

SECOND REGULAR SESSION

[P E R F E C T E D]

SENATE BILL NO. 607

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR DIXON.

Pre-filed December 4, 2013, and ordered printed.

Read 2nd time January 16, 2014, and referred to the Committee on Ways and Means.

Reported from the Committee March 6, 2014, with recommendation that the bill do pass.

Taken up for Perfection March 25, 2014. Bill declared Perfected and Ordered Printed.

TERRY L. SPIELER, Secretary.

4456S.01P

AN ACT

To repeal section 94.579, RSMo, and to enact in lieu thereof one new section relating to a sales tax for public safety.

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

Section A. Section 94.579, RSMo, is repealed and one new section enacted

2 in lieu thereof, to be known as section 94.579, to read as follows:

94.579. 1. The governing body of any home rule city with more than one
2 hundred fifty-one thousand five hundred but fewer than one hundred fifty-one
3 thousand six hundred inhabitants is hereby authorized to impose, by order or
4 ordinance, a sales tax on all retail sales made within the city which are subject
5 to sales tax under chapter 144. The tax authorized in this section shall not
6 exceed one percent, and shall be imposed solely for the purpose of providing
7 revenues for the operation of public safety departments, including police and fire
8 departments, and for pension programs, and health care for employees and
9 pensioners of the public safety departments. The tax authorized in this section
10 shall be in addition to all other sales taxes imposed by law, and shall be stated
11 separately from all other charges and taxes. The order or ordinance shall not
12 become effective unless the governing body of the city submits to the voters
13 residing within the city at a state general, primary, or special election a proposal
14 to authorize the governing body of the city to impose a tax under this section. If
15 the tax authorized in this section is not approved by the voters, then the city

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

16 shall have an additional year during which to meet its required contribution
17 payment beyond the time period described in section 105.683. If the city meets
18 its required contribution payment in this time, then, notwithstanding the
19 provisions of section 105.683 to the contrary, the delinquency shall not constitute
20 a lien on the funds of the political subdivision, the board of such plan shall not
21 be authorized to compel payment by application for writ of mandamus, and the
22 state treasurer and the director of the department of revenue shall not withhold
23 twenty-five percent of the certified contribution deficiency from the total moneys
24 due the political subdivision from the state. The one-year extension shall only be
25 available to the city on a one-time basis.

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

28 Shall (insert the name of the city) impose a sales tax at a rate
29 of (up to one) percent, solely for the purpose of providing revenues for the
30 operation of public safety departments of the city?

31 ☐ YES ☐ NO

32 If you are in favor of the question, place an "X" in the box opposite "YES". If you
33 are opposed to the question, place an "X" in the box opposite "NO".

34 If a majority of the votes cast on the question by the qualified voters voting
35 thereon are in favor of the question, then the tax shall become effective on the
36 first day of the second calendar quarter immediately following notification to the
37 department of revenue. If a majority of the votes cast on the question by the
38 qualified voters voting thereon are opposed to the question, then the tax shall not
39 become effective unless and until the question is resubmitted under this section
40 to the qualified voters and such question is approved by a majority of the
41 qualified voters voting on the question.

42 3. All revenue collected under this section by the director of the
43 department of revenue on behalf of any city, except for one percent for the cost
44 of collection which shall be deposited in the state's general revenue fund, shall
45 be deposited in a special trust fund, which is hereby created and shall be known
46 as the "Public Safety Protection Sales Tax Fund", and shall be used solely for the
47 designated purposes. Moneys in the fund shall not be deemed to be state funds,
48 and shall not be commingled with any funds of the state. The director may make
49 refunds from the amounts in the trust fund and credited to the city for erroneous
50 payments and overpayments made, and may redeem dishonored checks and drafts
51 deposited to the credit of such city. Any funds in the special trust fund which are

52 not needed for current expenditures shall be invested in the same manner as
53 other funds are invested. Any interest and moneys earned on such investments
54 shall be credited to the fund. The director shall keep accurate records of the
55 amounts in the fund, and such records shall be open to the inspection of the
56 officers of such city and to the public. Not later than the tenth day of each
57 month, the director shall distribute all moneys deposited in the fund during the
58 preceding month to the city. Such funds shall be deposited with the treasurer of
59 the city, and all expenditures of moneys from the fund shall be by an
60 appropriation ordinance enacted by the governing body of the city.

61 4. On or after the effective date of the tax, the director of revenue shall
62 be responsible for the administration, collection, enforcement, and operation of
63 the tax, and sections 32.085 and 32.087 shall apply. In order to permit sellers
64 required to collect and report the sales tax to collect the amount required to be
65 reported and remitted, but not to change the requirements of reporting or
66 remitting the tax, or to serve as a levy of the tax, and in order to avoid fractions
67 of pennies, the governing body of the city may authorize the use of a bracket
68 system similar to that authorized in section 144.285, and notwithstanding the
69 provisions of that section, this new bracket system shall be used where this tax
70 is imposed and shall apply to all taxable transactions. Beginning with the
71 effective date of the tax, every retailer in the city shall add the sales tax to the
72 sale price, and this tax shall be a debt of the purchaser to the retailer until paid,
73 and shall be recoverable at law in the same manner as the purchase price. For
74 purposes of this section, all retail sales shall be deemed to be consummated at the
75 place of business of the retailer.

