

SECOND REGULAR SESSION

SENATE BILL NO. 634

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR DIXON.

Pre-filed December 1, 2017, and ordered printed.

ADRIANE D. CROUSE, Secretary.

5122S.01I

AN ACT

To amend chapter 67, RSMo, by adding thereto one new section relating to a sales tax for early childhood education programs, with penalty provisions.

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

Section A. Chapter 67, RSMo, is amended by adding thereto one new
2 section, to be known as section 67.1790, to read as follows:

**67.1790. 1. The governing body of any county of the first
2 classification with more than two hundred sixty thousand but fewer
3 than three hundred thousand inhabitants, or any city within such
4 county, may impose by order or ordinance a sales tax on all retail sales
5 made within the county or city that are subject to sales tax under
6 chapter 144 for the purpose of funding early childhood education
7 programs in the county or city. The tax shall not exceed one quarter
8 of one percent and shall be imposed solely for the purpose of funding
9 early childhood education programs in the county or city. The tax
10 authorized in this section shall be in addition to all other sales taxes
11 imposed by law and shall be stated separately from all other charges
12 and taxes. The order or ordinance imposing a sales tax under this
13 section shall not become effective unless the governing body of the
14 county or city submits to the voters residing within the county or city,
15 at a general election, a proposal to authorize the governing body of the
16 county or city to impose a tax under this section.**

17 **2. The question of whether the tax authorized by this section**
18 **shall be imposed shall be submitted in substantially the following form:**

OFFICIAL BALLOT

20 Shall (name of county/city) impose a
21 (countywide/citywide) sales tax at a rate of (insert rate of percent)

22 percent for the purpose of funding early childhood education in the
23 county or city?

24 ☐ YES ☐ NO

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

28 If a majority of the votes cast on the question by the qualified voters
29 voting thereon are in favor of the question, the order or ordinance shall
30 become effective on the first day of the second calendar quarter after
31 the director of revenue receives notice of adoption of the tax. If a
32 majority of the votes cast on the question by the qualified voters voting
33 thereon are opposed to the question, the county or city may not impose
34 the sales tax authorized under this section unless and until the
35 question is resubmitted under this section to the qualified voters and
36 such question is approved by a majority of the qualified voters voting
37 on the question.

38 3. On or after the effective date of any tax authorized under this
39 section, the county or city which imposed the tax shall enter into an
40 agreement with the director of the department of revenue for the
41 purpose of collecting the tax authorized in this section. On or after the
42 effective date of the tax the director of revenue shall be responsible for
43 the administration, collection, enforcement, and operation of the tax,
44 and sections 32.085 and 32.087 shall apply. All revenue collected under
45 this section by the director of the department of revenue on behalf of
46 any county or city, except for one percent for the cost of collection
47 which shall be deposited in the state's general revenue fund, shall be
48 deposited in a special trust fund, which is hereby created and shall be
49 known as the "Early Childhood Education Sales Tax Trust Fund", and
50 shall be used solely for the designated purposes. Moneys in the fund
51 shall not be deemed to be state funds, and shall not be commingled with
52 any funds of the state. The director may make refunds from the
53 amounts in the trust fund and credited to the county or city for
54 erroneous payments and overpayments made, and may redeem
55 dishonored checks and drafts deposited to the credit of such county or
56 city. Any funds in the special trust fund which are not needed for
57 current expenditures shall be invested in the same manner as other

58 funds are invested. Any interest and moneys earned on such
59 investments shall be credited to the fund.

