

SECOND REGULAR SESSION

SENATE BILL NO. 805

100TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOSKINS.

Pre-filed December 27, 2019, and ordered printed.

ADRIANE D. CROUSE, Secretary.

4604S.011

AN ACT

To repeal sections 32.087, 32.310, 144.020, 144.605, and 144.757, RSMo, and to enact in lieu thereof seven new sections relating to sales taxes.

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

Section A. Sections 32.087, 32.310, 144.020, 144.605, and 144.757, RSMo, are repealed and seven new sections enacted in lieu thereof, to be known as sections 32.087, 32.310, 144.020, 144.605, 144.637, 144.752, and 144.757, to read as follows:

32.087. 1. Within ten days after the adoption of any ordinance or order in favor of adoption of any local sales tax authorized under the local sales tax law by the voters of a taxing entity, the governing body or official of such taxing entity shall forward to the director of revenue by United States registered mail or certified mail a certified copy of the ordinance or order. The ordinance or order shall reflect the effective date thereof.

2. Any local sales tax so adopted shall become effective on the first day of the second calendar quarter after the director of revenue receives notice of adoption of the local sales tax, except as provided in subsection 18 of this section, and shall be imposed on all transactions on which the Missouri state sales tax is imposed.

3. **(1)** Every retailer within the jurisdiction of one or more taxing entities which has imposed one or more local sales taxes under the local sales tax law shall add all taxes so imposed along with the tax imposed by the sales tax law of the state of Missouri to the sale price and, when added, the combined tax shall constitute a part of the price, and shall be a debt of the purchaser to the retailer until paid, and shall be recoverable at law in the same manner as the purchase

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

18 price. The combined rate of the state sales tax and all local sales taxes shall be
19 the sum of the rates, multiplying the combined rate times the amount of the sale.

20 **(2) (a) For all tax years beginning on or after January 1, 2021,**
21 **all taxing jurisdictions levying a local sales tax shall reduce such levy**
22 **to a rate that will produce substantially the same amount of revenue**
23 **collected from such sales tax during the fiscal year beginning on or**
24 **after July 1, 2018, and ending on or before June 30, 2019, plus five**
25 **percent of such amount.**

26 **(b) All taxing jurisdictions levying a local sales tax shall provide**
27 **data, in such form as shall be prescribed by the state auditor by rule,**
28 **substantiating such tax rate complies with the provisions of this**
29 **subdivision. The state auditor shall, within fifteen days of the date of**
30 **receipt, examine such information and return to the taxing jurisdiction**
31 **his or her findings as to compliance of the tax rate with this**
32 **subdivision. If the state auditor believes that a taxing jurisdiction's**
33 **proposed tax rate does not comply with this subdivision, then the state**
34 **auditor's findings shall include a recalculated tax rate, and the state**
35 **auditor may request a taxing jurisdiction to submit documentation**
36 **supporting such taxing jurisdiction's proposed tax rate. Any rule or**
37 **portion of a rule, as that term is defined in section 536.010 that is**
38 **created under the authority delegated in this section shall become**
39 **effective only if it complies with and is subject to all of the provisions**
40 **of chapter 536 and, if applicable, section 536.028. This section and**
41 **chapter 536 are nonseverable and if any of the powers vested with the**
42 **general assembly pursuant to chapter 536 to review, to delay the**
43 **effective date, or to disapprove and annul a rule are subsequently held**
44 **unconstitutional, then the grant of rulemaking authority and any rule**
45 **proposed or adopted after August 28, 2020, shall be invalid and void.**

46 4. The brackets required to be established by the director of revenue
47 under the provisions of section 144.285 shall be based upon the sum of the
48 combined rate of the state sales tax and all local sales taxes imposed under the
49 provisions of the local sales tax law.

50 5. (1) The ordinance or order imposing a local sales tax under the local
51 sales tax law shall impose a tax upon all transactions upon which the Missouri
52 state sales tax is imposed to the extent and in the manner provided in sections
53 144.010 to 144.525, and the rules and regulations of the director of revenue
54 issued pursuant thereto; except that the rate of the tax shall be the sum of the

55 combined rate of the state sales tax or state highway use tax and all local sales
56 taxes imposed under the provisions of the local sales tax law.

57 (2) Notwithstanding any other provision of law to the contrary, local
58 taxing jurisdictions, except those in which voters have approved a local use tax
59 under section 144.757, shall have placed on the ballot on or after the general
60 election in November 2014, but no later than the general election in November
61 2022, whether to repeal application of the local sales tax to the titling of motor
62 vehicles, trailers, boats, and outboard motors that are subject to state sales tax
63 under section 144.020 and purchased from a source other than a licensed
64 Missouri dealer. The ballot question presented to the local voters shall contain
65 substantially the following language:

66 Shall the _____ (local jurisdiction's name) discontinue applying
67 and collecting the local sales tax on the titling of motor vehicles,
68 trailers, boats, and outboard motors that were purchased from a
69 source other than a licensed Missouri dealer?

70 Approval of this measure will result in a reduction of local revenue
71 to provide for vital services for _____ (local jurisdiction's name)
72 and it will place Missouri dealers of motor vehicles, outboard
73 motors, boats, and trailers at a competitive disadvantage to
74 non-Missouri dealers of motor vehicles, outboard motors, boats, and
75 trailers.

76 YES NO

77 If you are in favor of the question, place an "X" in the box opposite
78 "YES". If you are opposed to the question, place an "X" in the box
79 opposite "NO".

80 (3) If the ballot question set forth in subdivision (2) of this subsection
81 receives a majority of the votes cast in favor of the proposal, or if the local taxing
82 jurisdiction fails to place the ballot question before the voters on or before the
83 general election in November 2022, the local taxing jurisdiction shall cease
84 applying the local sales tax to the titling of motor vehicles, trailers, boats, and
85 outboard motors that were purchased from a source other than a licensed
86 Missouri dealer.

