CONFERENCE COMMITTEE SUBSTITUTE

FOR

HOUSE COMMITTEE SUBSTITUTE

FOR

SENATE SUBSTITUTE

FOR

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILLS NOS. 153 & 97

AN ACT

To repeal sections 32.310, 67.1401, 67.1421, 67.1451, 67.1461, 67.1471, 67.1481, 67.1545, 67.2677, 67.2689, 99.020, 99.320, 99.805, 99.810, 99.820, 99.843, 99.847, 99.848, 99.918, 99.1082, 100.310, 135.950, 137.115, 143.011, 143.121, 143.171, 144.011, 144.014, 144.020, 144.049, 144.054, 144.080, 144.140, 144.526, 144.605, 144.710, 144.757, 144.759, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 262.900, 353.020, and 620.2005, RSMo, and to enact in lieu thereof forty-nine new sections relating to taxation, with penalty provisions, a delayed effective date for certain sections, and an emergency clause for certain sections.

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

Section A. Sections 32.310, 67.1401, 67.1421, 67.1451, 67.1461, 67.1471, 67.1481, 67.1545, 67.2677, 67.2689, 99.020, 99.320, 99.805, 99.810, 99.820, 99.843, 99.847, 99.848, 99.918, 99.1082, 100.310, 135.950, 137.115, 143.011, 143.121, 143.171, 144.011, 144.014, 144.020, 144.049, 144.054, 144.080, 144.140, 144.526, 144.605, 144.710, 144.757, 144.759, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 262.900, 353.020, and 620.2005, RSMo, are repealed and forty-nine new

sections enacted in lieu thereof, to be known as sections 32.310, 67.1401, 67.1421, 67.1451, 67.1461, 67.1471, 67.1481, 67.1545, 67.2677, 67.2680, 67.2689, 67.2720, 99.020, 99.320, 99.805, 99.810, 99.820, 99.821, 99.843, 99.847, 99.848, 99.918, 99.1082, 100.310, 135.950, 137.115, 143.011, 143.121, 143.171, 143.177, 144.011, 144.014, 144.020, 144.049, 144.054, 144.080, 144.140, 144.526, 144.605, 144.608, 144.637, 144.638, 144.752, 144.757, 144.759, 262.900, 353.020, 620.2005, and 1, to read as follows:

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

(1) Ambulance districts;

(2) Community improvement districts;

(3) Fire protection districts;

(4) Levee districts;

(5) Library districts;

(6) Neighborhood improvement districts;

(7) Port authority districts;

(8) Tax increment financing districts;

(9) Transportation development districts;

(10) School districts; or

(11) Any other political subdivision that imposes a sales or use tax within its borders and jurisdiction.

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

3. A political subdivision collecting sales or use tax listed in subsection 1 of this section shall provide to the department of revenue mapping and geographic data pertaining to the political subdivision's borders and jurisdictions. The political subdivision shall certify the accuracy of the data by affidavit and shall provide the data in a format specified by the department of revenue. Such data relating to sales taxes shall be sent to the department of revenue by April 1, 2019, and shall be updated and sent to the department if a change in the political subdivision's borders or jurisdiction occurs thereafter. Such data relating to use taxes shall be sent to the department of revenue by January 1, 2022. If a political subdivision fails to provide the information required under this subsection, the department of revenue shall use the last known sales or use tax rate for such political subdivision.

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

5. By July 1, 2019, the department shall implement the mapping feature using the sales tax data provided to it under subsection 3 of this section. By July 1, 2022, the department shall implement the mapping feature using use tax data provided to it under subsection 3 of this section.

6. By July 1, 2022, the department shall update the mapping feature to include the total sales tax rate for combined rates of overlapping sales taxes levied and the total use tax rate for combined rates of overlapping use taxes levied.

7. If the boundaries of a political subdivision listed in subsection 1 of this section in which a sales or use tax has been imposed shall thereafter be changed or altered, the political subdivision shall forward to the director of revenue by United States registered mail or certified mail a

58 certified copy of the ordinance adding or detaching
59 territory from the political subdivision within ten days of
60 adoption of the ordinance. The ordinance shall reflect the
61 effective date of the ordinance and shall be accompanied by
62 a map in a form to be determined by the director of
63 revenue. Upon receipt of the ordinance and map, the tax
64 imposed under the local sales tax law shall be effective in
65 the added territory or abolished in the detached territory
66 on the first day of a calendar quarter after one hundred
67 twenty days' notice to sellers.

67.1401. 1. Sections 67.1401 to 67.1571 shall be
2 known and may be cited as the "Community Improvement
3 District Act".

4 2. For the purposes of sections 67.1401 to 67.1571,
5 the following words and terms mean:

6 (1) "Approval" or "approve", for purposes of elections
7 pursuant to sections 67.1401 to 67.1571, a simple majority
8 of those qualified voters voting in the election;

9 (2) "Assessed value", the assessed value of real
10 property as reflected on the tax records of the county clerk
11 of the county in which the property is located, or the
12 collector of revenue if the property is located in a city
13 not within a county, as of the last completed assessment;

14 (3) "Blighted area", [an area which:

15 (a) By reason of the predominance of defective or
16 inadequate street layout, insanitary or unsafe conditions,
17 deterioration of site improvements, improper subdivision or
18 obsolete platting, or the existence of conditions which
19 endanger life or property by fire and other causes, or any
20 combination of such factors, retards the provision of
21 housing accommodations or constitutes an economic or social
22 liability or a menace to the public health, safety, morals
23 or welfare in its present condition and use; or

(b) Has been declared blighted or found to be a blighted area pursuant to Missouri law including, but not limited to, chapter 353, sections 99.800 to 99.865, or sections 99.300 to 99.715**]** the same meaning as defined pursuant to section 99.805;

(4) "Board", if the district is a political subdivision, the board of directors of the district, or if the district is a not-for-profit corporation, the board of directors of such corporation;

(5) "Director of revenue", the director of the department of revenue of the state of Missouri;

(6) "District", a community improvement district, established pursuant to sections 67.1401 to 67.1571;

(7) "Election authority", the election authority having jurisdiction over the area in which the boundaries of the district are located pursuant to chapter 115;

(8) "Municipal clerk", the clerk of the municipality;

(9) "Municipality", any city, village, incorporated town, or county of this state, or in any unincorporated area that is located in any county with a charter form of government and with more than one million inhabitants;

(10) "Obligations", bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness issued by a district to carry out any of its powers, duties or purposes or to refund outstanding obligations;

(11) "Owner", for real property, the individual or individuals or entity or entities who own a fee interest in real property that is located within the district or their legally authorized representative; for business organizations and other entities, the owner shall be deemed to be the individual which is legally authorized to represent the entity in regard to the district;

(12) "Per capita", one head count applied to each individual, entity or group of individuals or entities having fee ownership of real property within the district whether such individual, entity or group owns one or more parcels of real property in the district as joint tenants, tenants in common, tenants by the entirety, tenants in partnership, except that with respect to a condominium created under sections 448.1-101 to 448.4-120, "per capita" means one head count applied to the applicable unit owners' association and not to each unit owner;

(13) "Petition", a petition to establish a district as it may be amended in accordance with the requirements of section 67.1421;

(14) "Qualified voters",

(a) For purposes of elections for approval of real property taxes:

a. Registered voters; or

b. If no registered voters reside in the district, the owners of one or more parcels of real property which is to be subject to such real property taxes and is located within the district per the tax records for real property of the county clerk, or the collector of revenue if the district is located in a city not within a county, as of the thirtieth day prior to the date of the applicable election;

(b) For purposes of elections for approval of business license taxes or sales taxes:

a. Registered voters; or

b. If no registered voters reside in the district, the owners of one or more parcels of real property located within the district per the tax records for real property of the county clerk as of the thirtieth day before the date of the applicable election; and

(c) For purposes of the election of directors of the board, registered voters and owners of real property which is not exempt from assessment or levy of taxes by the district and which is located within the district per the tax records for real property of the county clerk, or the collector of revenue if the district is located in a city not within a county, of the thirtieth day prior to the date of the applicable election; and

(15) "Registered voters", persons who reside within the district and who are qualified and registered to vote pursuant to chapter 115, pursuant to the records of the election authority as of the thirtieth day prior to the date of the applicable election.

67.1421. 1. Upon receipt of a proper petition filed with its municipal clerk, the governing body of the municipality in which the proposed district is located shall hold a public hearing in accordance with section 67.1431 and may adopt an ordinance to establish the proposed district.

2. A petition is proper if, based on the tax records of the county clerk, or the collector of revenue if the district is located in a city not within a county, as of the time of filing the petition with the municipal clerk, it meets the following requirements:

(1) It has been signed by property owners collectively owning more than fifty percent by assessed value of the real property within the boundaries of the proposed district;

(2) It has been signed by more than fifty percent per capita of all owners of real property within the boundaries of the proposed district; and

(3) It contains the following information:

(a) The legal description of the proposed district, including a map illustrating the district boundaries;

(b) The name of the proposed district;

(c) A notice that the signatures of the signers may not be withdrawn later than seven days after the petition is filed with the municipal clerk;

(d) A five-year plan stating a description of the purposes of the proposed district, the services it will provide, [the improvements] each improvement it will make [and] from the list of allowable improvements under section 67.1461, an estimate of the costs of these services and improvements to be incurred, the anticipated sources of funds to pay the costs, and the anticipated term of the sources of funds to pay the costs;

(e) A statement as to whether the district will be a political subdivision or a not-for-profit corporation and if it is to be a not-for-profit corporation, the name of the not-for-profit corporation;

(f) If the district is to be a political subdivision, a statement as to whether the district will be governed by a board elected by the district or whether the board will be appointed by the municipality, and, if the board is to be elected by the district, the names and terms of the initial board may be stated;

(g) If the district is to be a political subdivision, the number of directors to serve on the board;

(h) The total assessed value of all real property within the proposed district;

(i) A statement as to whether the petitioners are seeking a determination that the proposed district, or any legally described portion thereof, is a blighted area;

(j) The proposed length of time for the existence of the district, which in the case of districts established after August 28, 2021, shall not exceed twenty-seven years from the adoption of the ordinance establishing the district

53 unless the municipality extends the length of time under
54 section 67.1481;
55 (k) The maximum rates of real property taxes, and,
56 business license taxes in the county seat of a county of the
57 first classification without a charter form of government
58 containing a population of at least two hundred thousand,
59 that may be submitted to the qualified voters for approval;
60 (l) The maximum rates of special assessments and
61 respective methods of assessment that may be proposed by
62 petition;
63 (m) The limitations, if any, on the borrowing capacity
64 of the district;
65 (n) The limitations, if any, on the revenue generation
66 of the district;
67 (o) Other limitations, if any, on the powers of the
68 district;
69 (p) A request that the district be established; and
70 (q) Any other items the petitioners deem appropriate;
71 (4) The signature block for each real property owner
72 signing the petition shall be in substantially the following
73 form and contain the following information:

74 Name of owner: _____
75 Owner's telephone number and mailing address:
76 _____
77 If signer is different from owner:
78 Name of signer: _____
79 State basis of legal authority to sign: _____
80 Signer's telephone number and mailing address:
81 _____
82 If the owner is an individual, state if owner is
83 single or married: _____
84 If owner is not an individual, state what type of
85 entity: _____

Map and parcel number and assessed value of each tract of real property within the proposed district owned: _____

By executing this petition, the undersigned represents and warrants that he or she is authorized to execute this petition on behalf of the property owner named immediately above

_____ _____

Signature of person Date

signing for owner

STATE OF MISSOURI)

) ss.

COUNTY OF _____)

Before me personally appeared _____, to me personally known to be the individual described in and who executed the foregoing instrument.

WITNESS my hand and official seal this _____ day of _____ (month), _____ (year).

_____

Notary Public

My Commission Expires: _____ ; and

(5) Alternatively, the governing body of any home rule city with more than four hundred thousand inhabitants and located in more than one county may file a petition to initiate the process to establish a district in the portion of the city located in any county of the first classification with more than two hundred thousand but fewer than two hundred sixty thousand inhabitants containing the information required in subdivision (3) of this subsection; provided that the only funding methods for the services and improvements will be a real property tax.

3. Upon receipt of a petition the municipal clerk shall, within a reasonable time not to exceed ninety days

after receipt of the petition, review and determine whether the petition substantially complies with the requirements of subsection 2 of this section. In the event the municipal clerk receives a petition which does not meet the requirements of subsection 2 of this section, the municipal clerk shall, within a reasonable time, return the petition to the submitting party by hand delivery, first class mail, postage prepaid or other efficient means of return and shall specify which requirements have not been met.

4. After the close of the public hearing required pursuant to subsection 1 of this section, the governing body of the municipality may adopt an ordinance approving the petition and establishing a district as set forth in the petition and may determine, if requested in the petition, whether the district, or any legally described portion thereof, constitutes a blighted area. If the petition was filed by the governing body of a municipality pursuant to subdivision (5) of subsection 2 of this section, after the close of the public hearing required pursuant to subsection 1 of this section, the petition may be approved by the governing body and an election shall be called pursuant to section 67.1422.

