

# Journal of the Senate

SECOND REGULAR SESSION

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**THIRTY-FOURTH DAY—WEDNESDAY, MARCH 11, 2020**

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The Senate met pursuant to adjournment.

Senator Rowden in the Chair.

Reverend Carl Gauck offered the following prayer:

“May integrity and uprightness preserve me, for I wait for you.” (Psalm 25:21)

Heavenly Father, we know that things change and how we deal with that change speaks to our integrity as people of faith. You close some doors in our lives so that You may open others that offer new beginnings for us. Help us be Your people who enter the new with boldness and enthusiasm so we can bring about what You truly desire for us who call upon You for guidance. In Your Holy Name we pray. Amen.

The Pledge of Allegiance to the Flag was recited.

A quorum being established, the Senate proceeded with its business.

The Journal of the previous day was read and approved.

The following Senators were present during the day’s proceedings:

Present—Senators

Arthur	Bernskoetter	Brown	Burlison	Cierpiot	Crawford	Cunningham
Eigel	Emery	Hegeman	Hoskins	Hough	Koenig	Libla
Luetkemeyer	May	Nasheed	O’Laughlin	Onder	Riddle	Rizzo
Rowden	Sater	Schatz	Schupp	Sifton	Wallingford	Walsh
White	Wieland	Williams—31				

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—3

The Lieutenant Governor was present.

## RESOLUTIONS

Senator Arthur offered Senate Resolution No. 1369, regarding Grant Verhulst, Kansas City, which was

adopted.

Senator Arthur offered Senate Resolution No. 1370, regarding Kiley Daniels, Kansas City, which was adopted.

Senator Arthur offered Senate Resolution No. 1371, regarding Nicholas Pham, Kansas City, which was adopted.

Senator Hoskins offered Senate Resolution No. 1372, regarding Odessa High School Football Team, which was adopted.

Senator May offered Senate Resolution No. 1373, regarding Andrew Normington, which was adopted.

### REPORTS OF STANDING COMMITTEES

On behalf of Senator Rowden, Chairman of the Committee on Rules, Joint Rules, Resolutions and Ethics, Senator Wallingford submitted the following report:

Mr. President: Your Committee on Rules, Joint Rules, Resolutions and Ethics, to which was referred **SS** for **SCS** for **SB 569**, begs leave to report that it has examined the same and finds that the bill has been truly perfected and that the printed copies furnished the Senators are correct.

On motion of Senator Wallingford, the Senate recessed until 2:00 p.m.

### RECESS

The time of recess having expired, the Senate was called to order by Senator Bernskoetter.

### REFERRALS

President Pro Tem Schatz referred **SS** for **SCS** for **SB 569** and **SS** for **SB 632** to the Committee on Fiscal Oversight.

### RE-REFERRALS

President Pro Tem Schatz re-referred **HB 1435** to the Committee on Professional Registration.

### SENATE BILLS FOR PERFECTION

Senator Koenig moved that **SB 648**, with **SCS**, be called from the Informal Calendar taken up for perfection, which motion prevailed.

**SCS** for **SB 648**, entitled:

#### SENATE COMMITTEE SUBSTITUTE FOR SENATE BILL NO. 648

An Act to repeal sections 32.087, 135.550, 143.011, 143.441, 144.010, 144.011, 144.014, 144.020, 144.030, 144.043, 144.049, 144.054, 144.060, 144.069, 144.080, 144.083, 144.140, 144.190, 144.210, 144.285, 144.517, 144.526, 144.600, 144.605, 144.655, 144.710, 144.757, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015, RSMo, and to enact in lieu thereof twenty-nine new sections relating to taxation, with penalty provisions and an effective date.

Was taken up.

Senator Koenig moved that **SCS** for **SB 648** be adopted.

Senator Koenig offered **SS** for **SCS** for **SB 648**, entitled:

#### SENATE SUBSTITUTE FOR

SENATE COMMITTEE SUBSTITUTE FOR  
SENATE BILL NO. 648

An Act to repeal sections 32.087, 32.310, 135.550, 143.011, 143.441, 144.011, 144.014, 144.020, 144.049, 144.054, 144.060, 144.080, 144.140, 144.526, 144.605, 144.710, 144.757, 144.759, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015, RSMo, and to enact in lieu thereof twenty-three new sections relating to taxation, with penalty provisions, an emergency clause for a certain section, and an effective date for certain sections.

Senator Koenig moved that **SS** for **SCS** for **SB 648** be adopted.

President Kehoe assumed the Chair.

Senator Sifton offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Substitute for Senate Committee Substitute for Senate Bill No. 648, Page 22, Section 135.550, Line 11, by inserting after all of said line the following:

**“137.106. 1. This section shall be known and may be cited as the “Missouri Homestead Preservation Act”.**

**2. As used in this section, the following terms shall mean:**

**(1) “Department”, the department of revenue;**

**(2) “Director”, the director of revenue;**

**(3) “Disabled”, as such term is defined in section 135.010;**

**(4) “Eligible owner”, any individual owner of property who is sixty-five years old or older as of January first of the tax year in which the individual is claiming the credit or who is disabled, and who had an income of equal to or less than the maximum upper limit in the year prior to completing an application pursuant to this section; or**

**(a) In the case of a married couple owning property either jointly or as tenants by the entirety, or where only one spouse owns the property, such couple shall be considered an eligible taxpayer if both spouses have reached the age of sixty-five or if one spouse is disabled, or if one spouse is at least sixty-five years old and the other spouse is at least sixty years old, and the combined income of the couple in the year prior to completing an application pursuant to this section did not exceed the maximum upper limit; or**

**(b) In the case of joint ownership by unmarried persons or ownership by tenancy in common by two or more unmarried persons, such owners shall be considered an eligible owner if each person with an ownership interest individually satisfies the eligibility requirements for an individual eligible owner under this section and the combined income of all individuals with an interest in the property is equal to or less than the maximum upper limit in the year prior to completing an application under this section. If any individual with an ownership interest in the property fails to satisfy the eligibility requirements of an individual eligible owner or if the combined income of all individuals with interest in the property exceeds the maximum upper limit, then all individuals with an ownership interest in such property shall be deemed ineligible owners regardless of such other individual’s ability to**

individually meet the eligibility requirements; or

(c) In the case of property held in trust, the eligible owner and recipient of the tax credit shall be the trust itself provided the previous owner of the homestead or the previous owner's spouse: is the settlor of the trust with respect to the homestead; currently resides in such homestead; and but for the transfer of such property would have satisfied the age, ownership, and maximum upper limit requirements for income as defined in this subsection.

No individual shall be an eligible owner if the individual has not paid the individual's property tax liability, if any, in full by the payment due date in any of the three prior tax years, except that a late payment of a property tax liability in any prior year shall not disqualify a potential eligible owner if such owner paid in full the tax liability and any and all penalties, additions and interest that arose as a result of such late payment; no individual shall be an eligible owner if such person filed a valid claim for the senior citizens property tax relief credit pursuant to sections 135.010 to 135.035;

(5) "Homestead", as such term is defined pursuant to section 135.010, except as limited by provisions of this section to the contrary. No property shall be considered a homestead if such property was improved since the most recent annual assessment by more than five percent of the prior year appraised value, except where an eligible owner of the property has made such improvements to accommodate a disabled person;

(6) "Homestead exemption limit", a percentage increase, rounded to the nearest hundredth of a percent, which shall be equal to the percentage increase to tax liability, not including improvements, of a homestead from one tax year to the next that exceeds a certain percentage set pursuant to subsection 7 of this section;

(7) "Income", federal adjusted gross income, and in the case of ownership of the homestead by trust, the income of the settlor applicant shall be imputed to the income of the trust for purposes of determining eligibility with regards to the maximum upper limit;

(8) "Maximum upper limit", in the calendar year 2021, the income sum of ninety thousand dollars; in each successive calendar year this amount shall be raised by the incremental increase in the general price level, as defined pursuant to article X, section 17 of the Missouri Constitution.