87 (4) In addition to the requirement that the ballot question set forth in
88 subdivision (2) of this subsection be placed before the voters, the governing body
89 of any local taxing jurisdiction that had previously imposed a local use tax on the
90 use of motor vehicles, trailers, boats, and outboard motors may, at any time, place

91 a proposal on the ballot at any election to repeal application of the local sales tax
92 to the titling of motor vehicles, trailers, boats, and outboard motors purchased
93 from a source other than a licensed Missouri dealer. If a majority of the votes
94 cast by the registered voters voting thereon are in favor of the proposal to repeal
95 application of the local sales tax to such titling, then the local sales tax shall no
96 longer be applied to the titling of motor vehicles, trailers, boats, and outboard
97 motors purchased from a source other than a licensed Missouri dealer. If a
98 majority of the votes cast by the registered voters voting thereon are opposed to
99 the proposal to repeal application of the local sales tax to such titling, such
100 application shall remain in effect.

101 (5) In addition to the requirement that the ballot question set forth in
102 subdivision (2) of this subsection be placed before the voters on or after the
103 general election in November 2014, and on or before the general election in
104 November 2022, whenever the governing body of any local taxing jurisdiction
105 imposing a local sales tax on the sale of motor vehicles, trailers, boats, and
106 outboard motors receives a petition, signed by fifteen percent of the registered
107 voters of such jurisdiction voting in the last gubernatorial election, and calling
108 for a proposal to be placed on the ballot at any election to repeal application of
109 the local sales tax to the titling of motor vehicles, trailers, boats, and outboard
110 motors purchased from a source other than a licensed Missouri dealer, the
111 governing body shall submit to the voters of such jurisdiction a proposal to repeal
112 application of the local sales tax to such titling. If a majority of the votes cast by
113 the registered voters voting thereon are in favor of the proposal to repeal
114 application of the local sales tax to such titling, then the local sales tax shall no
115 longer be applied to the titling of motor vehicles, trailers, boats, and outboard
116 motors purchased from a source other than a licensed Missouri dealer. If a
117 majority of the votes cast by the registered voters voting thereon are opposed to
118 the proposal to repeal application of the local sales tax to such titling, such
119 application shall remain in effect.

120 (6) Nothing in this subsection shall be construed to authorize the voters
121 of any jurisdiction to repeal application of any state sales or use tax.

122 (7) If any local sales tax on the titling of motor vehicles, trailers, boats,
123 and outboard motors purchased from a source other than a licensed Missouri
124 dealer is repealed, such repeal shall take effect on the first day of the second
125 calendar quarter after the election. If any local sales tax on the titling of motor
126 vehicles, trailers, boats, and outboard motors purchased from a source other than

127 a licensed Missouri dealer is required to cease to be applied or collected due to
128 failure of a local taxing jurisdiction to hold an election pursuant to subdivision
129 (2) of this subsection, such cessation shall take effect on March 1, 2023.

130 (8) Notwithstanding any provision of law to the contrary, if any local sales
131 tax on the titling of motor vehicles, trailers, boats, and outboard motors
132 purchased from a source other than a licensed Missouri dealer is repealed after
133 the general election in November 2014, or if the taxing jurisdiction failed to
134 present the ballot to the voters at a general election on or before November 2022,
135 then the governing body of such taxing jurisdiction may, at any election
136 subsequent to the repeal or after the general election in November 2022, if the
137 jurisdiction failed to present the ballot to the voters, place before the voters the
138 issue of imposing a sales tax on the titling of motor vehicles, trailers, boats, and
139 outboard motors that are subject to state sales tax under section 144.020 that
140 were purchased from a source other than a licensed Missouri dealer. The ballot
141 question presented to the local voters shall contain substantially the following
142 language:

143 Shall the _____ (local jurisdiction's name) apply and collect the
144 local sales tax on the titling of motor vehicles, trailers, boats, and
145 outboard motors that are subject to state sales tax under section
146 144.020 and purchased from a source other than a licensed
147 Missouri dealer?

148 Approval of this measure will result in an increase of local revenue
149 to provide for vital services for _____ (local jurisdiction's name),
150 and it will remove a competitive advantage that non-Missouri
151 dealers of motor vehicles, outboard motors, boats, and trailers have
152 over Missouri dealers of motor vehicles, outboard motors, boats,
153 and trailers.

154 YES NO

155 If you are in favor of the question, place an "X" in the box opposite
156 "YES". If you are opposed to the question, place an "X" in the box
157 opposite "NO".

158 (9) If any local sales tax on the titling of motor vehicles, trailers, boats,
159 and outboard motors purchased from a source other than a licensed Missouri
160 dealer is adopted, such tax shall take effect and be imposed on the first day of the
161 second calendar quarter after the election.

162 6. On and after the effective date of any local sales tax imposed under the

163 provisions of the local sales tax law, the director of revenue shall perform all
164 functions incident to the administration, collection, enforcement, and operation
165 of the tax, and the director of revenue shall collect in addition to the sales tax for
166 the state of Missouri all additional local sales taxes authorized under the
167 authority of the local sales tax law. All local sales taxes imposed under the local
168 sales tax law together with all taxes imposed under the sales tax law of the state
169 of Missouri shall be collected together and reported upon such forms and under
170 such administrative rules and regulations as may be prescribed by the director
171 of revenue.

172 7. All applicable provisions contained in sections 144.010 to 144.525
173 governing the state sales tax and section 32.057, the uniform confidentiality
174 provision, shall apply to the collection of any local sales tax imposed under the
175 local sales tax law except as modified by the local sales tax law.

176 8. All exemptions granted to agencies of government, organizations,
177 persons and to the sale of certain articles and items of tangible personal property
178 and taxable services under the provisions of sections 144.010 to 144.525, as these
179 sections now read and as they may hereafter be amended, it being the intent of
180 this general assembly to ensure that the same sales tax exemptions granted from
181 the state sales tax law also be granted under the local sales tax law, are hereby
182 made applicable to the imposition and collection of all local sales taxes imposed
183 under the local sales tax law.

184 9. The same sales tax permit, exemption certificate and retail certificate
185 required by sections 144.010 to 144.525 for the administration and collection of
186 the state sales tax shall satisfy the requirements of the local sales tax law, and
187 no additional permit or exemption certificate or retail certificate shall be
188 required; except that the director of revenue may prescribe a form of exemption
189 certificate for an exemption from any local sales tax imposed by the local sales tax
190 law.

191 10. All discounts allowed the retailer under the provisions of the state
192 sales tax law for the collection of and for payment of taxes under the provisions
193 of the state sales tax law are hereby allowed and made applicable to any local
194 sales tax collected under the provisions of the local sales tax law.