5. Amendments to a petition may be made which do not change the proposed boundaries of the proposed district if an amended petition meeting the requirements of subsection 2 of this section is filed with the municipal clerk at the following times and the following requirements have been met:

(1) At any time prior to the close of the public hearing required pursuant to subsection 1 of this section; provided that, notice of the contents of the amended petition is given at the public hearing;

(2) At any time after the public hearing and prior to the adoption of an ordinance establishing the proposed

district; provided that, notice of the amendments to the petition is given by publishing the notice in a newspaper of general circulation within the municipality and by sending the notice via registered certified United States mail with a return receipt attached to the address of record of each owner of record of real property within the boundaries of the proposed district per the tax records of the county clerk, or the collector of revenue if the district is located in a city not within a county. Such notice shall be published and mailed not less than ten days prior to the adoption of the ordinance establishing the district;

(3) At any time after the adoption of any ordinance establishing the district a public hearing on the amended petition is held and notice of the public hearing is given in the manner provided in section 67.1431 and the governing body of the municipality in which the district is located adopts an ordinance approving the amended petition after the public hearing is held.

6. Upon the creation of a district, the municipal clerk shall report in writing the creation of such district to the Missouri department of economic development and the state auditor.

67.1451. 1. If a district is a political subdivision, the election and qualifications of members to the district's board of directors shall be in accordance with this section. If a district is a not-for-profit corporation, the election and qualification of members to its board of directors shall be in accordance with chapter 355.

2. (1) The district shall be governed by a board consisting of at least five but not more than thirty directors.

(2) Except as otherwise provided in this subsection, each director shall, during his or her entire term[, be]:

12 [(1)] (a) Be at least eighteen years of age; [and
13 (2)] (b) Be either:
14 [(a)] a. An owner, as defined in section 67.1401, of
15 real property or of a business operating within the
16 district; or
17 [(b)] b. A registered voter residing within the
18 district; and
19 [(3)] (c) Satisfy any other qualifications set forth
20 in the petition establishing the district.
21 (3) In the case of districts established after August
22 28, 2021, if there are no registered voters in the district
23 on the date the petition is filed, at least one director
24 shall, during his or her entire term, be a person who:
25 (a) Resides within the municipality that established
26 the district;
27 (b) Is qualified and registered to vote under chapter
28 115 according to the records of the election authority as of
29 the thirtieth day prior to the date of the applicable
30 election;
31 (c) Has no financial interest in any real property or
32 business operating within the district; and
33 (d) Is not a relative within the second degree of
34 consanguinity or affinity to an owner of real property or a
35 business operating in the district.
36 (4) If there are fewer than five owners of real
37 property located within a district, the board may be
38 comprised of up to five legally authorized representatives
39 of any of the owners of real property located within the
40 district.
41 3. If the district is a political subdivision, the
42 board shall be elected or appointed, as provided in the
43 petition. However, in the case of districts established
44 after August 28, 2021, if the board is to be elected, the

petition shall require at least one member of the board be appointed by the governing body of the municipality in the same manner as provided in this section for board appointments. The appointed board member shall serve a four-year term.

4. If the board is to be elected, the procedure for election shall be as follows:

(1) The municipal clerk shall specify a date on which the election shall occur which date shall be a Tuesday and shall not be earlier than the tenth Tuesday, and shall not be later than the fifteenth Tuesday, after the effective date of the ordinance adopted to establish the district;

(2) The election shall be conducted in the same manner as provided for in section 67.1551, provided that the published notice of the election shall contain the information required by section 67.1551 for published notices, except that it shall state that the purpose of the election is for the election of directors, in lieu of the information related to taxes;

(3) Candidates shall pay the sum of five dollars as a filing fee and shall file not later than the second Tuesday after the effective date of the ordinance establishing the district with the municipal clerk a statement under oath that he or she possesses all of the qualifications set out in this section for a director. Thereafter, such candidate shall have his or her name placed on the ballot as a candidate for director;

(4) The director or directors to be elected shall be elected at large. The person receiving the most votes shall be elected to the position having the longest term; the person receiving the second highest votes shall be elected to the position having the next longest term and so forth. For any district formed prior to August 28, 2003, of the

78 initial directors, one-half shall serve for a two-year term,
79 one-half shall serve for a four-year term and if an odd
80 number of directors are elected, the director receiving the
81 least number of votes shall serve for a two-year term, until
82 such director's successor is elected. For any district
83 formed on or after August 28, 2003, for the initial
84 directors, one-half shall serve for a two-year term, and one-
85 half shall serve for the term specified by the district
86 pursuant to subdivision (5) of this subsection, and if an
87 odd number of directors are elected, the director receiving
88 the least number of votes shall serve for a two-year term,
89 until such director's successor is elected;
90 (5) Successor directors shall be elected in the same
91 manner as the initial directors. The date of the election
92 of successor directors shall be specified by the municipal
93 clerk which date shall be a Tuesday and shall not be later
94 than the date of the expiration of the stated term of the
95 expiring director. Each successor director shall serve a
96 term for the length specified prior to the election by the
97 district, which term shall be at least three years and not
98 more than four years, and shall continue until such
99 director's successor is elected.

100 In the event of a vacancy on the board of directors, the
101 remaining directors shall elect an interim director to fill
102 the vacancy for the unexpired term.
103 5. If the petition provides that the board is to be
104 appointed by the municipality, such appointments shall be
105 made by the chief elected officer of the municipality with
106 the consent of the governing body of the municipality. For
107 any district formed prior to August 28, 2003, of the initial
108 appointed directors, one-half of the directors shall be
109 appointed to serve for a two-year term and the remaining one-
110 half shall be appointed to serve for a four-year term until

111 such director's successor is appointed; provided that, if
112 there is an odd number of directors, the last person
113 appointed shall serve a two-year term. For any district
114 formed on or after August 28, 2003, of the initial appointed
115 directors, one-half shall be appointed to serve for a two-
116 year term, and one-half shall be appointed to serve for the
117 term specified by the district for successor directors
118 pursuant to this subsection, and if an odd number of
119 directors are appointed, the last person appointed shall
120 serve for a two-year term; provided that each director shall
121 serve until such director's successor is appointed.
122 Successor directors shall be appointed in the same manner as
123 the initial directors and shall serve for a term of years
124 specified by the district prior to the appointment, which
125 term shall be at least three years and not more than four
126 years.
127 6. If the petition states the names of the initial
128 directors, those directors shall serve for the terms
129 specified in the petition and successor directors shall be
130 determined either by the above-listed election process or
131 appointment process as provided in the petition.
132 7. Any director may be removed for cause by a two-
133 thirds affirmative vote of the directors of the board.
134 Written notice of the proposed removal shall be given to all
135 directors prior to action thereon.
136 8. The board is authorized to act on behalf of the
137 district, subject to approval of qualified voters as
138 required in this section; except that, all official acts of
139 the board shall be by written resolution approved by the
140 board.
67.1461. 1. Each district shall have all the powers,
2 except to the extent any such power has been limited by the
3 petition approved by the governing body of the municipality

to establish the district, necessary to carry out and effectuate the purposes and provisions of sections 67.1401 to 67.1571 including, but not limited to, the following:

(1) To adopt, amend, and repeal bylaws, not inconsistent with sections 67.1401 to 67.1571, necessary or convenient to carry out the provisions of sections 67.1401 to 67.1571;

(2) To sue and be sued;

(3) To make and enter into contracts and other instruments, with public and private entities, necessary or convenient to exercise its powers and carry out its duties pursuant to sections 67.1401 to 67.1571;

(4) To accept grants, guarantees and donations of property, labor, services, or other things of value from any public or private source;

(5) To employ or contract for such managerial, engineering, legal, technical, clerical, accounting, or other assistance as it deems advisable;

(6) To acquire by purchase, lease, gift, grant, bequest, devise, or otherwise, any real property within its boundaries, personal property, or any interest in such property;

(7) To sell, lease, exchange, transfer, assign, mortgage, pledge, hypothecate, or otherwise encumber or dispose of any real or personal property or any interest in such property;

(8) To levy and collect special assessments and taxes as provided in sections 67.1401 to 67.1571. However, no such assessments or taxes shall be levied on any property exempt from taxation pursuant to subdivision (5) of section 137.100. Those exempt pursuant to subdivision (5) of section 137.100 may voluntarily participate in the provisions of sections 67.1401 to 67.1571;

(9) If the district is a political subdivision, to levy real property taxes and business license taxes in the county seat of a county of the first classification containing a population of at least two hundred thousand, as provided in sections 67.1401 to 67.1571. However, no such assessments or taxes shall be levied on any property exempt from taxation pursuant to subdivisions (2) and (5) of section 137.100. Those exempt pursuant to subdivisions (2) and (5) of section 137.100 may voluntarily participate in the provisions of sections 67.1401 to 67.1571;

(10) If the district is a political subdivision, to levy sales taxes pursuant to sections 67.1401 to 67.1571;

(11) To fix, charge, and collect fees, rents, and other charges for use of any of the following:

(a) The district's real property, except for public rights-of-way for utilities;

(b) The district's personal property, except in a city not within a county; or

(c) Any of the district's interests in such real or personal property, except for public rights-of-way for utilities;

(12) To borrow money from any public or private source and issue obligations and provide security for the repayment of the same as provided in sections 67.1401 to 67.1571;

(13) To loan money as provided in sections 67.1401 to 67.1571;

(14) To make expenditures, create reserve funds, and use its revenues as necessary to carry out its powers or duties and the provisions and purposes of sections 67.1401 to 67.1571;

(15) To enter into one or more agreements with the municipality for the purpose of abating any public nuisance within the boundaries of the district including, but not

limited to, the stabilization, repair or maintenance or demolition and removal of buildings or structures, provided that the municipality has declared the existence of a public nuisance;

(16) Within its boundaries, to provide assistance to or to construct, reconstruct, install, repair, maintain, and equip any of the following public improvements:

(a) Pedestrian or shopping malls and plazas;

(b) Parks, lawns, trees, and any other landscape;

(c) Convention centers, arenas, aquariums, aviaries, and meeting facilities;

(d) Sidewalks, streets, alleys, bridges, ramps, tunnels, overpasses and underpasses, traffic signs and signals, utilities, drainage, water, storm and sewer systems, and other site improvements;

(e) Parking lots, garages, or other facilities;

(f) Lakes, dams, and waterways;

(g) Streetscape, lighting, benches or other seating furniture, trash receptacles, marquees, awnings, canopies, walls, and barriers;

(h) Telephone and information booths, bus stop and other shelters, rest rooms, and kiosks;

(i) Paintings, murals, display cases, sculptures, and fountains;

(j) Music, news, and child-care facilities; and

(k) Any other useful, necessary, or desired public improvement specified in the petition or any amendment;

(17) To dedicate to the municipality, with the municipality's consent, streets, sidewalks, parks, and other real property and improvements located within its boundaries for public use;

(18) Within its boundaries and with the municipality's consent, to prohibit or restrict vehicular and pedestrian

traffic and vendors on streets, alleys, malls, bridges, ramps, sidewalks, and tunnels and to provide the means for access by emergency vehicles to or in such areas;

(19) Within its boundaries, to operate or to contract for the provision of music, news, child-care, or parking facilities, and buses, minibuses, or other modes of transportation;

(20) Within its boundaries, to lease space for sidewalk café tables and chairs;

(21) Within its boundaries, to provide or contract for the provision of security personnel, equipment, or facilities for the protection of property and persons;

(22) Within its boundaries, to provide or contract for cleaning, maintenance, and other services to public and private property;

(23) To produce and promote any tourism, recreational or cultural activity or special event in the district by, but not limited to, advertising, decoration of any public place in the district, promotion of such activity and special events, and furnishing music in any public place;

(24) To support business activity and economic development in the district including, but not limited to, the promotion of business activity, development and retention, and the recruitment of developers and businesses;

(25) To provide or support training programs for employees of businesses within the district;

(26) To provide refuse collection and disposal services within the district;

(27) To contract for or conduct economic, planning, marketing or other studies;

(28) To repair, restore, or maintain any abandoned cemetery on public or private land within the district; and

135 (29) To partner with a telecommunications company or
136 broadband service provider in order to construct or improve
137 telecommunications facilities which shall be wholly owned
138 and operated by the telecommunications company or broadband
139 service provider, as the terms "telecommunications company"
140 and "telecommunications facilities" are defined in section
141 386.020 and subject to the provisions of section 392.410,
142 that are in an unserved or underserved area, as defined in
143 section 620.2450. Before any facilities are improved or
144 constructed as a result of this section, the area shall be
145 certified as unserved or underserved by the director of
146 broadband development within the department of economic
147 development;
148 (30) To carry out any other powers set forth in
149 sections 67.1401 to 67.1571.
150 2. Each district which is located in a blighted area
151 or which includes a blighted area shall have the following
152 additional powers:
153 (1) Within its blighted area, to contract with any
154 private property owner to demolish and remove, renovate,
155 reconstruct, or rehabilitate any building or structure owned
156 by such private property owner; and
157 (2) To expend its revenues or loan its revenues
158 pursuant to a contract entered into pursuant to this
159 subsection, provided that the governing body of the
160 municipality has determined that the action to be taken
161 pursuant to such contract is reasonably anticipated to
162 remediate the blighting conditions and will serve a public
163 purpose.
164 3. Each district shall annually reimburse the
165 municipality for the reasonable and actual expenses incurred
166 by the municipality to establish such district and review
167 annual budgets and reports of such district required to be

