

FIRST REGULAR SESSION

SENATE BILL NO. 21

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR LIBLA.

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ADRIANE D. CROUSE, Secretary.

0172S.01I

AN ACT

To repeal section 94.900, RSMo, and to enact in lieu thereof one new section relating to a public safety sales tax, with an emergency clause.

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

Section A. Section 94.900, RSMo, is repealed and one new section enacted

2 in lieu thereof, to be known as section 94.900, to read as follows:

94.900. 1. (1) The governing body of the following cities may impose a

2 tax as provided in this section:

3 (a) Any city of the third classification with more than ten thousand eight
4 hundred but less than ten thousand nine hundred inhabitants located at least
5 partly within a county of the first classification with more than one hundred
6 eighty-four thousand but less than one hundred eighty-eight thousand
7 inhabitants;

8 (b) Any city of the fourth classification with more than four thousand five
9 hundred but fewer than five thousand inhabitants;

10 (c) Any city of the fourth classification with more than eight thousand
11 nine hundred but fewer than nine thousand inhabitants;

12 (d) Any home rule city with more than forty-eight thousand but fewer
13 than forty-nine thousand inhabitants;

14 (e) Any home rule city with more than seventy-three thousand but fewer
15 than seventy-five thousand inhabitants;

16 (f) Any city of the fourth classification with more than thirteen thousand
17 five hundred but fewer than sixteen thousand inhabitants;

18 (g) Any city of the fourth classification with more than seven thousand but
19 fewer than eight thousand inhabitants;

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

20 (h) Any city of the fourth classification with more than four thousand but
21 fewer than four thousand five hundred inhabitants and located in any county of
22 the first classification with more than one hundred fifty thousand but fewer than
23 two hundred thousand inhabitants; [or]

24 (i) Any city of the third classification with more than thirteen thousand
25 but fewer than fifteen thousand inhabitants and located in any county of the
26 third classification without a township form of government and with more than
27 thirty-three thousand but fewer than thirty-seven thousand inhabitants; or

28 **(j) Any city of the fourth classification with more than three**
29 **thousand but fewer than three thousand three hundred inhabitants and**
30 **located in any county of the third classification without a township**
31 **form of government and with more than eighteen thousand but fewer**
32 **than twenty thousand inhabitants and that is not the county seat of**
33 **such county.**

34 (2) The governing body of any city listed in subdivision (1) of this
35 subsection is hereby authorized to impose, by ordinance or order, a sales tax in
36 the amount of up to one-half of one percent on all retail sales made in such city
37 which are subject to taxation under the provisions of sections 144.010 to 144.525
38 for the purpose of improving the public safety for such city, including but not
39 limited to expenditures on equipment, city employee salaries and benefits, and
40 facilities for police, fire and emergency medical providers. The tax authorized by
41 this section shall be in addition to any and all other sales taxes allowed by law,
42 except that no ordinance or order imposing a sales tax pursuant to the provisions
43 of this section shall be effective unless the governing body of the city submits to
44 the voters of the city, at a county or state general, primary or special election, a
45 proposal to authorize the governing body of the city to impose a tax.

46 2. If the proposal submitted involves only authorization to impose the tax
47 authorized by this section, the ballot of submission shall contain, but need not be
48 limited to, the following language:

49 Shall the city of _____ (city's name) impose a citywide sales tax of
50 _____ (insert amount) for the purpose of improving the public
51 safety of the city?

52 ☐ YES ☐ NO

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

56 If a majority of the votes cast on the proposal by the qualified voters voting
57 thereon are in favor of the proposal submitted pursuant to this subsection, then
58 the ordinance or order and any amendments thereto shall be in effect on the first
59 day of the second calendar quarter after the director of revenue receives
60 notification of adoption of the local sales tax. If a proposal receives less than the
61 required majority, then the governing body of the city shall have no power to
62 impose the sales tax herein authorized unless and until the governing body of the
63 city shall again have submitted another proposal to authorize the governing body
64 of the city to impose the sales tax authorized by this section and such proposal
65 is approved by the required majority of the qualified voters voting
66 thereon. However, in no event shall a proposal pursuant to this section be
67 submitted to the voters sooner than twelve months from the date of the last
68 proposal pursuant to this section.

69 3. All revenue received by a city from the tax authorized under the
70 provisions of this section shall be deposited in a special trust fund and shall be
71 used solely for improving the public safety for such city for so long as the tax
72 shall remain in effect.

73 4. Once the tax authorized by this section is abolished or is terminated by
74 any means, all funds remaining in the special trust fund shall be used solely for
75 improving the public safety for the city. Any funds in such special trust fund
76 which are not needed for current expenditures may be invested by the governing
77 body in accordance with applicable laws relating to the investment of other city
78 funds.

79 5. All sales taxes collected by the director of the department of revenue
80 under this section on behalf of any city, less one percent for cost of collection
81 which shall be deposited in the state's general revenue fund after payment of
82 premiums for surety bonds as provided in section 32.087, shall be deposited in a
83 special trust fund, which is hereby created, to be known as the "City Public Safety
84 Sales Tax Trust Fund". The moneys in the trust fund shall not be deemed to be
85 state funds and shall not be commingled with any funds of the state. The
86 provisions of section 33.080 to the contrary notwithstanding, money in this fund
87 shall not be transferred and placed to the credit of the general revenue fund. The
88 director of the department of revenue shall keep accurate records of the amount
89 of money in the trust and which was collected in each city imposing a sales tax
90 pursuant to this section, and the records shall be open to the inspection of officers
91 of the city and the public. Not later than the tenth day of each month the

92 director of the department of revenue shall distribute all moneys deposited in the
93 trust fund during the preceding month to the city which levied the tax; such
94 funds shall be deposited with the city treasurer of each such city, and all
95 expenditures of funds arising from the trust fund shall be by an appropriation act
96 to be enacted by the governing body of each such city. Expenditures may be made
97 from the fund for any functions authorized in the ordinance or order adopted by
98 the governing body submitting the tax to the voters.

99 6. The director of the department of revenue may make refunds from the
100 amounts in the trust fund and credited to any city for erroneous payments and
101 overpayments made, and may redeem dishonored checks and drafts deposited to
102 the credit of such cities. If any city abolishes the tax, the city shall notify the
103 director of the department of revenue of the action at least ninety days prior to
104 the effective date of the repeal and the director of the department of revenue may
105 order retention in the trust fund, for a period of one year, of two percent of the
106 amount collected after receipt of such notice to cover possible refunds or
107 overpayment of the tax and to redeem dishonored checks and drafts deposited to
108 the credit of such accounts. After one year has elapsed after the effective date of
109 abolition of the tax in such city, the director of the department of revenue shall
110 remit the balance in the account to the city and close the account of that
111 city. The director of the department of revenue shall notify each city of each
112 instance of any amount refunded or any check redeemed from receipts due the
113 city.

114 7. Except as modified in this section, all provisions of sections 32.085 and
115 32.087 shall apply to the tax imposed pursuant to this section.

Section B. Because of the importance of providing funding for public
2 safety, section A of this act is deemed necessary for the immediate preservation
3 of the public health, welfare, peace and safety, and is hereby declared to be an
4 emergency act within the meaning of the constitution, and section A of this act
5 shall be in full force and effect upon its passage and approval.

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