195 11. The penalties provided in section 32.057 and sections 144.010 to
196 144.525 for a violation of the provisions of those sections are hereby made
197 applicable to violations of the provisions of the local sales tax law.

198 12. (1) For the purposes of any local sales tax imposed by an ordinance

199 or order under the local sales tax law, all sales, except the sale of motor vehicles,
200 trailers, boats, and outboard motors required to be titled under the laws of the
201 state of Missouri, shall be deemed to be consummated at the place of business of
202 the retailer unless the tangible personal property sold is delivered by the retailer
203 or his agent to an out-of-state destination. In the event a retailer has more than
204 one place of business in this state which participates in the sale, the sale shall
205 be deemed to be consummated at the place of business of the retailer where the
206 initial order for the tangible personal property is taken, even though the order
207 must be forwarded elsewhere for acceptance, approval of credit, shipment or
208 billing. A sale by a retailer's agent or employee shall be deemed to be
209 consummated at the place of business from which he works.

210 (2) For the purposes of any local sales tax imposed by an ordinance or
211 order under the local sales tax law, the sales tax upon the titling of all motor
212 vehicles, trailers, boats, and outboard motors shall be imposed at the rate in
213 effect at the location of the residence of the purchaser, and remitted to that local
214 taxing entity, and not at the place of business of the retailer, or the place of
215 business from which the retailer's agent or employee works.

216 (3) For the purposes of any local tax imposed by an ordinance or under the
217 local sales tax law on charges for mobile telecommunications services, all taxes
218 of mobile telecommunications service shall be imposed as provided in the Mobile
219 Telecommunications Sourcing Act, 4 U.S.C. Sections 116 through 124, as
220 amended.

221 13. Local sales taxes shall not be imposed on the seller of motor vehicles,
222 trailers, boats, and outboard motors required to be titled under the laws of the
223 state of Missouri, but shall be collected from the purchaser by the director of
224 revenue at the time application is made for a certificate of title, if the address of
225 the applicant is within a taxing entity imposing a local sales tax under the local
226 sales tax law.

227 14. The director of revenue and any of his deputies, assistants and
228 employees who have any duties or responsibilities in connection with the
229 collection, deposit, transfer, transmittal, disbursement, safekeeping, accounting,
230 or recording of funds which come into the hands of the director of revenue under
231 the provisions of the local sales tax law shall enter a surety bond or bonds
232 payable to any and all taxing entities in whose behalf such funds have been
233 collected under the local sales tax law in the amount of one hundred thousand
234 dollars for each such tax; but the director of revenue may enter into a blanket

235 bond covering himself and all such deputies, assistants and employees. The cost
236 of any premium for such bonds shall be paid by the director of revenue from the
237 share of the collections under the sales tax law retained by the director of
238 revenue for the benefit of the state.

239 15. The director of revenue shall annually report on his management of
240 each trust fund which is created under the local sales tax law and administration
241 of each local sales tax imposed under the local sales tax law. He shall provide
242 each taxing entity imposing one or more local sales taxes authorized by the local
243 sales tax law with a detailed accounting of the source of all funds received by him
244 for the taxing entity. Notwithstanding any other provisions of law, the state
245 auditor shall annually audit each trust fund. A copy of the director's report and
246 annual audit shall be forwarded to each taxing entity imposing one or more local
247 sales taxes.

248 16. Within the boundaries of any taxing entity where one or more local
249 sales taxes have been imposed, if any person is delinquent in the payment of the
250 amount required to be paid by him under the local sales tax law or in the event
251 a determination has been made against him for taxes and penalty under the local
252 sales tax law, the limitation for bringing suit for the collection of the delinquent
253 tax and penalty shall be the same as that provided in sections 144.010 to
254 144.525. Where the director of revenue has determined that suit must be filed
255 against any person for the collection of delinquent taxes due the state under the
256 state sales tax law, and where such person is also delinquent in payment of taxes
257 under the local sales tax law, the director of revenue shall notify the taxing entity
258 in the event any person fails or refuses to pay the amount of any local sales tax
259 due so that appropriate action may be taken by the taxing entity.

260 17. Where property is seized by the director of revenue under the
261 provisions of any law authorizing seizure of the property of a taxpayer who is
262 delinquent in payment of the tax imposed by the state sales tax law, and where
263 such taxpayer is also delinquent in payment of any tax imposed by the local sales
264 tax law, the director of revenue shall permit the taxing entity to join in any sale
265 of property to pay the delinquent taxes and penalties due the state and to the
266 taxing entity under the local sales tax law. The proceeds from such sale shall
267 first be applied to all sums due the state, and the remainder, if any, shall be
268 applied to all sums due such taxing entity.

269 18. If a local sales tax has been in effect for at least one year under the
270 provisions of the local sales tax law and voters approve reimposition of the same

271 local sales tax at the same rate at an election as provided for in the local sales
272 tax law prior to the date such tax is due to expire, the tax so reimposed shall
273 become effective the first day of the first calendar quarter after the director
274 receives a certified copy of the ordinance, order or resolution accompanied by a
275 map clearly showing the boundaries thereof and the results of such election,
276 provided that such ordinance, order or resolution and all necessary accompanying
277 materials are received by the director at least thirty days prior to the expiration
278 of such tax. Any administrative cost or expense incurred by the state as a result
279 of the provisions of this subsection shall be paid by the city or county reimposing
280 such tax.

32.310. 1. The department of revenue shall create and maintain a
2 mapping feature on its official public website that displays sales **and use** tax
3 information of political subdivisions of this state that have taxing authority,
4 including the current tax rate for each sales **and use** tax imposed and
5 collected. Such display shall have the option to showcase the borders and
6 jurisdiction of the following political subdivisions on a map of the state to the
7 extent that such political subdivisions collect 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 **or use** tax
19 within its borders and jurisdiction.

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

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

27 affidavit and shall provide the data in a format specified by the department of
28 revenue. Such data shall be sent to the department of revenue by April 1, 2019,
29 and shall be updated and sent to the department if a change in the political
30 subdivision's borders or jurisdiction occurs thereafter.

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

33 5. By July 1, 2019, the department shall implement the mapping feature
34 using the data provided to it under subsection 3 of this section.

