

FIRST REGULAR SESSION

SENATE BILL NO. 483

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOSKINS.

Read 1st time February 28, 2019, and ordered printed.

ADRIANE D. CROUSE, Secretary.

2412S.011

AN ACT

To repeal section 144.020, RSMo, and to enact in lieu thereof one new section relating to sales tax on telecommunications service.

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

Section A. Section 144.020, RSMo, is repealed and one new section
2 enacted in lieu thereof, to be known as section 144.020, to read as follows:

144.020. 1. A tax is hereby levied and imposed for the privilege of titling
2 new and used motor vehicles, trailers, boats, and outboard motors purchased or
3 acquired for use on the highways or waters of this state which are required to be
4 titled under the laws of the state of Missouri and, except as provided in
5 subdivision (9) of this subsection, upon all sellers for the privilege of engaging in
6 the business of selling tangible personal property or rendering taxable service at
7 retail in this state. The rate of tax shall be as follows:

8 (1) Upon every retail sale in this state of tangible personal property,
9 excluding motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats and
10 outboard motors required to be titled under the laws of the state of Missouri and
11 subject to tax under subdivision (9) of this subsection, a tax equivalent to four
12 percent of the purchase price paid or charged, or in case such sale involves the
13 exchange of property, a tax equivalent to four percent of the consideration paid
14 or charged, including the fair market value of the property exchanged at the time
15 and place of the exchange, except as otherwise provided in section 144.025;

16 (2) A tax equivalent to four percent of the amount paid for admission and
17 seating accommodations, or fees paid to, or in any place of amusement,
18 entertainment or recreation, games and athletic events, except amounts paid for
19 any instructional class;

20 (3) A tax equivalent to four percent of the basic rate paid or charged on

21 all sales of electricity or electrical current, water and gas, natural or artificial, to
22 domestic, commercial or industrial consumers;

23 (4) (a) A tax equivalent to four percent on the basic rate paid or charged
24 on all sales of local and long distance telecommunications service to
25 telecommunications subscribers and to others through equipment of
26 telecommunications subscribers for the transmission of messages and
27 conversations and upon the sale, rental or leasing of all equipment or services
28 pertaining or incidental thereto; except that, the payment made by
29 telecommunications subscribers or others, pursuant to section 144.060, and any
30 amounts paid for access to the internet or interactive computer services shall not
31 be considered as amounts paid for telecommunications services;

32 (b) **If local and long distance telecommunications services**
33 **subject to tax under this subdivision are aggregated with and not**
34 **separately stated from charges for telecommunications service or other**
35 **services not subject to tax under this subdivision, including, but not**
36 **limited to, interstate or international telecommunications services,**
37 **then the charges for nontaxable services may be subject to taxation**
38 **unless the telecommunications provider can identify by reasonable and**
39 **verifiable standards such portion of the charges not subject to such tax**
40 **from its books and records that are kept in the regular course of**
41 **business for other purposes, including, but not limited to, financial**
42 **statement, general ledgers, invoice and billing systems and reports, and**
43 **reports for regulatory tariffs and other regulatory matters;**

44 (5) A tax equivalent to four percent of the basic rate paid or charged for
45 all sales of services for transmission of messages of telegraph companies;

46 (6) A tax equivalent to four percent on the amount of sales or charges for
47 all rooms, meals and drinks furnished at any hotel, motel, tavern, inn,
48 restaurant, eating house, drugstore, dining car, tourist cabin, tourist camp or
49 other place in which rooms, meals or drinks are regularly served to the
50 public. The tax imposed under this subdivision shall not apply to any automatic
51 mandatory gratuity for a large group imposed by a restaurant when such gratuity
52 is reported as employee tip income and the restaurant withholds income tax
53 under section 143.191 on such gratuity;

54 (7) A tax equivalent to four percent of the amount paid or charged for
55 intrastate tickets by every person operating a railroad, sleeping car, dining car,
56 express car, boat, airplane and such buses and trucks as are licensed by the

57 division of motor carrier and railroad safety of the department of economic
58 development of Missouri, engaged in the transportation of persons for hire;

59 (8) A tax equivalent to four percent of the amount paid or charged for
60 rental or lease of tangible personal property, provided that if the lessor or renter
61 of any tangible personal property had previously purchased the property under
62 the conditions of sale at retail or leased or rented the property and the tax was
63 paid at the time of purchase, lease or rental, the lessor, sublessor, renter or
64 subrenter shall not apply or collect the tax on the subsequent lease, sublease,
65 rental or subrental receipts from that property. The purchase, rental or lease of
66 motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats, and outboard
67 motors shall be taxed and the tax paid as provided in this section and section
68 144.070. In no event shall the rental or lease of boats and outboard motors be
69 considered a sale, charge, or fee to, for or in places of amusement, entertainment
70 or recreation nor shall any such rental or lease be subject to any tax imposed to,
71 for, or in such places of amusement, entertainment or recreation. Rental and
72 leased boats or outboard motors shall be taxed under the provisions of the sales
73 tax laws as provided under such laws for motor vehicles and trailers. Tangible
74 personal property which is exempt from the sales or use tax under section
75 144.030 upon a sale thereof is likewise exempt from the sales or use tax upon the
76 lease or rental thereof;

77 (9) A tax equivalent to four percent of the purchase price, as defined in
78 section 144.070, of new and used motor vehicles, trailers, boats, and outboard
79 motors purchased or acquired for use on the highways or waters of this state
80 which are required to be registered under the laws of the state of Missouri. This
81 tax is imposed on the person titling such property, and shall be paid according
82 to the procedures in section 144.440.

83 2. All tickets sold which are sold under the provisions of sections 144.010
84 to 144.525 which are subject to the sales tax shall have printed, stamped or
85 otherwise endorsed thereon, the words "This ticket is subject to a sales tax."

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