168 submitted to the municipality; provided that, such annual
169 reimbursement shall not exceed one and one-half percent of
170 the revenues collected by the district in such year.
171 4. Nothing in sections 67.1401 to 67.1571 shall be
172 construed to delegate to any district any sovereign right of
173 municipalities to promote order, safety, health, morals, and
174 general welfare of the public, except those such police
175 powers, if any, expressly delegated pursuant to sections
176 67.1401 to 67.1571.
177 5. The governing body of the municipality establishing
178 the district shall not decrease the level of publicly funded
179 services in the district existing prior to the creation of
180 the district or transfer the financial burden of providing
181 the services to the district unless the services at the same
182 time are decreased throughout the municipality, nor shall
183 the governing body discriminate in the provision of the
184 publicly funded services between areas included in such
185 district and areas not so included.
186 6. All construction contracts entered into after
187 August 28, 2021, in excess of five thousand dollars between
188 a district that has adopted a sales tax and any private
189 person, firm, or corporation shall be competitively bid and
190 shall be awarded to the lowest and best bidder. Notice of
191 the letting of the contracts shall be given in the manner
192 provided by section 8.250.
67.1471. 1. The fiscal year for the district shall be
2 the same as the fiscal year of the municipality.
3 2. No earlier than one hundred eighty days and no
4 later than ninety days prior to the first day of each fiscal
5 year, the board shall submit to the governing body of the
6 city a proposed annual budget, setting forth expected
7 expenditures, revenues, and rates of assessments and taxes,
8 if any, for such fiscal year. The governing body may review

and comment to the board on this proposed budget, but if such comments are given, the governing body of the municipality shall provide such written comments to the board no later than sixty days prior to the first day of the relevant fiscal year; such comments shall not constitute requirements but shall only be recommendations.

3. The board shall hold an annual meeting and adopt an annual budget no later than thirty days prior to the first day of each fiscal year.

4. Within one hundred twenty days after the end of each fiscal year, the district shall submit a report to the municipal clerk and the Missouri department of economic development **[**stating**]**. The report shall state the services provided, revenues collected, and expenditures made by the district during such fiscal year**[**,**]**; state the dates the district adopted its annual budget, submitted its proposed annual budget to the municipality, and submitted its annual report to the municipal clerk; and include copies of written resolutions approved by the board during the fiscal year. The municipal clerk shall retain this report as part of the official records of the municipality and shall also cause this report to be spread upon the records of the governing body.

5. The state auditor may audit a district in the same manner as the auditor may audit any agency of the state.

67.1481. 1. Each ordinance establishing a district shall set forth the term for the existence of such district which term may be defined as a minimum, maximum, or definite number of years, but in the case of districts established after August 28, 2021, the term shall not exceed twenty-seven years except as provided under subsection 6 of this section.

2. Upon receipt by the municipal clerk of a proper petition and after notice and a public hearing, any district may be terminated by ordinance adopted by the governing body of the municipality prior to the expiration of its term if the district has no outstanding obligations. A copy of such ordinance shall be given to the department of economic development.

3. A petition for the termination of a district is proper if:

(1) It names the district to be terminated;

(2) It has been signed by owners of real property collectively owning more than fifty percent by assessed value of real property within the boundaries of the district;

(3) It has been signed by more than fifty percent per capita of owners of real property within the boundaries of the district;

(4) It contains a plan for dissolution and distribution of the assets of the district; and

(5) The signature block signed by each petitioner is in the form set forth in subdivision (4) of subsection 2 of section 67.1421.

4. The public hearing required by this section shall be held and notice of such public hearing shall be given in the manner set forth in section 67.1431. The notice shall contain the following information:

(1) The date, time and place of the public hearing;

(2) A statement that a petition requesting the termination of the district has been filed with the municipal clerk;

(3) A statement that a copy of the petition is available at the office of the municipal clerk during regular business hours; and

(4) A statement that all interested parties will be given an opportunity to be heard.

5. Upon expiration or termination of a district, the assets of such district shall either be [distributed] sold or transferred in accordance with the plan for dissolution as approved by ordinance. Every effort should be made by the municipality for the assets of the district to be distributed in such a manner so as to benefit the real property which was formerly a part of the district.

6. Prior to the expiration of the term of a district, a municipality may adopt an ordinance to extend the term of the existence of a district after holding a public hearing on the proposed extension. The extended term may be defined as a minimum, maximum, or definite number of years, but the extended term shall not exceed twenty-seven years. Notice of the hearing shall be given in the same manner as required under section 67.1431, except the notice shall include the time, date, and place of the public hearing; the name of the district; a map showing the boundaries of the existing district; and a statement that all interested persons shall be given an opportunity to be heard at the public hearing.

67.1545. 1. Any district formed as a political subdivision may impose by resolution a district sales and use tax on all retail sales made in such district which are subject to taxation pursuant to sections 144.010 to 144.525, except sales of motor vehicles, trailers, boats or outboard motors and sales to or by public utilities and providers of communications, cable, or video services. Any sales and use tax imposed pursuant to this section may be imposed in increments of one-eighth of one percent, up to a maximum of one percent. Such district sales and use tax may be imposed for any district purpose designated by the district in its ballot of submission to its qualified voters; except that,

13 no resolution adopted pursuant to this section shall become
14 effective unless the board of directors of the district
15 submits to the qualified voters of the district, by mail-in
16 ballot, a proposal to authorize a sales and use tax pursuant
17 to this section. If a majority of the votes cast by the
18 qualified voters on the proposed sales tax are in favor of
19 the sales tax, then the resolution is adopted. If a
20 majority of the votes cast by the qualified voters are
21 opposed to the sales tax, then the resolution is void.
22 2. The ballot shall be substantially in the following
23 form:

24 Shall the _____ (insert name of district)
25 Community Improvement District impose a community
26 improvement districtwide sales and use tax at the
27 maximum rate of _____ (insert amount) for a
28 period of _____ (insert number) years from the
29 date on which such tax is first imposed for the
30 purpose of providing revenue for _____ (insert
31 general description of the purpose)?

32 ☐ YES ☐ NO

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

37 3. Within ten days after the qualified voters have
38 approved the imposition of the sales and use tax, the
39 district shall, in accordance with section 32.087, notify
40 the director of the department of revenue. The sales and
41 use tax authorized by this section shall become effective on
42 the first day of the second calendar quarter after the
43 director of the department of revenue receives notice of the
44 adoption of such tax.

4. The director of the department of revenue shall collect any tax adopted pursuant to this section pursuant to section 32.087.

5. In each district in which a sales and use tax is imposed pursuant to this section, every retailer shall add such additional tax imposed by the district to such retailer's sale price, and when so added such tax shall constitute a part of the purchase price, 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 price.

6. In order to allow retailers to collect and report the sales and use tax authorized by this section as well as all other sales and use taxes required by law in the simplest and most efficient manner possible, a district may establish appropriate brackets to be used in the district imposing a tax pursuant to this section in lieu of the brackets provided in section 144.285.

7. The penalties provided in sections 144.010 to 144.525 shall apply to violations of this section.

8. All revenue received by the district from a sales and use tax imposed pursuant to this section which is designated for a specific purpose shall be deposited into a special trust fund and expended solely for such purpose. Upon the expiration of any sales and use tax adopted pursuant to this section, all funds remaining in the special trust fund shall continue to be used solely for the specific purpose designated in the resolution adopted by the qualified voters. Any funds in such special trust fund which are not needed for current expenditures may be invested by the board of directors pursuant to applicable laws relating to the investment of other district funds.

9. A district may repeal by resolution any sales and use tax imposed pursuant to this section before the

78 expiration date of such sales and use tax unless the repeal
79 of such sales and use tax will impair the district's ability
80 to repay any liabilities the district has incurred, moneys
81 the district has borrowed or obligation the district has
82 issued to finance any improvements or services rendered for
83 the district.
84 10. Notwithstanding the provisions of chapter 115, an
85 election for a district sales and use tax under this section
86 shall be conducted in accordance with the provisions of this
87 section.
88 11. In each district in which a sales tax is imposed
89 under this section, every retailer shall prominently display
90 the rate of the sales tax imposed or increased at the cash
91 register area.
67.2677. For purposes of sections 67.2675 to 67.2714,
2 the following terms mean:
3 (1) "Cable operator", as defined in 47 U.S.C. Section
4 522(5);
5 (2) "Cable system", as defined in 47 U.S.C. Section
6 522(7);
7 (3) "Franchise", an initial authorization, or renewal
8 of an authorization, issued by a franchising entity,
9 regardless of whether the authorization is designated as a
10 franchise, permit, license, resolution, contract,
11 certificate, agreement, or otherwise, that authorizes the
12 provision of video service and any affiliated or subsidiary
13 agreements related to such authorization;
14 (4) "Franchise area", the total geographic area
15 authorized to be served by an incumbent cable operator in a
16 political subdivision as of August 28, 2007, or, in the case
17 of an incumbent local exchange carrier, as such term is
18 defined in 47 U.S.C. Section 251(h), or affiliate thereof,

19 the area within such political subdivision in which such
20 carrier provides telephone exchange service;
21 (5) "Franchise entity", a political subdivision that
22 was entitled to require franchises and impose fees on cable
23 operators on the day before the effective date of sections
24 67.2675 to 67.2714, provided that only one political
25 subdivision may be a franchise entity with regard to a
26 geographic area;
27 (6) (a) "Gross revenues", limited to amounts billed
28 to video service subscribers **[**or received from advertisers**]**
29 for the following:
30 a. Recurring charges for video service; and
31 b. Event-based charges for video service, including
32 but not limited to pay-per-view and video-on-demand charges;
33 **[**c. Rental of set top boxes and other video service
34 equipment;
35 d. Service charges related to the provision of video
36 service, including but not limited to activation,
37 installation, repair, and maintenance charges;
38 e. Administrative charges related to the provision of
39 video service, including but not limited to service order
40 and service termination charges; and
41 f. A pro rata portion of all revenue derived, less
42 refunds, rebates, or discounts, by a video service provider
43 for advertising over the video service network to
44 subscribers within the franchise area where the numerator is
45 the number of subscribers within the franchise area, and the
46 denominator is the total number of subscribers reached by
47 such advertising;**]**
48 (b) "Gross revenues" do not include:
49 a. Discounts, refunds, and other price adjustments
50 that reduce the amount of compensation received by an entity
51 holding a video service authorization;

b. Uncollectibles;

c. Late payment fees;

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

e. Fees or other contributions for PEG or I-Net support; **[**or**]**

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

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

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

i. Administrative charges related to the provision of video service including, but not limited to, service order and service termination charges; or

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

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

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

83 (8) "Incumbent cable operator", the cable service
84 provider serving cable subscribers in a particular franchise
85 area on September 1, 2007;
86 (9) "Low-income household", a household with an
87 average annual household income of less than thirty-five
88 thousand dollars;
89 (10) "Person", an individual, partnership,
90 association, organization, corporation, trust, or government
91 entity;
92 (11) "Political subdivision", a city, town, village,
93 county;
94 (12) "Public right-of-way", the area of real property
95 in which a political subdivision has a dedicated or acquired
96 right-of-way interest in the real property, including the
97 area on, below, or above the present and future streets,
98 alleys, avenues, roads, highways, parkways, or boulevards
99 dedicated or acquired as right-of-way and utility easements
100 dedicated for compatible uses. The term does not include
101 the airwaves above a right-of-way with regard to wireless
102 telecommunications or other nonwire telecommunications or
103 broadcast service;
104 (13) "Video programming", programming provided by, or
105 generally considered comparable to programming provided by,
106 a television broadcast station, as set forth in 47 U.S.C.
107 Section 522(20);
108 (14) "Video service", the provision of video
109 programming provided through wireline facilities located at
110 least in part in the public right-of-way without regard to
111 delivery technology, including internet protocol technology
112 whether provided as part of a tier, on demand, or a per-
113 channel basis. This definition includes cable service as
114 defined by 47 U.S.C. Section 522(6), but does not include
115 any video programming provided by a commercial mobile

116 service provider defined in 47 U.S.C. Section 332(d), or any
117 video programming provided solely as part of and via a
118 service that enables users to access content, information,
119 electronic mail, or other services offered over the public
120 internet;
121 (15) "Video service authorization", the right of a
122 video service provider or an incumbent cable operator that
123 secures permission from the public service commission
124 pursuant to sections 67.2675 to 67.2714, to offer video
125 service to subscribers in a political subdivision;
126 (16) "Video service network", wireline facilities, or
127 any component thereof, located at least in part in the
128 public right-of-way that deliver video service, without
129 regard to delivery technology, including internet protocol
130 technology or any successor technology. The term video
131 service network shall include cable systems;
132 (17) "Video service provider", any person that
133 distributes video service through a video service network
134 pursuant to a video service authorization;
135 (18) "Video service provider fee", the fee imposed
136 under section 67.2689.

