

SENATE SUBSTITUTE
FOR
SENATE COMMITTEE SUBSTITUTE
FOR
HOUSE BILL NO. 1700

AN ACT

To repeal sections 32.310, 67.730, 67.1360, 67.2677, 67.2689, 94.838, 94.900, 94.902, 143.011, 144.011, 144.020, 144.049, 144.054, 144.060, 144.080, 144.140, 144.526, 144.605, 144.710, 144.757, 144.759, and 321.552, RSMo, and to enact in lieu thereof thirty-two new sections relating to taxation, with an existing penalty provision, an emergency clause for a certain section, and an effective date for certain sections.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,
AS FOLLOWS:

1 Section A. Sections 32.310, 67.730, 67.1360, 67.2677,
2 67.2689, 94.838, 94.900, 94.902, 143.011, 144.011, 144.020,
3 144.049, 144.054, 144.060, 144.080, 144.140, 144.526, 144.605,
4 144.710, 144.757, 144.759, and 321.552, RSMo, are repealed and
5 thirty-two new sections enacted in lieu thereof, to be known as
6 sections, 32.310, 33.575, 67.730, 67.1011, 67.1360, 67.1790,
7 67.2677, 67.2689, 67.2720, 94.838, 94.842, 94.900, 94.902,
8 94.1014, 143.011, 144.011, 144.020, 144.049, 144.054, 144.060,
9 144.080, 144.140, 144.526, 144.605, 144.608, 144.637, 144.638,
10 144.710, 144.752, 144.757, 144.759, and 321.552, to read as
11 follows:

12 32.310. 1. The department of revenue shall create and
13 maintain a mapping feature on its official public website that

1 displays sales and use tax information of political subdivisions
2 of this state that have taxing authority, including the current
3 tax rate for each sales and use tax imposed and collected. Such
4 display shall have the option to showcase the borders and
5 jurisdiction of the following political subdivisions on a map of
6 the state to the extent that such political subdivisions collect
7 sales and use tax:

- 8 (1) Ambulance districts;
- 9 (2) Community improvement districts;
- 10 (3) Fire protection districts;
- 11 (4) Levee districts;
- 12 (5) Library districts;
- 13 (6) Neighborhood improvement districts;
- 14 (7) Port authority districts;
- 15 (8) Tax increment financing districts;
- 16 (9) Transportation development districts;
- 17 (10) School districts; or
- 18 (11) Any other political subdivision that imposes a sales
19 or use tax within its borders and jurisdiction.

20 2. The mapping feature shall also have the option to
21 superimpose state house of representative districts and state
22 senate districts over the political subdivisions.

23 3. A political subdivision collecting sales or use tax
24 listed in subsection 1 of this section shall provide to the
25 department of revenue mapping and geographic data pertaining to
26 the political subdivision's borders and jurisdictions. The
27 political subdivision shall certify the accuracy of the data by
28 affidavit and shall provide the data in a format specified by the

1 department of revenue. Such data relating to sales taxes shall
2 be sent to the department of revenue by April 1, 2019, and shall
3 be updated and sent to the department if a change in the
4 political subdivision's borders or jurisdiction occurs
5 thereafter. Such data relating to use taxes shall be sent to the
6 department of revenue by January 1, 2021. If a political
7 subdivision fails to provide the information required under this
8 subsection, the department of revenue shall use the last known
9 sales or use tax rate for such political subdivision.

10 4. The department of revenue may contract with another
11 entity to build and maintain the mapping feature.

12 5. By July 1, 2019, the department shall implement the
13 mapping feature using the sales tax data provided to it under
14 subsection 3 of this section. By August 28, 2021, the department
15 shall implement the mapping feature using use tax data provided
16 to it under subsection 3 of this section.

17 6. If the boundaries of a political subdivision listed in
18 subsection 1 of this section in which a sales or use tax has been
19 imposed shall thereafter be changed or altered, the political
20 subdivision shall forward to the director of revenue by United
21 States registered mail or certified mail a certified copy of the
22 ordinance adding or detaching territory from the political
23 subdivision within ten days of adoption of the ordinance. The
24 ordinance shall reflect the effective date of the ordinance and
25 shall be accompanied by a map in a form to be determined by the
26 director of revenue. Upon receipt of the ordinance and map, the
27 sales or use tax imposed shall be effective in the added
28 territory or abolished in the detached territory on the first day

1 of a calendar quarter after one hundred twenty days' notice to
2 sellers.

3 33.575. 1. There is hereby created in the state treasury
4 the "Cash Operating Expense Fund", which shall consist of money
5 as provided under this section. The state treasurer shall be
6 custodian of the fund. In accordance with sections 30.170 and
7 30.180, the state treasurer may approve disbursements.

8 Notwithstanding the provisions of section 33.080 to the contrary,
9 any moneys remaining in the fund at the end of the biennium shall
10 not revert to the credit of the general revenue fund. The state
11 treasurer shall invest moneys in the fund in the same manner as
12 other funds are invested. Any interest and moneys earned on such
13 investments shall be credited to the fund.

14 2. (1) The state general revenue portion from remittances
15 made pursuant to section 144.752 and paragraph (e) of subdivision
16 (3) of section 144.605, with the exception of revenues collected
17 pursuant to section 144.701 and Article IV, Sections 43(a) and
18 47(a) of the Missouri Constitution, shall be deposited into the
19 cash operating expense fund.

20 (2) Subject to appropriation, the following moneys may be
21 transferred into the cash operating expense fund:

22 (a) Any funds appropriated to the office of the governor
23 for expenses related to emergency duties performed by the
24 national guard when ordered out by the governor, for matching
25 funds for federal grants and for emergency assistance as provided
26 in section 44.032, and for expenses of any state agency
27 responding during a declared emergency at the direction of the
28 governor, provided the services furnish immediate aid and relief,

1 that were unexpended at the end of the fiscal year; and

2 (b) Any funds appropriated to the cash operating expense
3 fund by the general assembly or otherwise credited to the fund.

4 3. In any fiscal year in which actual revenues are less
5 than the revenue estimates upon which appropriations were based
6 or in which there is a budget need due to a natural disaster, as
7 proclaimed by the governor to be an emergency, the governor may,
8 subject to appropriation, transfer from the fund to the general
9 revenue fund such moneys as are necessary to make up all or part
10 of the deficit between the actual revenues and the revenue
11 estimates or to meet the needs of the emergency caused by the
12 natural disaster, as the case may be.

13 4. When the balance in the fund at the close of any fiscal
14 year exceeds two and one-half percent of net general revenue
15 collections for the previous fiscal year, the excess balance
16 shall be transferred to the general revenue fund.

17 5. For the purposes of this section, "net general revenue
18 collections" means all revenue deposited into the general revenue
19 fund less refunds and revenues originally deposited into the
20 general revenue fund but designated by law for a specific
21 distribution or transfer to another state fund.

22 67.730. 1. Any county of the first [class] classification
23 or any county having a charter form of government, and containing
24 [the major] a portion of a city with a population of over three
25 hundred fifty thousand may, upon the vote of a majority of the
26 qualified voters of the county voting thereon, issue and sell its
27 negotiable interest-bearing revenue bonds for the purpose of
28 paying all or part of the cost of any capital improvements

1 project or projects designated by the governing body of the
2 county. The bonds shall be retired from the proceeds of a
3 countywide sales tax on all retail sales made in such county
4 which are subject to taxation under the provisions of sections
5 144.010 to 144.525. The sales tax to retire the revenue bonds
6 shall be approved as a part of the proposal to issue the bonds
7 submitted to the qualified voters of the county and may be
8 imposed in addition to or in lieu of all and any other sales tax
9 authorized by law to be imposed by the county.

10 2. The proposal to issue negotiable interest-bearing
11 revenue bonds for the purpose of capital improvement projects and
12 the imposition of a sales tax to pay the principal and interest
13 on such bonds may be submitted by the governing body of the
14 county to the voters of the county at a county or state general,
15 primary, or special election. The ballot of submission shall
16 contain, but need not be limited to, the following language:

17 Shall the county of _____ issue its negotiable
18 interest-bearing revenue bonds in the total face amount
19 of \$_____ payable in _____ years for the purpose of
20 funding capital improvement projects in the county and
21 impose a countywide sales tax at the rate of _____ to
22 pay the principal and interest on such bonds?

23 YES NO

24
25 If you are in favor of the question, place an "X" in
26 the box opposite "YES". If you are opposed to the
27 question, place an "X" in the box opposite "NO".

28 3. If a majority of the votes cast on the proposal by the

1 qualified voters voting thereon are in favor of the proposal,
2 then the bonds may be issued by the county from time to time and
3 in such amounts as may be necessary to carry out the county's
4 program of capital improvements, but not to exceed the total
5 amount of bonds authorized by the vote of the qualified voters.
6 If a majority of the votes cast by the qualified voters voting
7 thereon are opposed to the proposal, then the county shall have
8 no power to issue the revenue bonds or impose the sales tax
9 authorized by sections 67.730 to 67.739 unless and until the
10 governing body of the county shall again have submitted the
11 proposal and such proposal is approved by a majority of the
12 qualified voters voting thereon.

13 4. The governing body of any county authorized to levy a
14 sales tax pursuant to this section, but which was not authorized
15 to levy such sales tax prior to August 28, 2020, shall:

16 (1) Submit the question of the imposition of the sales tax
17 to the voters on a general election day not earlier than the 2022
18 general election; and

19 (2) Include information on the county website on the tax
20 rate and the purposes for which the tax is levied.

21 67.1011. 1. The governing body of any city of the third
22 classification with more than four thousand but fewer than four
23 thousand five hundred inhabitants and located in any county of
24 the third classification with a township form of government and
25 with more than sixteen thousand but fewer than eighteen thousand
26 inhabitants may impose a tax as provided in this section.

27 2. The governing body of any city described under
28 subsection 1 of this section may impose a tax on the charges for

1 all sleeping rooms paid by the transient guests of hotels or
2 motels situated in the city, which shall be no more than six
3 percent per occupied room per night. The tax shall not become
4 effective unless the governing body of the city submits to the
5 voters of the city on a general election day not earlier than the
6 2022 general election a question to authorize the governing body
7 of the city to impose the tax. The tax shall be in addition to
8 the charge for the sleeping room and shall be in addition to any
9 and all other taxes. The tax shall be stated separately from all
10 other charges and taxes.

11 3. The question for the tax shall be in substantially the
12 following form:

13 Shall _____ (city name) impose a tax on the
14 charges for all sleeping rooms paid by the transient
15 guests of hotels and motels situated in _____
16 (city name) at a rate of _____ percent?

17 YES NO

18
19 If a majority of the votes cast on the question by the qualified
20 voters voting thereon are in favor of the question, the tax shall
21 become effective on the first day of the second calendar quarter
22 following the calendar quarter in which the election was held.

23 If a majority of the votes cast on the question by the qualified
24 voters voting thereon are opposed to the question, the tax shall
25 not become effective unless and until the question is resubmitted
26 under this section to the qualified voters and such question is
27 approved by a majority of the qualified voters voting thereon.

28 4. The governing body of any city authorized to levy a

1 sales tax pursuant to this section shall include information on
2 the city's website on the tax rate and the purposes for which the
3 tax is levied.

4 5. As used in this section, "transient guests" means a
5 person or persons who occupy a room or rooms in a hotel or motel
6 for thirty-one days or less during any calendar quarter.

7 67.1360. 1. The governing body of the following cities and
8 counties may impose a tax as provided in this section:

9 (1) A city with a population of more than seven thousand
10 and less than seven thousand five hundred;

11 (2) A county with a population of over nine thousand six
12 hundred and less than twelve thousand which has a total assessed
13 valuation of at least sixty-three million dollars, if the county
14 submits the issue to the voters of such county prior to January
15 1, 2003;

16 (3) A third class city which is the county seat of a county
17 of the third classification without a township form of government
18 with a population of at least twenty-five thousand but not more
19 than thirty thousand inhabitants;

20 (4) Any fourth class city having, according to the last
21 federal decennial census, a population of more than one thousand
22 eight hundred fifty inhabitants but less than one thousand nine
23 hundred fifty inhabitants in a county of the first classification
24 with a charter form of government and having a population of
25 greater than six hundred thousand but less than nine hundred
26 thousand inhabitants;

27 (5) Any city having a population of more than three
28 thousand but less than eight thousand inhabitants in a county of

1 the fourth classification having a population of greater than
2 forty-eight thousand inhabitants;

3 (6) Any city having a population of less than two hundred
4 fifty inhabitants in a county of the fourth classification having
5 a population of greater than forty-eight thousand inhabitants;

6 (7) Any fourth class city having a population of more than
7 two thousand five hundred but less than three thousand
8 inhabitants in a county of the third classification having a
9 population of more than twenty-five thousand but less than
10 twenty-seven thousand inhabitants;

11 (8) Any third class city with a population of more than
12 three thousand two hundred but less than three thousand three
13 hundred located in a county of the third classification having a
14 population of more than thirty-five thousand but less than
15 thirty-six thousand;

16 (9) Any county of the second classification without a
17 township form of government and a population of less than thirty
18 thousand;

19 (10) Any city of the fourth class in a county of the second
20 classification without a township form of government and a
21 population of less than thirty thousand;

22 (11) Any county of the third classification with a township
23 form of government and a population of at least twenty-eight
24 thousand but not more than thirty thousand;

25 (12) Any city of the fourth class with a population of more
26 than one thousand eight hundred but less than two thousand in a
27 county of the third classification with a township form of
28 government and a population of at least twenty-eight thousand but

1 not more than thirty thousand;

2 (13) Any city of the third class with a population of more
3 than seven thousand two hundred but less than seven thousand five
4 hundred within a county of the third classification with a
5 population of more than twenty-one thousand but less than
6 twenty-three thousand;

7 (14) Any fourth class city having a population of more than
8 two thousand eight hundred but less than three thousand one
9 hundred inhabitants in a county of the third classification with
10 a township form of government having a population of more than
11 eight thousand four hundred but less than nine thousand
12 inhabitants;

13 (15) Any fourth class city with a population of more than
14 four hundred seventy but less than five hundred twenty
15 inhabitants located in a county of the third classification with
16 a population of more than fifteen thousand nine hundred but less
17 than sixteen thousand inhabitants;

18 (16) Any third class city with a population of more than
19 three thousand eight hundred but less than four thousand
20 inhabitants located in a county of the third classification with
21 a population of more than fifteen thousand nine hundred but less
22 than sixteen thousand inhabitants;

23 (17) Any fourth class city with a population of more than
24 four thousand three hundred but less than four thousand five
25 hundred inhabitants located in a county of the third
26 classification without a township form of government with a
27 population greater than sixteen thousand but less than sixteen
28 thousand two hundred inhabitants;

1 (18) Any fourth class city with a population of more than
2 two thousand four hundred but less than two thousand six hundred
3 inhabitants located in a county of the first classification
4 without a charter form of government with a population of more
5 than fifty-five thousand but less than sixty thousand
6 inhabitants;

7 (19) Any fourth class city with a population of more than
8 two thousand five hundred but less than two thousand six hundred
9 inhabitants located in a county of the third classification with
10 a population of more than nineteen thousand one hundred but less
11 than nineteen thousand two hundred inhabitants;

12 (20) Any county of the third classification without a
13 township form of government with a population greater than
14 sixteen thousand but less than sixteen thousand two hundred
15 inhabitants;

16 (21) Any county of the second classification with a
17 population of more than forty-four thousand but less than fifty
18 thousand inhabitants;

19 (22) Any third class city with a population of more than
20 nine thousand five hundred but less than nine thousand seven
21 hundred inhabitants located in a county of the first
22 classification without a charter form of government and with a
23 population of more than one hundred ninety-eight thousand but
24 less than one hundred ninety-eight thousand two hundred
25 inhabitants;

26 (23) Any city of the fourth classification with more than
27 five thousand two hundred but less than five thousand three
28 hundred inhabitants located in a county of the third

1 classification without a township form of government and with
2 more than twenty-four thousand five hundred but less than
3 twenty-four thousand six hundred inhabitants;

4 (24) Any third class city with a population of more than
5 nineteen thousand nine hundred but less than twenty thousand in a
6 county of the first classification without a charter form of
7 government and with a population of more than one hundred
8 ninety-eight thousand but less than one hundred ninety-eight
9 thousand two hundred inhabitants;

10 (25) Any city of the fourth classification with more than
11 two thousand six hundred but less than two thousand seven hundred
12 inhabitants located in any county of the third classification
13 without a township form of government and with more than fifteen
14 thousand three hundred but less than fifteen thousand four
15 hundred inhabitants;

16 (26) Any county of the third classification without a
17 township form of government and with more than fourteen thousand
18 nine hundred but less than fifteen thousand inhabitants;

19 (27) Any city of the fourth classification with more than
20 five thousand four hundred but fewer than five thousand five
21 hundred inhabitants and located in more than one county;

22 (28) Any city of the fourth classification with more than
23 six thousand three hundred but fewer than six thousand five
24 hundred inhabitants and located in more than one county through
25 the creation of a tourism district which may include, in addition
26 to the geographic area of such city, the area encompassed by the
27 portion of the school district, located within a county of the
28 first classification with more than ninety-three thousand eight

1 hundred but fewer than ninety-three thousand nine hundred
2 inhabitants, having an average daily attendance for school year
3 2005-06 between one thousand eight hundred and one thousand nine
4 hundred;

5 (29) Any city of the fourth classification with more than
6 seven thousand seven hundred but less than seven thousand eight
7 hundred inhabitants located in a county of the first
8 classification with more than ninety-three thousand eight hundred
9 but less than ninety-three thousand nine hundred inhabitants;

10 (30) Any city of the fourth classification with more than
11 two thousand nine hundred but less than three thousand
12 inhabitants located in a county of the first classification with
13 more than seventy-three thousand seven hundred but less than
14 seventy-three thousand eight hundred inhabitants;

15 (31) Any city of the third classification with more than
16 nine thousand three hundred but less than nine thousand four
17 hundred inhabitants;

18 (32) Any city of the fourth classification with more than
19 three thousand eight hundred but fewer than three thousand nine
20 hundred inhabitants and located in any county of the first
21 classification with more than thirty-nine thousand seven hundred
22 but fewer than thirty-nine thousand eight hundred inhabitants;

23 (33) Any city of the fourth classification with more than
24 one thousand eight hundred but fewer than one thousand nine
25 hundred inhabitants and located in any county of the first
26 classification with more than one hundred thirty-five thousand
27 four hundred but fewer than one hundred thirty-five thousand five
28 hundred inhabitants;

1 (34) Any county of the third classification without a
2 township form of government and with more than twelve thousand
3 one hundred but fewer than twelve thousand two hundred
4 inhabitants;

5 (35) Any city of the fourth classification with more than
6 three thousand eight hundred but fewer than four thousand
7 inhabitants and located in more than one county; provided,
8 however, that motels owned by not-for-profit organizations are
9 exempt;

10 (36) Any city of the fourth classification with more than
11 five thousand but fewer than five thousand five hundred
12 inhabitants and located in any county with a charter form of
13 government and with more than two hundred thousand but fewer than
14 three hundred fifty thousand inhabitants; [or]

15 (37) Any city with more than four thousand but fewer than
16 five thousand five hundred inhabitants and located in any county
17 of the fourth classification with more than thirty thousand but
18 fewer than forty-two thousand inhabitants; or

19 (38) Any city of the third classification with more than
20 nine thousand but fewer than ten thousand inhabitants and located
21 in more than one county.