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

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

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

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

23 (4) (a) A tax equivalent to four percent on the basic rate paid or charged
24 on all sales of local and long distance telecommunications service to
25 telecommunications subscribers and to others through equipment of
26 telecommunications subscribers for the transmission of messages and
27 conversations and upon the sale, rental or leasing of all equipment or services
28 pertaining or incidental thereto; except that, the payment made by

29 telecommunications subscribers or others, pursuant to section 144.060, and any
30 amounts paid for access to the internet or interactive computer services shall not
31 be considered as amounts paid for telecommunications services;

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

43 (c) A telecommunications provider shall notify the director of revenue of
44 its intention to utilize the standards described in paragraph (b) of this
45 subdivision to determine the charges that are subject to sales tax under this
46 subdivision. Such notification shall be in writing and shall meet standardized
47 criteria established by the department regarding the form and format of such
48 notice;

49 (d) The director of revenue may promulgate and enforce reasonable rules
50 and regulations for the administration and enforcement of the provisions of this
51 subdivision. Any rule or portion of a rule, as that term is defined in section
52 536.010, that is created under the authority delegated in this section shall
53 become effective only if it complies with and is subject to all of the provisions of
54 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are
55 nonseverable and if any of the powers vested with the general assembly pursuant
56 to chapter 536 to review, to delay the effective date, or to disapprove and annul
57 a rule are subsequently held unconstitutional, then the grant of rulemaking
58 authority and any rule proposed or adopted after August 28, 2019, shall be
59 invalid and void;

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

62 (6) A tax equivalent to four percent on the amount of sales or charges for
63 all rooms, meals and drinks furnished at any hotel, motel, tavern, inn,
64 restaurant, eating house, drugstore, dining car, tourist cabin, tourist camp or

65 other place in which rooms, meals or drinks are regularly served to the
66 public. The tax imposed under this subdivision shall not apply to any automatic
67 mandatory gratuity for a large group imposed by a restaurant when such gratuity
68 is reported as employee tip income and the restaurant withholds income tax
69 under section 143.191 on such gratuity;

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

75 (8) A tax equivalent to four percent of the amount paid or charged for
76 rental or lease of tangible personal property, provided that if the lessor or renter
77 of any tangible personal property had previously purchased the property under
78 the conditions of sale at retail or leased or rented the property and the tax was
79 paid at the time of purchase, lease or rental, the lessor, sublessor, renter or
80 subrenter shall not apply or collect the tax on the subsequent lease, sublease,
81 rental or subrental receipts from that property. The purchase, rental or lease of
82 motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats, and outboard
83 motors shall be taxed and the tax paid as provided in this section and section
84 144.070. In no event shall the rental or lease of boats and outboard motors be
85 considered a sale, charge, or fee to, for or in places of amusement, entertainment
86 or recreation nor shall any such rental or lease be subject to any tax imposed to,
87 for, or in such places of amusement, entertainment or recreation. Rental and
88 leased boats or outboard motors shall be taxed under the provisions of the sales
89 tax laws as provided under such laws for motor vehicles and trailers. Tangible
90 personal property which is exempt from the sales or use tax under section
91 144.030 upon a sale thereof is likewise exempt from the sales or use tax upon the
92 lease or rental thereof;

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

99 **2. Beginning January 1, 2022, the rate of tax imposed pursuant**
100 **to subsection 1 of this section shall be reduced by an amount**

101 **determined under an agreement between the director of the**
102 **department of revenue and the state treasurer such that the amount by**
103 **which the rate of tax is reduced shall be substantially equivalent to the**
104 **amount of use tax revenue collected from remittances made under the**
105 **provisions of paragraph (g) of subdivision (2) of section 144.605 during**
106 **the 2021 calendar year.**

107 **3.** All tickets sold which are sold under the provisions of sections 144.010
108 to 144.525 which are subject to the sales tax shall have printed, stamped or
109 otherwise endorsed thereon, the words "This ticket is subject to a sales tax."

144.605. The following words and phrases as used in sections 144.600 to
2 144.745 mean and include:

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

6 (2) "Engages in business activities within this state" includes:

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

10 (b) Soliciting sales or taking orders by sales agents or traveling
11 representatives;

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

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

17 b. Maintains an office, distribution facility, warehouse, or storage place,
18 or similar place of business in the state to facilitate the delivery of property or
19 services sold by the vendor to the vendor's customers;

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

22 d. Facilitates the vendor's delivery of property to customers in the state
23 by allowing the vendor's customers to pick up property sold by the vendor at an
24 office, distribution facility, warehouse, storage place, or similar place of business
25 maintained by the person in the state; or

26 e. Conducts any other activities in the state that are significantly
27 associated with the vendor's ability to establish and maintain a market in the

28 state for the sales;

29 (d) The presumption in paragraph (c) **of this subdivision** may be
30 rebutted by demonstrating that the person's activities in the state are not
31 significantly associated with the vendor's ability to establish or maintain a
32 market in this state for the vendor's sales;

33 (e) Notwithstanding paragraph (c) **of this subdivision**, a vendor shall
34 be presumed to engage in business activities within this state if the vendor enters
35 into an agreement with one or more residents of this state under which the
36 resident, for a commission or other consideration, directly or indirectly refers
37 potential customers, whether by a link on an internet website, an in-person oral
38 presentation, telemarketing, or otherwise, to the vendor, if the cumulative gross
39 receipts from sales by the vendor to customers in the state who are referred to the
40 vendor by all residents with this type of an agreement with the vendor is in
41 excess of ten thousand dollars during the preceding twelve months;

42 (f) The presumption in paragraph (e) **of this subdivision** may be
43 rebutted by submitting proof that the residents with whom the vendor has an
44 agreement did not engage in any activity within the state that was significantly
45 associated with the vendor's ability to establish or maintain the vendor's market
46 in the state during the preceding twelve months. Such proof may consist of sworn
47 written statements from all of the residents with whom the vendor has an
48 agreement stating that they did not engage in any solicitation in the state on
49 behalf of the vendor during the preceding year provided that such statements
50 were provided and obtained in good faith;

51 (g) **a. Beginning January 1, 2021, a vendor engages in business**
52 **activities within this state if the cumulative gross receipts from the**
53 **vendor's sales of tangible personal property to purchasers for the**
54 **purpose of storage, use, or consumption in this state are one hundred**
55 **thousand dollars or more during any twelve-month period, as**
56 **determined under subparagraph b. of this paragraph;**

