

SECOND REGULAR SESSION

SENATE BILL NO. 612

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHAAF.

Pre-filed December 6, 2013, and ordered printed.

TERRY L. SPIELER, Secretary.

4820S.011

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Section A. Section 143.183, RSMo, is repealed and one new section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:

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

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

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

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

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

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

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

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

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

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

86 8. Notwithstanding other provisions of section 185.200 to the contrary, the
87 commissioner of administration, for all taxable years beginning on or after
88 January 1, 1999, but for none after December 31, [2015] **2020**, shall estimate
89 annually the amount of state income tax revenues collected pursuant to this
90 chapter which are received from nonresident members of professional athletic
91 teams and nonresident entertainers. For fiscal year 2000, and for each

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

113 9. Notwithstanding other provisions of section 253.402 to the contrary, the
114 commissioner of administration, for all taxable years beginning on or after
115 January 1, 1999, but for none after December 31, [2015] **2020**, shall estimate
116 annually the amount of state income tax revenues collected pursuant to this
117 chapter which are received from nonresident members of professional athletic
118 teams and nonresident entertainers. For fiscal year 2000, and for each
119 subsequent fiscal year for a period of [sixteen] **twenty-one** years, ten percent of
120 the annual estimate of taxes generated from the nonresident entertainer and
121 professional athletic team income tax shall be allocated annually to the Missouri
122 department of natural resources Missouri historic preservation revolving fund,
123 and shall be transferred from the general revenue fund to the Missouri
124 department of natural resources Missouri historic preservation revolving fund
125 established in section 253.402 and any amount transferred shall be in addition
126 to such agency's budget base for each fiscal year. [As authorized pursuant to
127 subsection 2 of section 30.953, it is the intention and desire of the general

128 assembly that the state treasurer convey, to the Missouri investment trust on
129 January 1, 1999, up to one hundred percent of the balances of the Missouri arts
130 council trust fund established pursuant to section 185.100 and the Missouri
131 humanities council trust fund established pursuant to section 186.055. The funds
132 shall be reconveyed to the state treasurer by the investment trust as follows: the
133 Missouri arts council trust fund, no earlier than January 2, 2009; and the
134 Missouri humanities council trust fund, no earlier than January 2, 2009.]

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

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Bill

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