22 2. The governing body of any city or county listed in
23 subsection 1 of this section may impose a tax on the charges for
24 all sleeping rooms paid by the transient guests of hotels,
25 motels, bed and breakfast inns, and campgrounds and any docking
26 facility that rents slips to recreational boats that are used by
27 transients for sleeping, which shall be at least two percent but
28 not more than five percent per occupied room per night, except

1 that such tax shall not become effective unless the governing
2 body of the city or county submits to the voters of the city or
3 county at a state general, primary, or special election, a
4 proposal to authorize the governing body of the city or county to
5 impose a tax pursuant to the provisions of this section and
6 section 67.1362. The tax authorized by this section and section
7 67.1362 shall be in addition to any charge paid to the owner or
8 operator and shall be in addition to any and all taxes imposed by
9 law and the proceeds of such tax shall be used by the city or
10 county solely for funding the promotion of tourism. Such tax
11 shall be stated separately from all other charges and taxes.

12 3. The governing body of any city or county authorized to
13 levy a sales tax pursuant to this section, but which was not
14 authorized to levy such sales tax prior to August 28, 2020,
15 shall:

16 (1) Submit the question of the imposition of the sales tax
17 to the voters on a general election day not earlier than the 2022
18 general election; and

19 (2) Include information on the city or county website on
20 the tax rate and the purposes for which the tax is levied.

21 67.1790. 1. The governing body of any county of the first
22 classification with more than two hundred sixty thousand but
23 fewer than three hundred thousand inhabitants, or any city within
24 such county, may impose by order or ordinance a sales tax on all
25 retail sales made within the county or city that are subject to
26 sales tax under chapter 144 for the purpose of funding early
27 childhood education programs in the county or city. The tax
28 shall not exceed one-quarter of one percent and shall be imposed

1 solely for the purpose of funding early childhood education
2 programs in the county or city. The tax authorized in this
3 section shall be in addition to all other sales taxes imposed by
4 law and shall be stated separately from all other charges and
5 taxes. The order or ordinance imposing a sales tax under this
6 section shall not become effective unless the governing body of
7 the county or city submits to the voters residing within the
8 county or city, on a general election day not earlier than the
9 2022 general election, a proposal to authorize the governing body
10 of the county or city to impose a tax under this section.

11 2. The question of whether the tax authorized by this
12 section shall be imposed shall be submitted in substantially the
13 following form:

14 Shall _____ (name of county/city) impose a
15 (countywide/citywide) sales tax at a rate of _____
16 (insert percentage) percent for the purpose of funding
17 early childhood education in the (county/city)?

18 YES

18 NO

19
20 If a majority of the votes cast on the question by the qualified
21 voters voting thereon are in favor of the question, the order or
22 ordinance shall become effective on the first day of the second
23 calendar quarter after the director of revenue receives notice of
24 adoption of the tax. If a majority of the votes cast on the
25 question by the qualified voters voting thereon are opposed to
26 the question, the county or city shall not impose the sales tax
27 authorized under this section unless and until the question is
28 resubmitted under this section to the qualified voters and such

1 question is approved by a majority of the qualified voters voting
2 on the question.

3 3. On or after the effective date of any tax authorized
4 under this section, the county or city that imposed the tax shall
5 enter into an agreement with the director of revenue for the
6 purpose of collecting the tax authorized in this section. On or
7 after the effective date of the tax, the director of revenue
8 shall be responsible for the administration, collection,
9 enforcement, and operation of the tax, and sections 32.085 and
10 32.087 shall apply. All revenue collected under this section by
11 the director of revenue on behalf of any county or city, less one
12 percent for the cost of collection which shall be deposited in
13 the state's general revenue fund, shall be deposited in a special
14 trust fund, which is hereby created and shall be known as the
15 "Early Childhood Education Sales Tax Trust Fund" and shall be
16 used solely for the designated purposes. Moneys in the fund
17 shall not be deemed to be state funds and shall not be commingled
18 with any funds of the state. The director may make refunds from
19 the amounts in the trust fund and credited to the county or city
20 for erroneous payments and overpayments made and may redeem
21 dishonored checks and drafts deposited to the credit of such
22 county or city. Any funds in the special trust fund that are not
23 needed for current expenditures shall be invested in the same
24 manner as other funds are invested. Any interest and moneys
25 earned on such investments shall be credited to the fund.

26 4. In order to permit sellers required to collect and
27 report the sales tax to collect the amount required to be
28 reported and remitted, but not to change the requirements of

1 reporting or remitting the tax, or to serve as a levy of the tax,
2 and in order to avoid fractions of pennies, the governing body of
3 the county or city may authorize the use of a bracket system
4 similar to that authorized under section 144.285, and,
5 notwithstanding the provisions of that section, this new bracket
6 system shall be used where this tax is imposed and shall apply to
7 all taxable transactions. Beginning with the effective date of
8 the tax, every retailer in the county or city shall add the sales
9 tax to the sale price, and this tax shall be a debt of the
10 purchaser to the retailer until paid and shall be recoverable at
11 law in the same manner as the purchase price. For purposes of
12 this section, all retail sales shall be deemed to be consummated
13 at the place of business of the retailer.

14 5. All applicable provisions in sections 144.010 to 144.527
15 governing the state sales tax and section 32.057, the uniform
16 confidentiality provision, shall apply to the collection of the
17 tax, and all exemptions granted to agencies of government,
18 organizations, and persons under sections 144.010 to 144.527 are
19 hereby made applicable to the imposition and collection of the
20 tax. The same sales tax permit, exemption certificate, and
21 retail certificate required by sections 144.010 to 144.527 for
22 the administration and collection of the state sales tax shall
23 satisfy the requirements of this section, and no additional
24 permit, exemption certificate, or retail certificate shall be
25 required, except that the director of revenue may prescribe a
26 form of exemption certificate for an exemption from the tax. All
27 discounts allowed the retailer under the state sales tax for the
28 collection of and for payment of taxes are hereby allowed and

1 made applicable to the tax. The penalties for violations
2 provided in section 32.057 and sections 144.010 to 144.527 are
3 hereby made applicable to violations of this section. If any
4 person is delinquent in the payment of the amount required to be
5 paid under this section, or in the event a determination has been
6 made against the person for taxes and penalties under this
7 section, the limitation for bringing suit for the collection of
8 the delinquent tax and penalties shall be the same as that
9 provided in sections 144.010 to 144.527.

10 6. The governing body of any county or city that has
11 adopted the sales tax authorized in this section may submit the
12 question of repeal of the tax to the voters at a general
13 election. The ballot of submission shall be in substantially the
14 following form:

15 Shall _____ (name of county/city) repeal the sales
16 tax imposed at a rate of _____ (insert percentage)
17 percent for the purpose of funding early childhood
18 education in the (county/city)?

19 YES NO

20
21 If a majority of the votes cast on the question by the qualified
22 voters voting thereon are in favor of repeal, that repeal shall
23 become effective on December thirty-first of the calendar year in
24 which such repeal was approved. If a majority of the votes cast
25 on the question by the qualified voters voting thereon are
26 opposed to the repeal, the sales tax authorized in this section
27 shall remain effective until the question is resubmitted under
28 this section to the qualified voters and is approved by a

1 majority of the qualified voters voting thereon.

2 7. If the governing body of any county or city that has
3 adopted the sales tax authorized in this section receives a
4 petition signed by at least ten percent of the registered voters
5 of the county or city voting in the last gubernatorial election
6 calling for an election to repeal the sales tax imposed under
7 this section, the governing body shall submit to the voters of
8 the county or city a proposal to repeal the tax. If a majority
9 of the votes cast on the question by the qualified voters voting
10 thereon are in favor of the repeal, the repeal shall become
11 effective on December thirty-first of the calendar year in which
12 such repeal was approved. If a majority of the votes cast on the
13 question by the qualified voters voting thereon are opposed to
14 the repeal, the sales tax authorized in this section shall remain
15 effective until the question is resubmitted under this section to
16 the qualified voters and the repeal is approved by a majority of
17 the qualified voters voting on the question.

18 8. If the tax is repealed or terminated by any means, all
19 funds remaining in the special trust fund shall continue to be
20 used solely for the designated purposes; the county or city shall
21 notify the director of revenue of the action at least thirty days
22 before the effective date of the repeal; and the director may
23 order retention in the trust fund, for a period of one year, of
24 two percent of the amount collected after receipt of such notice
25 to cover possible refunds or overpayment of the tax and to redeem
26 dishonored checks and drafts deposited to the credit of such
27 accounts. After one year has elapsed from the effective date of
28 abolition of the tax in such county or city, the director shall

1 remit the balance in the account to the county or city and close
2 the account of that county or city. The director shall notify
3 each county or city of each instance of any amount refunded or
4 any check redeemed from receipts due the county or city.

5 9. The governing body of each county or city imposing the
6 tax authorized under this section shall select an existing
7 community task force to administer the revenue from the tax
8 received by the county or city. Such revenue shall be expended
9 only upon approval of an existing community task force selected
10 by the governing body of the county or city to administer the
11 funds and only in accordance with a budget approved by the county
12 or city governing body.

13 10. The governing body of any city or county authorized to
14 levy a sales tax pursuant to this section shall include
15 information on the city's or county's website on the tax rate and
16 the purposes for which the tax is levied.

17 67.2677. For purposes of sections 67.2675 to 67.2714, the
18 following terms mean:

19 (1) "Cable operator", as defined in 47 U.S.C. Section
20 522(5);

21 (2) "Cable system", as defined in 47 U.S.C. Section 522(7);

22 (3) "Franchise", an initial authorization, or renewal of an
23 authorization, issued by a franchising entity, regardless of
24 whether the authorization is designated as a franchise, permit,
25 license, resolution, contract, certificate, agreement, or
26 otherwise, that authorizes the provision of video service and any
27 affiliated or subsidiary agreements related to such
28 authorization;

1 (4) "Franchise area", the total geographic area authorized
2 to be served by an incumbent cable operator in a political
3 subdivision as of August 28, 2007, or, in the case of an
4 incumbent local exchange carrier, as such term is defined in 47
5 U.S.C. Section 251(h), or affiliate thereof, the area within such
6 political subdivision in which such carrier provides telephone
7 exchange service;

8 (5) "Franchise entity", a political subdivision that was
9 entitled to require franchises and impose fees on cable operators
10 on the day before the effective date of sections 67.2675 to
11 67.2714, provided that only one political subdivision may be a
12 franchise entity with regard to a geographic area;

13 (6) (a) "Gross revenues", limited to amounts billed to
14 video service subscribers [or received from advertisers] for the
15 following:

16 a. Recurring charges for video service; and

17 b. Event-based charges for video service, including but not
18 limited to pay-per-view and video-on-demand charges;

19 [c. Rental of set top boxes and other video service
20 equipment;

21 d. Service charges related to the provision of video
22 service, including but not limited to activation, installation,
23 repair, and maintenance charges;

24 e. Administrative charges related to the provision of video
25 service, including but not limited to service order and service
26 termination charges; and

27 f. A pro rata portion of all revenue derived, less refunds,
28 rebates, or discounts, by a video service provider for

1 advertising over the video service network to subscribers within
2 the franchise area where the numerator is the number of
3 subscribers within the franchise area, and the denominator is the
4 total number of subscribers reached by such advertising;]

5 (b) "Gross revenues" do not include:

6 a. Discounts, refunds, and other price adjustments that
7 reduce the amount of compensation received by an entity holding a
8 video service authorization;

9 b. Uncollectibles;

10 c. Late payment fees;

11 d. Amounts billed to video service subscribers to recover
12 taxes, fees, or surcharges imposed on video service subscribers
13 or video service providers in connection with the provision of
14 video services, including the video service provider fee
15 authorized by this section;

16 e. Fees or other contributions for PEG or I-Net support;

17 [or]

18 f. Charges for services other than video service that are
19 aggregated or bundled with amounts billed to video service
20 subscribers, if the entity holding a video service authorization
21 reasonably can identify such charges on books and records kept in
22 the regular course of business or by other reasonable means;

23 g. Rental of set top boxes, modems, or other equipment used
24 to provide or facilitate the provision of video service;

25 h. Service charges related to the provision of video
26 service, including but not limited to activation, installation,
27 repair, and maintenance charges;

28 i. Administrative charges related to the provision of video

1 service, including but not limited to service order and service
2 termination charges; or

3 j. A pro rata portion of all revenue derived from
4 advertising, less refunds, rebates, or discounts;

5 (c) Except with respect to the exclusion of the video
6 service provider fee, gross revenues shall be computed in
7 accordance with generally accepted accounting principles;

8 (7) "Household", an apartment, a house, a mobile home, or
9 any other structure or part of a structure intended for
10 residential occupancy as separate living quarters;

11 (8) "Incumbent cable operator", the cable service provider
12 serving cable subscribers in a particular franchise area on
13 September 1, 2007;

14 (9) "Low-income household", a household with an average
15 annual household income of less than thirty-five thousand
16 dollars;

17 (10) "Person", an individual, partnership, association,
18 organization, corporation, trust, or government entity;

19 (11) "Political subdivision", a city, town, village,
20 county;

21 (12) "Public right-of-way", the area of real property in
22 which a political subdivision has a dedicated or acquired
23 right-of-way interest in the real property, including the area
24 on, below, or above the present and future streets, alleys,
25 avenues, roads, highways, parkways, or boulevards dedicated or
26 acquired as right-of-way and utility easements dedicated for
27 compatible uses. The term does not include the airwaves above a
28 right-of-way with regard to wireless telecommunications or other

1 nonwire telecommunications or broadcast service;

2 (13) "Video programming", programming provided by, or
3 generally considered comparable to programming provided by, a
4 television broadcast station, as set forth in 47 U.S.C. Section
5 522(20);

6 (14) "Video service", the provision of video programming
7 provided through wireline facilities located at least in part in
8 the public right-of-way without regard to delivery technology,
9 including internet protocol technology whether provided as part
10 of a tier, on demand, or a per-channel basis. This definition
11 includes cable service as defined by 47 U.S.C. Section 522(6),
12 but does not include any video programming provided by a
13 commercial mobile service provider defined in 47 U.S.C. Section
14 332(d), or any video programming provided solely as part of and
15 via a service that enables users to access content, information,
16 electronic mail, or other services offered over the public
17 internet;

18 (15) "Video service authorization", the right of a video
19 service provider or an incumbent cable operator that secures
20 permission from the public service commission pursuant to
21 sections 67.2675 to 67.2714, to offer video service to
22 subscribers in a political subdivision;

23 (16) "Video service network", wireline facilities, or any
24 component thereof, located at least in part in the public
25 right-of-way that deliver video service, without regard to
26 delivery technology, including internet protocol technology or
27 any successor technology. The term video service network shall
28 include cable systems;

1 (17) "Video service provider", any person that distributes
2 video service through a video service network pursuant to a video
3 service authorization;

4 (18) "Video service provider fee", the fee imposed under
5 section 67.2689.

6 67.2689. 1. A franchise entity may collect a video service
7 provider fee equal to not more than five percent of the gross
8 revenues [from each] charged to each customer of a video service
9 provider that is providing video service in the geographic area
10 of such franchise entity. The video service provider fee shall
11 apply equally to all video service providers within the
12 geographic area of a franchise entity.

13 2. Beginning August 28, 2020, franchise entities are
14 prohibited from collecting a video service provider fee in excess
15 of five percent of the gross revenues specified in subsection 1
16 of this section. Beginning August 28, 2021, franchise entities
17 are prohibited from collecting a video service provider fee in
18 excess of four percent of such gross revenues. Beginning August
19 28, 2022, franchise entities are prohibited from collecting a
20 video service provider fee in excess of three percent of such
21 gross revenues. Beginning August 28, 2023, franchise entities
22 are prohibited from collecting a video service provider fee in
23 excess of two percent of such gross revenues. Beginning August
24 28, 2024, franchise entities are prohibited from collecting a
25 video service provider fee in excess of one percent of such gross
26 revenues. Beginning August 28, 2025, and continuing thereafter,
27 franchise entities are prohibited from collecting a video service
28 provider fee.