57 **b. Following the close of each calendar quarter, a vendor shall**
58 **determine whether the vendor met the requirements provided under**
59 **subparagraph a. of this paragraph during the twelve-month period**
60 **ending on the last day of the preceding calendar quarter. If the vendor**
61 **met such requirements for any such twelve-month period, such vendor**
62 **shall collect and remit the tax as provided under section 144.635 for a**
63 **period of not less than twelve months, beginning not more than three**

64 months following the close of the preceding calendar quarter, and shall
65 continue to collect and remit the tax for as long as the vendor is
66 engaged in business activities in this state, as provided under this
67 paragraph, or otherwise maintains a substantial nexus with this state;

68 **c. The use tax revenue collected from remittances made under**
69 **the provisions of this paragraph shall be deposited in the general**
70 **revenue fund;**

71 (3) "Maintains a place of business in this state" includes maintaining,
72 occupying, or using, permanently or temporarily, directly or indirectly, by
73 whatever name called, an office, place of distribution, sales or sample room or
74 place, warehouse or storage place, or other place of business in this state,
75 whether owned or operated by the vendor or by any other person other than a
76 common carrier acting in its capacity as such;

77 (4) "Person", any individual, firm, copartnership, joint venture,
78 association, corporation, municipal or private, and whether organized for profit
79 or not, state, county, political subdivision, state department, commission, board,
80 bureau or agency, except the state transportation department, estate, trust,
81 business trust, receiver or trustee appointed by the state or federal court,
82 syndicate, or any other group or combination acting as a unit, and the plural as
83 well as the singular number;

84 (5) "Purchase", the acquisition of the ownership of, or title to, tangible
85 personal property, through a sale, as defined herein, for the purpose of storage,
86 use or consumption in this state;

87 (6) "Purchaser", any person who is the recipient for a valuable
88 consideration of any sale of tangible personal property acquired for use, storage
89 or consumption in this state;

90 (7) "Sale", any transfer, barter or exchange of the title or ownership of
91 tangible personal property, or the right to use, store or consume the same, for a
92 consideration paid or to be paid, and any transaction whether called leases,
93 rentals, bailments, loans, conditional sales or otherwise, and notwithstanding
94 that the title or possession of the property or both is retained for security. For
95 the purpose of this law the place of delivery of the property to the purchaser,
96 user, storer or consumer is deemed to be the place of sale, whether the delivery
97 be by the vendor or by common carriers, private contractors, mails, express,
98 agents, salesmen, solicitors, hawkers, representatives, consignors, peddlers,
99 canvassers or otherwise;

100 (8) "Sales price", the consideration including the charges for services,
101 except charges incident to the extension of credit, paid or given, or contracted to
102 be paid or given, by the purchaser to the vendor for the tangible personal
103 property, including any services that are a part of the sale, valued in money,
104 whether paid in money or otherwise, and any amount for which credit is given to
105 the purchaser by the vendor, without any deduction therefrom on account of the
106 cost of the property sold, the cost of materials used, labor or service cost, losses
107 or any other expenses whatsoever, except that cash discounts allowed and taken
108 on sales shall not be included and "sales price" shall not include the amount
109 charged for property returned by customers upon rescission of the contract of
110 sales when the entire amount charged therefor is refunded either in cash or credit
111 or the amount charged for labor or services rendered in installing or applying the
112 property sold, the use, storage or consumption of which is taxable pursuant to
113 sections 144.600 to 144.745. The sales price shall not include usual and
114 customary delivery charges that are separately stated. In determining the
115 amount of tax due pursuant to sections 144.600 to 144.745, any charge incident
116 to the extension of credit shall be specifically exempted;

117 (9) "Selling agent", every person acting as a representative of a principal,
118 when such principal is not registered with the director of revenue of the state of
119 Missouri for the collection of the taxes imposed pursuant to sections 144.010 to
120 144.525 or sections 144.600 to 144.745 and who receives compensation by reason
121 of the sale of tangible personal property of the principal, if such property is to be
122 stored, used, or consumed in this state;

123 (10) "Storage", any keeping or retention in this state of tangible personal
124 property purchased from a vendor, except property for sale or property that is
125 temporarily kept or retained in this state for subsequent use outside the state;

126 (11) "Tangible personal property", all items subject to the Missouri sales
127 tax as provided in subdivisions (1) and (3) of **subsection 1** of section 144.020;

128 (12) "Taxpayer", any person remitting the tax or who should remit the tax
129 levied by sections 144.600 to 144.745;

130 (13) "Use", the exercise of any right or power over tangible personal
131 property incident to the ownership or control of that property, except that it does
132 not include the temporary storage of property in this state for subsequent use
133 outside the state, or the sale of the property in the regular course of business;

134 (14) "Vendor", every person engaged in making sales of tangible personal
135 property by mail order, by advertising, by agent or peddling tangible personal

136 property, soliciting or taking orders for sales of tangible personal property, for
137 storage, use or consumption in this state, all salesmen, solicitors, hawkers,
138 representatives, consignees, peddlers or canvassers, as agents of the dealers,
139 distributors, consignors, supervisors, principals or employers under whom they
140 operate or from whom they obtain the tangible personal property sold by them,
141 and every person who maintains a place of business in this state, maintains a
142 stock of goods in this state, or engages in business activities within this state and
143 every person who engages in this state in the business of acting as a selling agent
144 for persons not otherwise vendors as defined in this subdivision. Irrespective of
145 whether they are making sales on their own behalf or on behalf of the dealers,
146 distributors, consignors, supervisors, principals or employers, they must be
147 regarded as vendors and the dealers, distributors, consignors, supervisors,
148 principals or employers must be regarded as vendors for the purposes of sections
149 144.600 to 144.745.