67.2680. The state or any other political subdivision
2 shall not impose any new tax, license, or fee in addition to
3 any tax, license, or fee already authorized on or before
4 August 28, 2021, upon the provision of satellite or
5 streaming video service.

67.2689. 1. A franchise entity may collect a video
2 service provider fee equal to not more than five percent of
3 the gross revenues **[**from each**]** charged to each customer of a
4 video service provider that is providing video service in
5 the geographic area of such franchise entity. The video
6 service provider fee shall apply equally to all video

service providers within the geographic area of a franchise entity.

2. Beginning August 28, 2023, franchise entities are prohibited from collecting a video service provider fee in excess of four and one-half percent of such gross revenues. Beginning August 28, 2024, franchise entities are prohibited from collecting a video service provider fee in excess of four percent of such gross revenues. Beginning August 28, 2025, franchise entities are prohibited from collecting a video service provider fee in excess of three and one-half percent of such gross revenues. Beginning August 28, 2026, franchise entities are prohibited from collecting a video service provider fee in excess of three percent of such gross revenues. Beginning August 28, 2027, and continuing thereafter, franchise entities are prohibited from collecting a video service provider fee in excess of two and one-half percent of such gross revenues.

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

[3. All video service providers providing service in the geographic area of a franchise entity shall pay the video service provider fee at the same percent of gross revenues as had been assessed on the incumbent cable operator by the franchise entity immediately prior to the date of enactment of sections 67.2675 to 67.2714, and such percentage shall continue to apply until the date that the incumbent cable operator's franchise existing at that time expires or would have expired if it had not been terminated pursuant to sections 67.2675 to 67.2714. The franchise

40 entity shall notify the applicant for a video service
41 authorization of the applicable gross revenue fee percentage
42 within thirty days of the date notice of the applicant is
43 provided.]
44 4. Not more than once per calendar year after the date
45 that the incumbent cable operator's franchise existing on
46 August 28, 2007, expires or would have expired if it had not
47 been terminated pursuant to sections 67.2675 to 67.2714, or
48 in any political subdivision where no franchise applied on
49 the date of enactment of sections 67.2675 to 67.2714, no
50 more than once per calendar year after the video service
51 provider fee was initially imposed, a franchise entity, may,
52 upon ninety days notice to all video service providers,
53 elect to adjust the amount of the video service provider fee
54 subject to state and federal law, but in no event shall such
55 fee exceed [five percent of a video service provider's gross
56 revenue] the calculation defined in subsections 1 and 2 of
57 this section.
58 5. The video service provider fee shall be paid to
59 each franchise entity requiring such fee on or before the
60 last day of the month following the end of each calendar
61 quarter [and shall be calculated as a percentage of gross
62 revenues, as defined under section 67.2677]. Any payment
63 made pursuant to subsection 8 of section 67.2703 shall be
64 made at the same time as the payment of the video service
65 provider fee.
66 6. Any video service provider [may] shall identify and
67 collect the amount of the video service provider fee and
68 collect any support under subsection 8 of section 67.2703 as
69 separate line items on subscriber bills.
67.2720. 1. There is hereby established the "Task
2 Force on the Future of Right-Of-Way Management and
3 Taxation", which shall be composed of the following members:

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

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

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

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

(5) Four members that are municipal officials or other political subdivision officials, two to be appointed by the president pro tempore of the senate and two to be appointed by the speaker of the house of representatives;

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

(7) A member of the municipal league of metro St. Louis appointed by the speaker of the house of representatives; and

(8) A member of the Missouri municipal league appointed by the president pro tempore of the senate.

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

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

4. The task force shall study best methods for right-of-way management, taxation of video services, and the

36 future revenue needs of municipalities and political
37 subdivisions as such revenue relates to video services.
38 5. The task force shall compile a full report of its
39 activities for submission to the general assembly. The
40 report shall be submitted not later than December 31, 2023,
41 and shall include any recommendations which the task force
42 may have for legislative action.
43 6. The task force shall be staffed by legislative
44 personnel as is deemed necessary to assist the task force in
45 the performance of its duties.
46 7. The members of the task force shall serve without
47 compensation, but any actual and necessary expenses incurred
48 in the performance of the task force's official duties by
49 the task force, its members, and any staff assigned to the
50 task force shall be paid from the joint contingent fund.
51 8. This section shall expire on December 31, 2023.
99.020. The following terms, wherever used or referred
2 to in sections 99.010 to 99.230, shall have the following
3 respective meanings unless a different meaning clearly
4 appears from the context:
5 (1) "Area of operation", in the case of a housing
6 authority of a city, shall include such city; in the case of
7 a housing authority of a county, shall include all of the
8 county except that portion which lies within the territorial
9 boundaries of any city as herein defined;
10 (2) "Authority" or "housing authority" shall mean any
11 of the municipal corporations created by section 99.040;
12 (3) "Blighted" **[**shall mean any area where dwellings
13 predominate which, by reason of dilapidation, overcrowding,
14 lack of ventilation, light or sanitary facilities or any
15 combination of these factors are detrimental to safety,
16 health and morals**]**, the same meaning as defined pursuant to
17 section 99.805;

(4) "Bonds" shall mean any bonds, notes, interim certificates, debentures, or other obligations issued by the authority pursuant to this chapter;

(5) "City" shall mean any city, town or village in the state;

(6) "The city" shall mean the particular city for which a particular housing authority is created;

(7) "Clerk" shall mean the clerk of the city or the clerk of the county commission, as the case may be, or the officer charged with the duties customarily imposed on such clerk;

(8) "County" shall mean any county in the state;

(9) "The county" shall mean the particular county for which a particular housing authority is created;

(10) "Federal government" shall include the United States of America, the United States Department of Housing and Urban Development or any other agency or instrumentality, corporate or otherwise, of the United States of America;

(11) "Governing body" shall mean, in the case of a city, the city council, common council, board of aldermen or other legislative body of the city, and in the case of a county, the county commission or other legislative body of the county;

(12) "Housing project" shall mean any work or undertaking, whether in a blighted or other area:

(a) To demolish, clear or remove buildings. Such work or undertaking may include the adaptation of such area to public purposes, including parks or other recreation or community purposes; or

(b) To provide decent, safe and sanitary urban or rural dwellings, apartments or other living accommodations for persons of very low and lower income. Such work or

51 undertaking may include buildings, land, equipment,
52 facilities and other real or personal property for
53 necessary, convenient or desirable appurtenances, streets,
54 sewers, water service, site preparation, gardening,
55 administrative, community, health, welfare or other
56 purposes. Such work or undertaking may also include
57 housing, for persons of moderate income, offices, stores,
58 solar energy access, parks, and recreational and educational
59 facilities, provided that such activities be undertaken only
60 in conjunction with the provision of housing for persons of
61 very low and lower income, and provided further that any
62 profit of the authority shall be distributed as provided in
63 subsection 3 of section 99.080; or
64 (c) To accomplish a combination of the foregoing. The
65 term "housing project" also may be applied to the planning
66 of the buildings and improvements, the acquisition of
67 property; the demolition of existing structures, the
68 construction, reconstruction, alteration and repair of the
69 improvements and all other work in connection therewith;
70 (d) In the planning and carrying out of any housing
71 project owned and operated by a housing authority, a housing
72 authority shall establish procedures for allocating any
73 training and employment opportunities which may arise from
74 such activity to qualified persons of very low and lower
75 income who have been unemployed for one year or more and
76 reside within the area of operation of the housing authority;
77 (13) "Mayor" shall mean the elected mayor of the city
78 or the elected officer thereof charged with duties
79 customarily imposed on the mayor or executive head of the
80 city;
81 (14) "Obligee of the authority" or "obligee" shall
82 include any bondholder, trustee or trustees for any
83 bondholders, or lessor demising to the authority property

84 used in connection with a housing project, or any assignee
85 or assignees of such lessor's interest or any part thereof,
86 and the federal government when it is a party to any
87 contract with the authority;
88 (15) "Persons of very low income" means those persons
89 or families whose annual income does not exceed fifty
90 percent of the median income for the area. "Persons of
91 lower income" means those persons or families whose annual
92 income is greater than fifty but does not exceed eighty
93 percent of the median income for the area. "Persons of
94 moderate income" means those persons or families whose
95 annual income is greater than eighty but does not exceed one
96 hundred and fifty percent of the median income for the
97 area. For purposes of this subdivision, median income for
98 the area shall be determined in accordance with section
99 1437a, Title 42, United States Code, including any
100 amendments thereto. Any and all references to "persons of
101 low income" in this chapter shall mean persons of very low,
102 lower or moderate income as defined herein;
103 (16) "Profit" shall mean the difference between gross
104 revenues and necessary and ordinary business expenses,
105 including debt service, if any;
106 (17) "Real property" shall include all lands,
107 including improvements and fixtures thereon, and property of
108 any nature appurtenant thereto, or used in connection
109 therewith, and every estate, interest and right, legal or
110 equitable, therein, including terms for years and liens by
111 way of judgment, mortgage or otherwise and the indebtedness
112 secured by such liens.
99.320. As used in this law, the following terms mean:
2 (1) "Area of operation", in the case of a
3 municipality, the area within the municipality except that
4 the area of operation of a municipality under this law shall

not include any area which lies within the territorial boundaries of another municipality unless a resolution has been adopted by the governing body of the other municipality declaring a need therefor; and in the case of a county, the area within the county, except that the area of operation in such case shall not include any area which lies within the territorial boundaries of a municipality unless a resolution has been adopted by the governing body of the municipality declaring a need therefor; and in the case of a regional authority, the area within the communities for which the regional authority is created, except that a regional authority shall not undertake a land clearance project within the territorial boundaries of any municipality unless a resolution has been adopted by the governing body of the municipality declaring that there is a need for the regional authority to undertake the land clearance project within such municipality; no authority shall operate in any area of operation in which another authority already established is undertaking or carrying out a land clearance project without the consent, by resolution, of the other authority;

(2) "Authority" or "land clearance for redevelopment authority", a public body corporate and politic created by or pursuant to section 99.330 or any other public body exercising the powers, rights and duties of such an authority;

(3) "Blighted area", **[**an area which, by reason of the predominance of defective or inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to

38 the public health, safety, morals, or welfare in its present
39 condition and use] the same meaning as defined pursuant to
40 section 99.805;
41 (4) "Bond", any bonds, including refunding bonds,
42 notes, interim certificates, debentures, or other
43 obligations issued by an authority pursuant to this law;
44 (5) "Clerk", the clerk or other official of the
45 municipality or county who is the custodian of the official
46 records of the municipality or county;
47 (6) "Community", any county or municipality except
48 that such term shall not include any municipality containing
49 less than seventy-five thousand inhabitants until the
50 governing body thereof shall have submitted the proposition
51 of accepting the provisions of this law to the qualified
52 voters therein at an election called and held as provided by
53 law for the incurring of indebtedness by such municipality,
54 and a majority of the voters voting at the election shall
55 have voted in favor of such proposition;
56 (7) "Federal government", the United States of America
57 or any agency or instrumentality, corporate or otherwise, of
58 the United States of America;
59 (8) "Governing body", the city council, common
60 council, board of aldermen or other legislative body charged
61 with governing the municipality or the county commission or
62 other legislative body charged with governing the county;
63 (9) "Insanitary area", an area in which there is a
64 predominance of buildings and improvements which, by reason
65 of dilapidation, deterioration, age or obsolescence,
66 inadequate provision for ventilation, light, air sanitation
67 or open spaces, high density of population and overcrowding
68 of buildings, overcrowding of land, or the existence of
69 conditions which endanger life or property by fire and other
70 causes, or any combination of such factors, is conducive to

71 ill health, transmission of disease, infant mortality,
72 juvenile delinquency and crime or constitutes an economic or
73 social liability and is detrimental to the public health,
74 safety, morals, or welfare;
75 (10) "Land clearance project", any work or undertaking:
76 (a) To acquire blighted, or insanitary areas or
77 portions thereof, including lands, structures, or
78 improvements the acquisition of which is necessary or
79 incidental to the proper clearance, development or
80 redevelopment of the blighted or insanitary areas or to the
81 prevention of the spread or recurrence of substandard or
82 insanitary conditions or conditions of blight;
83 (b) To clear any such areas by demolition or removal
84 of existing buildings, structures, streets, utilities or
85 other improvements thereon and to install, construct or
86 reconstruct streets, utilities, and site improvements
87 essential to the preparation of sites for uses in accordance
88 with a redevelopment plan;
89 (c) To sell, lease or otherwise make available land in
90 such areas for residential, recreational, commercial,
91 industrial or other use or for public use or to retain such
92 land for public use, in accordance with a redevelopment plan;
93 (d) To develop, construct, reconstruct, rehabilitate,
94 repair or improve residences, houses, buildings, structures
95 and other facilities;
96 (e) The term "land clearance project" may also include
97 the preparation of a redevelopment plan, the planning,
98 survey and other work incident to a land clearance project
99 and the preparation of all plans and arrangements for
100 carrying out a land clearance project and wherever the words
101 "land clearance project" are used in this law, they shall
102 also mean and include the words "urban renewal project" as
103 defined in this section;