1 3. Except as otherwise expressly provided in sections
2 67.2675 to 67.2714, neither a franchise entity nor any other
3 political subdivision shall demand any additional fees, licenses,
4 gross receipt taxes, or charges on the provision of video
5 services by a video service provider and shall not demand the use
6 of any other calculation method.

7 [3. All video service providers providing service in the
8 geographic area of a franchise entity shall pay the video service
9 provider fee at the same percent of gross revenues as had been
10 assessed on the incumbent cable operator by the franchise entity
11 immediately prior to the date of enactment of sections 67.2675 to
12 67.2714, and such percentage shall continue to apply until the
13 date that the incumbent cable operator's franchise existing at
14 that time expires or would have expired if it had not been
15 terminated pursuant to sections 67.2675 to 67.2714. The
16 franchise entity shall notify the applicant for a video service
17 authorization of the applicable gross revenue fee percentage
18 within thirty days of the date notice of the applicant is
19 provided.]

20 4. Not more than once per calendar year after the date that
21 the incumbent cable operator's franchise existing on August 28,
22 2007, expires or would have expired if it had not been terminated
23 pursuant to sections 67.2675 to 67.2714, or in any political
24 subdivision where no franchise applied on the date of enactment
25 of sections 67.2675 to 67.2714, no more than once per calendar
26 year after the video service provider fee was initially imposed,
27 a franchise entity, may, upon ninety days notice to all video
28 service providers, elect to adjust the amount of the video

1 service provider fee subject to state and federal law, but in no
2 event shall such fee exceed [five percent of a video service
3 provider's gross revenue] the calculation defined in subsection 1
4 and 2 of this section.

5 5. The video service provider fee shall be paid to each
6 franchise entity requiring such fee on or before the last day of
7 the month following the end of each calendar quarter [and shall
8 be calculated as a percentage of gross revenues, as defined under
9 section 67.2677]. Any payment made pursuant to subsection 8 of
10 section 67.2703 shall be made at the same time as the payment of
11 the video service provider fee.

12 6. Any video service provider may identify and collect the
13 amount of the video service provider fee and collect any support
14 under subsection 8 of section 67.2703 as separate line items on
15 subscriber bills.

16 67.2720. 1. There is hereby established the "Task Force on
17 the Future of Right-Of-Way Management and Taxation", which shall
18 be composed of the following members:

19 (1) Two members of the senate to be appointed by the
20 president pro tempore of the senate;

21 (2) One member of the senate to be appointed by the
22 minority floor leader of the senate;

23 (3) Two members of the house of representatives to be
24 appointed by the speaker of the house of representatives;

25 (4) One member of the house of representatives to be
26 appointed by the minority floor leader of the house of
27 representatives;

28 (5) Four members that are municipal officials or other

1 political subdivision officials, two to be appointed by the
2 president pro tempore of the senate and two to be appointed by
3 the speaker of the house of representatives; and

4 (6) Four experts in the telecommunications industry, two to
5 be appointed by the president pro tempore of the senate and two
6 to be appointed by the speaker of the house of representatives.

7 2. A majority of the members of the task force shall
8 constitute a quorum, but the concurrence of a majority of the
9 members shall be required for the determination of any matter
10 within the task force's duties.

11 3. The task force shall meet within thirty days after its
12 creation and organize by selecting a chairperson and a vice
13 chairperson, one of whom shall be a member of the senate and the
14 other a member of the house of representatives.

15 4. The task force shall study best methods for right-of-way
16 management, taxation of video services, the future revenue needs
17 of municipalities and political subdivisions as such revenue
18 relates to video services.

19 5. The task force shall compile a full report of its
20 activities for submission to the general assembly. The report
21 shall be submitted not later than December 31, 2022, and shall
22 include any recommendations which the task force may have for
23 legislative action.

24 6. The task force shall be staffed by legislative personnel
25 as is deemed necessary to assist the task force in the
26 performance of its duties.

27 7. The members of the task force shall serve without
28 compensation, but any actual and necessary expenses incurred in

1 the performance of the task force's official duties by the task
2 force, its members, and any staff assigned to the task force
3 shall be paid from the joint contingent fund.

4 8. This section shall expire on December 31, 2022.

5 94.838. 1. As used in this section, the following terms
6 mean:

7 (1) "Food", all articles commonly used for food or drink,
8 including alcoholic beverages, the provisions of chapter 311
9 notwithstanding;

10 (2) "Food establishment", any café, cafeteria, lunchroom,
11 or restaurant which sells food at retail;

12 (3) "Municipality", any village or fourth class city with
13 more than two hundred but less than three hundred inhabitants and
14 located in any county of the third classification with a township
15 form of government and with more than twelve thousand five
16 hundred but less than twelve thousand six hundred inhabitants;

17 (4) "Transient guest", a person or persons who occupy a
18 room or rooms in a hotel or motel for thirty-one days or less
19 during any calendar quarter.

20 2. The governing body of any municipality may impose, by
21 order or ordinance:

22 (1) A tax, not to exceed six percent per room per night, on
23 the charges for all sleeping rooms paid by the transient guests
24 of hotels or motels situated in the municipality or a portion
25 thereof; and

26 (2) A tax, not to exceed ~~two~~ six percent, on the gross
27 receipts derived from the retail sales of food by every person
28 operating a food establishment in the municipality.

1 The taxes shall be imposed solely for [the purpose of funding the
2 construction, maintenance, and operation of capital improvements]
3 general revenue purposes. The order or ordinance shall not
4 become effective unless the governing body of the municipality
5 submits to the voters of the municipality at a state general or
6 primary election a proposal to authorize the governing body of
7 the municipality to impose taxes under this section. The taxes
8 authorized in this section shall be in addition to the charge for
9 the sleeping room, the retail sales of food at a food
10 establishment, and all other taxes imposed by law, and shall be
11 stated separately from all other charges and taxes.

12 3. The ballot of submission for the taxes authorized in
13 this section shall be in substantially the following form:

14 Shall _____ (insert the name of the municipality)
15 impose a tax on the charges for all retail sales of
16 food at a food establishment situated in _____ (name
17 of municipality) at a rate of _____ (insert rate of
18 percent) percent, and for all sleeping rooms paid by
19 the transient guests of hotels and motels situated in
20 _____ (name of municipality) at a rate of _____
21 (insert rate of percent) percent, solely for the
22 purpose of [funding the construction, maintenance, and
23 operation of capital improvements] increasing general
24 revenue funds?

25 YES NO

26
27 If a majority of the votes cast on the question by the qualified
28 voters voting thereon are in favor of the question, then the

1 taxes shall become effective on the first day of the second
2 calendar quarter after the director of revenue receives notice of
3 the adoption of the taxes. If a majority of the votes cast on
4 the question by the qualified voters voting thereon are opposed
5 to the question, then the taxes shall not become effective unless
6 and until the question is resubmitted under this section to the
7 qualified voters and such question is approved by a majority of
8 the qualified voters voting on the question.

9 4. Any tax on the retail sales of food imposed under this
10 section shall be administered, collected, enforced, and operated
11 as required in section 32.087, and any transient guest tax
12 imposed under this section shall be administered, collected,
13 enforced, and operated by the municipality imposing the tax. All
14 revenue generated by the tax shall be deposited in a special
15 trust fund and shall be used solely for the designated purposes.
16 If the tax is repealed, all funds remaining in the special trust
17 fund shall continue to be used solely for the designated
18 purposes. Any funds in the special trust fund which are not
19 needed for current expenditures may be invested in the same
20 manner as other funds are invested. Any interest and moneys
21 earned on such investments shall be credited to the fund.

22 5. Once the initial bonds, if any, have been satisfied,
23 then the governing body of any municipality that has adopted the
24 taxes authorized in this section may submit the question of
25 repeal of the taxes to the voters on any date available for
26 elections for the municipality. The ballot of submission shall
27 be in substantially the following form:

28 Shall _____ (insert the name of the municipality)

1 repeal the taxes imposed at the rates of _____ (insert
2 rate of percent) and _____ (insert rate of percent)
3 percent for the purpose of [funding the construction,
4 maintenance, and operation of capital improvements]
5 increasing general revenue funds?

6 YES

NO

7
8 If a majority of the votes cast on the proposal are in favor of
9 repeal, that repeal shall become effective on December
10 thirty-first of the calendar year in which such repeal was
11 approved. If a majority of the votes cast on the question by the
12 qualified voters voting thereon are opposed to the repeal, then
13 the tax authorized in this section shall remain effective until
14 the question is resubmitted under this section to the qualified
15 voters, and the repeal is approved by a majority of the qualified
16 voters voting on the question.

17 6. Once the initial bonds, if any, have been satisfied,
18 then, whenever the governing body of any municipality that has
19 adopted the taxes authorized in this section receives a petition,
20 signed by ten percent of the registered voters of the
21 municipality voting in the last gubernatorial election, calling
22 for an election to repeal the taxes imposed under this section,
23 the governing body shall submit to the voters of the municipality
24 a proposal to repeal the taxes. If a majority of the votes cast
25 on the question by the qualified voters voting thereon are in
26 favor of the repeal, that repeal shall become effective on
27 December thirty-first of the calendar year in which such repeal
28 was approved. If a majority of the votes cast on the question by

1 the qualified voters voting thereon are opposed to the repeal,
2 then the tax shall remain effective until the question is
3 resubmitted under this section to the qualified voters and the
4 repeal is approved by a majority of the qualified voters voting
5 on the question.

6 7. The governing body of any municipality authorized to
7 levy a sales tax pursuant to this section shall:

8 (1) Submit the question of an increase in the rate of the
9 sales tax to the voters on a general election day not earlier
10 than the 2022 general election; and

11 (2) Include information on the municipality's website on
12 the tax rate and the purposes for which the tax is levied.

13 94.842. 1. The governing body of any home rule city with
14 more than one hundred fifty-five thousand but fewer than two
15 hundred thousand inhabitants may impose a tax on the charges for
16 all sleeping rooms paid by the transient guests of hotels or
17 motels situated in the city, which shall not be more than seven
18 and one-half percent per occupied room per night, except that
19 such tax shall not become effective unless the governing body of
20 the city submits to the voters of the city on a general election
21 day not earlier than the 2022 general election, a proposal to
22 authorize the governing body of the city to impose a tax under
23 the provisions of this section. The tax authorized by this
24 section shall be in addition to the charge for the sleeping room
25 and shall be in addition to any and all taxes imposed by law, and
26 the proceeds of such tax shall be used solely for capital
27 investments that can be demonstrated to increase the number of
28 overnight visitors. Such tax shall be stated separately from all

1 other charges and taxes.

2 2. The question shall be submitted in substantially the
3 following form:

4 Shall the _____ (city) levy a tax of _____ percent on
5 each sleeping room occupied and rented by transient
6 guests of hotels and motels located in the city, where
7 the proceeds of which shall be expended for capital
8 investments to increase tourism?

9 YES

NO

10
11 If a majority of the votes cast on the question by the qualified
12 voters voting thereon are in favor of the question, then the tax
13 shall become effective on the first day of the calendar quarter
14 following the calendar quarter in which the election was held.

15 If a majority of the votes cast on the question by the qualified
16 voters voting thereon are opposed to the question, then the
17 governing body for the city shall have no power to impose the tax
18 authorized by this section unless and until the governing body of
19 the city again submits the question to the qualified voters of
20 the city and such question is approved by a majority of the
21 qualified voters voting on the question.

22 3. On and after the effective date of any tax authorized
23 under the provisions of this section, the city which levied the
24 tax may adopt one of the two following provisions for the
25 collection and administration of the tax:

26 (1) The city which levied the tax may adopt rules and
27 regulations for the internal collection of such tax by the city
28 officers usually responsible for collection and administration of

1 city taxes; or

2 (2) The city may enter into an agreement with the director
3 of revenue of the state of Missouri for the purpose of collecting
4 the tax authorized in this section. In the event any city enters
5 into an agreement with the director of revenue of the state of
6 Missouri for the collection of the tax authorized in this
7 section, the director of revenue shall perform all functions
8 incident to the administration, collection, enforcement, and
9 operation of such tax, and the director of revenue shall collect
10 the additional tax authorized under the provisions of this
11 section. The tax authorized under the provisions of this section
12 shall be collected and reported upon such forms and under such
13 administrative rules and regulations as may be prescribed by the
14 director of revenue, and the director of revenue shall retain not
15 more than one percent for cost of collection.

16 4. The governing body of any city authorized to levy a
17 sales tax pursuant to this section shall include information on
18 the city's website on the tax rate and the purposes for which the
19 tax is levied.

20 5. As used in this section, "transient guests" means a
21 person or persons who occupy a room or rooms in a hotel, motel,
22 or tourist court consecutively for thirty-one days or less.

23 94.900. 1. (1) The governing body of the following cities
24 may impose a tax as provided in this section:

25 (a) Any city of the third classification with more than ten
26 thousand eight hundred but less than ten thousand nine hundred
27 inhabitants located at least partly within a county of the first
28 classification with more than one hundred eighty-four thousand

1 but less than one hundred eighty-eight thousand inhabitants;

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

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

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

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

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

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

17 (h) Any city of the fourth classification with more than
18 four thousand but fewer than four thousand five hundred
19 inhabitants and located in any county of the first classification
20 with more than one hundred fifty thousand but fewer than two
21 hundred thousand inhabitants;

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

27 (j) Any city of the fourth classification with more than
28 three thousand but fewer than three thousand three hundred

1 inhabitants and located in any county of the third classification
2 without a township form of government and with more than eighteen
3 thousand but fewer than twenty thousand inhabitants and that is
4 not the county seat of such county;

5 (k) Any city of the fourth classification with more than
6 one thousand three hundred fifty but fewer than one thousand five
7 hundred inhabitants and located in any county of the first
8 classification with more than one hundred fifty thousand but
9 fewer than two hundred thousand inhabitants;

10 (l) Any city of the fourth classification with more than
11 eight thousand but fewer than twelve thousand inhabitants and
12 located in any county of the first classification with more than
13 two hundred thousand but fewer than two hundred sixty thousand
14 inhabitants; or

15 (m) Any city of the fourth classification with more than
16 four hundred fifty but fewer than five hundred inhabitants and
17 located in any county of the third classification without a
18 township form of government and with more than twenty-nine
19 thousand but fewer than thirty-three thousand inhabitants and
20 with a city of the fourth classification with more than four
21 hundred but fewer than four hundred fifty inhabitants as the
22 county seat.

23 (2) The governing body of any city listed in subdivision
24 (1) of this subsection is hereby authorized to impose, by
25 ordinance or order, a sales tax in the amount of up to one-half
26 of one percent on all retail sales made in such city which are
27 subject to taxation under the provisions of sections 144.010 to
28 144.525 for the purpose of improving the public safety for such

1 city[,] including, but not limited to, expenditures on equipment,
2 city employee salaries and benefits, and facilities for police,
3 fire and emergency medical providers. The tax authorized by this
4 section shall be in addition to any and all other sales taxes
5 allowed by law, except that no ordinance or order imposing a
6 sales tax pursuant to the provisions of this section shall be
7 effective unless the governing body of the city submits to the
8 voters of the city, at a county or state general, primary, or
9 special election, a proposal to authorize the governing body of
10 the city to impose a tax.

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

15 Shall the city of _____ (city's name) impose a
16 citywide sales tax of _____ (insert amount) for the
17 purpose of improving the public safety of the city?

18 YES NO

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

22
23 If a majority of the votes cast on the proposal by the qualified
24 voters voting thereon are in favor of the proposal submitted
25 pursuant to this subsection, then the ordinance or order and any
26 amendments thereto shall be in effect on the first day of the
27 second calendar quarter after the director of revenue receives
28 notification of adoption of the local sales tax. If a proposal

1 receives less than the required majority, then the governing body
2 of the city shall have no power to impose the sales tax herein
3 authorized unless and until the governing body of the city shall
4 again have submitted another proposal to authorize the governing
5 body of the city to impose the sales tax authorized by this
6 section and such proposal is approved by the required majority of
7 the qualified voters voting thereon. However, in no event shall
8 a proposal pursuant to this section be submitted to the voters
9 sooner than twelve months from the date of the last proposal
10 pursuant to this section.

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

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

23 5. All sales taxes collected by the director of [the
24 department of] revenue under this section on behalf of any city,
25 less one percent for cost of collection which shall be deposited
26 in the state's general revenue fund after payment of premiums for
27 surety bonds as provided in section 32.087, shall be deposited in
28 a special trust fund, which is hereby created, to be known as the

1 "City Public Safety Sales Tax Trust Fund". The moneys in the
2 trust fund shall not be deemed to be state funds and shall not be
3 commingled with any funds of the state. The provisions of
4 section 33.080 to the contrary notwithstanding, money in this
5 fund shall not be transferred and placed to the credit of the
6 general revenue fund. The director of [the department of]
7 revenue shall keep accurate records of the amount of money in the
8 trust and which was collected in each city imposing a sales tax
9 pursuant to this section, and the records shall be open to the
10 inspection of officers of the city and the public. Not later
11 than the tenth day of each month the director of [the department
12 of] revenue shall distribute all moneys deposited in the trust
13 fund during the preceding month to the city which levied the tax;
14 such funds shall be deposited with the city treasurer of each
15 such city, and all expenditures of funds arising from the trust
16 fund shall be by an appropriation act to be enacted by the
17 governing body of each such city. Expenditures may be made from
18 the fund for any functions authorized in the ordinance or order
19 adopted by the governing body submitting the tax to the voters.