**144.637. 1. The director of revenue shall provide and maintain
2 a database that describes boundary changes for all taxing jurisdictions
3 and the effective dates of such changes for the use of vendors collecting
4 the tax imposed under sections 144.600 to 144.745.**

**5 2. For the identification of counties and cities, codes
6 corresponding to the rates shall be provided according to Federal
7 Information Processing Standards (FIPS) as developed by the National
8 Institute of Standards and Technology. For the identification of all
9 other jurisdictions, codes corresponding to the rates shall be in a
10 format determined by the director.**

**11 3. The director shall provide and maintain a database that
12 assigns each five- and nine-digit zip code to the proper rates and taxing
13 jurisdictions. The lowest combined tax rate imposed in the zip code
14 area shall apply if the area includes more than one tax rate in any level
15 of taxing jurisdiction. If a nine-digit zip code designation is not
16 available for a street address, or if a vendor is unable to determine the
17 nine-digit zip code designation applicable to a purchase after
18 exercising due diligence to determine the designation, the vendor may
19 apply the rate for the five-digit zip code area. For purposes of this
20 section, there shall be a rebuttable presumption that a vendor has
21 exercised due diligence if the vendor has attempted to determine the
22 nine-digit zip code designation by utilizing software approved by the**

23 director that makes this designation from the street address and the
24 five-digit zip code applicable to a purchase.

25 4. The director may provide address-based boundary database
26 records for assigning taxing jurisdictions and associated rates which
27 shall be in addition to the requirements of subsection 3 of this
28 section. The database records shall be in the same approved format as
29 the database records required under subsection 3 of this section and
30 shall meet the requirements developed pursuant to the federal Mobile
31 Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If the
32 director develops address-based assignment database records, vendors
33 shall be required to use such database. A vendor shall use such
34 database records in place of the five- and nine-digit zip code database
35 records provided for in subsection 3 of this section. If a vendor is
36 unable to determine the applicable rate and jurisdiction using an
37 address-based database record after exercising due diligence, the
38 vendor may apply the nine-digit zip code designation applicable to a
39 purchase. If a nine-digit zip code designation is not available for a
40 street address or if a vendor is unable to determine the nine-digit zip
41 code designation applicable to a purchase after exercising due
42 diligence to determine the designation, the vendor may apply the rate
43 for the five-digit zip code area. For the purposes of this section, there
44 shall be a rebuttable presumption that a vendor has exercised due
45 diligence if the vendor has attempted to determine the tax rate and
46 jurisdiction by utilizing software approved by the director and makes
47 the assignment from the address and zip code information applicable
48 to the purchase. If the director has met the requirements of subsection
49 3 of this section, the director may also elect to certify address-based
50 databases provided by third parties for assigning tax rates and
51 jurisdictions. The databases shall be in the same approved format as
52 the database records under this section and meet the requirements
53 developed pursuant to the federal Mobile Telecommunications Sourcing
54 Act, 4 U.S.C. Section 119(a). If the director certifies an address-based
55 database provided by a third party, a vendor may use such database in
56 place of the database provided for in this subsection.

57 5. The electronic databases provided for in subsections 1, 2, 3,
58 and 4 of this section shall be in downloadable format as determined by
59 the director. The databases may be directly provided by the director

60 or provided by a third party as designated by the director. A database
61 provided by a third party shall be applicable and subject to the
62 provisions of this section. The databases shall be provided at no cost
63 to the user of the database. The provisions of subsections 3 and 4 of
64 this section shall not apply if the purchased product is received by the
65 purchaser at the business location of the vendor.

66 6. No vendor shall be liable for reliance upon erroneous data
67 provided or approved by the director on tax rates, boundaries, or
68 taxing jurisdiction assignments.

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

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

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

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

13 A marketplace facilitator is a seller and shall comply with the
14 provisions of this chapter. A marketplace facilitator does not include
15 a person who provides internet advertising services, or product listing,
16 and does not collect payment from the purchaser and transmit payment
17 to the marketplace seller, and does not include a person with respect
18 to the provision of travel agency services or the operation of a
19 marketplace or that portion of a marketplace that enables consumers
20 to receive travel agency services. For the purposes of this subdivision,
21 "travel agency services" means facilitating, for a commission, fee, or
22 other consideration, vacation or travel packages, rental car or other
23 travel reservations, tickets for domestic or foreign travel by air, rail,
24 ship, bus, or other medium of transportation, or hotel or other lodging
25 accommodations;

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

28 (3) "Person", any individual, firm, copartnership, joint venture,

29 association, corporation, municipal or private, whether organized for
30 profit or not, state, county, political subdivision, state department,
31 commission, board, bureau or agency, except the department of
32 transportation, estate, trust, business trust, receiver or trustee
33 appointed by the state or federal court, syndicate, or any other group
34 or combination acting as a unit;

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

38 (5) "Retail sale", the same meaning as defined under sections
39 144.010 and 144.011, excluding motor vehicles, trailers, motorcycles,
40 mopeds, motortricycles, boats, and outboard motors required to be
41 titled under the laws of the state and subject to tax under subdivision
42 (9) of subsection 1 of section 144.020;

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

46 2. (1) By no later than January 1, 2021, marketplace facilitators
47 that reach the threshold provided in paragraph (g) of subdivision (2)
48 of section 144.605 shall register with the department to collect and
49 remit sales and use tax, as applicable, on sales made through the
50 marketplace facilitator's marketplace by or on behalf of a marketplace
51 seller that are purchased in or delivered into the state, whether by the
52 marketplace facilitator or another person, and regardless of whether
53 the marketplace seller for whom sales are facilitated possesses a retail
54 sales license or would have been required to collect sales or use tax had
55 the sale not been facilitated by the marketplace facilitator. Such retail
56 sales shall include those made directly by the marketplace facilitator
57 and shall also include those retail sales made by marketplace sellers
58 through the marketplace facilitator's marketplace. The collection and
59 reporting requirements of this subsection shall not apply to retail sales
60 other than those made through a marketplace facilitator's
61 marketplace. Nothing in this section shall be construed to limit or
62 prohibit the ability of a marketplace facilitator and a marketplace
63 seller to enter into agreements regarding the fulfillment of the
64 requirements of this chapter.

65 (2) All taxable sales made through a marketplace facilitator's

66 marketplace by or on behalf of a marketplace seller shall be deemed to
67 be consummated at the location in this state to which the item is
68 shipped or delivered, or at which possession is taken by the purchaser.

69 3. Marketplace facilitators that are required to collect sales and
70 use tax under this section shall report and remit the tax separately
71 from any sales and use tax collected by the marketplace facilitator, or
72 by affiliates of the marketplace facilitator, which the marketplace
73 facilitator would have been required to collect and remit under the
74 provisions of this chapter prior to January 1, 2021. Such tax shall be
75 reported and remitted on a marketplace facilitator return to be
76 developed and published by the department. Marketplace facilitators
77 shall maintain records of all sales delivered to a location in the state,
78 including copies of invoices showing the purchaser, address, purchase
79 amount, and sales and use tax collected. Such records shall be made
80 available for review and inspection upon request by the department.

