

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 612
97TH GENERAL ASSEMBLY

Reported from the Committee on Ways and Means, February 20, 2014, with recommendation that the Senate Committee Substitute do pass.

4820S.02C

TERRY L. SPIELER, Secretary.

AN ACT

To repeal section 143.183, RSMo, and to enact in lieu thereof one new section relating to nonresident entertainer income taxes.

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

Section A. Section 143.183, RSMo, is repealed and one new section 2 enacted in lieu thereof, to be known as section 143.183, to read as follows:

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

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

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

(3) "Personal service income" includes exhibition and regular season

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

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

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

26 2. Any person, venue, or entity who pays compensation to a nonresident
27 entertainer shall deduct and withhold from such compensation as a prepayment
28 of tax an amount equal to two percent of the total compensation if the amount of
29 compensation is in excess of three hundred dollars paid to the nonresident
30 entertainer. For purposes of this section, the term "person, venue, or entity who
31 pays compensation" shall not be construed to include any person, venue, or entity
32 that is exempt from taxation under 26 U.S.C. Section 501(c)(3), as amended, and
33 that pays an amount to the nonresident entertainer for the entertainer's
34 appearance but receives no benefit from the entertainer's appearance other than
35 the entertainer's performance.

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

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

46 5. Notwithstanding other provisions of this chapter to the contrary, the
47 commissioner of administration, for all taxable years beginning on or after
48 January 1, 1999, but none after December 31, [2015] **2020**, shall annually
49 estimate the amount of state income tax revenues collected pursuant to this
50 chapter which are received from nonresident members of professional athletic
51 teams and nonresident entertainers. For fiscal year 2000, and for each
52 subsequent fiscal year for a period of [sixteen] **twenty-one** years, sixty percent
53 of the annual estimate of taxes generated from the nonresident entertainer and
54 professional athletic team income tax shall be allocated annually to the Missouri

55 arts council trust fund, and shall be transferred, **subject to appropriations**,
56 from the general revenue fund to the Missouri arts council trust fund established
57 in section 185.100 and any amount transferred shall be in addition to such
58 agency's budget base for each fiscal year. The director shall by rule establish the
59 method of determining the portion of personal service income of such persons that
60 is allocable to Missouri.

61 6. Notwithstanding the provisions of sections 186.050 to 186.067 to the
62 contrary, the commissioner of administration, for all taxable years beginning on
63 or after January 1, 1999, but for none after December 31, [2015] 2020, shall
64 estimate annually the amount of state income tax revenues collected pursuant to
65 this chapter which are received from nonresident members of professional athletic
66 teams and nonresident entertainers. For fiscal year 2000, and for each
67 subsequent fiscal year for a period of [sixteen] twenty-one years, ten percent of
68 the annual estimate of taxes generated from the nonresident entertainer and
69 professional athletic team income tax shall be allocated annually to the Missouri
70 humanities council trust fund, and shall be transferred, **subject to**
71 **appropriations**, from the general revenue fund to the Missouri humanities
72 council trust fund established in section 186.055 and any amount transferred
73 shall be in addition to such agency's budget base for each fiscal year.

74 7. Notwithstanding other provisions of section 182.812 to the contrary, the
75 commissioner of administration, for all taxable years beginning on or after
76 January 1, 1999, but for none after December 31, [2015] 2020, shall estimate
77 annually the amount of state income tax revenues collected pursuant to this
78 chapter which are received from nonresident members of professional athletic
79 teams and nonresident entertainers. For fiscal year 2000, and for each
80 subsequent fiscal year for a period of [sixteen] twenty-one years, ten percent of
81 the annual estimate of taxes generated from the nonresident entertainer and
82 professional athletic team income tax shall be allocated annually to the Missouri
83 state library networking fund, and shall be transferred, **subject to**
84 **appropriations**, from the general revenue fund to the secretary of state for
85 distribution to public libraries for acquisition of library materials as established
86 in section 182.812 and any amount transferred shall be in addition to such
87 agency's budget base for each fiscal year.

88 8. Notwithstanding other provisions of section 185.200 to the contrary, the
89 commissioner of administration, for all taxable years beginning on or after
90 January 1, 1999, but for none after December 31, [2015] 2020, shall estimate

91 annually the amount of state income tax revenues collected pursuant to this
92 chapter which are received from nonresident members of professional athletic
93 teams and nonresident entertainers. For fiscal year 2000, and for each
94 subsequent fiscal year for a period of [sixteen] **twenty-one** years, ten percent of
95 the annual estimate of taxes generated from the nonresident entertainer and
96 professional athletic team income tax shall be allocated annually to the Missouri
97 public television broadcasting corporation special fund, and shall be transferred,
98 **subject to appropriations**, from the general revenue fund to the Missouri
99 public television broadcasting corporation special fund, and any amount
100 transferred shall be in addition to such agency's budget base for each fiscal year;
101 provided, however, that twenty-five percent of such allocation shall be used for
102 grants to public radio stations which were qualified by the corporation for public
103 broadcasting as of November 1, 1996. Such grants shall be distributed to each
104 of such public radio stations in this state after receipt of the station's certification
105 of operating and programming expenses for the prior fiscal year. Certification
106 shall consist of the most recent fiscal year financial statement submitted by a
107 station to the corporation for public broadcasting. The grants shall be divided
108 into two categories, an annual basic service grant and an operating grant. The
109 basic service grant shall be equal to thirty-five percent of the total amount and
110 shall be divided equally among the public radio stations receiving grants. The
111 remaining amount shall be distributed as an operating grant to the stations on
112 the basis of the proportion that the total operating expenses of the individual
113 station in the prior fiscal year bears to the aggregate total of operating expenses
114 for the same fiscal year for all Missouri public radio stations which are receiving
115 grants.

116 9. Notwithstanding other provisions of section 253.402 to the contrary, the
117 commissioner of administration, for all taxable years beginning on or after
118 January 1, 1999, but for none after December 31, [2015] **2020**, shall estimate
119 annually the amount of state income tax revenues collected pursuant to this
120 chapter which are received from nonresident members of professional athletic
121 teams and nonresident entertainers. For fiscal year 2000, and for each
122 subsequent fiscal year for a period of [sixteen] **twenty-one** years, ten percent of
123 the annual estimate of taxes generated from the nonresident entertainer and
124 professional athletic team income tax shall be allocated annually to the Missouri
125 department of natural resources Missouri historic preservation revolving fund,
126 and shall be transferred, **subject to appropriations**, from the general revenue

127 fund to the Missouri department of natural resources Missouri historic
128 preservation revolving fund established in section 253.402 and any amount
129 transferred shall be in addition to such agency's budget base for each fiscal
130 year. [As authorized pursuant to subsection 2 of section 30.953, it is the
131 intention and desire of the general assembly that the state treasurer convey, to
132 the Missouri investment trust on January 1, 1999, up to one hundred percent of
133 the balances of the Missouri arts council trust fund established pursuant to
134 section 185.100 and the Missouri humanities council trust fund established
135 pursuant to section 186.055. The funds shall be reconveyed to the state treasurer
136 by the investment trust as follows: the Missouri arts council trust fund, no
137 earlier than January 2, 2009; and the Missouri humanities council trust fund, no
138 earlier than January 2, 2009.]

139 10. This section shall not be construed to apply to any person who makes
140 a presentation for professional or technical education purposes or to apply to any
141 presentation that is part of a seminar, conference, convention, school, or similar
142 program format designed to provide professional or technical education.

Bill ✓

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