20 6. The director of [the department of] revenue may make
21 refunds from the amounts in the trust fund and credited to any
22 city for erroneous payments and overpayments made, and may redeem
23 dishonored checks and drafts deposited to the credit of such
24 cities. If any city abolishes the tax, the city shall notify the
25 director of [the department of] revenue of the action at least
26 ninety days prior to the effective date of the repeal and the
27 director of [the department of] revenue may order retention in
28 the trust fund, for a period of one year, of two percent of the

1 amount collected after receipt of such notice to cover possible
2 refunds or overpayment of the tax and to redeem dishonored checks
3 and drafts deposited to the credit of such accounts. After one
4 year has elapsed after the effective date of abolition of the tax
5 in such city, the director of [the department of] revenue shall
6 remit the balance in the account to the city and close the
7 account of that city. The director of [the department of]
8 revenue shall notify each city of each instance of any amount
9 refunded or any check redeemed from receipts due the city.

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

13 8. The governing body of any city authorized to levy a
14 sales tax pursuant to this section, but which was not authorized
15 to levy such sales tax prior to August 28, 2020, shall:

16 (1) Submit the question of the imposition of the sales tax
17 to the voters on a general election day not earlier than the 2022
18 general election; and

19 (2) Include information on the city's website on the tax
20 rate and the purposes for which the tax is levied.

21 94.902. 1. The governing bodies of the following cities or
22 villages may impose a tax as provided in this section:

23 (1) Any city of the third classification with more than
24 twenty-six thousand three hundred but less than twenty-six
25 thousand seven hundred inhabitants;

26 (2) Any city of the fourth classification with more than
27 thirty thousand three hundred but fewer than thirty thousand
28 seven hundred inhabitants;

1 (3) Any city of the fourth classification with more than
2 twenty-four thousand eight hundred but fewer than twenty-five
3 thousand inhabitants;

4 (4) Any special charter city with more than twenty-nine
5 thousand but fewer than thirty-two thousand inhabitants;

6 (5) Any city of the third classification with more than
7 four thousand but fewer than four thousand five hundred
8 inhabitants and located in any county of the first classification
9 with more than two hundred thousand but fewer than two hundred
10 sixty thousand inhabitants;

11 (6) Any city of the fourth classification with more than
12 nine thousand five hundred but fewer than ten thousand eight
13 hundred inhabitants;

14 (7) Any city of the fourth classification with more than
15 five hundred eighty but fewer than six hundred fifty inhabitants;

16 (8) Any city of the fourth classification with more than
17 two thousand seven hundred but fewer than three thousand
18 inhabitants and located in any county of the first classification
19 with more than eighty-three thousand but fewer than ninety-two
20 thousand inhabitants; [or]

21 (9) Any city of the fourth classification with more than
22 two thousand four hundred but fewer than two thousand seven
23 hundred inhabitants and located in any county of the third
24 classification without a township form of government and with
25 more than ten thousand but fewer than twelve thousand
26 inhabitants;

27 (10) Any city of the third classification with more than
28 nine thousand but fewer than ten thousand inhabitants and located

1 in any county of the third classification with a township form of
2 government and with more than twenty thousand but fewer than
3 twenty-three thousand inhabitants;

4 (11) Any city of the fourth classification with more than
5 one thousand fifty but fewer than one thousand two hundred
6 inhabitants and located in any county of the third classification
7 without a township form of government and with more than eighteen
8 thousand but fewer than twenty thousand inhabitants and with a
9 city of the fourth classification with more than two thousand one
10 hundred but fewer than two thousand four hundred inhabitants as
11 the county seat; or

12 (12) Any village with more than one thousand three hundred
13 fifty but fewer than one thousand five hundred inhabitants and
14 located in any county of the first classification with more than
15 two hundred thousand but fewer than two hundred sixty thousand
16 inhabitants.

17 2. The governing body of any city or village listed in
18 subsection 1 of this section may impose, by order or ordinance, a
19 sales tax on all retail sales made in the city or village which
20 are subject to taxation under chapter 144. The tax authorized in
21 this section may be imposed in an amount of up to one-half of one
22 percent, [and] except that a city listed under subdivision (10)
23 or (11) of subsection 1 of this section may impose a tax of one-
24 fourth, one-half, three-fourths, or one percent. The tax shall
25 be imposed solely for the purpose of improving the public safety
26 for such city[,] or village including, but not limited to,
27 expenditures on equipment, city or village employee salaries and
28 benefits, and facilities for police, fire, and emergency medical

1 providers. The tax authorized in this section shall be in
2 addition to all other sales taxes imposed by law, and shall be
3 stated separately from all other charges and taxes. The order or
4 ordinance imposing a sales tax under this section shall not
5 become effective unless the governing body of the city or village
6 submits to the voters residing within the city or village, at a
7 county or state general, primary, or special election, a proposal
8 to authorize the governing body of the city or village to impose
9 a tax under this section.

10 3. The ballot of submission for the tax authorized in this
11 section shall be in substantially the following form:

12 Shall the [city] (city/village) of _____ [(city's name)]
13 (insert name) impose a [citywide] (citywide/villagewide) sales
14 tax at a rate of _____ [(insert rate of percent)] (insert
15 percentage) percent for the purpose of improving the public
16 safety of the [city] (city/village)?

17 YES NO

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

21
22 If a majority of the votes cast on the proposal by the qualified
23 voters voting thereon are in favor of the proposal, then the
24 ordinance or order and any amendments to the order or ordinance
25 shall become effective on the first day of the second calendar
26 quarter after the director of revenue receives notice of the
27 adoption of the sales tax. If a majority of the votes cast on
28 the proposal by the qualified voters voting thereon are opposed

1 to the proposal, then the tax shall not become effective unless
2 the proposal is resubmitted under this section to the qualified
3 voters and such proposal is approved by a majority of the
4 qualified voters voting on the proposal. However, in no event
5 shall a proposal under this section be submitted to the voters
6 sooner than twelve months from the date of the last proposal
7 under this section.

8 4. Any sales tax imposed under this section shall be
9 administered, collected, enforced, and operated as required in
10 section 32.087. All sales taxes collected by the director of the
11 department of revenue under this section on behalf of any city or
12 village, less one percent for cost of collection which shall be
13 deposited in the state's general revenue fund after payment of
14 premiums for surety bonds as provided in section 32.087, shall be
15 deposited in a special trust fund, which is hereby created in the
16 state treasury, to be known as the "City Public Safety Sales Tax
17 Trust Fund". The moneys in the trust fund shall not be deemed to
18 be state funds and shall not be commingled with any funds of the
19 state. The provisions of section 33.080 to the contrary
20 notwithstanding, money in this fund shall not be transferred and
21 placed to the credit of the general revenue fund. The director
22 shall keep accurate records of the amount of money in the trust
23 fund and which was collected in each city or village imposing a
24 sales tax under this section, and the records shall be open to
25 the inspection of officers of the city or village and the public.
26 Not later than the tenth day of each month the director shall
27 distribute all moneys deposited in the trust fund during the
28 preceding month to the city or village which levied the tax.

1 Such funds shall be deposited with the city or village treasurer
2 of each such city or village, and all expenditures of funds
3 arising from the trust fund shall be by an appropriation act to
4 be enacted by the governing body of each such city or village.
5 Expenditures may be made from the fund for any functions
6 authorized in the ordinance or order adopted by the governing
7 body submitting the tax to the voters. If the tax is repealed,
8 all funds remaining in the special trust fund shall continue to
9 be used solely for the designated purposes. Any funds in the
10 special trust fund which are not needed for current expenditures
11 shall be invested in the same manner as other funds are invested.
12 Any interest and moneys earned on such investments shall be
13 credited to the fund.

14 5. The director of [the department of] revenue may
15 authorize the state treasurer to make refunds from the amounts in
16 the trust fund and credited to any city or village for erroneous
17 payments and overpayments made, and may redeem dishonored checks
18 and drafts deposited to the credit of such cities or villages.
19 If any city or village abolishes the tax, the city or village
20 shall notify the director of the action at least ninety days
21 before the effective date of the repeal, and the director may
22 order retention in the trust fund, for a period of one year, of
23 two percent of the amount collected after receipt of such notice
24 to cover possible refunds or overpayment of the tax and to redeem
25 dishonored checks and drafts deposited to the credit of such
26 accounts. After one year has elapsed after the effective date of
27 abolition of the tax in such city or village, the director shall
28 remit the balance in the account to the city and close the

1 account of that city or village. The director shall notify each
2 city or village of each instance of any amount refunded or any
3 check redeemed from receipts due the city or village.

4 6. The governing body of any city or village that has
5 adopted the sales tax authorized in this section may submit the
6 question of repeal of the tax to the voters on any date available
7 for elections for the city or village. The ballot of submission
8 shall be in substantially the following form:

9 Shall the city of _____ [(insert the name of the
10 city)] repeal the sales tax imposed at a rate of _____
11 [(insert rate of percent)] percent for the purpose of
12 improving the public safety of the [city]
13 (city/village)?

14 YES NO

15
16 If a majority of the votes cast on the proposal are in favor of
17 repeal, that repeal shall become effective on December thirty-
18 first of the calendar year in which such repeal was approved. If
19 a majority of the votes cast on the question by the qualified
20 voters voting thereon are opposed to the repeal, then the sales
21 tax authorized in this section shall remain effective until the
22 question is resubmitted under this section to the qualified
23 voters, and the repeal is approved by a majority of the qualified
24 voters voting on the question.

25 7. Whenever the governing body of any city or village that
26 has adopted the sales tax authorized in this section receives a
27 petition, signed by ten percent of the registered voters of the
28 city or village voting in the last gubernatorial election,

1 calling for an election to repeal the sales tax imposed under
2 this section, the governing body shall submit to the voters of
3 the city or village a proposal to repeal the tax. If a majority
4 of the votes cast on the question by the qualified voters voting
5 thereon are in favor of the repeal, that repeal shall become
6 effective on December thirty-first of the calendar year in which
7 such repeal was approved. If a majority of the votes cast on the
8 question by the qualified voters voting thereon are opposed to
9 the repeal, then the tax shall remain effective until the
10 question is resubmitted under this section to the qualified
11 voters and the repeal is approved by a majority of the qualified
12 voters voting on the question.

13 8. Any sales tax imposed under this section by a city
14 described under subdivision (6) of subsection 1 of this section
15 that is in effect as of December 31, 2038, shall automatically
16 expire. No city described under subdivision (6) of subsection 1
17 of this section shall collect a sales tax pursuant to this
18 section on or after January 1, 2039. Subsection 7 of this
19 section shall not apply to a sales tax imposed under this section
20 by a city described under subdivision (6) of subsection 1 of this
21 section.

22 9. Except as modified in this section, all provisions of
23 sections 32.085 and 32.087 shall apply to the tax imposed under
24 this section.

25 10. The governing body of any city or village authorized to
26 levy a sales tax pursuant to this section, but which was not
27 authorized to levy such sales tax prior to August 28, 2020,
28 shall:

1 (1) Submit the question of the imposition of the sales tax
2 to the voters on a general election day not earlier than the 2022
3 general election; and

4 (2) Include information on the city or village website on
5 the tax rate and the purposes for which the tax is levied.

6 94.1014. 1. (1) The governing body of any city of the
7 fourth classification with more than three thousand seven hundred
8 but fewer than four thousand inhabitants and located in any
9 county of the first classification with more than one hundred
10 fifty thousand but fewer than two hundred thousand inhabitants
11 may impose a tax on the charges for all sleeping rooms paid by
12 the transient guests of hotels or motels situated in the city or
13 a portion thereof. The tax shall not be more than five percent
14 per occupied room per night.

15 (2) The tax shall not become effective unless the governing
16 body of the city, on a general election day not earlier than the
17 2022 general election, submits to the voters of the city a
18 proposal to authorize the city to impose a tax under this
19 section, and the voters approve the tax.

20 (3) The tax shall be in addition to the charge for the
21 sleeping room and all other taxes imposed by law. The tax shall
22 be stated separately from all other charges and taxes.

23 (4) The proceeds of the tax shall be used by the city for
24 the promotion of tourism; growth of the region; economic
25 development purposes; and public safety purposes including, but
26 not limited to, equipment expenditures, employee salaries and
27 benefits, and facilities for police, firefighters, or emergency
28 medical providers.

1 2. The ballot for authorization of the tax shall be in
2 substantially the following form:

3 Shall _____ (name of the city) impose a tax on the
4 charges for all sleeping rooms paid by the transient
5 guests of hotels and motels situated in _____ (name of
6 the city) at a rate of _____ percent for the promotion
7 of tourism, growth of the region, economic development,
8 and public safety?

9 YES

NO

10
11 If a majority of the votes cast on the proposal by qualified
12 voters approve the proposal, the tax shall become effective on
13 the first day of the second calendar quarter following the
14 election. If a majority of the votes cast on the proposal by
15 qualified voters opposed the proposal, the tax shall not become
16 effective unless and until the proposal is again submitted to the
17 voters of the city and is approved by a majority of the qualified
18 voters voting thereon.

19 3. The governing body of any city authorized to levy a
20 sales tax pursuant to this section shall include information on
21 the city's website on the tax rate and the purposes for which the
22 tax is levied.

23 4. As used in this section, "transient guest" means any
24 person who occupies a room or rooms in a hotel or motel for
25 thirty-one days or less during any calendar quarter.

26 143.011. 1. A tax is hereby imposed for every taxable year
27 on the Missouri taxable income of every resident. The tax shall
28 be determined by applying the tax table or the rate provided in

1 section 143.021, which is based upon the following rates:

2 If the Missouri taxable income is:	The tax is:
3 Not over \$1,000.00	1 1/2% of the Missouri
4	taxable income
5 Over \$1,000 but not over \$2,000	\$15 plus 2% of excess
6	over \$1,000
7 Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess
8	over \$2,000
9 Over \$3,000 but not over \$4,000	\$60 plus 3% of excess
10	over \$3,000
11 Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess
12	over \$4,000
13 Over \$5,000 but not over \$6,000	\$125 plus 4% of excess
14	over \$5,000
15 Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of
16	excess over \$6,000
17 Over \$7,000 but not over \$8,000	\$210 plus 5% of excess
18	over \$7,000
19 Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of
20	excess over \$8,000
21 Over \$9,000	\$315 plus 6% of excess
22	over \$9,000

23 2. (1) Beginning with the 2017 calendar year, the top rate
24 of tax under subsection 1 of this section may be reduced over a
25 period of years. Each reduction in the top rate of tax shall be
26 by one-tenth of a percent and no more than one reduction shall
27 occur in a calendar year. No more than five reductions shall be
28 made under this subsection. Reductions in the rate of tax shall

1 take effect on January first of a calendar year and such reduced
2 rates shall continue in effect until the next reduction occurs.

3 (2) A reduction in the rate of tax shall only occur if the
4 amount of net general revenue collected in the previous fiscal
5 year exceeds the highest amount of net general revenue collected
6 in any of the three fiscal years prior to such fiscal year by at
7 least one hundred fifty million dollars.

8 (3) Any modification of tax rates under this subsection
9 shall only apply to tax years that begin on or after a
10 modification takes effect.

11 (4) The director of the department of revenue shall, by
12 rule, adjust the tax tables under subsection 1 of this section to
13 effectuate the provisions of this subsection. The bracket for
14 income subject to the top rate of tax shall be eliminated once
15 the top rate of tax has been reduced to five and one-half
16 percent, and the top remaining rate of tax shall apply to all
17 income in excess of the income in the second highest remaining
18 income bracket.

19 3. (1) In addition to the rate reductions under subsection
20 2 of this section, beginning with the 2019 calendar year, the top
21 rate of tax under subsection 1 of this section shall be reduced
22 by four-tenths of one percent. Such reduction in the rate of tax
23 shall take effect on January first of the 2019 calendar year.

24 (2) The modification of tax rates under this subsection
25 shall only apply to tax years that begin on or after the date the
26 modification takes effect.

27 (3) The director of the department of revenue shall, by
28 rule, adjust the tax tables under subsection 1 of this section to

1 effectuate the provisions of this subsection.

2 4. (1) In addition to the rate reductions under
3 subsections 2 and 3 of this section, beginning with the calendar
4 year following the calendar year in which the final reduction in
5 the top rate of tax is made under subsection 2 of this section,
6 the top rate of tax under subsection 1 of this section shall be
7 reduced by eleven-hundredths of one percent. Such reduction in
8 the rate of tax shall take effect on January first of a calendar
9 year.

10 (2) The reduction in the rate of tax pursuant to this
11 subsection shall only occur if the amount of net general revenue
12 collected in the previous fiscal year exceeds the highest amount
13 of net general revenue collected in any of the three fiscal years
14 prior to such fiscal year by at least one hundred fifty million
15 dollars.

16 (3) The modification of tax rates under this subsection
17 shall only apply to tax years that begin on or after the date the
18 modification takes effect.

19 (4) The director of the department of revenue shall, by
20 rule, adjust the tax tables under subsection 1 of this section to
21 effectuate the provisions of this subsection.

22 5. Beginning with the 2017 calendar year, the brackets of
23 Missouri taxable income identified in subsection 1 of this
24 section shall be adjusted annually by the percent increase in
25 inflation. The director shall publish such brackets annually
26 beginning on or after October 1, 2016. Modifications to the
27 brackets shall take effect on January first of each calendar year
28 and shall apply to tax years beginning on or after the effective

1 date of the new brackets.