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

85 5. A marketplace facilitator shall provide the purchaser with a
86 statement or invoice showing that the sales or use tax was collected
87 and shall be remitted on the purchaser's behalf.

88 6. Any taxpayer who remits sales or use tax under this section
89 shall be entitled to refunds or credits to the same extent and in the
90 same manner provided for in section 144.190 for taxes collected and
91 remitted under this section. Nothing in this section shall relieve a
92 purchaser of the obligation to remit sales or use tax for any retail sale
93 taxable under this chapter for which a marketplace facilitator or
94 marketplace seller does not collect and remit the sales or use tax.

95 7. Except as provided under subsections 8 to 10 of this section,
96 marketplace facilitators shall be subject to the penalty provisions,
97 procedures, and reporting requirements provided under the provisions
98 of this chapter.

99 8. No class action shall be brought against a marketplace
100 facilitator in any court in this state on behalf of purchasers arising
101 from or in any way related to an overpayment of sales or use tax
102 collected on retail sales facilitated by a marketplace facilitator,

103 regardless of whether that claim is characterized as a tax refund
104 claim. Nothing in this subsection shall affect a purchaser's right to
105 seek a refund as provided under section 144.190.

106 **9.** An audit performed by the department under this chapter
107 shall only be performed on a marketplace facilitator for sales made by
108 marketplace sellers but facilitated by the marketplace facilitator. The
109 department shall not audit a marketplace seller for sales facilitated by
110 a marketplace facilitator except to the extent a marketplace facilitator
111 seeks relief from liability under the provisions of paragraph (a) of
112 subdivision (1) of subsection 10 of this section.

113 **10. (1)** A marketplace facilitator shall be relieved from liability
114 under this section for the failure to collect and remit the correct
115 amount of sales or use tax on retail sales facilitated for marketplace
116 sellers under the following circumstances:

117 **(a)** To the extent that the marketplace facilitator demonstrates
118 to the satisfaction of the department that the error was due to
119 insufficient or incorrect information given to the marketplace
120 facilitator by the marketplace seller; provided, however, that a
121 marketplace facilitator shall not be relieved of liability under this
122 paragraph if the marketplace facilitator and the marketplace seller are
123 affiliated;

124 **(b)** To the extent that the marketplace facilitator demonstrates
125 to the satisfaction of the department that:

126 **a.** The marketplace facilitator is not the seller and that the
127 marketplace facilitator and marketplace seller are not affiliated;

128 **b.** The retail sale was facilitated for a marketplace seller through
129 a marketplace operated by the marketplace facilitator; and

130 **c.** The failure to collect and remit the correct amount of sales or
131 use tax was due to an error other than an error in sourcing the sale
132 under the provisions of this chapter.

133 **(2)** The relief from liability provided under subdivision (1) of this
134 subsection shall not exceed the following percentage of the total sales
135 and use tax due on retail sales facilitated by a marketplace facilitator
136 for marketplace sellers and sourced to this state during a calendar
137 year, which such retail sales shall not include retail sales made directly
138 by the marketplace facilitator or affiliates of the marketplace
139 facilitator:

140 (a) For retail sales made or facilitated during the 2021 calendar
141 year, four percent;

142 (b) For retail sales made or facilitated during the 2022 calendar
143 year, two percent;

144 (c) For retail sales made or facilitated during the 2023 calendar
145 year, one percent; and

146 (d) For retail sales made or facilitated for all years beginning
147 January 1, 2024, zero percent.

148 (3) To the extent that a marketplace facilitator is relieved of
149 liability for the collection of sales and use tax under this subsection,
150 the marketplace seller for whom the marketplace facilitator has made
151 or facilitated the sale shall also be relieved of liability under this
152 subsection.

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

156 11. The department may grant a waiver from the requirements
157 of this section if a marketplace facilitator demonstrates to the
158 satisfaction of the department that all of its marketplace sellers are
159 already registered under the provisions of this chapter to collect and
160 remit sales and use tax. If such waiver is granted, the sales or use tax
161 due shall be collected and remitted by the marketplace seller. The
162 department shall develop guidelines by rule that establish the criteria
163 for obtaining a waiver, the process and procedure for a marketplace
164 facilitator or marketplace seller to apply for a waiver, and the process
165 for providing notice to an affected marketplace facilitator and
166 marketplace seller of a waiver obtained under the provisions of this
167 subsection. Any rule or portion of a rule, as that term is defined in
168 section 536.010 that is created under the authority delegated in this
169 section shall become effective only if it complies with and is subject to
170 all of the provisions of chapter 536 and, if applicable, section
171 536.028. This section and chapter 536 are nonseverable and if any of
172 the powers vested with the general assembly pursuant to chapter 536
173 to review, to delay the effective date, or to disapprove and annul a rule
174 are subsequently held unconstitutional, then the grant of rulemaking
175 authority and any rule proposed or adopted after August 28, 2020, shall
176 be invalid and void.

177 **12. For the purposes of this section, a marketplace facilitator**
178 **shall not include a third party financial institution appointed by a**
179 **merchant or a marketplace facilitator to handle various forms of**
180 **payment transactions, such as processing credit cards and debit cards,**
181 **and whose sole activity with respect to marketplace sales is to facilitate**
182 **the payment transactions between two parties.**

144.757. 1. Any county or municipality, except municipalities within a
2 county having a charter form of government with a population in excess of nine
3 hundred thousand, may, by a majority vote of its governing body, impose a local
4 use tax if a local sales tax is imposed as defined in section 32.085 at a rate equal
5 to the rate of the local sales tax in effect in such county or municipality; provided,
6 however, that no ordinance or order enacted pursuant to sections 144.757 to
7 144.761 shall be effective unless the governing body of the county or municipality
8 submits to the voters thereof at a municipal, county or state general, primary or
9 special election a proposal to authorize the governing body of the county or
10 municipality to impose a local use tax pursuant to sections 144.757 to
11 144.761. Municipalities within a county having a charter form of government
12 with a population in excess of nine hundred thousand may, upon voter approval
13 received pursuant to paragraph (b) of subdivision (2) of subsection 2 of this
14 section, impose a local use tax at the same rate as the local municipal sales tax
15 with the revenues from all such municipal use taxes to be distributed pursuant
16 to subsection 4 of section 94.890. The municipality shall within thirty days of the
17 approval of the use tax imposed pursuant to paragraph (b) of subdivision (2) of
18 subsection 2 of this section select one of the distribution options permitted in
19 subsection 4 of section 94.890 for distribution of all municipal use taxes.