76 5. All applicable provisions in sections 144.010 to 144.525 governing the
77 state sales tax, and section 32.057, the uniform confidentiality provision, shall
78 apply to the collection of the tax, and all exemptions granted to agencies of
79 government, organizations, and persons under sections 144.010 to 144.525 are
80 hereby made applicable to the imposition and collection of the tax. The same
81 sales tax permit, exemption certificate, and retail certificate required by sections
82 144.010 to 144.525 for the administration and collection of the state sales tax
83 shall satisfy the requirements of this section, and no additional permit or
84 exemption certificate or retail certificate shall be required; except that, the
85 director of revenue may prescribe a form of exemption certificate for an exemption
86 from the tax. All discounts allowed the retailer under the state sales tax for the
87 collection of and for payment of taxes are hereby allowed and made applicable to

88 the tax. The penalties for violations provided in section 32.057 and sections
89 144.010 to 144.525 are hereby made applicable to violations of this section. If any
90 person is delinquent in the payment of the amount required to be paid under this
91 section, or in the event a determination has been made against the person for the
92 tax and penalties under this section, the limitation for bringing suit for the
93 collection of the delinquent tax and penalties shall be the same as that provided
94 in sections 144.010 to 144.525.

95 6. The governing body of any city that has adopted the sales tax
96 authorized in this section may submit the question of repeal of the tax to the
97 voters on any date available for elections for the city. The ballot of submission
98 shall be in substantially the following form:

99 Shall (insert the name of the city) repeal the sales
100 tax imposed at a rate of (up to one) percent for the purpose of providing
101 revenues for the operation of public safety departments of the city?

102 ☐ YES ☐ NO

103 If you are in favor of the question, place an "X" in the box opposite "YES". If you
104 are opposed to the question, place an "X" in the box opposite "NO".

105 If a majority of the votes cast on the question by the qualified voters voting
106 thereon are in favor of repeal, that repeal shall become effective on December
107 thirty-first of the calendar year in which such repeal was approved.

108 If a majority of the votes cast on the question by the qualified voters voting
109 thereon are opposed to the repeal, then the sales tax authorized in this section
110 shall remain effective until the question is resubmitted under this section to the
111 qualified voters and the repeal is approved by a majority of the qualified voters
112 voting on the question.

113 7. The governing body of any city that has adopted the sales tax
114 authorized in this section shall submit the question of **[repeal] continuation** of
115 the tax to the voters every five years from the date of its inception on a date
116 available for elections for the city. The ballot of submission shall be in
117 substantially the following form:

118 Shall (insert the name of the city) **[repeal the]**
119 **continue collecting a** sales tax imposed at a rate of (up to one) percent
120 for the purpose of providing revenues for the operation of public safety
121 departments of the city?

122 ☐ YES ☐ NO

123 If you are in favor of the question, place an "X" in the box opposite "YES". If you

124 are opposed to the question, place an "X" in the box opposite "NO".
125 If a majority of the votes cast on the question by the qualified voters voting
126 thereon are [in favor of repeal, that] **opposed to continuation**, repeal shall
127 become effective on December thirty-first of the calendar year in which such
128 [repeal was] **continuation was failed to be** approved. If a majority of the
129 votes cast on the question by the qualified voters voting thereon are [opposed to
130 the repeal] **in favor of continuation**, then the sales tax authorized in this
131 section shall remain effective until the question is resubmitted under this section
132 to the qualified voters and [the repeal is] **continuation fails to be** approved by
133 a majority of the qualified voters voting on the question.

134 8. Whenever the governing body of any city that has adopted the sales tax
135 authorized in this section receives a petition, signed by a number of registered
136 voters of the city equal to at least two percent of the number of registered voters
137 of the city voting in the last gubernatorial election, calling for an election to
138 repeal the sales tax imposed under this section, the governing body shall submit
139 to the voters of the city a proposal to repeal the tax. If a majority of the votes
140 cast on the question by the qualified voters voting thereon are in favor of the
141 repeal, the repeal shall become effective on December thirty-first of the calendar
142 year in which such repeal was approved. If a majority of the votes cast on the
143 question by the qualified voters voting thereon are opposed to the repeal, then the
144 sales tax authorized in this section shall remain effective until the question is
145 resubmitted under this section to the qualified voters and the repeal is approved
146 by a majority of the qualified voters voting on the question.

147 9. If the tax is repealed or terminated by any means, all funds remaining
148 in the special trust fund shall continue to be used solely for the designated
149 purposes, and the city shall notify the director of the department of revenue of
150 the action at least ninety days before the effective date of the repeal and the
151 director may order retention in the trust fund, for a period of one year, of two
152 percent of the amount collected after receipt of such notice to cover possible
153 refunds or overpayment of the tax and to redeem dishonored checks and drafts
154 deposited to the credit of such accounts. After one year has elapsed after the
155 effective date of abolition of the tax in such city, the director shall remit the
156 balance in the account to the city and close the account of that city. The director
157 shall notify each city of each instance of any amount refunded or any check
158 redeemed from receipts due the city.