3. Pursuant to Article X, Section 6(a) of the Constitution of Missouri, if in the prior tax year, the property tax liability on any parcel of subclass (1) real property increased by more than the homestead exemption limit, without regard for any prior credit received due to the provisions of this section, then any eligible owner of the property shall receive a homestead exemption credit to be applied in the current tax year property tax liability to offset the prior year increase to tax liability that exceeds the homestead exemption limit, except as eligibility for the credit is limited by the provisions of this section. The amount of the credit shall be listed separately on each taxpayer's tax bill for the current tax year, or on a document enclosed with the taxpayer's bill. The homestead exemption credit shall not affect the process of setting the tax rate as required pursuant to Article X, Section 22 of the Constitution of Missouri and section 137.073 in any prior, current, or subsequent tax year.

4. Any potential eligible owner may apply for the homestead exemption credit by completing an application. Applications may be completed between April first and October fifteenth of any tax year

**in order for the taxpayer to be eligible for the homestead exemption credit in the tax year next following the calendar year in which the homestead exemption credit application was completed. The application shall be on forms provided by the department. Forms also shall be made available on the department's internet site and at all permanent branch offices and all full-time, temporary, or fee offices maintained by the department of revenue. The applicant shall attest under penalty of perjury:**

**(1) To the applicant's age;**

**(2) That the applicant's prior year income was less than the maximum upper limit;**

**(3) To the address of the homestead property;**

**(4) That any improvements made to the homestead, not made to accommodate a disabled person, did not total more than five percent of the prior year appraised value.**

**The applicant shall also include with the application copies of receipts indicating payment of property tax by the applicant for the homestead property for the three prior tax years.**

**5. Each applicant shall send the application to the department by October fifteenth of each year for the taxpayer to be eligible for the homestead exemption credit in the tax year next following the calendar year in which the application was completed.**

**6. Upon receipt of the applications, the department shall calculate the tax liability, verify compliance with the maximum income limit, verify the age of the applicants, and make adjustments to these numbers as necessary on the applications. The department also shall disallow any application where the applicant also has filed a valid application for the senior citizens property tax credit under sections 135.010 to 135.035. Once adjusted tax liability, age, and income are verified, the director shall determine eligibility for the credit and provide a list of all verified eligible owners to the county assessors or county clerks in counties with a township form of government by December fifteenth of each year. By January fifteenth, the county assessors shall provide a list to the department of any verified eligible owners who made improvements not for accommodation of a disability to the homestead and the dollar amount of the assessed value of such improvements. If the dollar amount of the assessed value of such improvements totaled more than five percent of the prior year appraised value, such eligible owners shall be disqualified from receiving the credit in the current tax year.**

**7. The director shall calculate the level of appropriation necessary to set the homestead exemption limit at five percent when based on a year of general reassessment or at two and one-half percent when based on a year without general reassessment for the homesteads of all verified eligible owners, and provide such calculation to the speaker of the house of representatives, the president pro tempore of the senate, and the director of the office of budget and planning in the office of administration by January thirty-first of each year.**

**8. If, in any given year, the general assembly makes an appropriation for the funding of the homestead exemption credit that is signed by the governor, then the director shall determine the apportionment percentage by equally apportioning the appropriation among all eligible applicants on a percentage basis. If no appropriation is made by the general assembly during any tax year or no funds are actually distributed pursuant to any appropriation therefor, then no homestead preservation credit shall apply in such year.**

9. After determining the apportionment percentage, the director shall calculate the credit to be associated with each verified eligible owner's homestead, if any. The director shall send a list of those eligible owners who are to receive the homestead exemption credit, including the amount of each credit, the certified parcel number of the homestead, and the address of the homestead property, to the county collectors or county clerks in counties with a township form of government by August thirty-first. Pursuant to such calculation, the director shall instruct the state treasurer as to how to distribute the appropriation to the county collector's fund of each county where recipients of the homestead exemption credit are located, so as to exactly offset each homestead exemption credit being issued. As a result of the appropriation, in no case shall a political subdivision receive more money than it would have received absent the provisions of this section. Funds, at the direction of the collector of the county or treasurer ex officio collector in counties with a township form of government, shall be deposited in the county collector's fund of a county or may be sent by mail to the collector of a county, or treasurer ex officio collector in counties with a township form of government, not later than October first in any year a homestead exemption credit is appropriated as a result of this section and shall be distributed as moneys in such funds are commonly distributed from other property tax revenues by the collector of the county or the treasurer ex officio collector of the county in counties with a township form of government, so as to exactly offset each homestead exemption credit being issued.

10. The department shall promulgate rules for implementation of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2020, shall be invalid and void. Any rule promulgated by the department shall in no way impact, affect, interrupt, or interfere with the performance of the required statutory duties of any county elected official, more particularly including the county collector when performing such duties as deemed necessary for the distribution of any homestead appropriation and the distribution of all other real and personal property taxes.

11. In the event that an eligible owner dies or transfers ownership of the property after the homestead exemption limit has been set in any given year, but prior to January first of the year in which the credit would otherwise be applied, the credit shall be void and any corresponding moneys shall lapse to the state to be credited to the general revenue fund. In the event the collector of the county or the treasurer ex officio collector of the county in counties with a township form of government determines prior to issuing the credit that the individual is not an eligible owner because the individual did not pay the prior three years' property tax liability in full, the credit shall be void and any corresponding moneys shall lapse to the state to be credited to the general revenue fund.

12. This section shall apply to all tax years beginning on or after January 1, 2021.

13. In accordance with the provisions of sections 23.250 to 23.298 and unless otherwise authorized pursuant to section 23.253:

(1) The program authorized under the provisions of this section shall automatically sunset six

years after the effective date of this section unless reauthorized by an act of the general assembly; and

**(2) This section shall terminate on September first of the year following the year in which any new program authorized under this section is sunset, and the revisor of statutes shall designate such sections and this section in a revision bill for repeal.”; and**

Further amend the title and enacting clause accordingly.

Senator Sifton moved that the above amendment be adopted.

Senator Eigel offered **SA 1 to SA 1**:

SENATE AMENDMENT NO. 1 TO  
SENATE AMENDMENT NO. 1

Amend Senate Amendment No. 1 to Senate Substitute for Senate Committee Substitute for Senate Bill No. 648, Page 9, Line 12, by inserting after all of said line the following:

“Further amend said bill, page 26, section 143.011, line 3, by inserting after all of said line the following:

“143.021. **1.** Every resident having a taxable income shall determine his or her tax from the rates provided in section 143.011. There shall be no tax on a taxable income of less than one hundred dollars.

**2. (1) Notwithstanding the provisions of subsection 1 of section 143.011 to the contrary, for all tax years beginning on or after January 1, 2021, there shall be no tax on a taxable income of less than two thousand dollars, as adjusted pursuant to subsection 4 of section 143.011.**

**(2) The modification of the tax rates pursuant to this subsection shall only apply to tax years that begin on or after the date the modification takes place.**

**(3) The director of revenue shall, by rule, adjust the tax table provided in subsection 1 of section 143.011 to effectuate the provisions of this subsection.”; and”.**

Senator Eigel moved that the above amendment be adopted.

Senator Eigel requested a roll call vote be taken. He was joined in his request by Senators Burlison, Hoskins, Onder and Wallingford.

At the request of Senator Eigel **SA 1 to SA 1** was withdrawn.

Senator Eigel offered **SA 2 to SA 1**:

SENATE AMENDMENT NO. 2 TO  
SENATE AMENDMENT NO. 1

Amend Senate Amendment No. 1 to Senate Substitute for Senate Committee Substitute for Senate Bill No. 648, Page 9, Line 12, by inserting after all of said line the following:

“Further amend said bill, page 26, section 143.011, line 3, by inserting after all of said line the following:

“143.021. **1.** Every resident having a taxable income shall determine his or her tax from the rates provided in section 143.011. There shall be no tax on a taxable income of less than one hundred dollars.

**2. (1) Notwithstanding the provisions of subsection 1 of section 143.011 to the contrary, for all tax**

years beginning on or after January 1, 2022, there shall be no tax on a taxable income of less than two thousand dollars, as adjusted pursuant to subsection 5 of section 143.011.