2 [5.] 6. As used in this section, the following terms mean:

3 (1) "CPI", the Consumer Price Index for All Urban Consumers
4 for the United States as reported by the Bureau of Labor
5 Statistics, or its successor index;

6 (2) "CPI for the preceding calendar year", the average of
7 the CPI as of the close of the twelve month period ending on
8 August thirty-first of such calendar year;

9 (3) "Net general revenue collected", all revenue deposited
10 into the general revenue fund, less refunds and revenues
11 originally deposited into the general revenue fund but designated
12 by law for a specific distribution or transfer to another state
13 fund;

14 (4) "Percent increase in inflation", the percentage, if
15 any, by which the CPI for the preceding calendar year exceeds the
16 CPI for the year beginning September 1, 2014, and ending August
17 31, 2015.

18 144.011. 1. For purposes of [sections 144.010 to 144.525
19 and 144.600 to 144.748] this chapter, and the taxes imposed
20 thereby, the definition of "retail sale" or "sale at retail"
21 shall not be construed to include any of the following:

22 (1) The transfer by one corporation of substantially all of
23 its tangible personal property to another corporation pursuant to
24 a merger or consolidation effected under the laws of the state of
25 Missouri or any other jurisdiction;

26 (2) The transfer of tangible personal property incident to
27 the liquidation or cessation of a taxpayer's trade or business,
28 conducted in proprietorship, partnership or corporate form,

1 except to the extent any transfer is made in the ordinary course
2 of the taxpayer's trade or business;

3 (3) The transfer of tangible personal property to a
4 corporation solely in exchange for its stock or securities;

5 (4) The transfer of tangible personal property to a
6 corporation by a shareholder as a contribution to the capital of
7 the transferee corporation;

8 (5) The transfer of tangible personal property to a
9 partnership solely in exchange for a partnership interest
10 therein;

11 (6) The transfer of tangible personal property by a partner
12 as a contribution to the capital of the transferee partnership;

13 (7) The transfer of tangible personal property by a
14 corporation to one or more of its shareholders as a dividend,
15 return of capital, distribution in the partial or complete
16 liquidation of the corporation or distribution in redemption of
17 the shareholder's interest therein;

18 (8) The transfer of tangible personal property by a
19 partnership to one or more of its partners as a current
20 distribution, return of capital or distribution in the partial or
21 complete liquidation of the partnership or of the partner's
22 interest therein;

23 (9) The transfer of reusable containers used in connection
24 with the sale of tangible personal property contained therein for
25 which a deposit is required and refunded on return;

26 (10) The purchase by persons operating eating or food
27 service establishments, of items of a nonreusable nature which
28 are furnished to the customers of such establishments with or in

1 conjunction with the retail sales of their food or beverage.
2 Such items shall include, but not be limited to, wrapping or
3 packaging materials and nonreusable paper, wood, plastic and
4 aluminum articles such as containers, trays, napkins, dishes,
5 silverware, cups, bags, boxes, straws, sticks and toothpicks;

6 (11) The purchase by persons operating hotels, motels or
7 other transient accommodation establishments, of items of a
8 nonreusable nature which are furnished to the guests in the
9 guests' rooms of such establishments and such items are included
10 in the charge made for such accommodations. Such items shall
11 include, but not be limited to, soap, shampoo, tissue and other
12 toiletries and food or confectionery items offered to the guests
13 without charge;

14 (12) The transfer of a manufactured home other than:

15 (a) A transfer which involves the delivery of the document
16 known as the "Manufacturer's Statement of Origin" to a person
17 other than a manufactured home dealer, as defined in section
18 700.010, for purposes of allowing such person to obtain a title
19 to the manufactured home from the department of revenue of this
20 state or the appropriate agency or officer of any other state;

21 (b) A transfer which involves the delivery of a
22 "Repossessed Title" to a resident of this state if the tax
23 imposed by [sections 144.010 to 144.525] this chapter was not
24 paid on the transfer of the manufactured home described in
25 paragraph (a) of this subdivision;

26 (c) The first transfer which occurs after December 31,
27 1985, if the tax imposed by [sections 144.010 to 144.525] this
28 chapter was not paid on any transfer of the same manufactured

1 home which occurred before December 31, 1985; or

2 (13) Charges for initiation fees or dues to:

3 (a) Fraternal beneficiaries societies, or domestic
4 fraternal societies, orders or associations operating under the
5 lodge system a substantial part of the activities of which are
6 devoted to religious, charitable, scientific, literary,
7 educational or fraternal purposes;

8 (b) Posts or organizations of past or present members of
9 the Armed Forces of the United States or an auxiliary unit or
10 society of, or a trust or foundation for, any such post or
11 organization substantially all of the members of which are past
12 or present members of the Armed Forces of the United States or
13 who are cadets, spouses, widows, or widowers of past or present
14 members of the Armed Forces of the United States, no part of the
15 net earnings of which inures to the benefit of any private
16 shareholder or individual; or

17 (c) Nonprofit organizations exempt from taxation under
18 Section 501(c) (7) of the Internal Revenue Code of 1986, as
19 amended.

20 2. The assumption of liabilities of the transferor by the
21 transferee incident to any of the transactions enumerated in the
22 above subdivisions (1) to (8) of subsection 1 of this section
23 shall not disqualify the transfer from the exclusion described in
24 this section, where such liability assumption is related to the
25 property transferred and where the assumption does not have as
26 its principal purpose the avoidance of Missouri sales or use tax.

27 144.020. 1. A tax is hereby levied and imposed for the
28 privilege of titling new and used motor vehicles, trailers,

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

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

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

23 (3) A tax equivalent to four percent of the basic rate paid
24 or charged on all sales of electricity or electrical current,
25 water and gas, natural or artificial, to domestic, commercial or
26 industrial consumers;

27 (4) (a) A tax equivalent to four percent on the basic rate
28 paid or charged on all sales of local and long distance

1 telecommunications service to telecommunications subscribers and
2 to others through equipment of telecommunications subscribers for
3 the transmission of messages and conversations and upon the sale,
4 rental or leasing of all equipment or services pertaining or
5 incidental thereto; except that, the payment made by
6 telecommunications subscribers or others, pursuant to section
7 144.060, and any amounts paid for access to the internet or
8 interactive computer services shall not be considered as amounts
9 paid for telecommunications services;

10 (b) If local and long distance telecommunications services
11 subject to tax under this subdivision are aggregated with and not
12 separately stated from charges for telecommunications service or
13 other services not subject to tax under this subdivision,
14 including, but not limited to, interstate or international
15 telecommunications services, then the charges for nontaxable
16 services may be subject to taxation unless the telecommunications
17 provider can identify by reasonable and verifiable standards such
18 portion of the charges not subject to such tax from its books and
19 records that are kept in the regular course of business,
20 including, but not limited to, financial statement, general
21 ledgers, invoice and billing systems and reports, and reports for
22 regulatory tariffs and other regulatory matters;

23 (c) A telecommunications provider shall notify the director
24 of revenue of its intention to utilize the standards described in
25 paragraph (b) of this subdivision to determine the charges that
26 are subject to sales tax under this subdivision. Such
27 notification shall be in writing and shall meet standardized
28 criteria established by the department regarding the form and

1 format of such notice;

2 (d) The director of revenue may promulgate and enforce
3 reasonable rules and regulations for the administration and
4 enforcement of the provisions of this subdivision. Any rule or
5 portion of a rule, as that term is defined in section 536.010,
6 that is created under the authority delegated in this section
7 shall become effective only if it complies with and is subject to
8 all of the provisions of chapter 536 and, if applicable, section
9 536.028. This section and chapter 536 are nonseverable and if
10 any of the powers vested with the general assembly pursuant to
11 chapter 536 to review, to delay the effective date, or to
12 disapprove and annul a rule are subsequently held
13 unconstitutional, then the grant of rulemaking authority and any
14 rule proposed or adopted after August 28, 2019, shall be invalid
15 and void;

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

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

1 (7) A tax equivalent to four percent of the amount paid or
2 charged for intrastate tickets by every person operating a
3 railroad, sleeping car, dining car, express car, boat, airplane
4 and such buses and trucks as are licensed by the division of
5 motor carrier and railroad safety of the department of economic
6 development of Missouri, engaged in the transportation of persons
7 for hire;

8 (8) A tax equivalent to four percent of the amount paid or
9 charged for rental or lease of tangible personal property,
10 provided that if the lessor or renter of any tangible personal
11 property had previously purchased the property under the
12 conditions of sale at retail or leased or rented the property and
13 the tax was paid at the time of purchase, lease or rental, the
14 lessor, sublessor, renter or subrenter shall not apply or collect
15 the tax on the subsequent lease, sublease, rental or subrental
16 receipts from that property. The purchase, rental or lease of
17 motor vehicles, trailers, motorcycles, mopeds, motortricycles,
18 boats, and outboard motors shall be taxed and the tax paid as
19 provided in this section and section 144.070. In no event shall
20 the rental or lease of boats and outboard motors be considered a
21 sale, charge, or fee to, for or in places of amusement,
22 entertainment or recreation nor shall any such rental or lease be
23 subject to any tax imposed to, for, or in such places of
24 amusement, entertainment or recreation. Rental and leased boats
25 or outboard motors shall be taxed under the provisions of the
26 sales tax laws as provided under such laws for motor vehicles and
27 trailers. Tangible personal property which is exempt from the
28 sales or use tax under section 144.030 upon a sale thereof is

1 likewise exempt from the sales or use tax upon the lease or
2 rental thereof;

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

10 2. All tickets sold which are sold under the provisions of
11 [sections 144.010 to 144.525] this chapter which are subject to
12 the sales tax shall have printed, stamped or otherwise endorsed
13 thereon, the words "This ticket is subject to a sales tax."

14 144.049. 1. For purposes of this section, the following
15 terms mean:

16 (1) "Clothing", any article of wearing apparel intended to
17 be worn on or about the human body including, but not limited to,
18 disposable diapers for infants or adults and footwear. The term
19 shall include, but not be limited to, cloth and other material
20 used to make school uniforms or other school clothing. Items
21 normally sold in pairs shall not be separated to qualify for the
22 exemption. The term shall not include watches, watchbands,
23 jewelry, handbags, handkerchiefs, umbrellas, scarves, ties,
24 headbands, or belt buckles; and

25 (2) "Personal computers", a laptop, desktop, or tower
26 computer system which consists of a central processing unit,
27 random access memory, a storage drive, a display monitor, and a
28 keyboard and devices designed for use in conjunction with a

1 personal computer, such as a disk drive, memory module, compact
2 disk drive, daughterboard, digitizer, microphone, modem,
3 motherboard, mouse, multimedia speaker, printer, scanner,
4 single-user hardware, single-user operating system, soundcard, or
5 video card;

6 (3) "School supplies", any item normally used by students
7 in a standard classroom for educational purposes, including but
8 not limited to textbooks, notebooks, paper, writing instruments,
9 crayons, art supplies, rulers, book bags, backpacks, handheld
10 calculators, chalk, maps, and globes. The term shall not include
11 watches, radios, CD players, headphones, sporting equipment,
12 portable or desktop telephones, copiers or other office
13 equipment, furniture, or fixtures. School supplies shall also
14 include computer software having a taxable value of three hundred
15 fifty dollars or less and any graphing calculator having a
16 taxable value of one hundred fifty dollars or less.

17 2. In each year beginning on or after January 1, 2005,
18 there is hereby specifically exempted from state and local sales
19 tax law all retail sales of any article of clothing having a
20 taxable value of one hundred dollars or less, all retail sales of
21 school supplies not to exceed fifty dollars per purchase, all
22 computer software with a taxable value of three hundred fifty
23 dollars or less, all graphing calculators having a taxable value
24 of one hundred fifty dollars or less, and all retail sales of
25 personal computers or computer peripheral devices not to exceed
26 one thousand five hundred dollars, during a three-day period
27 beginning at 12:01 a.m. on the first Friday in August and ending
28 at midnight on the Sunday following. Where a purchaser and

1 seller are located in two different time zones, the time zone of
2 the seller's location shall determine the authorized exemption
3 period.

4 3. [If the governing body of any political subdivision
5 adopted an ordinance that applied to the 2004 sales tax holiday
6 to prohibit the provisions of this section from allowing the
7 sales tax holiday to apply to such political subdivision's local
8 sales tax, then, notwithstanding any provision of a local
9 ordinance to the contrary, the 2005 sales tax holiday shall not
10 apply to such political subdivision's local sales tax. However,
11 any such political subdivision may enact an ordinance to allow
12 the 2005 sales tax holiday to apply to its local sales taxes. A
13 political subdivision must notify the department of revenue not
14 less than forty-five calendar days prior to the beginning date of
15 the sales tax holiday occurring in that year of any ordinance or
16 order rescinding an ordinance or order to opt out.

17 4.] This section shall not apply to any sales which take
18 place within the Missouri state fairgrounds.

19 [5.] 4. This section applies to sales of items bought for
20 personal use only.

21 [6. After the 2005 sales tax holiday, any political
22 subdivision may, by adopting an ordinance or order, choose to
23 prohibit future annual sales tax holidays from applying to its
24 local sales tax. After opting out, the political subdivision may
25 rescind the ordinance or order. The political subdivision must
26 notify the department of revenue not less than forty-five
27 calendar days prior to the beginning date of the sales tax
28 holiday occurring in that year of any ordinance or order

1 rescinding an ordinance or order to opt out.

2 7.] 5. This section may not apply to any retailer when less
3 than two percent of the retailer's merchandise offered for sale
4 qualifies for the sales tax holiday. The retailer [~~shall~~] may
5 offer a sales tax refund in lieu of the sales tax holiday.

6 6. A sale of property which is eligible for an exemption
7 under subsection 1 of this section but is purchased under a
8 layaway sale shall only qualify for an exemption if:

9 (1) Final payment on a layaway order is made by, and the
10 property is given to, the purchaser during the exemption period;
11 or

12 (2) The purchaser selects the property and the seller
13 accepts the order for the property during the exemption period,
14 for immediate delivery upon full payment, even if delivery is
15 made after the exemption period.

16 7. The exemption of a bundled transaction shall be
17 calculated as provided by law for all other bundled transactions.

18 8. (1) For any discount offered by a seller that is a
19 reduction of the sales price of the product, the discounted sales
20 price shall determine whether the sales price falls below the
21 price threshold provided in subsection 1 of this section. A
22 coupon that reduces the sales price shall be treated as a
23 discount only if the seller is not reimbursed for the coupon
24 amount by a third party.

25 (2) If a discount applies to the total amount paid by a
26 purchaser rather than to the sales price of a particular product
27 and the purchaser has purchased both exempt property and taxable
28 property, the seller shall allocate the discount based on the

1 total sales prices of the taxable property compared to the total
2 sales prices of all property sold in the same transaction.

3 9. Items that are normally sold as a single unit shall
4 continue to be sold in that manner and shall not be priced
5 separately and sold as individual items.

6 10. Items that are purchased during an exemption period but
7 that are not delivered to the purchaser until after the exemption
8 period due to the item not being in stock shall qualify for an
9 exemption. The provisions of this subsection shall not apply to
10 an item that was delivered during an exemption period but was
11 purchased prior to or after the exemption period.

12 11. (1) If a purchaser purchases an item of eligible
13 property during an exemption period, but later exchanges the item
14 for a similar eligible item after the exemption period, no
15 additional tax shall be due on the new item.

16 (2) If a purchaser purchases an item of eligible property
17 during an exemption period, but later returns the item after the
18 exemption period and receives credit on the purchase of a
19 different nonexempt item, the appropriate sales tax shall be due
20 on the sale of the newly purchased item.

21 (3) If a purchaser purchases an item of eligible property
22 before an exemption period, but during the exemption period
23 returns the item and receives credit on the purchase of a
24 different item of eligible property, no sales tax shall be due on
25 the sale of the new item if the new item is purchased during the
26 exemption period.

27 (4) For a sixty-day period immediately following the end of
28 the exemption period, if a purchaser returns an exempt item, no

1 credit for or refund of sales tax shall be given unless the
2 purchaser provides a receipt or invoice that shows tax was paid,
3 or the seller has sufficient documentation to show that tax was
4 paid on the item being returned.

5 144.054. 1. As used in this section, the following terms
6 mean:

7 (1) "Processing", any mode of treatment, act, or series of
8 acts performed upon materials to transform or reduce them to a
9 different state or thing, including treatment necessary to
10 maintain or preserve such processing by the producer at the
11 production facility;

12 (2) "Producing" includes, but is not limited to, the
13 production of, including the production and transmission of,
14 telecommunication services;

15 (3) "Product" includes, but is not limited to,
16 telecommunications services;

17 (4) "Recovered materials", those materials which have been
18 diverted or removed from the solid waste stream for sale, use,
19 reuse, or recycling, whether or not they require subsequent
20 separation and processing.

21 2. In addition to all other exemptions granted under this
22 chapter, there is hereby specifically exempted from the
23 provisions of [sections 144.010 to 144.525 and 144.600 to
24 144.761, and from the computation of the tax levied, assessed, or
25 payable under sections 144.010 to 144.525 and 144.600 to 144.761]
26 this chapter and the local sales tax law as defined in section
27 32.085 and from the computation of the tax levied, assessed, or
28 payable under this chapter and the local sales tax law as defined

1 in section 32.085, electrical energy and gas, whether natural,
2 artificial, or propane, water, coal, and energy sources,
3 chemicals, machinery, equipment, and materials used or consumed
4 in the manufacturing, processing, compounding, mining, or
5 producing of any product, or used or consumed in the processing
6 of recovered materials, or used in research and development
7 related to manufacturing, processing, compounding, mining, or
8 producing any product. [The exemptions granted in this
9 subsection shall not apply to local sales taxes as defined in
10 section 32.085 and the provisions of this subsection shall be in
11 addition to any state and local sales tax exemption provided in
12 section 144.030.] The construction and application of this
13 subsection as expressed by the Missouri supreme court in DST
14 Systems, Inc. v. Director of Revenue, 43 S.W.3d 799 (Mo. banc
15 2001); Southwestern Bell Tel. Co. v. Director of Revenue, 78
16 S.W.3d 763 (Mo. banc 2002); and Southwestern Bell Tel. Co. v.
17 Director of Revenue, 182 S.W.3d 226 (Mo. banc 2005), is hereby
18 affirmed.