(11) "Mayor", the elected mayor of the city or the elected officer having the duties customarily imposed upon the mayor of the city or the executive head of a county;

(12) "Municipality", any incorporated city, town or village in the state;

(13) "Obligee", any bondholders, agents or trustees for any bondholders, lessor demising to the authority property used in connection with land clearance project, or any assignee or assignees of the lessor's interest or any part thereof, and the federal government when it is a party to any contract with the authority;

(14) "Person", any individual, firm, partnership, corporation, company, association, joint stock association, or body politic; and shall include any trustee, receiver, assignee, or other similar representative thereof;

(15) "Public body", the state or any municipality, county, township, board, commission, authority, district, or any other subdivision of the state;

(16) "Real property", all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest and right, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage or otherwise and the indebtedness secured by such liens;

(17) "Redeveloper", any person, partnership, or public or private corporation or agency which enters or proposes to enter into a redevelopment or rehabilitation or renewal contract;

(18) "Redevelopment contract", a contract entered into between an authority and redeveloper for the redevelopment, rehabilitation or renewal of an area in conformity with a redevelopment plan or an urban renewal plan;

137 (19) "Redevelopment", the process of undertaking and
138 carrying out a redevelopment plan or urban renewal plan;
139 (20) "Redevelopment plan", a plan other than a
140 preliminary or tentative plan for the acquisition,
141 clearance, reconstruction, rehabilitation, renewal or future
142 use of a land clearance project area, and shall be
143 sufficiently complete to comply with subdivision (4) of
144 section 99.430 and shall be in compliance with a "workable
145 program" for the city as a whole and wherever used in
146 sections 99.300 to 99.660 the words "redevelopment plan"
147 shall also mean and include "urban renewal plan" as defined
148 in this section;
149 (21) "Urban renewal plan", a plan as it exists from
150 time to time, for an urban renewal project, which plan shall
151 conform to the general plan for the municipality as a whole;
152 and shall be sufficiently complete to indicate such land
153 acquisition, demolition and removal of structures,
154 redevelopment, improvements, and rehabilitation as may be
155 proposed to be carried out in the area of the urban renewal
156 project, zoning and planning changes, if any, land uses,
157 maximum densities, building requirements, and the
158 relationship of the plan to definite local objectives
159 respecting appropriate land uses, improved traffic, public
160 transportation, public utilities, recreational and community
161 facilities, and other public improvements; an urban renewal
162 plan shall be prepared and approved pursuant to the same
163 procedure as provided with respect to a redevelopment plan;
164 (22) "Urban renewal project", any surveys, plans,
165 undertakings and activities for the elimination and for the
166 prevention of the spread or development of insanitary,
167 blighted, deteriorated or deteriorating areas and may
168 involve any work or undertaking for such purpose
169 constituting a land clearance project or any rehabilitation

170 or conservation work, or any combination of such undertaking
171 or work in accordance with an urban renewal project; for
172 this purpose, "rehabilitation or conservation work" may
173 include:
174 (a) Carrying out plans for a program of voluntary or
175 compulsory repair and rehabilitation of buildings or other
176 improvements;
177 (b) Acquisition of real property and demolition,
178 removal or rehabilitation of buildings and improvements
179 thereon where necessary to eliminate unhealthful, insanitary
180 or unsafe conditions, lessen density, eliminate uneconomic,
181 obsolete or other uses detrimental to the public welfare, or
182 to otherwise remove or prevent the spread of blight or
183 deterioration, or to provide land for needed public
184 facilities;
185 (c) To develop, construct, reconstruct, rehabilitate,
186 repair or improve residences, houses, buildings, structures
187 and other facilities;
188 (d) Installation, construction, or reconstruction of
189 streets, utilities, parks, playgrounds, and other
190 improvements necessary for carrying out the objectives of
191 the urban renewal project; and
192 (e) The disposition, for uses in accordance with the
193 objectives of the urban renewal project, of any property or
194 part thereof acquired in the area of the project; but such
195 disposition shall be in the manner prescribed in this law
196 for the disposition of property in a land clearance project
197 area;
198 (23) "Workable program", an official plan of action,
199 as it exists from time to time, for effectively dealing with
200 the problem in insanitary, blighted, deteriorated or
201 deteriorating areas within the community and for the
202 establishment and preservation of a well-planned community

203 with well-organized residential neighborhoods of decent
204 homes and suitable living environment for adequate family
205 life, for utilizing appropriate private and public resources
206 to eliminate and prevent the development or spread of
207 insanitary, blighted, deteriorated or deteriorating areas,
208 to encourage needed urban rehabilitation, to provide for the
209 redevelopment of blighted, insanitary, deteriorated and
210 deteriorating areas, or to undertake such of the aforesaid
211 activities or other feasible community activities as may be
212 suitably employed to achieve the objectives of such a
213 program.

99.805. As used in sections 99.800 to 99.865, unless
2 the context clearly requires otherwise, the following terms
3 shall mean:

4 (1) "Blighted area", an area which, by reason of the
5 predominance of **[**defective or inadequate street layout,**]**
6 insanitary or unsafe conditions, deterioration of site
7 improvements, **[**improper subdivision or obsolete platting,**]**
8 or the existence of conditions which endanger life or
9 property by fire and other causes, or any combination of
10 such factors, retards the provision of housing
11 accommodations or constitutes an economic or social
12 liability or a menace to the public health, safety,
13 **[**morals,**]** or welfare in its present condition and use;

14 (2) "Collecting officer", the officer of the
15 municipality responsible for receiving and processing
16 payments in lieu of taxes or economic activity taxes from
17 taxpayers or the department of revenue;

18 (3) "Conservation area", any improved area within the
19 boundaries of a redevelopment area located within the
20 territorial limits of a municipality in which fifty percent
21 or more of the structures in the area have an age of thirty-
22 five years or more. Such an area is not yet a blighted area

23 but is detrimental to the public health, safety, [morals,]
24 or welfare and may become a blighted area because of any one
25 or more of the following factors: dilapidation;
26 obsolescence; deterioration; illegal use of individual
27 structures; presence of structures below minimum code
28 standards; abandonment; excessive vacancies; overcrowding of
29 structures and community facilities; lack of ventilation,
30 light or sanitary facilities; inadequate utilities;
31 excessive land coverage; deleterious land use or layout;
32 depreciation of physical maintenance; and lack of community
33 planning. A conservation area shall meet at least three of
34 the factors provided in this subdivision for projects
35 approved on or after December 23, 1997. For all
36 redevelopment plans and projects approved on or after
37 January 1, 2022, in retail areas, a conservation area shall
38 meet the dilapidation factor as one of the three factors
39 required under this subdivision;
40 (4) "Economic activity taxes", the total additional
41 revenue from taxes which are imposed by a municipality and
42 other taxing districts, and which are generated by economic
43 activities within a redevelopment area over the amount of
44 such taxes generated by economic activities within such
45 redevelopment area in the calendar year prior to the
46 adoption of the ordinance designating such a redevelopment
47 area, while tax increment financing remains in effect, but
48 excluding personal property taxes, taxes imposed on sales or
49 charges for sleeping rooms paid by transient guests of
50 hotels and motels, licenses, fees or special assessments.
51 For redevelopment projects or redevelopment plans approved
52 after December 23, 1997, if a retail establishment relocates
53 within one year from one facility to another facility within
54 the same county and the governing body of the municipality
55 finds that the relocation is a direct beneficiary of tax

56 increment financing, then for purposes of this definition,
57 the economic activity taxes generated by the retail
58 establishment shall equal the total additional revenues from
59 economic activity taxes which are imposed by a municipality
60 or other taxing district over the amount of economic
61 activity taxes generated by the retail establishment in the
62 calendar year prior to its relocation to the redevelopment
63 area;
64 (5) "Economic development area", any area or portion
65 of an area located within the territorial limits of a
66 municipality, which does not meet the requirements of
67 subdivisions (1) and (3) of this section, and in which the
68 governing body of the municipality finds that redevelopment
69 will not be solely used for development of commercial
70 businesses which unfairly compete in the local economy and
71 is in the public interest because it will:
72 (a) Discourage commerce, industry or manufacturing
73 from moving their operations to another state; or
74 (b) Result in increased employment in the
75 municipality; or
76 (c) Result in preservation or enhancement of the tax
77 base of the municipality;
78 (6) "Gambling establishment", an excursion gambling
79 boat as defined in section 313.800 and any related business
80 facility including any real property improvements which are
81 directly and solely related to such business facility, whose
82 sole purpose is to provide goods or services to an excursion
83 gambling boat and whose majority ownership interest is held
84 by a person licensed to conduct gambling games on an
85 excursion gambling boat or licensed to operate an excursion
86 gambling boat as provided in sections 313.800 to 313.850.
87 This subdivision shall be applicable only to a redevelopment
88 area designated by ordinance adopted after December 23, 1997;

(7) "Greenfield area", any vacant, unimproved, or agricultural property that is located wholly outside the incorporated limits of a city, town, or village, or that is substantially surrounded by contiguous properties with agricultural zoning classifications or uses unless said property was annexed into the incorporated limits of a city, town, or village ten years prior to the adoption of the ordinance approving the redevelopment plan for such greenfield area;

(8) "Municipality", a city, village, or incorporated town or any county of this state. For redevelopment areas or projects approved on or after December 23, 1997, municipality applies only to cities, villages, incorporated towns or counties established for at least one year prior to such date;

(9) "Obligations", bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness issued by a municipality to carry out a redevelopment project or to refund outstanding obligations;

(10) "Ordinance", an ordinance enacted by the governing body of a city, town, or village or a county or an order of the governing body of a county whose governing body is not authorized to enact ordinances;

(11) "Payment in lieu of taxes", those estimated revenues from real property in the area selected for a redevelopment project, which revenues according to the redevelopment project or plan are to be used for a private use, which taxing districts would have received had a municipality not adopted tax increment allocation financing, and which would result from levies made after the time of the adoption of tax increment allocation financing during the time the current equalized value of real property in the area selected for the redevelopment project exceeds the

122 total initial equalized value of real property in such area
123 until the designation is terminated pursuant to subsection 2
124 of section 99.850;
125 (12) "Port infrastructure project", docks and
126 associated equipment, cargo and passenger terminals, storage
127 warehouses, or any other similar infrastructure directly
128 related to port facilities located in a port district
129 created pursuant to the provisions of chapter 68 and located
130 within one-half of one mile of a navigable waterway;
131 **[**(12)**]** (13) "Redevelopment area", an area designated
132 by a municipality, in respect to which the municipality has
133 made a finding that there exist conditions which cause the
134 area to be classified as a blighted area, a conservation
135 area, an economic development area, an enterprise zone
136 pursuant to sections 135.200 to 135.256, or a combination
137 thereof, which area includes only those parcels of real
138 property directly and substantially benefitted by the
139 proposed redevelopment project;
140 **[**(13)**]** (14) "Redevelopment plan", the comprehensive
141 program of a municipality for redevelopment intended by the
142 payment of redevelopment costs to reduce or eliminate those
143 conditions, the existence of which qualified the
144 redevelopment area as a blighted area, conservation area,
145 economic development area, or combination thereof, and to
146 thereby enhance the tax bases of the taxing districts which
147 extend into the redevelopment area. Each redevelopment plan
148 shall conform to the requirements of section 99.810;
149 **[**(14)**]** (15) "Redevelopment project", any development
150 project within a redevelopment area in furtherance of the
151 objectives of the redevelopment plan; any such redevelopment
152 project shall include a legal description of the area
153 selected for the redevelopment project;

154 **[**(15)**]** (16) "Redevelopment project costs" include the
155 sum total of all reasonable or necessary costs incurred or
156 estimated to be incurred, and any such costs incidental to a
157 redevelopment plan or redevelopment project, as applicable.
158 Such costs include, but are not limited to, the following:
159 (a) Costs of studies, surveys, plans, and
160 specifications;
161 (b) Professional service costs, including, but not
162 limited to, architectural, engineering, legal, marketing,
163 financial, planning or special services. Except the
164 reasonable costs incurred by the commission established in
165 section 99.820 for the administration of sections 99.800 to
166 99.865, such costs shall be allowed only as an initial
167 expense which, to be recoverable, shall be included in the
168 costs of a redevelopment plan or project;
169 (c) Property assembly costs, including, but not
170 limited to:
171 a. Acquisition of land and other property, real or
172 personal, or rights or interests therein;
173 b. Demolition of buildings; and
174 c. The clearing and grading of land;
175 (d) Costs of rehabilitation, reconstruction, or repair
176 or remodeling of existing buildings and fixtures;
177 (e) Initial costs for an economic development area;
178 (f) Costs of construction of public works or
179 improvements;
180 (g) Financing costs, including, but not limited to,
181 all necessary and incidental expenses related to the
182 issuance of obligations, and which may include payment of
183 interest on any obligations issued pursuant to sections
184 99.800 to 99.865 accruing during the estimated period of
185 construction of any redevelopment project for which such
186 obligations are issued and for not more than eighteen months

thereafter, and including reasonable reserves related thereto;

(h) All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs;

(i) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or are required to be paid by federal or state law;

(j) Payments in lieu of taxes;

(17) "Retail area", a proposed redevelopment building area for which more than fifty percent of the usable building square footage in the area is projected to be used by retail businesses, which shall be businesses that primarily sell or offer to sell goods to a buyer primarily for the buyer's personal, family, or household use and not primarily for business, commercial, or agricultural use;

(18) "Retail infrastructure projects", highways, roads, streets, bridges, sewers, traffic control systems and devices, water distribution and supply systems, curbing, sidewalks, storm water and drainage systems, or any other similar public improvements, but in no case shall retail infrastructure projects include private structures;

[(16)**]** (19) "Special allocation fund", the fund of a municipality or its commission which contains at least two separate segregated accounts for each redevelopment plan, maintained by the treasurer of the municipality or the treasurer of the commission into which payments in lieu of taxes are deposited in one account, and economic activity taxes and other revenues are deposited in the other account;

219 [(17)] (20) "Taxing districts", any political
220 subdivision of this state having the power to levy taxes;
221 [(18)] (21) "Taxing districts' capital costs", those
222 costs of taxing districts for capital improvements that are
223 found by the municipal governing bodies to be necessary and
224 to directly result from the redevelopment project; and
225 [(19)] (22) "Vacant land", any parcel or combination
226 of parcels of real property not used for industrial,
227 commercial, or residential buildings.