(2) The modification of the tax rates pursuant to this subsection shall only apply to tax years that begin on or after the date the modification takes place.

(3) The director of revenue shall, by rule, adjust the tax table provided in subsection 1 of section 143.011 to effectuate the provisions of this subsection.”; and”.

Senator Eigel moved that the above amendment be adopted and requested a roll call vote be taken. He was joined in his request by Senators Burlison, Hoskins, Onder and Wallingford.

SA 2 to SA 1 was adopted by the following vote:

YEAS—Senators

Arthur	Bernskoetter	Brown	Burlison	Cierpiot	Crawford	Cunningham
Eigel	Emery	Hegeman	Hoskins	Hough	Koenig	Libla
Luetkemeyer	May	Nasheed	O’Laughlin	Onder	Riddle	Rizzo
Rowden	Sater	Schatz	Schupp	Sifton	Wallingford	Walsh
White	Wieland	Williams—31				

NAYS—Senators—None

Absent—Senators—None

Absent with leave—Senators—None

Vacancies—3

Senator Sifton moved that SA 1, as amended, be adopted, which motion prevailed.

Senator Hough assumed the chair.

Senator Schupp offered SA 2:

SENATE AMENDMENT NO. 2

Amend Senate Substitute for Senate Committee Substitute for Senate Bill No. 648, Page 32, Section 144.014, Line 2 of said page, by inserting immediately after said line the following:

**“144.016. 1. This act shall be known and may be cited as the “Personal Period Products and Diaper Sales Tax Relief Act”.**

**2. Beginning October 1, 2020, the tax levied and imposed under this chapter on all retail sales of feminine hygiene products, diapers, and incontinence products shall be levied at a rate that shall not exceed the sales tax rate levied on the retail sale of food under section 144.014.**

**3. For purposes of this section, the following terms mean:**

**(1) “Diapers”, absorbent garments worn by infants or toddlers who are not toilet-trained or by individuals who are incapable of controlling their bladder or bowel movements;**

**(2) “Feminine hygiene products”, tampons, pads, liners, and cups;**



**(3) “Incontinence products”, products designed specifically for hygiene matters related to urinary incontinence, including but not limited to, adult diapers.”; and**

Further amend the title and enacting clause accordingly.

Senator Schupp moved that the above amendment be adopted and requested a roll call vote be taken. She was joined in her request by Senators Arthur, Rizzo, Walsh and Williams.

**SA 2** was adopted by the following vote:

YEAS—Senators

Arthur	Bernskoetter	Cierpiot	Cunningham	Hough	Koenig	Luetkemeyer
May	Nasheed	Rizzo	Rowden	Schupp	Sifton	Wallingford
Walsh	White	Wieland	Williams—18			

NAYS—Senators

Brown	Burlison	Eigel	Emery	Hegeman	Hoskins	Libla
O’Laughlin	Onder	Sater	Schatz—11			

Absent—Senators

Crawford	Riddle—2
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Absent with leave—Senators—None

Vacancies—3

President Kehoe assumed the Chair.

Senator May offered **SA 3**:

**SENATE AMENDMENT NO. 3**

Amend Senate Substitute for Senate Committee Substitute for Senate Bill No. 648, Page 26, Section 143.011, Line 3, by inserting after all of said line the following:

**“143.177. 1. This section shall be known and may be cited as the “Missouri Working Family Tax Credit Act”.**

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

**(1) “Department”, the department of revenue;**

**(2) “Eligible taxpayer”, a resident individual with a filing status of single, head of household, widowed, or married filing combined who is subject to the tax imposed under chapter 143, excluding withholding tax imposed under sections 143.191 to 143.265, and who is allowed a federal earned income tax credit under Section 32 of the Internal Revenue Code of 1986, as amended;**

**(3) “Tax credit”, a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed under sections 143.191 to 143.265.**

**3. For all tax years beginning on or after January 1, 2021, an eligible taxpayer shall be allowed a tax credit in an amount equal to twenty percent of the amount such taxpayer would receive under the federal earned income tax credit. The tax credit allowed by this section shall be claimed by such**

taxpayer at the time such taxpayer files a return and shall be applied against the income tax liability imposed by chapter 143 after reduction for all other credits allowed thereon. If the amount of the credit exceeds the tax liability, the difference shall be refunded to the taxpayer and shall not be carried forward to any subsequent tax year.

4. Notwithstanding the provisions of section 32.057 to the contrary, the department shall determine whether any taxpayer filing a report or return with the department who did not apply for the credit authorized under this section may qualify for the credit and if so, determines a taxpayer may qualify for the credit, shall notify such taxpayer of his or her potential eligibility. In making a determination of eligibility under this section, the department shall use any appropriate and available data including, but not limited to, data available from the Internal Revenue Service, the U.S. Department of Treasury, and state income tax returns from previous tax years.

5. The department shall prepare an annual report containing statistical information regarding the tax credits issued under this section for the previous tax year, including the total amount of revenue expended, the number of credits claimed, and the average value of the credits issued to taxpayers whose earned income falls within various income ranges determined by the department.

6. The director of the department may promulgate rules and regulations to administer the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after the effective date of this section shall be invalid and void.

7. Tax credits authorized under this section are not subject to the requirements of sections 135.800 to 135.830.

8. Under section 23.253 of the Missouri sunset act:

(1) The program authorized under this section shall automatically sunset on December thirty-first six years after the effective date of this section unless reauthorized by an act of the general assembly;

(2) If such program is reauthorized, the program authorized under this section shall automatically sunset on December thirty-first twelve years after the effective date of the reauthorization of this section; and

(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.”; and

Further amend the title and enacting clause accordingly.

Senator May moved that the above amendment be adopted.

Senator Eigel offered SA 1 to SA 3:

SENATE AMENDMENT NO. 1 TO  
SENATE AMENDMENT NO. 3

Amend Senate Amendment No. 3 to Senate Substitute for Senate Committee Substitute for Senate Bill No. 648, Page 3, Section 143.177, Line 21, by inserting after all of said line the following:

“Further amend said bill, page 76, section 144.759, line 19 by inserting after all of said line the following:

**“Section 1. Notwithstanding the provisions of subsection 1 of section 143.011 to the contrary, for all tax years beginning on or after January 1, 2022, there shall be no tax on a taxable income of less than three thousand dollars, as adjusted pursuant to subsection 5 of section 143.011.**

**(2) The modification of the tax rates pursuant to this subsection shall only apply to tax years that begin on or after the date the modification takes place.**

**(3) The director of revenue shall, by rule, adjust the tax table provided in subsection 1 of section 143.011 to effectuate the provisions of this subsection.”; and”; and**

Further amend the title and enacting clause accordingly.

Senator Eigel moved that the above amendment be adopted, which motion prevailed.

Senator May moved that **SA 3**, as amended, be adopted, which motion prevailed.

Senator Libla offered **SA 4**:

#### SENATE AMENDMENT NO. 4

Amend Senate Substitute for Senate Committee Substitute for Senate Bill No. 648, Page 22, Section 135.550, Line 11, by inserting after all of said line the following:

“142.803. 1. A tax is levied and imposed on all motor fuel used or consumed in this state as follows:

**(1) Motor fuel other than gasoline and diesel fuel, seventeen cents per gallon;**

**(2) Gasoline, nineteen cents per gallon;**

**(3) Diesel fuel, twenty-three cents per gallon;**

**(4) Alternative fuels, not subject to the decal fees as provided in section 142.869, with a power potential equivalent of motor fuel. In the event alternative fuel, which is not commonly sold or measured by the gallon, is used in motor vehicles on the highways of this state, the director is authorized to assess and collect a tax upon such alternative fuel measured by the nearest power potential equivalent to that of one gallon of regular grade gasoline. The determination by the director of the power potential equivalent of such alternative fuel shall be prima facie correct;**

**[(3)] (5) Aviation fuel used in propelling aircraft with reciprocating engines, nine cents per gallon as levied and imposed by section 155.080 to be collected as required under this chapter;**