19 3. In addition to all other exemptions granted under this
20 chapter, there is hereby specifically exempted from the
21 provisions of [sections 144.010 to 144.525 and 144.600 to
22 144.761, and section 238.235,] this chapter and the local sales
23 tax law as defined in section 32.085, and from the computation of
24 the tax levied, assessed, or payable under [sections 144.010 to
25 144.525 and 144.600 to 144.761, and section 238.235,] this
26 chapter and the local sales tax law as defined in section 32.085,
27 all utilities, machinery, and equipment used or consumed directly
28 in television or radio broadcasting and all sales and purchases

1 of tangible personal property, utilities, services, or any other
2 transaction that would otherwise be subject to the state or local
3 sales or use tax when such sales are made to or purchases are
4 made by a contractor for use in fulfillment of any obligation
5 under a defense contract with the United States government, and
6 all sales and leases of tangible personal property by any county,
7 city, incorporated town, or village, provided such sale or lease
8 is authorized under chapter 100, and such transaction is
9 certified for sales tax exemption by the department of economic
10 development, and tangible personal property used for railroad
11 infrastructure brought into this state for processing,
12 fabrication, or other modification for use outside the state in
13 the regular course of business.

14 4. In addition to all other exemptions granted under this
15 chapter, there is hereby specifically exempted from the
16 provisions of [sections 144.010 to 144.525 and 144.600 to
17 144.761, and section 238.235,] this chapter and the local sales
18 tax law as defined in section 32.085, and from the computation of
19 the tax levied, assessed, or payable under [sections 144.010 to
20 144.525 and 144.600 to 144.761, and section 238.235,] this
21 chapter and the local sales tax law as defined in section 32.085,
22 all sales and purchases of tangible personal property, utilities,
23 services, or any other transaction that would otherwise be
24 subject to the state or local sales or use tax when such sales
25 are made to or purchases are made by a private partner for use in
26 completing a project under sections 227.600 to 227.669.

27 5. In addition to all other exemptions granted under this
28 chapter, there is hereby specifically exempted from the

1 provisions of [sections 144.010 to 144.525 and 144.600 to
2 144.761, and section 238.235,] this chapter and the local sales
3 tax law as defined in section 32.085, and from the computation of
4 the tax levied, assessed, or payable under [sections 144.010 to
5 144.525 and 144.600 to 144.761, and section 238.235,] this
6 chapter and the local sales tax law as defined in section 32.085,
7 all materials, manufactured goods, machinery and parts,
8 electrical energy and gas, whether natural, artificial or
9 propane, water, coal and other energy sources, chemicals, soaps,
10 detergents, cleaning and sanitizing agents, and other ingredients
11 and materials inserted by commercial or industrial laundries to
12 treat, clean, and sanitize textiles in facilities which process
13 at least five hundred pounds of textiles per hour and at least
14 sixty thousand pounds per week.

15 144.060. 1. It shall be the duty of every person making
16 any purchase or receiving any service upon which a tax is imposed
17 by sections 144.010 to 144.510 to pay, to the extent possible
18 under the provisions of section 144.285, the amount of such tax
19 to the person making such sale or rendering such service. Any
20 person who shall willfully and intentionally refuse to pay such
21 tax shall be guilty of a misdemeanor. The provisions of this
22 section shall not apply to any person making any purchase or sale
23 of a motor vehicle subject to sales tax as provided by the
24 Missouri sales tax law, unless such person making the sale is a
25 motor vehicle dealer authorized to collect and remit sales tax
26 pursuant to subsection 10 of section 144.070.

27 2. A purchaser shall be relieved from any additional tax,
28 interest, additions, or penalties for failure to collect and

1 remit the proper amount of tax owed on a purchase subject to
2 sales tax under this chapter if:

3 (1) A purchaser's seller or a certified service provider
4 relied on erroneous data provided by the director on tax rates,
5 boundaries, taxing jurisdiction assignments, or in the taxability
6 matrix created pursuant to section 144.124;

7 (2) A purchaser using a database created pursuant to
8 section 144.123 received erroneous data provided by the director
9 on tax rates, boundaries, or taxing jurisdiction assignments; or

10 (3) A purchaser relied on erroneous data provided by the
11 director in the taxability matrix created pursuant to section
12 144.124.

13 144.080. 1. Every person receiving any payment or
14 consideration upon the sale of property or rendering of service,
15 subject to the tax imposed by the provisions of sections 144.010
16 to ~~[144.525]~~ 144.527, is exercising the taxable privilege of
17 selling the property or rendering the service at retail and is
18 subject to the tax levied in section 144.020. The person shall
19 be responsible not only for the collection of the amount of the
20 tax imposed on the sale or service to the extent possible under
21 the provisions of section 144.285, but shall, on or before the
22 last day of the month following each calendar quarterly period of
23 three months, file a return with the director of revenue showing
24 the person's gross receipts and the amount of tax levied in
25 section 144.020 for the preceding quarter, and shall remit to the
26 director of revenue, with the return, the taxes levied in section
27 144.020, except as provided in subsections 2 and 3 of this
28 section. The director of revenue may promulgate rules or

1 regulations changing the filing and payment requirements of
2 sellers, but shall not require any seller to file and pay more
3 frequently than required in this section.

4 2. (1) Where the aggregate amount levied and imposed upon
5 a seller by section 144.020 is in excess of two hundred fifty
6 dollars for either the first or second month of a calendar
7 quarter, the seller shall file a return and pay such aggregate
8 amount for such months to the director of revenue by the
9 twentieth day of the succeeding month.

10 (2) Beginning January 1, 2021, where the aggregate amount
11 levied and imposed upon a seller by section 144.020 is in excess
12 of two hundred fifty dollars for either the first or second month
13 of a calendar quarter, the seller shall file a return and pay
14 such aggregate amount for such months to the director of revenue
15 on or before the last day of the succeeding month.

16 3. Where the aggregate amount levied and imposed upon a
17 seller by section 144.020 is less than forty-five dollars in a
18 calendar quarter, the director of revenue shall by regulation
19 permit the seller to file a return for a calendar year. The
20 return shall be filed and the taxes paid on or before January
21 thirty-first of the succeeding year.

22 4. The seller of any property or person rendering any
23 service, subject to the tax imposed by sections 144.010 to
24 [144.525] 144.527, shall collect the tax from the purchaser of
25 such property or the recipient of the service to the extent
26 possible under the provisions of section 144.285, but the
27 seller's inability to collect any part or all of the tax does not
28 relieve the seller of the obligation to pay to the state the tax

1 imposed by section 144.020; except that the collection of the tax
2 imposed by sections 144.010 to ~~[144.525]~~ 144.527 on motor
3 vehicles and trailers shall be made as provided in sections
4 144.070 and 144.440.

5 5. Any person may advertise or hold out or state to the
6 public or to any customer directly that the tax or any part
7 thereof imposed by sections 144.010 to ~~[144.525]~~ 144.527, and
8 required to be collected by the person, will be assumed or
9 absorbed by the person, provided that the amount of tax assumed
10 or absorbed shall be stated on any invoice or receipt for the
11 property sold or service rendered. Any person violating any of
12 the provisions of this section shall be guilty of a misdemeanor.
13 This subsection shall not apply to any retailer prohibited from
14 collecting and remitting sales tax under section 66.630.

15 144.140. 1. From every remittance to the director of
16 revenue made on or before the date when the same becomes due, the
17 person required to remit the same shall be entitled to deduct and
18 retain an amount equal to two percent thereof.

19 2. The director shall provide a monetary allowance from the
20 taxes collected to a certified service provider under the terms
21 of the contract signed with the certified service provider,
22 provided that such allowance shall be funded entirely from money
23 collected by the certified service provider.

24 3. Any certified service provider receiving an allowance
25 under subsection 2 of this section shall not be entitled to
26 simultaneously deduct the allowance provided for under subsection
27 1 of this section.

28 4. For the purposes of this section, "certified service

1 provider" shall mean an agent certified by the department of
2 revenue to perform all the seller's sales and use tax functions,
3 other than the seller's obligation to remit tax on its own
4 purchases.

5 144.526. 1. This section shall be known and may be cited
6 as the "Show Me Green Sales Tax Holiday".

7 2. For purposes of this section, the following terms mean:

8 (1) "Appliance", clothes washers and dryers, water heaters,
9 trash compactors, dishwashers, conventional ovens, ranges,
10 stoves, air conditioners, furnaces, refrigerators and freezers;
11 and

12 (2) "Energy star certified", any appliance approved by both
13 the United States Environmental Protection Agency and the United
14 States Department of Energy as eligible to display the energy
15 star label, as amended from time to time.

16 3. In each year beginning on or after January 1, 2009,
17 there is hereby specifically exempted from state sales tax law
18 and all local sales and use taxes all retail sales of any energy
19 star certified new appliance, up to one thousand five hundred
20 dollars per appliance[,] during a seven-day period beginning at
21 12:01 a.m. on April nineteenth and ending at midnight on April
22 twenty-fifth. Where a purchaser and seller are located in two
23 different time zones, the time zone of the seller's location
24 shall determine the authorized exemption period.

25 4. [A political subdivision may allow the sales tax holiday
26 under this section to apply to its local sales taxes by enacting
27 an ordinance to that effect. Any such political subdivision
28 shall notify the department of revenue not less than forty-five

1 calendar days prior to the beginning date of the sales tax
2 holiday occurring in that year of any such ordinance or order.

3 5. This section may not apply to any retailer when less
4 than two percent of the retailer's merchandise offered for sale
5 qualifies for the sales tax holiday. The retailer shall offer a
6 sales tax refund in lieu of the sales tax holiday.] A sale of
7 property which is eligible for an exemption under subsection 1 of
8 this section but is purchased under a layaway sale shall only
9 qualify for an exemption if:

10 (1) Final payment on a layaway order is made by, and the
11 property is given to, the purchaser during the exemption period;
12 or

13 (2) The purchaser selects the property and the seller
14 accepts the order for the property during the exemption period,
15 for immediate delivery upon full payment, even if delivery is
16 made after the exemption period.

17 5. (1) For any discount offered by a seller that is a
18 reduction of the sales price of the product, the discounted sales
19 price shall determine whether the sales price falls below the
20 price threshold provided in subsection 1 of this section. A
21 coupon that reduces the sales price shall be treated as a
22 discount only if the seller is not reimbursed for the coupon
23 amount by a third party.

24 (2) If a discount applies to the total amount paid by a
25 purchaser rather than to the sales price of a particular product
26 and the purchaser has purchased both exempt property and taxable
27 property, the seller shall allocate the discount based on the
28 total sales prices of the taxable property compared to the total

1 sales prices of all property sold in the same transaction.

2 6. Items that are normally sold as a single unit shall
3 continue to be sold in that manner and shall not be priced
4 separately and sold as individual items.

5 7. Items that are purchased during an exemption period but
6 that are not delivered to the purchaser until after the exemption
7 period due to the item not being in stock shall qualify for an
8 exemption. The provisions of this subsection shall not apply to
9 an item that was delivered during an exemption period but was
10 purchased prior to or after the exemption period.

11 8. (1) If a purchaser purchases an item of eligible
12 property during an exemption period, but later exchanges the item
13 for a similar eligible item after the exemption period, no
14 additional tax shall be due on the new item.

15 (2) If a purchaser purchases an item of eligible property
16 during an exemption period, but later returns the item after the
17 exemption period and receives credit on the purchase of a
18 different nonexempt item, the appropriate sales tax shall be due
19 on the sale of the newly purchased item.

20 (3) If a purchaser purchases an item of eligible property
21 before an exemption period, but during the exemption period
22 returns the item and receives credit on the purchase of a
23 different item of eligible property, no sales tax shall be due on
24 the sale of the new item if the new item is purchased during the
25 exemption period.

26 (4) For a sixty day period immediately following the end of
27 the exemption period, if a purchaser returns an exempt item no
28 credit for or refund of sales tax shall be given unless the

1 purchaser provides a receipt or invoice that shows tax was paid,
2 or the seller has sufficient documentation to show that tax was
3 paid on the item being returned.

4 144.605. The following words and phrases as used in
5 sections 144.600 to 144.745 mean and include:

6 (1) "Calendar quarter", the period of three consecutive
7 calendar months ending on March thirty-first, June thirtieth,
8 September thirtieth or December thirty-first;

9 (2) "Certified service provider" or "CSP", an agent
10 certified by the department of revenue to perform all the
11 seller's sales and use tax functions, other than the seller's
12 obligation to remit tax on its own purchases;

13 (3) "Engages in business activities within this state"
14 includes:

15 (a) Maintaining or having a franchisee or licensee
16 operating under the seller's trade name in this state if the
17 franchisee or licensee is required to collect sales tax pursuant
18 to sections 144.010 to 144.525;

19 (b) Soliciting sales or taking orders by sales agents or
20 traveling representatives;

21 (c) A vendor is presumed to engage in business activities
22 within this state if any person, other than a common carrier
23 acting in its capacity as such, that has substantial nexus with
24 this state:

25 a. Sells a similar line of products as the vendor and does
26 so under the same or a similar business name;

27 b. Maintains an office, distribution facility, warehouse,
28 or storage place, or similar place of business in the state to

1 facilitate the delivery of property or services sold by the
2 vendor to the vendor's customers;

3 c. Delivers, installs, assembles, or performs maintenance
4 services for the vendor's customers within the state;

5 d. Facilitates the vendor's delivery of property to
6 customers in the state by allowing the vendor's customers to pick
7 up property sold by the vendor at an office, distribution
8 facility, warehouse, storage place, or similar place of business
9 maintained by the person in the state; or

10 e. Conducts any other activities in the state that are
11 significantly associated with the vendor's ability to establish
12 and maintain a market in the state for the sales;

13 (d) The presumption in paragraph (c) of this subdivision
14 may be rebutted by demonstrating that the person's activities in
15 the state are not significantly associated with the vendor's
16 ability to establish or maintain a market in this state for the
17 vendor's sales;

18 (e) [Notwithstanding paragraph (c), a vendor shall be
19 presumed to engage in business activities within this state if
20 the vendor enters into an agreement with one or more residents of
21 this state under which the resident, for a commission or other
22 consideration, directly or indirectly refers potential customers,
23 whether by a link on an internet website, an in-person oral
24 presentation, telemarketing, or otherwise, to the vendor, if the
25 cumulative gross receipts from sales by the vendor to customers
26 in the state who are referred to the vendor by all residents with
27 this type of an agreement with the vendor is in excess of ten
28 thousand dollars during the preceding twelve months;

1 (f) The presumption in paragraph (e) may be rebutted by
2 submitting proof that the residents with whom the vendor has an
3 agreement did not engage in any activity within the state that
4 was significantly associated with the vendor's ability to
5 establish or maintain the vendor's market in the state during the
6 preceding twelve months. Such proof may consist of sworn written
7 statements from all of the residents with whom the vendor has an
8 agreement stating that they did not engage in any solicitation in
9 the state on behalf of the vendor during the preceding year
10 provided that such statements were provided and obtained in good
11 faith] Selling tangible personal property for delivery into this
12 state provided the seller's gross receipts from delivery of
13 tangible personal property into this state in the previous
14 calendar year or current calendar year exceeds one hundred
15 thousand dollars. For the purposes of calculating a seller's
16 gross receipts under this paragraph, following the close of each
17 calendar quarter, a vendor shall determine whether the vendor met
18 the requirements under this paragraph during the twelve-month
19 period ending on the last day of the preceding calendar quarter.
20 If the vendor met such requirements for any such twelve-month
21 period, such vendor shall collect and remit the tax as provided
22 under section 144.635 for a period of not less than twelve
23 months, beginning not more than three months following the close
24 of the preceding calendar quarter, and shall continue to collect
25 and remit the tax for as long as the vendor is engaged in
26 business activities within this state, as provided for under this
27 paragraph, or otherwise maintains a substantial nexus with this
28 state;

1 [(3)] (4) "Maintains a place of business in this state"
2 includes maintaining, occupying, or using, permanently or
3 temporarily, directly or indirectly, by whatever name called, an
4 office, place of distribution, sales or sample room or place,
5 warehouse or storage place, or other place of business in this
6 state, whether owned or operated by the vendor or by any other
7 person other than a common carrier acting in its capacity as
8 such;

9 [(4)] (5) "Person", any individual, firm, copartnership,
10 joint venture, association, corporation, municipal or private,
11 and whether organized for profit or not, state, county, political
12 subdivision, state department, commission, board, bureau or
13 agency, except the state transportation department, estate,
14 trust, business trust, receiver or trustee appointed by the state
15 or federal court, syndicate, or any other group or combination
16 acting as a unit, and the plural as well as the singular number;

17 [(5)] (6) "Purchase", the acquisition of the ownership of,
18 or title to, tangible personal property, through a sale, as
19 defined herein, for the purpose of storage, use or consumption in
20 this state;

21 [(6)] (7) "Purchaser", any person who is the recipient for
22 a valuable consideration of any sale of tangible personal
23 property acquired for use, storage or consumption in this state;