99.810. 1. Each redevelopment plan shall set forth in
2 writing a general description of the program to be
3 undertaken to accomplish the objectives and shall include,
4 but need not be limited to, the estimated redevelopment
5 project costs, the anticipated sources of funds to pay the
6 costs, evidence of the commitments to finance the project
7 costs, the anticipated type and term of the sources of funds
8 to pay costs, the anticipated type and terms of the
9 obligations to be issued, the most recent equalized assessed
10 valuation of the property within the redevelopment area
11 which is to be subjected to payments in lieu of taxes and
12 economic activity taxes pursuant to section 99.845, an
13 estimate as to the equalized assessed valuation after
14 redevelopment, and the general land uses to apply in the
15 redevelopment area. No redevelopment plan shall be adopted
16 by a municipality without findings that:
17 (1) The redevelopment area on the whole is a blighted
18 area, a conservation area, or an economic development area,
19 and has not been subject to growth and development through
20 investment by private enterprise and would not reasonably be
21 anticipated to be developed without the adoption of tax
22 increment financing. Such a finding shall include, but not
23 be limited to, a study prepared by a land use planner, urban
24 planner, licensed architect, licensed commercial real estate

appraiser, or licensed attorney, which includes a detailed description of the factors that qualify the redevelopment area or project pursuant to this subdivision and an affidavit, signed by the developer or developers and submitted with the redevelopment plan, attesting that the provisions of this subdivision have been met;

(2) The redevelopment plan conforms to the comprehensive plan for the development of the municipality as a whole;

(3) The estimated dates, which shall not be more than twenty-three years from the adoption of the ordinance approving a redevelopment project within a redevelopment area, of completion of any redevelopment project and retirement of obligations incurred to finance redevelopment project costs have been stated, provided that no ordinance approving a redevelopment project shall be adopted later than ten years from the adoption of the ordinance approving the redevelopment plan under which such project is authorized and provided that no property for a redevelopment project shall be acquired by eminent domain later than five years from the adoption of the ordinance approving such redevelopment project;

(4) A plan has been developed for relocation assistance for businesses and residences;

(5) A cost-benefit analysis showing the economic impact of the plan on each taxing district which is at least partially within the boundaries of the redevelopment area. The analysis shall show the impact on the economy if the project is not built, and is built pursuant to the redevelopment plan under consideration. The cost-benefit analysis shall include a fiscal impact study on every affected political subdivision, and sufficient information from the developer for the commission established in section

58 99.820 to evaluate whether the project as proposed is
59 financially feasible;
60 (6) A finding that the plan does not include the
61 initial development or redevelopment of any gambling
62 establishment, provided however, that this subdivision shall
63 be applicable only to a redevelopment plan adopted for a
64 redevelopment area designated by ordinance after December
65 23, 1997.
66 2. Tax increment allocation financing shall not be
67 adopted under sections 99.800 to 99.865 in a retail area
68 unless such financing is exclusively utilized to fund retail
69 infrastructure projects or unless such area is a blighted
70 area or conservation area. The provisions of this
71 subsection shall not apply to any tax increment allocation
72 financing project or plan approved before August 28, 2021,
73 nor to any amendment to tax increment allocation financing
74 projects and plans where such projects or plans were
75 originally approved before August 28, 2021, provided that
76 such an amendment does not add buildings of new construction
77 in excess of twenty-five percent of the scope of the
78 original redevelopment agreement.
79 3. By the last day of February each year, each
80 commission shall report to the director of economic
81 development the name, address, phone number and primary line
82 of business of any business which relocates to the
83 district. The director of the department of economic
84 development shall compile and report the same to the
85 governor, the speaker of the house and the president pro
86 tempore of the senate on the last day of April each year.
99.820. 1. A municipality may:
2 (1) By ordinance introduced in the governing body of
3 the municipality within fourteen to ninety days from the
4 completion of the hearing required in section 99.825,

approve redevelopment plans and redevelopment projects, and designate redevelopment project areas pursuant to the notice and hearing requirements of sections 99.800 to 99.865. No redevelopment project shall be approved unless a redevelopment plan has been approved and a redevelopment area has been designated prior to or concurrently with the approval of such redevelopment project and the area selected for the redevelopment project shall include only those parcels of real property and improvements thereon directly and substantially benefitted by the proposed redevelopment project improvements;

(2) Make and enter into all contracts necessary or incidental to the implementation and furtherance of its redevelopment plan or project;

(3) Pursuant to a redevelopment plan, subject to any constitutional limitations, acquire by purchase, donation, lease or, as part of a redevelopment project, eminent domain, own, convey, lease, mortgage, or dispose of land and other property, real or personal, or rights or interests therein, and grant or acquire licenses, easements and options with respect thereto, all in the manner and at such price the municipality or the commission determines is reasonably necessary to achieve the objectives of the redevelopment plan. No conveyance, lease, mortgage, disposition of land or other property, acquired by the municipality, or agreement relating to the development of the property shall be made except upon the adoption of an ordinance by the governing body of the municipality. Each municipality or its commission shall establish written procedures relating to bids and proposals for implementation of the redevelopment projects. Furthermore, no conveyance, lease, mortgage, or other disposition of land or agreement relating to the development of property shall be made

without making public disclosure of the terms of the disposition and all bids and proposals made in response to the municipality's request. Such procedures for obtaining such bids and proposals shall provide reasonable opportunity for any person to submit alternative proposals or bids;

(4) Within a redevelopment area, clear any area by demolition or removal of existing buildings and structures;

(5) Within a redevelopment area, renovate, rehabilitate, or construct any structure or building;

(6) Install, repair, construct, reconstruct, or relocate streets, utilities, and site improvements essential to the preparation of the redevelopment area for use in accordance with a redevelopment plan;

(7) Within a redevelopment area, fix, charge, and collect fees, rents, and other charges for the use of any building or property owned or leased by it or any part thereof, or facility therein;

(8) Accept grants, guarantees, and donations of property, labor, or other things of value from a public or private source for use within a redevelopment area;

(9) Acquire and construct public facilities within a redevelopment area;

(10) Incur redevelopment costs and issue obligations;

(11) Make payment in lieu of taxes, or a portion thereof, to taxing districts;

(12) Disburse surplus funds from the special allocation fund to taxing districts as follows:

(a) Such surplus payments in lieu of taxes shall be distributed to taxing districts within the redevelopment area which impose ad valorem taxes on a basis that is proportional to the current collections of revenue which each taxing district receives from real property in the redevelopment area;

71 (b) Surplus economic activity taxes shall be
72 distributed to taxing districts in the redevelopment area
73 which impose economic activity taxes, on a basis that is
74 proportional to the amount of such economic activity taxes
75 the taxing district would have received from the
76 redevelopment area had tax increment financing not been
77 adopted;
78 (c) Surplus revenues, other than payments in lieu of
79 taxes and economic activity taxes, deposited in the special
80 allocation fund, shall be distributed on a basis that is
81 proportional to the total receipt of such other revenues in
82 such account in the year prior to disbursement;
83 (13) If any member of the governing body of the
84 municipality, a member of a commission established pursuant
85 to subsection 2 or 3 of this section, or an employee or
86 consultant of the municipality, involved in the planning and
87 preparation of a redevelopment plan, or redevelopment
88 project for a redevelopment area or proposed redevelopment
89 area, owns or controls an interest, direct or indirect, in
90 any property included in any redevelopment area, or proposed
91 redevelopment area, which property is designated to be
92 acquired or improved pursuant to a redevelopment project, he
93 or she shall disclose the same in writing to the clerk of
94 the municipality, and shall also so disclose the dates,
95 terms, and conditions of any disposition of any such
96 interest, which disclosures shall be acknowledged by the
97 governing body of the municipality and entered upon the
98 minutes books of the governing body of the municipality. If
99 an individual holds such an interest, then that individual
100 shall refrain from any further official involvement in
101 regard to such redevelopment plan, redevelopment project or
102 redevelopment area, from voting on any matter pertaining to
103 such redevelopment plan, redevelopment project or

104 redevelopment area, or communicating with other members
105 concerning any matter pertaining to that redevelopment plan,
106 redevelopment project or redevelopment area. Furthermore,
107 no such member or employee shall acquire any interest,
108 direct or indirect, in any property in a redevelopment area
109 or proposed redevelopment area after either (a) such
110 individual obtains knowledge of such plan or project, or (b)
111 first public notice of such plan, project or area pursuant
112 to section 99.830, whichever first occurs;
113 (14) Charge as a redevelopment cost the reasonable
114 costs incurred by its clerk or other official in
115 administering the redevelopment project. The charge for the
116 clerk's or other official's costs shall be determined by the
117 municipality based on a recommendation from the commission,
118 created pursuant to this section.
119 2. Prior to adoption of an ordinance approving the
120 designation of a redevelopment area or approving a
121 redevelopment plan or redevelopment project, the
122 municipality shall create a commission of nine persons if
123 the municipality is a county or a city not within a county
124 and not a first class county with a charter form of
125 government with a population in excess of nine hundred
126 thousand, and eleven persons if the municipality is not a
127 county and not in a first class county with a charter form
128 of government having a population of more than nine hundred
129 thousand, and twelve persons if the municipality is located
130 in or is a first class county with a charter form of
131 government having a population of more than nine hundred
132 thousand, to be appointed as follows:
133 (1) In all municipalities two members shall be
134 appointed by the school boards whose districts are included
135 within the redevelopment plan or redevelopment area. Such

136 members shall be appointed in any manner agreed upon by the
137 affected districts;
138 (2) In all municipalities one member shall be
139 appointed, in any manner agreed upon by the affected
140 districts, to represent all other districts levying ad
141 valorem taxes within the area selected for a redevelopment
142 project or the redevelopment area, excluding representatives
143 of the governing body of the municipality;
144 (3) In all municipalities six members shall be
145 appointed by the chief elected officer of the municipality,
146 with the consent of the majority of the governing body of
147 the municipality;
148 (4) In all municipalities which are not counties and
149 not in a first class county with a charter form of
150 government having a population in excess of nine hundred
151 thousand, two members shall be appointed by the county of
152 such municipality in the same manner as members are
153 appointed in subdivision (3) of this subsection;
154 (5) In a municipality which is a county with a charter
155 form of government having a population in excess of nine
156 hundred thousand, three members shall be appointed by the
157 cities in the county which have tax increment financing
158 districts in a manner in which the cities shall agree;
159 (6) In a municipality which is located in the first
160 class county with a charter form of government having a
161 population in excess of nine hundred thousand, three members
162 shall be appointed by the county of such municipality in the
163 same manner as members are appointed in subdivision (3) of
164 this subsection;
165 (7) At the option of the members appointed by the
166 municipality, the members who are appointed by the school
167 boards and other taxing districts may serve on the
168 commission for a term to coincide with the length of time a

169 redevelopment project, redevelopment plan or designation of
170 a redevelopment area is considered for approval by the
171 commission, or for a definite term pursuant to this
172 subdivision. If the members representing school districts
173 and other taxing districts are appointed for a term
174 coinciding with the length of time a redevelopment project,
175 plan or area is approved, such term shall terminate upon
176 final approval of the project, plan or designation of the
177 area by the governing body of the municipality. Thereafter
178 the commission shall consist of the six members appointed by
179 the municipality, except that members representing school
180 boards and other taxing districts shall be appointed as
181 provided in this section prior to any amendments to any
182 redevelopment plans, redevelopment projects or designation
183 of a redevelopment area. If any school district or other
184 taxing jurisdiction fails to appoint members of the
185 commission within thirty days of receipt of written notice
186 of a proposed redevelopment plan, redevelopment project or
187 designation of a redevelopment area, the remaining members
188 may proceed to exercise the power of the commission. Of the
189 members first appointed by the municipality, two shall be
190 designated to serve for terms of two years, two shall be
191 designated to serve for a term of three years and two shall
192 be designated to serve for a term of four years from the
193 date of such initial appointments. Thereafter, the members
194 appointed by the municipality shall serve for a term of four
195 years, except that all vacancies shall be filled for
196 unexpired terms in the same manner as were the original
197 appointments. Members appointed by the county executive or
198 presiding commissioner prior to August 28, 2008, shall
199 continue their service on the commission established in
200 subsection 3 of this section without further appointment