**[(4)] (6) Compressed natural gas fuel, five cents per gasoline gallon equivalent until December 31, 2019, eleven cents per gasoline gallon equivalent from January 1, 2020, until December 31, 2024, and then seventeen cents per gasoline gallon equivalent thereafter. The gasoline gallon equivalent and method of sale for compressed natural gas shall be as published by the National Institute of Standards and Technology in Handbooks 44 and 130, and supplements thereto or revisions thereof. In the absence of such standard or agreement, the gasoline gallon equivalent and method of sale for compressed natural gas shall be equal to five and sixty-six-hundredths pounds of compressed natural gas. All applicable provisions contained in this chapter governing administration, collections, and enforcement of the state motor fuel tax shall apply to the tax imposed on compressed natural gas, including but not limited to licensing, reporting, penalties, and interest;**

[(5)] (7) Liquefied natural gas fuel, five cents per diesel gallon equivalent until December 31, 2019, eleven cents per diesel gallon equivalent from January 1, 2020, until December 31, 2024, and then seventeen cents per diesel gallon equivalent thereafter. The diesel gallon equivalent and method of sale for liquefied natural gas shall be as published by the National Institute of Standards and Technology in Handbooks 44 and 130, and supplements thereto or revisions thereof. In the absence of such standard or agreement, the diesel gallon equivalent and method of sale for liquefied natural gas shall be equal to six and six-hundredths pounds of liquefied natural gas. All applicable provisions contained in this chapter governing administration, collections, and enforcement of the state motor fuel tax shall apply to the tax imposed on liquefied natural gas, including but not limited to licensing, reporting, penalties, and interest;

[(6)] (8) Propane gas fuel, five cents per gallon until December 31, 2019, eleven cents per gallon from January 1, 2020, until December 31, 2024, and then seventeen cents per gallon thereafter. All applicable provisions contained in this chapter governing administration, collection, and enforcement of the state motor fuel tax shall apply to the tax imposed on propane gas including, but not limited to, licensing, reporting, penalties, and interest;

[(7)] (9) If a natural gas, compressed natural gas, liquefied natural gas, electric, or propane connection is used for fueling motor vehicles and for another use, such as heating, the tax imposed by this section shall apply to the entire amount of natural gas, compressed natural gas, liquefied natural gas, electricity, or propane used unless an approved separate metering and accounting system is in place.

2. All taxes, surcharges and fees are imposed upon the ultimate consumer, but are to be precollected as described in this chapter, for the facility and convenience of the consumer. The levy and assessment on other persons as specified in this chapter shall be as agents of this state for the precollection of the tax.”; and

Further amend said bill, page 80, section B, line 1, by inserting after the word “emergency” the following: “and because immediate action is necessary to provide funding for transportation in this state”; and further amend line 2 by inserting after “33.575” the following: “and the repeal and reenactment of section 142.803”; and further amend line 5 by inserting after “33.575” the following: “and the repeal and reenactment of section 142.803”; and

Further amend the title and enacting clause accordingly.

Senator Libla moved that the above amendment be adopted.

Senator Eigel requested that a roll call vote be taken on the adoption of SA 4. He was joined in his request by Senators Burlison, Koenig, Onder and Wallingford.

At the request of Senator Koenig SS for SCS for SB 648 was withdrawn, rendering SA 2 to SA 1, SA 1, as amended, SA 2, SA 1 to SA 3, SA 3, as amended and SA 4 moot.

Senator Koenig offered SS No. 2 for SCS for SB 648, entitled:

SENATE SUBSTITUTE NO. 2 FOR  
SENATE COMMITTEE SUBSTITUTE FOR  
SENATE BILL NO. 648

An Act to repeal sections 32.087, 32.310, 135.550, 143.011, 143.441, 144.011, 144.014, 144.020, 144.049, 144.054, 144.060, 144.080, 144.140, 144.526, 144.605, 144.710, 144.757, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015, RSMo, and to enact in lieu thereof twenty-two new sections

relating to taxation, with penalty provisions, an emergency clause for a certain section, and an effective date for certain sections.

Senator Koenig moved that **SS No. 2** for **SCS** for **SB 648** be adopted.

Senator Koenig offered **SA 1**:

SENATE AMENDMENT NO. 1

Amend Senate Substitute No. 2 for Senate Committee Substitute for Senate Bill No. 648, Page 16, Section 32.310, Line 9, by inserting after the second use of “the” the following: **“sales or use”**; and further amend line 10 by striking “under the local sales tax law”; and

Further amend said bill, pages 18-21, section 135.550, by striking all of said section and inserting in lieu thereof the following:

“135.550. 1. As used in this section, the following terms shall mean:

(1) “Contribution”, a donation of cash, stock, bonds or other marketable securities, or real property;

(2) “Shelter for victims of domestic violence”, a facility located in this state which meets the definition of a shelter for victims of domestic violence pursuant to section 455.200 and which meets the requirements of section 455.220, **or a nonprofit organization established and operating exclusively for the purpose of supporting a shelter for victims of domestic violence operated by the state or one of its political subdivisions;**

(3) “Rape crisis center”, **a community-based nonprofit rape crisis center, as defined in section 455.003, located in this state and that provides the twenty-four hour core services of hospital advocacy and crisis hotline support to survivors of rape and sexual assault;**

[(3)] (4) “State tax liability”, in the case of a business taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143, chapter 147, chapter 148, and chapter 153, exclusive of the provisions relating to the withholding of tax as provided for in sections 143.191 to 143.265 and related provisions, and in the case of an individual taxpayer, any liability incurred by such taxpayer pursuant to the provisions of chapter 143;

[(4)] (5) “Taxpayer”, a person, firm, a partner in a firm, corporation or a shareholder in an S corporation doing business in the state of Missouri and subject to the state income tax imposed by the provisions of chapter 143, or a corporation subject to the annual corporation franchise tax imposed by the provisions of chapter 147, including any charitable organization which is exempt from federal income tax and whose Missouri unrelated business taxable income, if any, would be subject to the state income tax imposed under chapter 143, or an insurance company paying an annual tax on its gross premium receipts in this state, or other financial institution paying taxes to the state of Missouri or any political subdivision of this state pursuant to the provisions of chapter 148, or an express company which pays an annual tax on its gross receipts in this state pursuant to chapter 153, or an individual subject to the state income tax imposed by the provisions of chapter 143.

2. A taxpayer shall be allowed to claim a tax credit against the taxpayer’s state tax liability, in an amount equal to fifty percent of the amount such taxpayer contributed to a shelter for victims of domestic violence **or rape crisis center for all fiscal years ending on or before June 30, 2021, and seventy percent of the**

**amount such taxpayer contributed to a shelter for victims of domestic violence or rape crisis center for all fiscal years beginning on or after July 1, 2021.**

3. The amount of the tax credit claimed shall not exceed the amount of the taxpayer's state tax liability for the taxable year that the credit is claimed, and such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand dollars per taxable year. However, any tax credit that cannot be claimed in the taxable year the contribution was made may be carried over to the next four succeeding taxable years until the full credit has been claimed.

4. Except for any excess credit which is carried over pursuant to subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit unless the total amount of such taxpayer's contribution or contributions to a shelter or shelters for victims of domestic violence **or rape crisis center** in such taxpayer's taxable year has a value of at least one hundred dollars.

5. The director of the department of social services shall determine, at least annually, which facilities in this state may be classified as shelters for victims of domestic violence **and rape crisis centers**. The director of the department of social services may require of a facility seeking to be classified as a shelter for victims of domestic violence **or rape crisis center** whatever information is reasonably necessary to make such a determination. The director of the department of social services shall classify a facility as a shelter for victims of domestic violence **or rape crisis center** if such facility meets the definition set forth in subsection 1 of this section.