24 [(7)] (8) "Sale", any transfer, barter or exchange of the
25 title or ownership of tangible personal property, or the right to
26 use, store or consume the same, for a consideration paid or to be
27 paid, and any transaction whether called leases, rentals,
28 bailments, loans, conditional sales or otherwise, and

1 notwithstanding that the title or possession of the property or
2 both is retained for security. For the purpose of this law the
3 place of delivery of the property to the purchaser, user, storer
4 or consumer is deemed to be the place of sale, whether the
5 delivery be by the vendor or by common carriers, private
6 contractors, mails, express, agents, salesmen, solicitors,
7 hawkers, representatives, consignors, peddlers, canvassers or
8 otherwise;

9 [(8)] (9) "Sales price", the consideration including the
10 charges for services, except charges incident to the extension of
11 credit, paid or given, or contracted to be paid or given, by the
12 purchaser to the vendor for the tangible personal property,
13 including any services that are a part of the sale, valued in
14 money, whether paid in money or otherwise, and any amount for
15 which credit is given to the purchaser by the vendor, without any
16 deduction therefrom on account of the cost of the property sold,
17 the cost of materials used, labor or service cost, losses or any
18 other expenses whatsoever, except that cash discounts allowed and
19 taken on sales shall not be included and "sales price" shall not
20 include the amount charged for property returned by customers
21 upon rescission of the contract of sales when the entire amount
22 charged therefor is refunded either in cash or credit or the
23 amount charged for labor or services rendered in installing or
24 applying the property sold, the use, storage or consumption of
25 which is taxable pursuant to sections 144.600 to 144.745. The
26 sales price shall not include usual and customary delivery
27 charges that are separately stated. In determining the amount of
28 tax due pursuant to sections 144.600 to 144.745, any charge

1 incident to the extension of credit shall be specifically
2 exempted;

3 [(9)] (10) "Selling agent", every person acting as a
4 representative of a principal, when such principal is not
5 registered with the director of revenue of the state of Missouri
6 for the collection of the taxes imposed pursuant to sections
7 144.010 to 144.525 or sections 144.600 to 144.745 and who
8 receives compensation by reason of the sale of tangible personal
9 property of the principal, if such property is to be stored,
10 used, or consumed in this state;

11 [(10)] (11) "Storage", any keeping or retention in this
12 state of tangible personal property purchased from a vendor,
13 except property for sale or property that is temporarily kept or
14 retained in this state for subsequent use outside the state;

15 [(11)] (12) "Tangible personal property", all items subject
16 to the Missouri sales tax as provided in subdivisions (1) and (3)
17 of subsection 1 of section 144.020;

18 [(12)] (13) "Taxpayer", any person remitting the tax or who
19 should remit the tax levied by sections 144.600 to 144.745;

20 [(13)] (14) "Use", the exercise of any right or power over
21 tangible personal property incident to the ownership or control
22 of that property, except that it does not include the temporary
23 storage of property in this state for subsequent use outside the
24 state, or the sale of the property in the regular course of
25 business;

26 [(14)] (15) "Vendor", every person engaged in making sales
27 of tangible personal property by mail order, by advertising, by
28 agent or peddling tangible personal property, soliciting or

1 taking orders for sales of tangible personal property, for
2 storage, use or consumption in this state, all salesmen,
3 solicitors, hawkers, representatives, consignees, peddlers or
4 canvassers, as agents of the dealers, distributors, consignors,
5 supervisors, principals or employers under whom they operate or
6 from whom they obtain the tangible personal property sold by
7 them, and every person who maintains a place of business in this
8 state, maintains a stock of goods in this state, or engages in
9 business activities within this state and every person who
10 engages in this state in the business of acting as a selling
11 agent for persons not otherwise vendors as defined in this
12 subdivision. Irrespective of whether they are making sales on
13 their own behalf or on behalf of the dealers, distributors,
14 consignors, supervisors, principals or employers, they must be
15 regarded as vendors and the dealers, distributors, consignors,
16 supervisors, principals or employers must be regarded as vendors
17 for the purposes of sections 144.600 to 144.745.

18 144.608. 1. For the purpose of more efficiently securing
19 the payment of and accounting for the tax collected and remitted
20 by retailers and vendors, the department is hereby authorized:

21 (1) To consult, contract, and work jointly with the
22 streamlined sales and use tax agreement's governing board to
23 allow sellers to use the governing board's certified service
24 providers and central registration system services; or

25 (2) To consult, contract, and work with certified service
26 providers independently. The department is authorized to
27 determine the method and amount of compensation to be provided to
28 certified service providers by this state for the services of

1 such certified service providers to certain sellers, provided
2 that no certified service provider or seller utilizing a
3 certified service provider shall be entitled to the deduction
4 provided in subsection 1 of section 144.140.

5 2. The director of revenue shall make, promulgate, and
6 enforce reasonable rules and regulations for the administration
7 and enforcement of the provisions of this chapter relating to the
8 collection and remittance of sales and use tax by certified
9 service providers. Any rule or portion of a rule, as that term
10 is defined in section 536.010 that is created under the authority
11 delegated in this section shall become effective only if it
12 complies with and is subject to all of the provisions of chapter
13 536 and, if applicable, section 536.028. This section and
14 chapter 536 are nonseverable and if any of the powers vested with
15 the general assembly pursuant to chapter 536 to review, to delay
16 the effective date, or to disapprove and annul a rule are
17 subsequently held unconstitutional, then the grant of rulemaking
18 authority and any rule proposed or adopted after August 28, 2020,
19 shall be invalid and void.

20 144.637. 1. The director of revenue shall provide and
21 maintain a database that describes boundary changes for all
22 taxing jurisdictions and the effective dates of such changes for
23 the use of vendors collecting the tax imposed under sections
24 144.600 to 144.745.

25 2. For the identification of counties and cities, codes
26 corresponding to the rates shall be provided according to Federal
27 Information Processing Standards (FIPS) as developed by the
28 National Institute of Standards and Technology. For the

1 identification of all other jurisdictions, codes corresponding to
2 the rates shall be in a format determined by the director.

3 3. The director shall provide and maintain address-based
4 boundary database records for assigning taxing jurisdictions and
5 associated rates. The database records shall meet the
6 requirements developed pursuant to the federal Mobile
7 Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If a
8 vendor is unable to determine the applicable rate and
9 jurisdiction using an address-based database record after
10 exercising due diligence, the vendor may apply the nine-digit zip
11 code designation applicable to a purchase. If a nine-digit zip
12 code designation is not available for a street address or if a
13 vendor is unable to determine the nine-digit zip code designation
14 applicable to a purchase after exercising due diligence to
15 determine the designation, the vendor may apply the rate for the
16 five-digit zip code area. For the purposes of this section,
17 there shall be a rebuttable presumption that a vendor has
18 exercised due diligence if the vendor has attempted to determine
19 the tax rate and jurisdiction by utilizing software approved by
20 the director and makes the assignment from the address and zip
21 code information applicable to the purchase. The databases shall
22 be in the same approved format as the database records under this
23 section and meet the requirements developed pursuant to the
24 federal Mobile Telecommunications Sourcing Act, 4 U.S.C. Section
25 119(a). If the director certifies an address-based database
26 provided by a third party, a vendor may use such database in
27 place of the database provided for in this subsection.

28 4. The electronic database provided for in subsections 1,

1 2, and 3 of this section shall be in downloadable format as
2 determined by the director. The database may be directly
3 provided by the director or provided by a third party as
4 designated by the director. The database provided by the
5 director shall be provided at no cost to the user of the
6 database. The provisions of subsection 3 of this section shall
7 not apply if the purchased product is received by the purchaser
8 at the business location of the vendor.

9 5. No vendor shall be liable for reliance upon erroneous
10 data provided by the director on tax rates, boundaries, or taxing
11 jurisdiction assignments.

12 144.638. 1. The director shall provide and maintain a
13 taxability matrix. The state's entries in the matrix shall be
14 provided and maintained by the director in a database that is in
15 a downloadable format.

16 2. The director shall provide reasonable notice of changes
17 in the taxability of the products or services listed in the
18 taxability matrix.

19 3. A seller or CSP shall be relieved from liability to this
20 state or any local taxing jurisdiction for having charged and
21 collected the incorrect amount of state or local sales or use tax
22 resulting from such seller's or CSP's reliance upon erroneous
23 data provided or approved by the director in the taxability
24 matrix, and a seller shall be relieved from liability for
25 erroneous returns made by a CSP on behalf of the seller.

26 144.710. [From every remittance made by a vendor as
27 required by sections 144.600 to 144.745 to the director of
28 revenue on or before the date when the remittance becomes due,

1 the vendor may deduct and retain an amount equal to two percent
2 thereof.] The provisions of section 144.140 relating to the
3 allowance for timely remittance of payment shall be applicable to
4 the tax levied under sections 144.600 to 144.745.

5 144.752. 1. For the purposes of this section, the
6 following terms shall mean:

7 (1) "Marketplace facilitator", a person that:

8 (a) Facilitates a retail sale by a marketplace seller by
9 listing or advertising for sale by the marketplace seller in any
10 forum, tangible personal property or services that are subject to
11 tax under this chapter; and

12 (b) Either directly or indirectly through agreements or
13 arrangements with third parties collecting payment from the
14 purchaser and transmitting such payment to the marketplace seller
15 regardless of whether the marketplace facilitator receives
16 compensation or other consideration in exchange for its services.

17
18 A marketplace facilitator is a seller and shall comply with the
19 provisions of this chapter. A marketplace facilitator does not
20 include a person who provides internet advertising services, or
21 product listing, and does not collect payment from the purchaser
22 and transmit payment to the marketplace seller, and does not
23 include a person with respect to the provision of travel agency
24 services or the operation of a marketplace or that portion of a
25 marketplace that enables consumers to receive travel agency
26 services. For the purposes of this subdivision, "travel agency
27 services" means facilitating, for a commission, fee, or other
28 consideration, vacation or travel packages, rental car or other

1 travel reservations, tickets for domestic or foreign travel by
2 air, rail, ship, bus, or other medium of transportation, or hotel
3 or other lodging accommodations;

4 (2) "Marketplace seller", a seller that makes sales through
5 any electronic marketplace operated by a marketplace facilitator;

6 (3) "Person", any individual, firm, copartnership, joint
7 venture, association, corporation, municipal or private, whether
8 organized for profit or not, state, county, political
9 subdivision, state department, commission, board, bureau or
10 agency, except the department of transportation, estate, trust,
11 business trust, receiver or trustee appointed by the state or
12 federal court, syndicate, or any other group or combination
13 acting as a unit;

14 (4) "Purchaser", any person who is the recipient for a
15 valuable consideration of any sale of tangible personal property
16 acquired for use, storage, or consumption in this state;

17 (5) "Retail sale", the same meaning as defined under
18 sections 144.010 and 144.011, excluding motor vehicles, trailers,
19 motorcycles, mopeds, motortricycles, boats, and outboard motors
20 required to be titled under the laws of the state and subject to
21 tax under subdivision (9) of subsection 1 of section 144.020;

22 (6) "Seller", a person selling or furnishing tangible
23 personal property or rendering services on the receipts from
24 which a tax is imposed under section 144.020.

25 2. (1) Beginning January 1, 2022, marketplace facilitators
26 that engage in business activities within this state shall
27 register with the department to collect and remit use tax, as
28 applicable, on sales made through the marketplace facilitator's

1 marketplace by or on behalf of a marketplace seller that are
2 delivered into the state, whether by the marketplace facilitator
3 or another person, and regardless of whether the marketplace
4 seller for whom sales are facilitated possesses a retail sales
5 license or would have been required to collect use tax had the
6 sale not been facilitated by the marketplace facilitator. Such
7 retail sales shall include those made directly by the marketplace
8 facilitator and shall also include those retail sales made by
9 marketplace sellers through the marketplace facilitator's
10 marketplace. The collection and reporting requirements of this
11 subsection shall not apply to retail sales other than those made
12 through a marketplace facilitator's marketplace. Nothing in this
13 section shall be construed to limit or prohibit the ability of a
14 marketplace facilitator and a marketplace seller to enter into
15 agreements regarding the fulfillment of the requirements of this
16 chapter.

17 (2) All taxable sales made through a marketplace
18 facilitator's marketplace by or on behalf of a marketplace seller
19 shall be deemed to be consummated at the location in this state
20 to which the item is shipped or delivered, or at which possession
21 is taken by the purchaser.

22 3. Marketplace facilitators that are required to collect
23 use tax under this section shall report and remit the tax
24 separately from any sales and use tax collected by the
25 marketplace facilitator, or by affiliates of the marketplace
26 facilitator, which the marketplace facilitator would have been
27 required to collect and remit under the provisions of this
28 chapter prior to January 1, 2022. Such tax shall be reported and

1 remitted as determined by the department. Marketplace
2 facilitators shall maintain records of all sales delivered to a
3 location in the state, including electronic or paper copies of
4 invoices showing the purchaser, address, purchase amount, and use
5 tax collected. Such records shall be made available for review
6 and inspection upon request by the department.

7 4. Marketplace facilitators who properly collect and remit
8 to the department in a timely manner use tax on sales in
9 accordance with the provisions of this section by or on behalf of
10 marketplace sellers shall be eligible for any discount provided
11 under this chapter.

12 5. A marketplace facilitator shall separately state on an
13 invoice provided to a purchaser the use tax collected and
14 remitted on behalf of a marketplace seller.

15 6. Any taxpayer who remits use tax under this section shall
16 be entitled to refunds or credits to the same extent and in the
17 same manner provided for in section 144.190 for taxes collected
18 and remitted under this section. Nothing in this section shall
19 relieve a purchaser of the obligation to remit use tax for any
20 retail sale taxable under this chapter for which a marketplace
21 facilitator or marketplace seller does not collect and remit the
22 use tax.

23 7. Except as provided under subsections 8 and 9 of this
24 section, marketplace facilitators shall be subject to the penalty
25 provisions, procedures, and reporting requirements provided under
26 the provisions of this chapter.

27 8. No class action shall be brought against a marketplace
28 facilitator in any court in this state on behalf of purchasers

1 arising from or in any way related to an overpayment of use tax
2 collected on retail sales facilitated by a marketplace
3 facilitator, regardless of whether that claim is characterized as
4 a tax refund claim. Nothing in this subsection shall affect a
5 purchaser's right to seek a refund as provided under section
6 144.190.

7 9. (1) A marketplace facilitator shall be relieved from
8 liability under this section for the failure to collect and remit
9 the correct amount of use tax on retail sales facilitated for
10 marketplace sellers under the following circumstances:

11 (a) To the extent that the marketplace facilitator
12 demonstrates to the satisfaction of the department that the error
13 was due to insufficient or incorrect information given to the
14 marketplace facilitator by the marketplace seller; provided,
15 however, that a marketplace facilitator shall not be relieved of
16 liability under this paragraph if the marketplace facilitator and
17 the marketplace seller are affiliated;

18 (b) To the extent that the marketplace facilitator
19 demonstrates to the satisfaction of the department that:

20 a. The marketplace facilitator is not the seller and that
21 the marketplace facilitator and marketplace seller are not
22 affiliated;

23 b. The retail sale was facilitated for a marketplace seller
24 through a marketplace operated by the marketplace facilitator;
25 and

26 c. The failure to collect and remit the correct amount of
27 use tax was due to an error other than an error in sourcing the
28 sale under the provisions of this chapter.

1 (2) The relief from liability provided under subdivision
2 (1) of this subsection shall not exceed the following percentage
3 of the total use tax due on retail sales facilitated by a
4 marketplace facilitator for marketplace sellers and sourced to
5 this state during a calendar year, which such retail sales shall
6 not include retail sales made directly by the marketplace
7 facilitator or affiliates of the marketplace facilitator:

8 (a) For retail sales made or facilitated during the 2022
9 calendar year, four percent;

10 (b) For retail sales made or facilitated during the 2023
11 calendar year, two percent;

12 (c) For retail sales made or facilitated during the 2024
13 calendar year, one percent; and

14 (d) For retail sales made or facilitated for all years
15 beginning January 1, 2025, zero percent.

16 (3) To the extent that a marketplace facilitator is
17 relieved of liability for the collection of use tax under this
18 subsection, the marketplace seller for whom the marketplace
19 facilitator has made or facilitated the sale shall also be
20 relieved of liability under this subsection.

21 (4) The department shall determine the manner in which a
22 marketplace facilitator or marketplace seller shall apply for and
23 claim the relief from liability provided for under this
24 subsection.

25 10. For the purposes of this section, a marketplace
26 facilitator shall not include a third party financial institution
27 appointed by a merchant or a marketplace facilitator to handle
28 various forms of payment transactions, such as processing credit

1 cards and debit cards, and whose sole activity with respect to
2 marketplace sales is to facilitate the payment transactions
3 between two parties.

4 11. The state general revenue portion from remittances made
5 pursuant to this section, with the exception of revenues
6 collected pursuant to section 144.701 and Article IV, Sections
7 43(a) and 47(a) of the Missouri Constitution, shall be deposited
8 to the credit of the cash operating expense fund established
9 pursuant to section 33.575.

10 12. The department may promulgate rules to implement the
11 provisions of this section. Any rule or portion of a rule, as
12 that term is defined in section 536.010, that is created under
13 the authority delegated in this section shall become effective
14 only if it complies with and is subject to all of the provisions
15 of chapter 536 and, if applicable, section 536.028. This section
16 and chapter 536 are nonseverable and if any of the powers vested
17 with the general assembly pursuant to chapter 536 to review, to
18 delay the effective date, or to disapprove and annul a rule are
19 subsequently held unconstitutional, then the grant of rulemaking
20 authority and any rule proposed or adopted after August 28, 2020,
21 shall be invalid and void.