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

74 5. All applicable provisions in sections 144.010 to 144.525
75 governing the state sales tax, and section 32.057, the uniform
76 confidentiality provision, shall apply to the collection of the tax, and
77 all exemptions granted to agencies of government, organizations, and
78 persons under sections 144.010 to 144.525 are hereby made applicable
79 to the imposition and collection of the tax. The same sales tax permit,
80 exemption certificate, and retail certificate required by sections 144.010
81 to 144.525 for the administration and collection of the state sales tax
82 shall satisfy the requirements of this section, and no additional permit
83 or exemption certificate or retail certificate shall be required; except
84 that, the director of revenue may prescribe a form of exemption
85 certificate for an exemption from the tax. All discounts allowed the
86 retailer under the state sales tax for the collection of and for payment
87 of taxes are hereby allowed and made applicable to the tax. The
88 penalties for violations provided in section 32.057 and sections 144.010
89 to 144.525 are hereby made applicable to violations of this section. If
90 any person is delinquent in the payment of the amount required to be
91 paid under this section, or in the event a determination has been made
92 against the person for taxes and penalty under this section, the
93 limitation for bringing suit for the collection of the delinquent tax and
94 penalty shall be the same as that provided in sections 144.010 to

95 144.525.

96 **6. The governing body of any county or city that has adopted the**
97 **sales tax authorized in this section may submit the question of repeal**
98 **of the tax to the voters at a general election. The ballot of submission**
99 **shall be in substantially the following form:**

100 **Shall (insert the name of the county or city) repeal the**
101 **sales tax imposed at a rate of (insert rate of percent) percent for**
102 **the purpose of funding early childhood education in the county or city?**

103 ☐ **YES** ☐ **NO**

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

107 **If a majority of the votes cast on the question by the qualified voters**
108 **voting thereon are in favor of repeal, that repeal shall become effective**
109 **on December thirty-first of the calendar year in which such repeal was**
110 **approved. If a majority of the votes cast on the question by the**
111 **qualified voters voting thereon are opposed to the repeal, then the sales**
112 **tax authorized in this section shall remain effective until the question**
113 **is resubmitted under this section to the qualified voters and the repeal**
114 **is approved by a majority of the qualified voters voting on the question.**

115 **7. Whenever the governing body of any county or city that has**
116 **adopted the sales tax authorized in this section receives a petition,**
117 **signed by ten percent of the registered voters of the county or city**
118 **voting in the last gubernatorial election, calling for an election to**
119 **repeal the sales tax imposed under this section, the governing body**
120 **shall submit to the voters of the county or city a proposal to repeal the**
121 **tax. If a majority of the votes cast on the question by the qualified**
122 **voters voting thereon are in favor of the repeal, the repeal shall become**
123 **effective on December thirty-first of the calendar year in which such**
124 **repeal was approved. If a majority of the votes cast on the question by**
125 **the qualified voters voting thereon are opposed to the repeal, then the**
126 **sales tax authorized in this section shall remain effective until the**
127 **question is resubmitted under this section to the qualified voters and**
128 **the repeal is approved by a majority of the qualified voters voting on**
129 **the question.**

130 **8. If the tax is repealed or terminated by any means, all funds**

131 remaining in the special trust fund shall continue to be used solely for
132 the designated purposes, and the county or city shall notify the director
133 of the department of revenue of the action at least thirty days before
134 the effective date of the repeal and the director may order retention in
135 the trust fund, for a period of one year, of two percent of the amount
136 collected after receipt of such notice to cover possible refunds or
137 overpayment of the tax and to redeem dishonored checks and drafts
138 deposited to the credit of such accounts. After one year has elapsed
139 after the effective date of abolition of the tax in such county or city, the
140 director shall remit the balance in the account to the county or city and
141 close the account of that county or city. The director shall notify each
142 county or city of each instance of any amount refunded or any check
143 redeemed from receipts due the county or city.

144 **9. The governing body of each county or city imposing the tax**
145 **authorized under this section shall select an existing community task**
146 **force to administer the revenue from the tax received by the county or**
147 **city. Such revenue shall be expended only upon approval of an existing**
148 **community task force selected by the governing body of the county or**
149 **city to administer the funds and only in accordance with a budget**
150 **approved by the county or city governing body.**

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