6. The director of the department of social services shall establish a procedure by which a taxpayer can determine if a facility has been classified as a shelter for victims of domestic violence **or rape crisis center**, and by which such taxpayer can then contribute to such shelter for victims of domestic violence **or rape crisis center** and claim a tax credit. Shelters for victims of domestic violence **and rape crisis centers** shall be permitted to decline a contribution from a taxpayer. The cumulative amount of tax credits which may be claimed by all the taxpayers contributing to shelters for victims of domestic violence **and rape crisis centers** in any one fiscal year shall not exceed two million dollars **for all fiscal years ending on or before June 30, 2021. For all fiscal years beginning on or after July 1, 2021, there shall be no limit imposed on the cumulative amount of tax credits that may be claimed by all taxpayers contributing to shelters for victims of domestic violence and rape crisis centers under the provisions of this section.**

7. **For all fiscal years ending on or before June 30, 2021**, the director of the department of social services shall establish a procedure by which, from the beginning of the fiscal year until some point in time later in the fiscal year to be determined by the director of the department of social services, the cumulative amount of tax credits are equally apportioned among all facilities classified as shelters for victims of domestic violence **and rape crisis centers**. If a shelter for victims of domestic violence **or rape crisis center** fails to use all, or some percentage to be determined by the director of the department of social services, of its apportioned tax credits during this predetermined period of time, the director of the department of social services may reapportion these unused tax credits to those shelters for victims of domestic violence **and rape crisis centers** that have used all, or some percentage to be determined by the director of the department of social services, of their apportioned tax credits during this predetermined period of time. The director of the department of social services may establish more than one period of time and reapportion more than once during each fiscal year. To the maximum extent possible, the director of the department of social services shall establish the procedure described in this subsection in such a manner as to ensure that taxpayers can claim all the tax credits possible up to the cumulative amount of tax credits

available for the fiscal year.

8. This section shall become effective January 1, 2000, and shall apply to all tax years after December 31, 1999.

**137.106. 1. This section shall be known and may be cited as the “Missouri Homestead Preservation Act”.**

**2. As used in this section, the following terms shall mean:**

**(1) “Department”, the department of revenue;**

**(2) “Director”, the director of revenue;**

**(3) “Disabled”, as such term is defined in section 135.010;**

**(4) “Eligible owner”, any individual owner of property who is sixty-five years old or older as of January first of the tax year in which the individual is claiming the credit or who is disabled, and who had an income of equal to or less than the maximum upper limit in the year prior to completing an application pursuant to this section; or**

**(a) In the case of a married couple owning property either jointly or as tenants by the entirety, or where only one spouse owns the property, such couple shall be considered an eligible taxpayer if both spouses have reached the age of sixty-five or if one spouse is disabled, or if one spouse is at least sixty-five years old and the other spouse is at least sixty years old, and the combined income of the couple in the year prior to completing an application pursuant to this section did not exceed the maximum upper limit; or**

**(b) In the case of joint ownership by unmarried persons or ownership by tenancy in common by two or more unmarried persons, such owners shall be considered an eligible owner if each person with an ownership interest individually satisfies the eligibility requirements for an individual eligible owner under this section and the combined income of all individuals with an interest in the property is equal to or less than the maximum upper limit in the year prior to completing an application under this section. If any individual with an ownership interest in the property fails to satisfy the eligibility requirements of an individual eligible owner or if the combined income of all individuals with interest in the property exceeds the maximum upper limit, then all individuals with an ownership interest in such property shall be deemed ineligible owners regardless of such other individual’s ability to individually meet the eligibility requirements; or**

**(c) In the case of property held in trust, the eligible owner and recipient of the tax credit shall be the trust itself provided the previous owner of the homestead or the previous owner’s spouse: is the settlor of the trust with respect to the homestead; currently resides in such homestead; and but for the transfer of such property would have satisfied the age, ownership, and maximum upper limit requirements for income as defined in this subsection.**

**No individual shall be an eligible owner if the individual has not paid the individual’s property tax liability, if any, in full by the payment due date in any of the three prior tax years, except that a late payment of a property tax liability in any prior year shall not disqualify a potential eligible owner if**

such owner paid in full the tax liability and any and all penalties, additions and interest that arose as a result of such late payment; no individual shall be an eligible owner if such person filed a valid claim for the senior citizens property tax relief credit pursuant to sections 135.010 to 135.035;

(5) "Homestead", as such term is defined pursuant to section 135.010, except as limited by provisions of this section to the contrary. No property shall be considered a homestead if such property was improved since the most recent annual assessment by more than five percent of the prior year appraised value, except where an eligible owner of the property has made such improvements to accommodate a disabled person;

(6) "Homestead exemption limit", a percentage increase, rounded to the nearest hundredth of a percent, which shall be equal to the percentage increase to tax liability, not including improvements, of a homestead from one tax year to the next that exceeds a certain percentage set pursuant to subsection 7 of this section;

(7) "Income", federal adjusted gross income, and in the case of ownership of the homestead by trust, the income of the settlor applicant shall be imputed to the income of the trust for purposes of determining eligibility with regards to the maximum upper limit;

(8) "Maximum upper limit", in the calendar year 2021, the income sum of ninety thousand dollars; in each successive calendar year this amount shall be raised by the incremental increase in the general price level, as defined pursuant to article X, section 17 of the Missouri Constitution.

3. Pursuant to Article X, Section 6(a) of the Constitution of Missouri, if in the prior tax year, the property tax liability on any parcel of subclass (1) real property increased by more than the homestead exemption limit, without regard for any prior credit received due to the provisions of this section, then any eligible owner of the property shall receive a homestead exemption credit to be applied in the current tax year property tax liability to offset the prior year increase to tax liability that exceeds the homestead exemption limit, except as eligibility for the credit is limited by the provisions of this section. The amount of the credit shall be listed separately on each taxpayer's tax bill for the current tax year, or on a document enclosed with the taxpayer's bill. The homestead exemption credit shall not affect the process of setting the tax rate as required pursuant to Article X, Section 22 of the Constitution of Missouri and section 137.073 in any prior, current, or subsequent tax year.

4. Any potential eligible owner may apply for the homestead exemption credit by completing an application. Applications may be completed between April first and October fifteenth of any tax year in order for the taxpayer to be eligible for the homestead exemption credit in the tax year next following the calendar year in which the homestead exemption credit application was completed. The application shall be on forms provided by the department. Forms also shall be made available on the department's internet site and at all permanent branch offices and all full-time, temporary, or fee offices maintained by the department of revenue. The applicant shall attest under penalty of perjury:

- (1) To the applicant's age;
- (2) That the applicant's prior year income was less than the maximum upper limit;
- (3) To the address of the homestead property;



**(4) That any improvements made to the homestead, not made to accommodate a disabled person, did not total more than five percent of the prior year appraised value.**

**The applicant shall also include with the application copies of receipts indicating payment of property tax by the applicant for the homestead property for the three prior tax years.**

**5. Each applicant shall send the application to the department by October fifteenth of each year for the taxpayer to be eligible for the homestead exemption credit in the tax year next following the calendar year in which the application was completed.**

**6. Upon receipt of the applications, the department shall calculate the tax liability, verify compliance with the maximum income limit, verify the age of the applicants, and make adjustments to these numbers as necessary on the applications. The department also shall disallow any application where the applicant also has filed a valid application for the senior citizens property tax credit under sections 135.010 to 135.035. Once adjusted tax liability, age, and income are verified, the director shall determine eligibility for the credit and provide a list of all verified eligible owners to the county assessors or county clerks in counties with a township form of government by December fifteenth of each year. By January fifteenth, the county assessors shall provide a list to the department of any verified eligible owners who made improvements not for accommodation of a disability to the homestead and the dollar amount of the assessed value of such improvements. If the dollar amount of the assessed value of such improvements totaled more than five percent of the prior year appraised value, such eligible owners shall be disqualified from receiving the credit in the current tax year.**

**7. The director shall calculate the level of appropriation necessary to set the homestead exemption limit at five percent when based on a year of general reassessment or at two and one-half percent when based on a year without general reassessment for the homesteads of all verified eligible owners, and provide such calculation to the speaker of the house of representatives, the president pro tempore of the senate, and the director of the office of budget and planning in the office of administration by January thirty-first of each year.**