22 144.757. 1. Any county or municipality[, except
23 municipalities within a county having a charter form of
24 government with a population in excess of nine hundred thousand,]
25 may, by a majority vote of its governing body, impose a local use
26 tax if a local sales tax is imposed as defined in section 32.085
27 or if a sales tax is imposed pursuant to sections 94.850 or
28 94.890, with such local use tax imposed at a rate equal to the

1 rate of the local sales tax [in effect in] and any sales tax
2 imposed pursuant to sections 94.850 or 94.890 by such county or
3 municipality; provided, however, that no ordinance or order
4 enacted pursuant to sections 144.757 to 144.761 shall be
5 effective unless the governing body of the county or municipality
6 submits to the voters thereof at a municipal, county or state
7 general, primary or special election a proposal to authorize the
8 governing body of the county or municipality to impose a local
9 use tax pursuant to sections 144.757 to 144.761. [Municipalities
10 within a county having a charter form of government with a
11 population in excess of nine hundred thousand may, upon voter
12 approval received pursuant to paragraph (b) of subdivision (2) of
13 subsection 2 of this section, impose a local use tax at the same
14 rate as the local municipal sales tax with the revenues from all
15 such municipal use taxes to be distributed pursuant to subsection
16 4 of section 94.890. The municipality shall within thirty days
17 of the approval of the use tax imposed pursuant to paragraph (b)
18 of subdivision (2) of subsection 2 of this section select one of
19 the distribution options permitted in subsection 4 of section
20 94.890 for distribution of all municipal use taxes.

21 2.]

22 (1) The ballot of submission[, except for counties and
23 municipalities described in subdivisions (2) and (3) of this
24 subsection,] shall contain substantially the following language:

25 Shall the _____ (county or municipality's name) impose
26 a local use tax at the same rate as the total local
27 sales tax rate, [currently _____ (insert percent),]
28 provided that if the local sales tax rate is reduced or

1 raised by voter approval, the local use tax rate shall
2 also be reduced or raised by the same action? [A use
3 tax return shall not be required to be filed by persons
4 whose purchases from out-of-state vendors do not in
5 total exceed two thousand dollars in any calendar year]
6 Approval of this question will eliminate the disparity
7 in tax rates collected by local and out-of-state
8 sellers by imposing the same rate on all sellers.

9 YES

NO

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

13 (2) [(a) The ballot of submission in a county having a
14 charter form of government with a population in excess of nine
15 hundred thousand shall contain substantially the following
16 language:

17 For the purposes of enhancing county and municipal
18 public safety, parks, and job creation and enhancing
19 local government services, shall the county be
20 authorized to collect a local use tax equal to the
21 total of the existing county sales tax rate of (insert
22 tax rate), provided that if the county sales tax is
23 repealed, reduced or raised by voter approval, the
24 local use tax rate shall also be repealed, reduced or
25 raised by the same voter action? Fifty percent of the
26 revenue shall be used by the county throughout the
27 county for improving and enhancing public safety, park
28 improvements, and job creation, and fifty percent shall

1 be used for enhancing local government services. The
2 county shall be required to make available to the
3 public an audited comprehensive financial report
4 detailing the management and use of the countywide
5 portion of the funds each year.

6
7 A use tax is the equivalent of a sales tax on purchases
8 from out-of-state sellers by in-state buyers and on
9 certain taxable business transactions. A use tax
10 return shall not be required to be filed by persons
11 whose purchases from out-of-state vendors do not in
12 total exceed two thousand dollars in any calendar year.

13 YES NO

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

17 (b) The ballot of submission in a municipality within a
18 county having a charter form of government with a population in
19 excess of nine hundred thousand shall contain substantially the
20 following language:

21 Shall the municipality be authorized to impose a local
22 use tax at the same rate as the local sales tax by a
23 vote of the governing body, provided that if any local
24 sales tax is repealed, reduced or raised by voter
25 approval, the respective local use tax shall also be
26 repealed, reduced or raised by the same action? A use
27 tax return shall not be required to be filed by persons
28 whose purchases from out-of-state vendors do not in

1 total exceed two thousand dollars in any calendar year.

2 YES NO

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

6 (3)] The ballot of submission in any city not within a
7 county shall contain substantially the following language:

8 Shall the _____ (city name) impose a local use tax at
9 the same rate as the local sales tax, [currently at a
10 rate of _____ (insert percent)] which includes the
11 capital improvements sales tax and the transportation
12 tax, provided that if any local sales tax is repealed,
13 reduced or raised by voter approval, the respective
14 local use tax shall also be repealed, reduced or raised
15 by the same action? [A use tax return shall not be
16 required to be filed by persons whose purchases from
17 out-of-state vendors do not in total exceed two
18 thousand dollars in any calendar year] Approval of this
19 question will eliminate the disparity in tax rates
20 collected by local and out-of-state sellers by imposing
21 the same rate on all sellers.

22 YES NO

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

26 [(4)] 2. If any of such ballots are submitted on August 6,
27 1996, and if a majority of the votes cast on the proposal by the
28 qualified voters voting thereon are in favor of the proposal,

1 then the ordinance or order and any amendments thereto shall be
2 in effect October 1, 1996, provided the director of revenue
3 receives notice of adoption of the local use tax on or before
4 August 16, 1996. If any of such ballots are submitted after
5 December 31, 1996, and if a majority of the votes cast on the
6 proposal by the qualified voters voting thereon are in favor of
7 the proposal, then the ordinance or order and any amendments
8 thereto shall be in effect on the first day of the calendar
9 quarter which begins at least forty-five days after the director
10 of revenue receives notice of adoption of the local use tax. If
11 a majority of the votes cast by the qualified voters voting are
12 opposed to the proposal, then the governing body of the county or
13 municipality shall have no power to impose the local use tax as
14 herein authorized unless and until the governing body of the
15 county or municipality shall again have submitted another
16 proposal to authorize the governing body of the county or
17 municipality to impose the local use tax and such proposal is
18 approved by a majority of the qualified voters voting thereon.

19 3. The local use tax may be imposed at the same rate as the
20 local sales tax then currently in effect in the county or
21 municipality upon all transactions which are subject to the taxes
22 imposed pursuant to sections 144.600 to 144.745 within the county
23 or municipality adopting such tax; provided, however, that if any
24 local sales tax is repealed or the rate thereof is reduced or
25 raised by voter approval, the local use tax rate shall also be
26 deemed to be repealed, reduced or raised by the same action
27 repealing, reducing or raising the local sales tax.

28 4. For purposes of sections 144.757 to 144.761, the use tax

1 may be referred to or described as the equivalent of a sales tax
2 on purchases made from out-of-state sellers by in-state buyers
3 and on certain intrabusiness transactions. Such a description
4 shall not change the classification, form or subject of the use
5 tax or the manner in which it is collected.

6 144.759. 1. All local use taxes collected by the director
7 of revenue pursuant to sections 144.757 to 144.761 on behalf of
8 any county or municipality, less one percent for cost of
9 collection, which shall be deposited in the state's general
10 revenue fund after payment of premiums for surety bonds as
11 provided in section 32.087 shall be deposited with the state
12 treasurer in a local use tax trust fund, which fund shall be
13 separate and apart from the local sales tax trust funds. The
14 moneys in such local use tax trust fund shall not be deemed to be
15 state funds and shall not be commingled with any funds of the
16 state. The director of revenue shall keep accurate records of
17 the amount of money in the trust fund which was collected in each
18 county or municipality imposing a local use tax, and the records
19 shall be open to the inspection of officers of the county or
20 municipality and to the public. No later than the tenth day of
21 each month, the director of revenue shall distribute all moneys
22 deposited in the trust fund during the preceding month, except as
23 provided in subsection 2 of this section, to the county or
24 municipality treasurer, or such other officer as may be
25 designated by the county or municipality ordinance or order, of
26 each county or municipality imposing the tax authorized by
27 sections 144.757 to 144.761, the sum due the county or
28 municipality as certified by the director of revenue.

1 2. Subject to the provisions of subsection 1 of this
2 section, the director of revenue shall distribute all moneys
3 which would be due any county having a charter form of government
4 and having a population of nine hundred thousand or more to the
5 county treasurer or such other officer as may be designated by
6 county ordinance, who shall distribute [such moneys as follows:
7 the] that portion of the use [tax] taxes imposed by the county
8 [which equals one-half the rate of sales tax in effect for such
9 county shall be disbursed to the county treasurer for expenditure
10 throughout the county for public safety, parks, and job creation,
11 subject to any qualifications and regulations adopted by
12 ordinance of the county. Such ordinance shall require an audited
13 comprehensive financial report detailing the management and use
14 of such funds each year. Such ordinance shall also require that
15 the county and the municipal league of the county jointly prepare
16 a strategy to guide expenditures of funds and conduct an annual
17 review of the strategy. The treasurer or such other officer as
18 may be designated by county ordinance shall distribute one-third
19 of the balance to the county and to each city, town and village
20 in group B according to section 66.620 as modified by this
21 section, a portion of the two-thirds remainder of such balance
22 equal to the percentage ratio that the population of each such
23 city, town or village bears to the total population of all such
24 group B cities, towns and villages. For the purposes of this
25 subsection, population shall be determined by the last federal
26 decennial census or the latest census that determines the total
27 population of the county and all political subdivisions therein.
28 For the purposes of this subsection, each city, town or village

1 in group A according to section 66.620 but whose per capita sales
2 tax receipts during the preceding calendar year pursuant to
3 sections 66.600 to 66.630 were less than the per capita
4 countywide average of all sales tax receipts during the preceding
5 calendar year, shall be treated as a group B city, town or
6 village until the per capita amount distributed to such city,
7 town or village equals the difference between the per capita
8 sales tax receipts during the preceding calendar year and the per
9 capita countywide average of all sales tax receipts during the
10 preceding calendar year] that is equal to the rate of sales taxes
11 imposed by the county pursuant to sections 66.600 and 67.547 to
12 the cities, towns, and villages within such county and to the
13 unincorporated area of the county on the ratio of the population
14 that each such city, town, village, and the unincorporated areas
15 of the county bears to the total population of the county;
16 provided, however, the county treasurer or other officer shall
17 distribute that portion of the use tax imposed by the county
18 equal to the rate of sales tax imposed by the county pursuant to
19 section 67.547 for the purpose of funding zoological activities
20 and zoological facilities of the zoological park subdistrict of
21 the metropolitan zoological park and museum district as created
22 pursuant to section 184.350.

23 3. The director of revenue may authorize the state
24 treasurer to make refunds from the amounts in the trust fund and
25 credited to any county or municipality for erroneous payments and
26 overpayments made, and may redeem dishonored checks and drafts
27 deposited to the credit of such counties or municipalities. If
28 any county or municipality abolishes the tax, the county or

1 municipality shall notify the director of revenue of the action
2 at least ninety days prior to the effective date of the repeal,
3 and the director of revenue may order retention in the trust
4 fund, for a period of one year, of two percent of the amount
5 collected after receipt of such notice to cover possible refunds
6 or overpayment of the tax and to redeem dishonored checks and
7 drafts deposited to the credit of such accounts. After one year
8 has elapsed after the effective date of abolition of the tax in
9 such county or municipality, the director of revenue shall
10 authorize the state treasurer to remit the balance in the account
11 to the county or municipality and close the account of that
12 county or municipality. The director of revenue shall notify
13 each county or municipality of each instance of any amount
14 refunded or any check redeemed from receipts due the county or
15 municipality.

16 4. Except as modified in sections 144.757 to 144.761, all
17 provisions of sections 32.085 and 32.087 applicable to the local
18 sales tax, except for subsection 12 of section 32.087, and all
19 provisions of sections 144.600 to 144.745 shall apply to the tax
20 imposed pursuant to sections 144.757 to 144.761, and the director
21 of revenue shall perform all functions incident to the
22 administration, collection, enforcement, and operation of the
23 tax.

24 321.552. 1. Except in any county of the first
25 classification with over two hundred thousand inhabitants, or any
26 county of the first classification without a charter form of
27 government and with more than seventy-three thousand seven
28 hundred but less than seventy-three thousand eight hundred

1 inhabitants; or any county of the first classification without a
2 charter form of government and with more than one hundred
3 eighty-four thousand but less than one hundred eighty-eight
4 thousand inhabitants; or any county with a charter form of
5 government with over one million inhabitants; or any county with
6 a charter form of government with over two hundred eighty
7 thousand inhabitants but less than three hundred thousand
8 inhabitants, the governing body of any ambulance or fire
9 protection district may impose a sales tax in an amount up to
10 [one-half of] one percent on all retail sales made in such
11 ambulance or fire protection district which are subject to
12 taxation pursuant to the provisions of sections 144.010 to
13 144.525 provided that such sales tax shall be accompanied by a
14 reduction in the district's tax rate as defined in section
15 137.073. The tax authorized by this section shall be in addition
16 to any and all other sales taxes allowed by law, except that no
17 sales tax imposed pursuant to the provisions of this section
18 shall be effective unless the governing body of the ambulance or
19 fire protection district submits to the voters of such ambulance
20 or fire protection district, at a municipal or state general,
21 primary or special election, a proposal to authorize the
22 governing body of the ambulance or fire protection district to
23 impose a tax pursuant to this section.

24 2. The ballot of submission shall contain, but need not be
25 limited to, the following language:

26 Shall _____ (insert name of ambulance or fire
27 protection district) impose a sales tax of _____
28 (insert amount up to [one-half) of] one percent) for

1 the purpose of providing revenues for the operation of
2 the _____ (insert name of ambulance or fire protection
3 district) and the total property tax levy on properties
4 in the _____ (insert name of the ambulance or fire
5 protection district) shall be reduced annually by an
6 amount which reduces property tax revenues by an amount
7 equal to fifty percent of the previous year's revenue
8 collected from this sales tax?

9 YES NO

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

13 3. If a majority of the votes cast on the proposal by the
14 qualified voters voting thereon are in favor of the proposal,
15 then the sales tax authorized in this section shall be in effect
16 and the governing body of the ambulance or fire protection
17 district shall lower the level of its tax rate by an amount which
18 reduces property tax revenues by an amount equal to fifty percent
19 of the amount of sales tax collected in the preceding year. If a
20 majority of the votes cast by the qualified voters voting are
21 opposed to the proposal, then the governing body of the ambulance
22 or fire protection district shall not impose the sales tax
23 authorized in this section unless and until the governing body of
24 such ambulance or fire protection district resubmits a proposal
25 to authorize the governing body of the ambulance or fire
26 protection district to impose the sales tax authorized by this
27 section and such proposal is approved by a majority of the
28 qualified voters voting thereon.

1 4. All revenue received by a district from the tax
2 authorized pursuant to this section shall be deposited in a
3 special trust fund, and be used solely for the purposes specified
4 in the proposal submitted pursuant to this section for so long as
5 the tax shall remain in effect.

6 5. All sales taxes collected by the director of revenue
7 pursuant to this section, less one percent for cost of collection
8 which shall be deposited in the state's general revenue fund
9 after payment of premiums for surety bonds as provided in section
10 32.087, shall be deposited in a special trust fund, which is
11 hereby created, to be known as the "Ambulance or Fire Protection
12 District Sales Tax Trust Fund". The moneys in the ambulance or
13 fire protection district sales tax trust fund shall not be deemed
14 to be state funds and shall not be commingled with any funds of
15 the state. The director of revenue shall keep accurate records
16 of the amount of money in the trust and the amount collected in
17 each district imposing a sales tax pursuant to this section, and
18 the records shall be open to inspection by officers of the county
19 and to the public. Not later than the tenth day of each month
20 the director of revenue shall distribute all moneys deposited in
21 the trust fund during the preceding month to the governing body
22 of the district which levied the tax; such funds shall be
23 deposited with the board treasurer of each such district.

24 6. The director of revenue may make refunds from the
25 amounts in the trust fund and credit any district for erroneous
26 payments and overpayments made, and may redeem dishonored checks
27 and drafts deposited to the credit of such district. If any
28 district abolishes the tax, the district shall notify the

1 director of revenue of the action at least ninety days prior to
2 the effective date of the repeal and the director of revenue may
3 order retention in the trust fund, for a period of one year, of
4 two percent of the amount collected after receipt of such notice
5 to cover possible refunds or overpayment of the tax and to redeem
6 dishonored checks and drafts deposited to the credit of such
7 accounts. After one year has elapsed after the effective date of
8 abolition of the tax in such district, the director of revenue
9 shall remit the balance in the account to the district and close
10 the account of that district. The director of revenue shall
11 notify each district of each instance of any amount refunded or
12 any check redeemed from receipts due the district.

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

16 8. The governing body of any ambulance or fire protection
17 district authorized to levy a sales tax pursuant to this section
18 shall:

19 (1) Submit the question of an increase in the rate of the
20 sales tax to the voters on a general election day not earlier
21 than the 2022 general election; and

22 (2) Include information on the ambulance or fire protection
23 district website, if available, on the tax rate and the purposes
24 for which the tax is levied.

25 Section B. Because of the importance of ensuring the fiscal
26 health of the state in an emergency, the enactment of section
27 33.575 of this act is deemed necessary for the immediate
28 preservation of the public health, welfare, peace and safety, and

1 is hereby declared to be an emergency act within the meaning of
2 the constitution, and the enactment of section 33.575 of this act
3 shall be in full force and effect upon its passage and approval.

4 Section C. The repeal and reenactment of sections 143.011,
5 144.011, 144.020, 144.049, 144.054, 144.060, 144.080, 144.140,
6 144.526, 144.605, and 144.710 and the enactment of sections
7 144.608, 144.637, 144.638, and 144.752 of this act shall become
8 effective January 1, 2022.