201 unless the county executive or presiding commissioner
202 appoints a new member or members.
203 3. Beginning August 28, 2008:
204 (1) In lieu of a commission created under subsection 2
205 of this section, any city, town, or village in a county with
206 a charter form of government and with more than one million
207 inhabitants, in a county with a charter form of government
208 and with more than two hundred fifty thousand but fewer than
209 three hundred fifty thousand inhabitants, **[**or**]** in a county
210 of the first classification with more than one hundred
211 eighty-five thousand but fewer than two hundred thousand
212 inhabitants, or in a county of the first classification with
213 more than ninety-two thousand but fewer than one hundred one
214 thousand inhabitants shall, prior to adoption of an
215 ordinance approving the designation of a redevelopment area
216 or approving a redevelopment plan or redevelopment project,
217 create a commission consisting of twelve persons to be
218 appointed as follows:
219 (a) Six members appointed either by the county
220 executive or presiding commissioner; notwithstanding any
221 provision of law to the contrary, no approval by the
222 county's governing body shall be required;
223 (b) Three members appointed by the cities, towns, or
224 villages in the county which have tax increment financing
225 districts in a manner in which the chief elected officials
226 of such cities, towns, or villages agree;
227 (c) Two members appointed by the school boards whose
228 districts are included in the county in a manner in which
229 the school boards agree; and
230 (d) One member to represent all other districts
231 levying ad valorem taxes in the proposed redevelopment area
232 in a manner in which all such districts agree.

233 No city, town, or village subject to this subsection shall
234 create or maintain a commission under subsection 2 of this
235 section, except as necessary to complete a public hearing
236 for which notice under section 99.830 has been provided
237 prior to August 28, 2008, and to vote or make
238 recommendations relating to redevelopment plans,
239 redevelopment projects, or designation of redevelopment
240 areas, or amendments thereto that were the subject of such
241 public hearing;
242 (2) Members appointed to the commission created under
243 this subsection, except those six members appointed by
244 either the county executive or presiding commissioner, shall
245 serve on the commission for a term to coincide with the
246 length of time a redevelopment project, redevelopment plan,
247 or designation of a redevelopment area is considered for
248 approval by the commission. The six members appointed by
249 either the county executive or the presiding commissioner
250 shall serve on all such commissions until replaced. The
251 city, town, or village that creates a commission under this
252 subsection shall send notice thereof by certified mail to
253 the county executive or presiding commissioner, to the
254 school districts whose boundaries include any portion of the
255 proposed redevelopment area, and to the other taxing
256 districts whose boundaries include any portion of the
257 proposed redevelopment area. The city, town, or village
258 that creates the commission shall also be solely responsible
259 for notifying all other cities, towns, and villages in the
260 county that have tax increment financing districts and shall
261 exercise all administrative functions of the commission.
262 The school districts receiving notice from the city, town,
263 or village shall be solely responsible for notifying the
264 other school districts within the county of the formation of
265 the commission. If the county, school board, or other

266 taxing district fails to appoint members to the commission
267 within thirty days after the city, town, or village sends
268 the written notice, as provided herein, that it has convened
269 such a commission or within thirty days of the expiration of
270 any such member's term, the remaining duly appointed members
271 of the commission may exercise the full powers of the
272 commission.
273 4. (1) Any commission created under this section,
274 subject to approval of the governing body of the
275 municipality, may exercise the powers enumerated in sections
276 99.800 to 99.865, except final approval of plans, projects
277 and designation of redevelopment areas. The commission
278 shall hold public hearings and provide notice pursuant to
279 sections 99.825 and 99.830.
280 (2) Any commission created under subsection 2 of this
281 section shall vote on all proposed redevelopment plans,
282 redevelopment projects and designations of redevelopment
283 areas, and amendments thereto, within thirty days following
284 completion of the hearing on any such plan, project or
285 designation and shall make recommendations to the governing
286 body within ninety days of the hearing referred to in
287 section 99.825 concerning the adoption of or amendment to
288 redevelopment plans and redevelopment projects and the
289 designation of redevelopment areas. The requirements of
290 subsection 2 of this section and this subsection shall not
291 apply to redevelopment projects upon which the required
292 hearings have been duly held prior to August 31, 1991.
293 (3) Any commission created under subsection 3 of this
294 section shall, within fifteen days of the receipt of a
295 redevelopment plan meeting the minimum requirements of
296 section 99.810, as determined by counsel to the city, town,
297 or village creating the commission and a request by the
298 applicable city, town, or village for a public hearing, fix

299 a time and place for the public hearing referred to in
300 section 99.825. The public hearing shall be held no later
301 than seventy-five days from the commission's receipt of such
302 redevelopment plan and request for public hearing. The
303 commission shall vote and make recommendations to the
304 governing body of the city, town, or village requesting the
305 public hearing on all proposed redevelopment plans,
306 redevelopment projects, and designations of redevelopment
307 areas, and amendments thereto within thirty days following
308 the completion of the public hearing. A recommendation of
309 approval shall only be deemed to occur if a majority of the
310 commissioners voting on such plan, project, designation, or
311 amendment thereto vote for approval. A tied vote shall be
312 considered a recommendation in opposition. If the
313 commission fails to vote within thirty days following the
314 completion of the public hearing referred to in section
315 99.825 concerning the proposed redevelopment plan,
316 redevelopment project, or designation of redevelopment area,
317 or amendments thereto, such plan, project, designation, or
318 amendment thereto shall be deemed rejected by the commission.
319 5. It shall be the policy of the state that each
320 redevelopment plan or project of a municipality be carried
321 out with full transparency to the public. The records of
322 the tax increment financing commission including, but not
323 limited to, commission votes and actions, meeting minutes,
324 summaries of witness testimony, data, and reports submitted
325 to the commission shall be retained by the governing body of
326 the municipality that created the commission and shall be
327 made available to the public in accordance with chapter 610.
99.821. Notwithstanding any provision of sections
2 99.800 to 99.865 to the contrary, redevelopment plans
3 approved or amended after December 31, 2021, by a city not
4 within a county may provide for the deposit of up to ten

percent of the tax increment financing revenues generated pursuant to section 99.845 into a strategic infrastructure for economic growth fund established by such city in lieu of deposit into the special allocation fund. Moneys deposited into the strategic infrastructure for economic growth fund pursuant to this section may be expended by the city establishing such fund for the purpose of funding capital investments in public infrastructure that the governing body of such city has determined to be in a census tract that is defined as a low-income community pursuant to 26 U.S.C. Section 45D(e) or is eligible to be designated as a qualified opportunity zone pursuant to 26 U.S.C. Section 1400Z-1.

99.843. Notwithstanding the provisions of sections 99.800 to 99.865 to the contrary, no new tax increment financing project shall be authorized in any greenfield area, as such term is defined in section 99.805**[**, that is located within a city not within a county or any county subject to the authority of the East-West Gateway Council of Governments. Municipalities not subject to the authority of the East-West Gateway Council of Governments may authorize tax increment finance projects in greenfield areas**]**.

99.847. 1. Notwithstanding the provisions of sections 99.800 to 99.865 to the contrary, for all years ending on or before December 31, 2021, no new tax increment financing project shall be authorized in any area which is within an area designated as flood plain by the Federal Emergency Management Agency and which is located in or partly within a county with a charter form of government with greater than two hundred fifty thousand inhabitants but fewer than three hundred thousand inhabitants, unless the redevelopment area actually abuts a river or a major waterway and is substantially surrounded by contiguous properties with

residential, industrial, or commercial zoning classifications. Notwithstanding the provisions of sections 99.800 to 99.865 to the contrary, for all years beginning on or after January 1, 2022, no new tax increment financing project shall be authorized in any area which is within an area designated as flood plain by the Federal Emergency Management Agency unless such project is located in:

(1) A county with a charter form of government and with more than six hundred thousand but fewer than seven hundred thousand inhabitants;

(2) A county of the first classification with more than two hundred thousand but fewer than two hundred sixty thousand inhabitants;

(3) A county of the first classification with more than eighty-three thousand but fewer than ninety-two thousand inhabitants and with a city of the fourth classification with more than four thousand five hundred but fewer than five thousand inhabitants as the county seat;

(4) A county of the first classification with more than seventy thousand but fewer than eighty-three thousand inhabitants and with a home rule city with more than forty-one thousand but fewer than forty-seven thousand inhabitants as the county seat;

(5) A home rule city with more than seventy-one thousand but fewer than seventy-nine thousand inhabitants;

(6) A home rule city with more than one hundred fifty-five thousand but fewer than two hundred thousand inhabitants;

(7) A home rule city with more than seventeen thousand but fewer than nineteen thousand inhabitants and partially located in any county of the third classification without a township form of government and with more than twenty-six thousand but fewer than twenty-nine thousand inhabitants;

45 (8) A home rule city with more than forty-one thousand
46 but fewer than forty-seven thousand inhabitants and
47 partially located in any county of the first classification
48 with more than seventy thousand but fewer than eighty-three
49 thousand inhabitants;
50 (9) A port district created under the provisions of
51 chapter 68, provided that such financing is exclusively
52 utilized to fund a port infrastructure project that is
53 approved by the port authority; or
54 (10) A levee district created pursuant to chapter 245
55 or a drainage district created pursuant to chapter 242 or
56 chapter 243 prior to August 28, 2021.
57 2. This [subsection] section shall not apply to tax
58 increment financing projects or districts approved prior to
59 July 1, 2003, and shall allow [the aforementioned] such tax
60 increment financing projects to modify, amend, or expand
61 such projects, including redevelopment project costs, by not
62 more than forty percent of such project original projected
63 cost, including redevelopment project costs, as such
64 projects, including redevelopment project costs [as such
65 projects redevelopment projects including redevelopment
66 project costs], existed as of June 30, 2003, and shall allow
67 [the aforementioned] such tax increment financing district
68 to modify, amend, or expand such districts by not more than
69 five percent as such districts existed as of June 30, 2003.
70 3. The provisions of subsections 1 and 2 of this
71 section notwithstanding, no new tax increment financing
72 project shall be authorized in any area which is within an
73 area designated as flood plain by the Federal Emergency
74 Management Agency and which is located in or partly within a
75 county with a charter form of government and with more than
76 three hundred thousand but fewer than four hundred fifty
77 thousand inhabitants, unless the redevelopment area actually

78 abuts a river or a major waterway and is substantially
79 surrounded by contiguous properties with residential,
80 industrial, or commercial zoning classifications.

99.848. 1. (1) Notwithstanding subsection 1 of
2 section 99.845, any [district or county] ambulance district
3 board operating under chapter 190, any fire protection
4 district board operating under chapter 321, or any governing
5 body operating a 911 center providing dispatch services
6 under chapter 190 or chapter 321 imposing a property tax for
7 the purposes of providing emergency services pursuant to
8 chapter 190 or chapter 321 shall be entitled to
9 reimbursement from the special allocation fund in the amount
10 of at least fifty percent but not more than one hundred
11 percent of the district's or 911 center's tax increment.
12 This [section] subsection shall not apply to tax increment
13 financing projects or [districts] redevelopment areas
14 approved prior to August 28, 2004.