**8. If, in any given year, the general assembly makes an appropriation for the funding of the homestead exemption credit that is signed by the governor, then the director shall determine the apportionment percentage by equally apportioning the appropriation among all eligible applicants on a percentage basis. If no appropriation is made by the general assembly during any tax year or no funds are actually distributed pursuant to any appropriation therefor, then no homestead preservation credit shall apply in such year.**

**9. After determining the apportionment percentage, the director shall calculate the credit to be associated with each verified eligible owner's homestead, if any. The director shall send a list of those eligible owners who are to receive the homestead exemption credit, including the amount of each credit, the certified parcel number of the homestead, and the address of the homestead property, to the county collectors or county clerks in counties with a township form of government by August thirty-first. Pursuant to such calculation, the director shall instruct the state treasurer as to how to distribute the appropriation to the county collector's fund of each county where recipients of the homestead exemption credit are located, so as to exactly offset each homestead exemption credit being issued. As a result of the appropriation, in no case shall a political subdivision receive more money than it would have received absent the provisions of this section. Funds, at the direction of the**

collector of the county or treasurer ex officio collector in counties with a township form of government, shall be deposited in the county collector's fund of a county or may be sent by mail to the collector of a county, or treasurer ex officio collector in counties with a township form of government, not later than October first in any year a homestead exemption credit is appropriated as a result of this section and shall be distributed as moneys in such funds are commonly distributed from other property tax revenues by the collector of the county or the treasurer ex officio collector of the county in counties with a township form of government, so as to exactly offset each homestead exemption credit being issued.

10. The department shall promulgate rules for implementation of this section. Any rule or portion of a rule, as that term is defined in section 536.010, that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536 and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2020, shall be invalid and void. Any rule promulgated by the department shall in no way impact, affect, interrupt, or interfere with the performance of the required statutory duties of any county elected official, more particularly including the county collector when performing such duties as deemed necessary for the distribution of any homestead appropriation and the distribution of all other real and personal property taxes.

11. In the event that an eligible owner dies or transfers ownership of the property after the homestead exemption limit has been set in any given year, but prior to January first of the year in which the credit would otherwise be applied, the credit shall be void and any corresponding moneys shall lapse to the state to be credited to the general revenue fund. In the event the collector of the county or the treasurer ex officio collector of the county in counties with a township form of government determines prior to issuing the credit that the individual is not an eligible owner because the individual did not pay the prior three years' property tax liability in full, the credit shall be void and any corresponding moneys shall lapse to the state to be credited to the general revenue fund.

12. This section shall apply to all tax years beginning on or after January 1, 2021.

13. In accordance with the provisions of sections 23.250 to 23.298 and unless otherwise authorized pursuant to section 23.253:

(1) The program authorized under the provisions of this section shall automatically sunset six years after the effective date of this section unless reauthorized by an act of the general assembly; and

(2) This section shall terminate on September first of the year following the year in which any new program authorized under this section is sunset, and the revisor of statutes shall designate such sections and this section in a revision bill for repeal.”; and

Further amend said bill, section 143.011, page 25, line 20, by inserting after all of said line the following:

“143.177. 1. This section shall be known and may be cited as the “Missouri Working Family Tax Credit Act”.

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

**(1) “Department”, the department of revenue;**

**(2) “Eligible taxpayer”, a resident individual with a filing status of single, head of household, widowed, or married filing combined who is subject to the tax imposed under chapter 143, excluding withholding tax imposed under sections 143.191 to 143.265, and who is allowed a federal earned income tax credit under Section 32 of the Internal Revenue Code of 1986, as amended;**

**(3) “Tax credit”, a credit against the tax otherwise due under chapter 143, excluding withholding tax imposed under sections 143.191 to 143.265.**

**3. For all tax years beginning on or after January 1, 2022, an eligible taxpayer shall be allowed a tax credit in an amount equal to five percent of the amount such taxpayer would receive under the federal earned income tax credit. The tax credit allowed by this section shall be claimed by such taxpayer at the time such taxpayer files a return and shall be applied against the income tax liability imposed by chapter 143 after reduction for all other credits allowed thereon. If the amount of the credit exceeds the tax liability, the difference shall not be refunded to the taxpayer and shall not be carried forward to any subsequent tax year.**

**4. Notwithstanding the provisions of section 32.057 to the contrary, the department shall determine whether any taxpayer filing a report or return with the department who did not apply for the credit authorized under this section may qualify for the credit and, if so, determines a taxpayer may qualify for the credit, shall notify such taxpayer of his or her potential eligibility. In making a determination of eligibility under this section, the department shall use any appropriate and available data including, but not limited to, data available from the Internal Revenue Service, the U.S. Department of Treasury, and state income tax returns from previous tax years.**

**5. The department shall prepare an annual report containing statistical information regarding the tax credits issued under this section for the previous tax year, including the total amount of revenue expended, the number of credits claimed, and the average value of the credits issued to taxpayers whose earned income falls within various income ranges determined by the department.**

**6. The director of the department may promulgate rules and regulations to administer the provisions of this section. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of the powers vested with the general assembly pursuant to chapter 536, to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after the effective date of this section shall be invalid and void.**

**7. Tax credits authorized under this section are not subject to the requirements of sections 135.800 to 135.830.**

**8. Under section 23.253 of the Missouri sunset act:**

**(1) The program authorized under this section shall automatically sunset on December thirty-first six years after the effective date of this section unless reauthorized by an act of the general assembly;**

**(2) If such program is reauthorized, the program authorized under this section shall automatically**

**sunset on December thirty-first twelve years after the effective date of the reauthorization of this section; and**

**(3) This section shall terminate on September first of the calendar year immediately following the calendar year in which the program authorized under this section is sunset.”; and**

Further amend said bill, section 144.014, page 31, line 19, by inserting after all of said line the following:

**“144.016. 1. This act shall be known and may be cited as the “Personal Period Products Sales Tax Relief Act”.**

**2. Beginning October 1, 2020, the tax levied and imposed under this chapter on all retail sales of feminine hygiene products shall be levied at a rate that shall not exceed the sales tax rate levied on the retail sale of food under section 144.014.**

**3. For purposes of this section, “feminine hygiene products” shall mean tampons, pads, liners, and cups.”; and**

Further amend said bill, section 144.140, page 47, by striking all of said section and inserting in lieu thereof the following:

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

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

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

**4. For the purposes of this section, “certified service provider” shall mean an agent certified by the department of revenue to perform all the seller’s sales and use tax functions, other than the seller’s obligation to remit tax on its own purchases.”; and**

Further amend said bill, section 144.757, pages 67-72, by striking all of said section and inserting in lieu thereof the following:

**“144.757. 1. Any county or municipality[, except municipalities within a county having a charter form of government with a population in excess of nine hundred thousand,] may, by a majority vote of its governing body, impose a local use tax if a local sales tax is imposed as defined in section 32.085 or if a sales tax is imposed pursuant to sections 94.850 or 94.890, with such local use tax imposed at a rate equal to the rate of the local sales tax [in effect in] and any sales tax imposed pursuant to sections 94.850 or 94.890 by such county or municipality; provided, however, that no ordinance or order enacted pursuant to sections 144.757 to 144.761 shall be effective unless the governing body of the county or municipality submits to the voters thereof at a municipal, county or state general, primary or special election a proposal to authorize the governing body of the county or municipality to impose a local use tax pursuant to sections 144.757 to 144.761. [Municipalities within a county having a charter form of government with a population in excess of nine hundred thousand may, upon voter approval received pursuant to paragraph (b) of subdivision (2) of subsection 2 of this section, impose a local use tax at the same rate as the local municipal**

sales tax with the revenues from all such municipal use taxes to be distributed pursuant to subsection 4 of section 94.890. The municipality shall within thirty days of the approval of the use tax imposed pursuant to paragraph (b) of subdivision (2) of subsection 2 of this section select one of the distribution options permitted in subsection 4 of section 94.890 for distribution of all municipal use taxes.