20 2. (1) The ballot of submission, except for counties and municipalities
21 described in subdivisions (2) and (3) of this subsection, shall contain substantially
22 the following language:

23 Shall the _____ (county or municipality's name) impose a local use
24 tax at the same rate as the total local sales tax rate, [currently
25 _____ (insert percent),] provided that if the local sales tax rate is
26 reduced or raised by voter approval, the local use tax rate shall
27 also be reduced or raised by the same action? [A use tax return
28 shall not be required to be filed by persons whose purchases from
29 out-of-state vendors do not in total exceed two thousand dollars in
30 any calendar year] **Approval of this question will eliminate**

31 **the disparity in tax rates collected by local and out-of-state**
32 **sellers by imposing the same rate on all sellers.**

33 YES NO

34 If you are in favor of the question, place an "X" in the box opposite
35 "YES". If you are opposed to the question, place an "X" in the box
36 opposite "NO".

37 (2) (a) The ballot of submission in a county having a charter form of
38 government with a population in excess of nine hundred thousand shall contain
39 substantially the following language:

40 For the purposes of enhancing county and municipal public safety,
41 parks, and job creation and enhancing local government services,
42 shall the county be authorized to collect a local use tax equal to the
43 total of the existing county sales tax rate [of (insert tax rate)],
44 provided that if the county sales tax is repealed, reduced or raised
45 by voter approval, the local use tax rate shall also be repealed,
46 reduced or raised by the same voter action? Fifty percent of the
47 revenue shall be used by the county throughout the county for
48 improving and enhancing public safety, park improvements, and
49 job creation, and fifty percent shall be used for enhancing local
50 government services. The county shall be required to make
51 available to the public an audited comprehensive financial report
52 detailing the management and use of the countywide portion of the
53 funds each year.

54 A use tax is the equivalent of a sales tax on purchases from
55 out-of-state sellers by in-state buyers and on certain taxable
56 business transactions. [A use tax return shall not be required to
57 be filed by persons whose purchases from out-of-state vendors do
58 not in total exceed two thousand dollars in any calendar year]

59 **Approval of this question will eliminate the disparity in**
60 **tax rates collected by local and out-of-state sellers by**
61 **imposing the same rate on all sellers.**

62 YES NO

63 If you are in favor of the question, place an "X" in the box opposite
64 "YES". If you are opposed to the question, place an "X" in the box
65 opposite "NO".

66 (b) The ballot of submission in a municipality within a county having a

67 charter form of government with a population in excess of nine hundred thousand
68 shall contain substantially the following language:

69 Shall the municipality be authorized to impose a local use tax at
70 the same rate as the local sales tax by a vote of the governing body,
71 provided that if any local sales tax is repealed, reduced or raised
72 by voter approval, the respective local use tax shall also be
73 repealed, reduced or raised by the same action? [A use tax return
74 shall not be required to be filed by persons whose purchases from
75 out-of-state vendors do not in total exceed two thousand dollars in
76 any calendar year] **Approval of this question will eliminate**
77 **the disparity in tax rates collected by local and out-of-state**
78 **sellers by imposing the same rate on all sellers.**

79 YES NO

80 If you are in favor of the question, place an "X" in the box opposite
81 "YES". If you are opposed to the question, place an "X" in the box
82 opposite "NO".

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

85 Shall the _____ (city name) impose a local use tax at the same rate
86 as the local sales tax, [currently at a rate of _____ (insert
87 percent)] which includes the capital improvements sales tax and
88 the transportation tax, provided that if any local sales tax is
89 repealed, reduced or raised by voter approval, the respective local
90 use tax shall also be repealed, reduced or raised by the same
91 action? [A use tax return shall not be required to be filed by
92 persons whose purchases from out-of-state vendors do not in total
93 exceed two thousand dollars in any calendar year] **Approval of**
94 **this question will eliminate the disparity in tax rates**
95 **collected by local and out-of-state sellers by imposing the**
96 **same rate on all sellers.**

97 YES NO

98 If you are in favor of the question, place an "X" in the box opposite
99 "YES". If you are opposed to the question, place an "X" in the box
100 opposite "NO".

101 (4) If any of such ballots are submitted on August 6, 1996, and if a
102 majority of the votes cast on the proposal by the qualified voters voting thereon

103 are in favor of the proposal, then the ordinance or order and any amendments
104 thereto shall be in effect October 1, 1996, provided the director of revenue
105 receives notice of adoption of the local use tax on or before August 16, 1996. If
106 any of such ballots are submitted after December 31, 1996, and if a majority of
107 the votes cast on the proposal by the qualified voters voting thereon are in favor
108 of the proposal, then the ordinance or order and any amendments thereto shall
109 be in effect on the first day of the calendar quarter which begins at least
110 forty-five days after the director of revenue receives notice of adoption of the local
111 use tax. If a majority of the votes cast by the qualified voters voting are opposed
112 to the proposal, then the governing body of the county or municipality shall have
113 no power to impose the local use tax as herein authorized unless and until the
114 governing body of the county or municipality shall again have submitted another
115 proposal to authorize the governing body of the county or municipality to impose
116 the local use tax and such proposal is approved by a majority of the qualified
117 voters voting thereon.

118 3. The local use tax may be imposed at the same rate as the local sales
119 tax then currently in effect in the county or municipality upon all transactions
120 which are subject to the taxes imposed pursuant to sections 144.600 to 144.745
121 within the county or municipality adopting such tax; provided, however, that if
122 any local sales tax is repealed or the rate thereof is reduced or raised by voter
123 approval, the local use tax rate shall also be deemed to be repealed, reduced or
124 raised by the same action repealing, reducing or raising the local sales tax.

125 4. For purposes of sections 144.757 to 144.761, the use tax may be
126 referred to or described as the equivalent of a sales tax on purchases made from
127 out-of-state sellers by in-state buyers and on certain intrabusiness
128 transactions. Such a description shall not change the classification, form or
129 subject of the use tax or the manner in which it is collected.

✓