

SECOND REGULAR SESSION

SENATE BILL NO. 773

99TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOSKINS.

Pre-filed December 5, 2017, and ordered printed.

ADRIANE D. CROUSE, Secretary.

5294S.01I

AN ACT

To repeal section 143.183, RSMo, and to enact in lieu thereof one new section relating to income tax for certain nonresidents.

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Section A. Section 143.183, RSMo, is repealed and one new section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, [2020] **2030**, 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 [twenty-one] **thirty-one** years, sixty
53 percent of the annual estimate of taxes generated from the nonresident
54 entertainer and professional athletic team income tax shall be allocated annually
55 to the Missouri arts council trust fund, and shall be transferred, subject to

56 appropriations, from the general revenue fund to the Missouri arts council trust
57 fund established in section 185.100 and any amount transferred shall be in
58 addition to such agency's budget base for each fiscal year. The director shall by
59 rule establish the method of determining the portion of personal service income
60 of such persons that 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, [2020] **2030**, 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 [twenty-one] **thirty-one** years, ten percent
68 of 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 appropriations,
71 from the general revenue fund to the Missouri humanities council trust fund
72 established in section 186.055 and any amount transferred shall be in addition
73 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, [2020] **2030**, 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 [twenty-one] **thirty-one** years, ten percent
81 of 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 appropriations,
84 from the general revenue fund to the secretary of state for distribution to public
85 libraries for acquisition of library materials as established in section 182.812 and
86 any amount transferred shall be in addition to such agency's budget base for each
87 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, [2020] **2030**, 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 [twenty-one] **thirty-one** years, ten percent
95 of 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 public
99 television broadcasting corporation special fund, and any amount transferred
100 shall be in addition to such agency's budget base for each fiscal year; provided,
101 however, that twenty-five percent of such allocation shall be used for grants to
102 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, [2020] **2030**, 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 [twenty-one] **thirty-one** years, ten percent
123 of 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 fund
127 to the Missouri department of natural resources Missouri historic preservation

128 revolving fund established in section 253.402 and any amount transferred shall
129 be in addition to such agency's budget base for each fiscal year.

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

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