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

Shall the \_\_\_\_\_ (county or municipality's name) impose a local use tax at the same rate as the total local sales tax rate, [currently \_\_\_\_\_ (insert percent),] provided that if the local sales tax rate is reduced or raised by voter approval, the local use tax rate shall also be reduced or raised by the same action? [A use tax return shall not be required to be filed by persons whose purchases from out-of-state vendors do not in total exceed two thousand dollars in any calendar year.] **Approval of this question will eliminate the disparity in tax rates collected by local and out-of-state sellers by imposing the same rate on all sellers.**

YES

NO

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

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

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

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

YES

NO

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

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

Shall the municipality be authorized to impose a local use tax at the same rate as the local sales tax by a vote of the governing body, provided that if any local sales tax is repealed, reduced or raised by voter approval, the respective local use tax shall also be repealed, reduced or raised by the same action? A use tax return shall not be required to be filed by persons whose purchases from out-of-state vendors do not in total exceed two thousand dollars in any calendar year.

YES NO

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

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

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

 YES NO

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

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

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

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

144.759. 1. All local use taxes collected by the director of revenue pursuant to sections 144.757 to 144.761 on behalf of any county or municipality, less one percent for cost of collection, which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in

section 32.087 shall be deposited with the state treasurer in a local use tax trust fund, which fund shall be separate and apart from the local sales tax trust funds. The moneys in such local use tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state. The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county or municipality imposing a local use tax, and the records shall be open to the inspection of officers of the county or municipality and to the public. No later than the tenth day of each month, the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month, except as provided in subsection 2 of this section, to the county or municipality treasurer, or such other officer as may be designated by the county or municipality ordinance or order, of each county or municipality imposing the tax authorized by sections 144.757 to 144.761, the sum due the county or municipality as certified by the director of revenue.

2. **Subject to the provisions of subsection 1 of this section,** the director of revenue shall distribute all moneys which would be due any county having a charter form of government and having a population of nine hundred thousand or more to the county treasurer or such other officer as may be designated by county ordinance, who shall distribute [such moneys as follows: the] **that** portion of the use [tax] **taxes** imposed by the county [which equals one-half the rate of sales tax in effect for such county shall be disbursed to the county treasurer for expenditure throughout the county for public safety, parks, and job creation, subject to any qualifications and regulations adopted by ordinance of the county. Such ordinance shall require an audited comprehensive financial report detailing the management and use of such funds each year. Such ordinance shall also require that the county and the municipal league of the county jointly prepare a strategy to guide expenditures of funds and conduct an annual review of the strategy. The treasurer or such other officer as may be designated by county ordinance shall distribute one-third of the balance to the county and to each city, town and village in group B according to section 66.620 as modified by this section, a portion of the two-thirds remainder of such balance equal to the percentage ratio that the population of each such city, town or village bears to the total population of all such group B cities, towns and villages. For the purposes of this subsection, population shall be determined by the last federal decennial census or the latest census that determines the total population of the county and all political subdivisions therein. For the purposes of this subsection, each city, town or village in group A according to section 66.620 but whose per capita sales tax receipts during the preceding calendar year pursuant to sections 66.600 to 66.630 were less than the per capita countywide average of all sales tax receipts during the preceding calendar year, shall be treated as a group B city, town or village until the per capita amount distributed to such city, town or village equals the difference between the per capita sales tax receipts during the preceding calendar year and the per capita countywide average of all sales tax receipts during the preceding calendar year] **that is equal to the rate of sales taxes imposed by the county pursuant to sections 66.600 and 67.547 to the cities, towns, and villages within such county and to the unincorporated area of the county on the ratio of the population that each such city, town, village, and the unincorporated areas of the county bears to the total population of the county.**

3. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county or municipality for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties or municipalities. If any county or municipality abolishes the tax, the county or municipality shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal, and the director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of

the tax in such county or municipality, the director of revenue shall authorize the state treasurer to remit the balance in the account to the county or municipality and close the account of that county or municipality. The director of revenue shall notify each county or municipality of each instance of any amount refunded or any check redeemed from receipts due the county or municipality.

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

Further amend said bill, section C, page 76, line 11, by striking “and 144.710” and inserting in lieu thereof the following: “144.710, and 144.759”; and

Further amend the title and enacting clause accordingly.

Senator Koenig moved that the above amendment be adopted.

Senator Arthur offered **SA 1 to SA 1**:

SENATE AMENDMENT NO. 1 TO  
SENATE AMENDMENT NO. 1

Amend Senate Amendment No. 1 to Senate Substitute for Senate Committee Substitute for Senate Bill No. 648, Page 13, Line 20, by inserting after “143.011,” the following: “page 24, line 10, by striking “eleven-hundredths” and inserting in lieu thereof the following: “**fifty-five thousandths**”; and

Further amend said bill and section,”; and

Further amend said amendment, page 14, line 9, by striking “five” and inserting in lieu thereof the following: “**twenty**”.

Senator Arthur moved that the above amendment be adopted.

Senator Walsh requested a roll call vote be taken. She was joined in her request by Senators Arthur, May, Nasheed and Schupp.

**SA 1 to SA 1** failed of adoption by the following vote:

YEAS—Senators

Arthur	Cierpiot	Cunningham	Hough	May	Nasheed	Rizzo
Rowden	Schupp	Sifton	Walsh	Williams—12		

NAYS—Senators

Bernskoetter	Burlison	Crawford	Eigel	Emery	Hegeman	Hoskins
Koenig	Libla	Luetkemeyer	O’Laughlin	Onder	Sater	Schatz
Wallingford	White	Wieland—17				

Absent—Senators

Brown	Riddle—2
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Absent with leave—Senators—None



Vacancies—3

Senator Hegeman assumed the Chair.

President Kehoe assumed the Chair.

At the request of Senator Koenig, **SB 648**, with **SCS, SS No. 2** for **SCS** and **SA 1** (pending), was placed on the Informal Calendar.

### **RESOLUTIONS**

Senator Schupp offered Senate Resolution No. 1374, regarding Tyler Hanke, St. Louis, which was adopted.

Senator Wallingford offered Senate Resolution No. 1375, regarding David and Jeanne Heise, Cape Girardeau, which was adopted.

Senator Eigel offered Senate Resolution No. 1376, regarding Russell J. Haemmerle, St. Charles, which was adopted.

Senator Eigel offered Senate Resolution No. 1377, regarding Paul Luther Vipond, St. Charles, which was adopted.

Senator Sifton offered Senate Resolution No. 1378, regarding Albert Francis “Al” Becherer, St. Louis, which was adopted.

Senator Schupp offered Senate Resolution No. 1379, regarding John “Jack” Joseph Billings, Overland, which was adopted.

Senator Schupp offered Senate Resolution No. 1380, regarding Joe Garnet Wilson, St. Louis, which was adopted.

Senator Cunningham offered Senate Resolution No. 1381, regarding Johnny Murrell, West Plains, which was adopted.

Senator Cunningham offered Senate Resolution No. 1382, regarding Garland G. Barton, Alton, which was adopted.

### **INTRODUCTION OF GUESTS**

Senator Hegeman introduced to the Senate, Lydia and Brooks Hurst, Tarkio.

Senator O’Laughlin introduced to the Senate, Lynn Perrigo, Leonard.

Senator Walsh introduced to the Senate, representatives of the League of Women Voters, St. Louis County.

Senator Rowden introduced to the Senate, Mark Satterwhite and representatives from Boone County Resource Center.

Senator Libla introduced to the Senate, representatives of Sheriff’s Departments from across Missouri.

Senator White introduced to the Senate, representatives of Leadership Joplin 2020.

Senator Schupp introduced to the Senate, Andrea Carter and Eric Button, St. Louis County Library.

Senator Bernskoetter introduced to the Senate, the Physician of the Day, Dr. George Hubbell, Osage Beach.

On motion of Senator Rowden, the Senate adjourned under the rules.

