ordinance or order to opt out.

8 4. This section shall not apply to any sales which take  
9 place within the Missouri state fairgrounds.

10 5. This section applies to sales of items bought for  
11 personal use only.

12 6. After the 2005 sales tax holiday, any political  
13 subdivision may, by adopting an ordinance or order, choose to  
14 prohibit future annual sales tax holidays from applying to its  
15 local sales tax. After opting out, the political subdivision may  
16 rescind the ordinance or order. The political subdivision must  
17 notify the department of revenue not less than forty-five  
18 calendar days prior to the beginning date of the sales tax  
19 holiday occurring in that year of any ordinance or order  
20 rescinding an ordinance or order to opt out.

21 7. This section may not apply to any retailer when less  
22 than two percent of the retailer's merchandise offered for sale  
23 qualifies for the sales tax holiday. The retailer shall offer a  
24 sales tax refund in lieu of the sales tax holiday."; and

25 Further amend the title and enacting clause accordingly.