SENATE CALENDAR

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THIRTY-FIFTH DAY—THURSDAY, MARCH 12, 2020

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FORMAL CALENDAR

SECOND READING OF SENATE BILLS

SB 1009-Burlison	SB 1041-Schupp
SB 1010-Sater	SB 1042-Nasheed
SB 1011-Williams	SB 1043-Emery
SB 1012-Wieland	SB 1044-Crawford
SB 1013-Wieland	SB 1045-Bernskoetter
SB 1014-Sifton	SB 1046-Koenig
SB 1015-Emery	SB 1047-O'Laughlin
SB 1016-Crawford	SB 1048-Burlison
SB 1017-Walsh	SB 1049-Burlison
SB 1018-Rizzo	SB 1050-Williams
SB 1019-Rizzo	SB 1051-Eigel
SB 1020-Schatz	SB 1052-Eigel
SB 1021-O'Laughlin	SB 1053-Eigel
SB 1022-O'Laughlin	SB 1054-Cierpiot
SB 1023-O'Laughlin	SB 1055-Rowden
SB 1024-Riddle	SB 1056-Hegeman
SB 1025-Emery	SB 1057-Hegeman and Luetkemeyer
SB 1026-O'Laughlin	SB 1058-Brown
SB 1027-O'Laughlin	SB 1059-Hough
SB 1028-White	SB 1060-Hough
SB 1029-Sater	SB 1061-Libla
SB 1030-Williams	SB 1062-Nasheed
SB 1031-Nasheed	SB 1063-O'Laughlin
SB 1032-Riddle	SB 1064-O'Laughlin
SB 1033-Hegeman	SB 1065-O'Laughlin
SB 1034-Cierpiot	SB 1066-O'Laughlin
SB 1035-Emery	SB 1067-Sifton
SB 1036-White	SB 1068-Williams
SB 1037-Walsh	SB 1069-Williams
SB 1038-Wallingford	SB 1070-Williams
SB 1039-Wallingford	SB 1071-Williams
SB 1040-Wallingford	SB 1072-Hough

SB 1073-Hough  
 SB 1074-Hoskins  
 SB 1075-Emery  
 SB 1076-Emery  
 SB 1077-Onder  
 SB 1078-Onder  
 SB 1079-Burlison  
 SB 1080-Rizzo

SB 1081-Rizzo  
 SB 1082-Bernskoetter  
 SB 1083-Brown  
 SB 1084-Brown  
 SB 1085-Rowden  
 SB 1086-Wieland  
 SB 1087-Wieland  
 SB 1088-Sater

#### HOUSE BILLS ON SECOND READING

HB 1631-Deaton  
 HCS for HB 1959  
 HB 1566-Burnett  
 HCS for HB 1434  
 HCS for HB 1488  
 HB 1348-Baker  
 HCS for HB 1655  
 HB 1640-Taylor  
 HB 2061-Christofanelli  
 HCS for HBs 1387 & 1482  
 HB 1418-McGirl  
 HB 1486-Rehder  
 HCS for HB 1868  
 HB 1873-Gregory  
 HCS for HB 1696  
 HCS for HB 1787  
 HB 1694-Anderson  
 HB 1421-Hudson  
 HB 1559-Remole  
 HCS for HB 1289  
 HCS for HB 1293  
 HCS for HB 1331  
 HCS for HB 1333  
 HCS for HB 1683  
 HCS for HB 1600

HCS for HB 1912  
 HCS for HB 1898  
 HB 2199-Gannon  
 HB 1800-Morris (140)  
 HB 1468-Toalson Reisch  
 HCS for HB 1540  
 HB 1698-Henderson  
 HB 1716-Morse (151)  
 HCS for HB 2049  
 HCS for HB 2120  
 HB 1386-Murphy  
 HCS for HB 2128  
 HCS#2 for HB 1568  
 HB 1383-Washington  
 HB 1768-Riggs  
 HCS for HB 1711  
 HCS for HB 1473  
 HCS#2 for HB 1604  
 HCS for HB 1334  
 HCS for HB 1817  
 HB 1818-Dinkins  
 HCS for HB 1854  
 HB 1903-Shields  
 HCS for HJR 103

#### THIRD READING OF SENATE BILLS

SS for SB 632-Hegeman (In Fiscal Oversight)  
 SB 553-Wieland

SS for SCS for SB 569-Koenig  
 (In Fiscal Oversight)

## SENATE BILLS FOR PERFECTION

- |   |  |
|---|--|
| 1. SB 590-Burlison, with SCS              | 25. SB 661-Bernskoetter, with SCS            |
| 2. SB 559-Schatz, with SCS                | 26. SB 645-Hoskins, with SCS                 |
| 3. SB 583-Arthur, with SCS                | 27. SB 625-Libla, with SCS                   |
| 4. SB 646-Koenig                          | 28. SB 633-Hegeman                           |
| 5. SBs 675 & 705-Luetkemeyer, with SCS    | 29. SB 739-Onder, with SCS                   |
| 6. SJRs 48, 41 & 43-Luetkemeyer, with SCS | 30. SB 716-Burlison                          |
| 7. SB 699-Riddle, with SCS                | 31. SB 809-Brown, with SCS                   |
| 8. SB 714-Burlison, with SCS              | 32. SB 797-Wieland, with SCS                 |
| 9. SB 613-Emery, with SCS                 | 33. SB 779-Crawford                          |
| 10. SB 537-Libla                          | 34. SB 756-Sifton, with SCS                  |
| 11. SB 572-Rowden                         | 35. SB 764-Onder, with SCS                   |
| 12. SB 748-White                          | 36. SB 768-Onder, with SCS                   |
| 13. SB 696-Sifton                         | 37. SB 690-Cunningham                        |
| 14. SB 595-Hough, with SCS                | 38. SB 639-Riddle                            |
| 15. SB 548-Hegeman                        | 39. SB 576-Crawford, with SCS                |
| 16. SB 703-Hoskins, with SCS              | 40. SB 615-Cunningham                        |
| 17. SB 605-O'Laughlin, with SCS           | 41. SB 586-Bernskoetter, with SCS            |
| 18. SB 640-Onder                          | 42. SB 568-Hoskins, with SCS                 |
| 19. SJR 44-Eigel                          | 43. SB 784-Wallingford                       |
| 20. SB 647-Koenig, with SCS               | 44. SBs 602, 778 & 561-Luetkemeyer, with SCS |
| 21. SB 578-Crawford, with SCS             | 45. SB 802-Hegeman                           |
| 22. SB 522-Sater                          | 46. SJR 61-Nasheed, with SCS                 |
| 23. SJR 31-Sater                          | 47. SB 542-Nasheed, with SCS                 |
| 24. SB 674-Brown                          |  |

## INFORMAL CALENDAR

## SENATE BILLS FOR PERFECTION

- |  |   |
|--|---|
| SB 524-Sater   | SB 557-Schatz, with SCS                                   |
| SB 525-Emery, with SCS, SS for SCS & SA 1<br>(pending)             | SB 558-Schatz, with SCS                                   |
| SB 526-Emery, with SCS   | SB 575-Eigel, with SS#2 & SA 2 (pending)                  |
| SB 529-Cunningham, with SCS  | SB 581-Cierpiot, with SCS                                 |
| SB 530-Cunningham, with SCS, SS for SCS<br>& SA 1 (pending)        | SB 592-White  |
| SB 531-Wallingford, with SS & SA 1 (pending)                       | SB 608-May, with SCS                                      |
| SBs 538, 562 & 601-Libla, with SCS,<br>SS for SCS & SA 1 (pending) | SB 636-Wieland  |
| SB 539-Libla, with SA 1 (pending)                                  | SB 648-Koenig, with SCS, SS#2 for SCS &<br>SA 1 (pending) |
| SB 555-Riddle  | SB 649-Eigel  |
|  | SB 670-Hough, with SCS, SS for SCS & SA 1<br>(pending)    |

SB 677-Luetkemeyer  
SJR 32-Sater

SJR 40-Koenig

HOUSE BILLS ON THIRD READING

SS for HB 1693-Rehder (Luetkemeyer)  
(In Fiscal Oversight)

CONSENT CALENDAR

Senate Bills

Reported 3/5

SB 669-Hough

SB 866-Brown

RESOLUTIONS

Reported from Committee

SCR 28-Luetkemeyer  
SCR 29-Wallingford  
SCR 30-Schupp  
SCR 31-Emery

SCR 32-Bernskoetter  
SCR 33-May  
SCR 34-Hoskins  
SCR 35-Hoskins