15 [2.] (2) Beginning August 28, 2018, an ambulance
16 district board operating under chapter 190, a fire
17 protection district board operating under chapter 321, or
18 the governing body of a county operating a 911 center
19 providing emergency or dispatch services under chapter 190
20 or chapter 321 imposing a property tax for the purpose of
21 providing emergency services pursuant to chapter 190 or
22 chapter 321 shall annually set the reimbursement rate under
23 this subsection [1 of this section] prior to [the time the
24 assessment is paid into the special allocation fund]
25 November thirtieth preceding the calendar year for which the
26 annual reimbursement is being set. If the redevelopment
27 plan, area, or project is amended by ordinance or by other
28 means after August 28, 2018, the ambulance or fire
29 protection district board or the governing body of a county
30 operating a 911 center providing emergency or dispatch

31 services under chapter 190 or chapter 321 shall have the
32 right to recalculate the reimbursement rate under this
33 [section] subdivision.
34 2. (1) Notwithstanding subsection 1 of section
35 99.845, any ambulance district board operating under chapter
36 190, any fire protection district operating under chapter
37 321, or any governing body operating a 911 center imposing
38 an economic activities tax for the purposes of providing
39 emergency services pursuant to chapter 190 or chapter 321
40 shall be entitled to reimbursement from the special
41 allocation fund in the amount of at least fifty percent but
42 not more than one hundred percent of the district's or 911
43 center's tax increment. This subsection shall not apply to
44 tax increment financing projects or redevelopment areas
45 approved prior to August 28, 2021.
46 (2) Beginning August 28, 2021, any ambulance district
47 board operating under chapter 190, any fire protection
48 district operating under chapter 321, or any governing body
49 operating a 911 center providing dispatch services under
50 chapter 190 or chapter 321 shall annually set the
51 reimbursement rate under this subsection prior to November
52 thirtieth preceding the calendar year for which the annual
53 reimbursement is being set. If the redevelopment plan,
54 area, or project is amended by ordinance or by other means
55 after August 28, 2021, the ambulance or fire protection
56 district board or the governing body of a county operating a
57 911 center providing emergency or dispatch services under
58 chapter 190 or chapter 321 shall have the right to
59 recalculate the reimbursement rate under this subdivision.
99.918. As used in sections 99.915 to 99.980, unless
2 the context clearly requires otherwise, the following terms
3 shall mean:

(1) "Authority", the downtown economic stimulus authority for a municipality, created pursuant to section 99.921;

(2) "Baseline year", the calendar year prior to the adoption of an ordinance by the municipality approving a development project; provided, however, if economic activity taxes or state sales tax revenues, from businesses other than any out-of-state business or businesses locating in the development project area, decrease in the development project area in the year following the year in which the ordinance approving a development project is approved by a municipality, the baseline year may, at the option of the municipality approving the development project, be the year following the year of the adoption of the ordinance approving the development project. When a development project area is located within a county for which public and individual assistance has been requested by the governor pursuant to Section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121, et seq., for an emergency proclaimed by the governor pursuant to section 44.100 due to a natural disaster of major proportions that occurred after May 1, 2003, but prior to May 10, 2003, and the development project area is a central business district that sustained severe damage as a result of such natural disaster, as determined by the state emergency management agency, the baseline year may, at the option of the municipality approving the development project, be the calendar year in which the natural disaster occurred or the year following the year in which the natural disaster occurred, provided that the municipality adopts an ordinance approving the development project within one year after the occurrence of the natural disaster;

36 (3) "Blighted area", [an area which, by reason of the
37 predominance of defective or inadequate street layout,
38 unsanitary or unsafe conditions, deterioration of site
39 improvements, improper subdivision or obsolete platting, or
40 the existence of conditions which endanger life or property
41 by fire and other causes, or any combination of such
42 factors, retards the provision of housing accommodations or
43 constitutes an economic or social liability or a menace to
44 the public health, safety, morals, or welfare in its present
45 condition and use] the same meaning as defined pursuant to
46 section 99.805;
47 (4) "Central business district", the area at or near
48 the historic core that is locally known as the "downtown" of
49 a municipality that has a median household income of sixty-
50 two thousand dollars or less, according to the United States
51 Census Bureau's American Community Survey, based on the most
52 recent of five-year period estimate data in which the final
53 year of the estimate ends in either zero or five. In
54 addition, at least fifty percent of existing buildings in
55 this area will have been built in excess of thirty-five
56 years prior or vacant lots that had prior structures built
57 in excess of thirty-five years prior to the adoption of the
58 ordinance approving the redevelopment plan. The historical
59 land use emphasis of a central business district prior to
60 redevelopment will have been a mixed use of business,
61 commercial, financial, transportation, government, and
62 multifamily residential uses;
63 (5) "Collecting officer", the officer of the
64 municipality responsible for receiving and processing
65 payments in lieu of taxes, economic activity taxes other
66 than economic activity taxes which are local sales taxes,
67 and other local taxes other than local sales taxes, and, for
68 local sales taxes and state taxes, the director of revenue;

(6) "Conservation area", any improved area within the boundaries of a redevelopment area located within the territorial limits of a municipality in which fifty percent or more of the structures in the area have an age of thirty-five years or more, and such an area is not yet a blighted area but is detrimental to the public health, safety, morals, or welfare and may become a blighted area because of any one or more of the following factors: dilapidation; obsolescence; deterioration; illegal use of individual structures; presence of structures below minimum code standards; abandonment; excessive vacancies; overcrowding of structures and community facilities; lack of ventilation, light or sanitary facilities; inadequate utilities; excessive land coverage; deleterious land use or layout; depreciation of physical maintenance; and lack of community planning;

(7) "Development area", an area designated by a municipality in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as a blighted area or a conservation area, which area shall have the following characteristics:

(a) It includes only those parcels of real property directly and substantially benefitted by the proposed development plan;

(b) It can be renovated through one or more development projects;

(c) It is located in the central business district;

(d) It has generally suffered from declining population or property taxes for the twenty-year period immediately preceding the area's designation as a development area or has structures in the area fifty percent or more of which have an age of thirty-five years or more;

101 (e) It is contiguous, provided, however that a
102 development area may include up to three noncontiguous areas
103 selected for development projects, provided that each
104 noncontiguous area meets the requirements of paragraphs (a)
105 to (g) herein;
106 (f) The development area shall not exceed ten percent
107 of the entire area of the municipality; and
108 (g) The development area shall not include any
109 property that is located within the one hundred year flood
110 plain, as designated by the Federal Emergency Management
111 Agency flood delineation maps, unless such property is
112 protected by a structure that is inspected and certified by
113 the United States Army Corps of Engineers. This subdivision
114 shall not apply to property within the one hundred year
115 flood plain if the buildings on the property have been or
116 will be flood proofed in accordance with the Federal
117 Emergency Management Agency's standards for flood proofing
118 and the property is located in a home rule city with more
119 than one hundred fifty-one thousand five hundred but fewer
120 than one hundred fifty-one thousand six hundred
121 inhabitants. Only those buildings certified as being flood
122 proofed in accordance with the Federal Emergency Management
123 Agency's standards for flood proofing by the authority shall
124 be eligible for the state sales tax increment and the state
125 income tax increment. Subject to the limitation set forth
126 in this subdivision, the development area can be enlarged or
127 modified as provided in section 99.951;
128 (8) "Development plan", the comprehensive program of a
129 municipality to reduce or eliminate those conditions which
130 qualified a development area as a blighted area or a
131 conservation area, and to thereby enhance the tax bases of
132 the taxing districts which extend into the development area
133 through the reimbursement, payment, or other financing of

134 development project costs in accordance with sections 99.915
135 to 99.980 and through the exercise of the powers set forth
136 in sections 99.915 to 99.980. The development plan shall
137 conform to the requirements of section 99.942;
138 (9) "Development project", any development project
139 within a development area which constitutes a major
140 initiative in furtherance of the objectives of the
141 development plan, and any such development project shall
142 include a legal description of the area selected for such
143 development project;
144 (10) "Development project area", the area located
145 within a development area selected for a development project;
146 (11) "Development project costs" include such costs to
147 the development plan or a development project, as
148 applicable, which are expended on public property,
149 buildings, or rights-of-ways for public purposes to provide
150 infrastructure to support a development project. Such costs
151 shall only be allowed as an initial expense which, to be
152 recoverable, must be included in the costs of a development
153 plan or development project, except in circumstances of plan
154 amendments approved by the Missouri development finance
155 board and the department of economic development. Such
156 infrastructure costs include, but are not limited to, the
157 following:
158 (a) Costs of studies, appraisals, surveys, plans, and
159 specifications;
160 (b) Professional service costs, including, but not
161 limited to, architectural, engineering, legal, marketing,
162 financial, planning, or special services;
163 (c) Property assembly costs, including, but not
164 limited to, acquisition of land and other property, real or
165 personal, or rights or interests therein, demolition of
166 buildings, and the clearing and grading of land;

167 (d) Costs of rehabilitation, reconstruction, repair,
168 or remodeling of existing public buildings and fixtures;
169 (e) Costs of construction of public works or
170 improvements;
171 (f) Financing costs, including, but not limited to,
172 all necessary expenses related to the issuance of
173 obligations issued to finance all or any portion of the
174 infrastructure costs of one or more development projects,
175 and which may include capitalized interest on any such
176 obligations and reasonable reserves related to any such
177 obligations;
178 (g) All or a portion of a taxing district's capital
179 costs resulting from any development project necessarily
180 incurred or to be incurred in furtherance of the objectives
181 of the development plan, to the extent the municipality by
182 written agreement accepts and approves such infrastructure
183 costs;
184 (h) Payments to taxing districts on a pro rata basis
185 to partially reimburse taxes diverted by approval of a
186 development project;
187 (i) State government costs, including, but not limited
188 to, the reasonable costs incurred by the department of
189 economic development, the department of revenue and the
190 office of administration in evaluating an application for
191 and administering state supplemental downtown development
192 financing for a development project; and
193 (j) Endowment of positions at an institution of higher
194 education which has a designation as a Carnegie Research I
195 University including any campus of such university system,
196 subject to the provisions of section 99.958. In addition,
197 economic activity taxes and payment in lieu of taxes may be
198 expended on or used to reimburse any reasonable or necessary

199 costs incurred or estimated to be incurred in furtherance of
200 a development plan or a development project;
201 (12) "Economic activity taxes", the total additional
202 revenue from taxes which are imposed by the municipality and
203 other taxing districts, and which are generated by economic
204 activities within each development project area, which are
205 not related to the relocation of any out-of-state business
206 into the development project area, which exceed the amount
207 of such taxes generated by economic activities within such
208 development project area in the baseline year plus, in
209 development project areas where the baseline year is the
210 year following the year in which the development project is
211 approved by the municipality pursuant to subdivision (2) of
212 this section, the total revenue from taxes which are imposed
213 by the municipality and other taxing districts which is
214 generated by economic activities within the development
215 project area resulting from the relocation of an out-of-
216 state business or out-of-state businesses to the development
217 project area pursuant to section 99.919; but excluding
218 personal property taxes, taxes imposed on sales or charges
219 for sleeping rooms paid by transient guests of hotels and
220 motels, licenses, fees, or special assessments. If a retail
221 establishment relocates within one year from one facility to
222 another facility within the same county and the municipality
223 or authority finds that the retail establishment is a direct
224 beneficiary of development financing, then for purposes of
225 this definition, the economic activity taxes generated by
226 the retail establishment shall equal the total additional
227 revenues from taxes which are imposed by the municipality
228 and other taxing districts which are generated by the
229 economic activities within the development project area
230 which exceed the amount of taxes which are imposed by the
231 municipality and other taxing districts which are generated

232 by economic activities within the development project area
233 generated by the retail establishment in the baseline year;
234 (13) "Gambling establishment", an excursion gambling
235 boat as defined in section 313.800 and any related business
236 facility including any real property improvements which are
237 directly and solely related to such business facility, whose
238 sole purpose is to provide goods or services to an excursion
239 gambling boat and whose majority ownership interest is held
240 by a person licensed to conduct gambling games on an
241 excursion gambling boat or licensed to operate an excursion
242 gambling boat as provided in sections 313.800 to 313.850;
243 (14) "Major initiative", a development project within
244 a central business district that:
245 (a) Promotes tourism, cultural activities, arts,
246 entertainment, education, research, arenas, multipurpose
247 facilities, libraries, ports, mass transit, museums, or
248 conventions, the estimated cost of which is in excess of the
249 amount set forth below for the municipality, as applicable;
250 or
251 (b) Promotes business location or expansion, the
252 estimated cost of which is in excess of the amount set forth
253 below for the municipality, and is estimated to create at
254 least as many new jobs as set forth below within three years
255 of such location or expansion:

Population of Municipality	Estimated Project Cost	New Jobs Created
300,000 or more	$10,000,000	at least 100
100,000 to 299,999	$5,000,000	at least 50
50,001 to 99,999	$1,000,000	at least 10

50,000 or less	$500,000	at least 5;

(15) "Municipality", any city, village, incorporated town, or any county of this state established on or prior to January 1, 2001, or a census-designated place in any county designated by the county for purposes of sections 99.915 to 99.1060;

(16) "New job", any job defined as a new job pursuant to subdivision (11) of section 100.710;

(17) "Obligations", bonds, loans, debentures, notes, special certificates, or other evidences of indebtedness issued by the municipality or authority, or other public entity authorized to issue such obligations pursuant to sections 99.915 to 99.980 to carry out a development project or to refund outstanding obligations;

(18) "Ordinance", an ordinance enacted by the governing body of any municipality or an order of the governing body of such a municipal entity whose governing body is not authorized to enact ordinances;

(19) "Other net new revenues", the amount of state sales tax increment or state income tax increment or the combination of the amount of each such increment as determined under section 99.960;

(20) "Out-of-state business", a business entity or operation that has been located outside of the state of Missouri prior to the time it relocates to a development project area;

(21) "Payment in lieu of taxes", those revenues from real property in each development project area, which taxing districts would have received had the municipality not adopted a development plan and the municipality not adopted development financing, and which would result from levies made after the time of the adoption of development financing

294 during the time the current equalized value of real property
295 in such development project area exceeds the total equalized
296 value of real property in such development project area
297 during the baseline year until development financing for
298 such development project area expires or is terminated
299 pursuant to sections 99.915 to 99.980;
300 (22) "Special allocation fund", the fund of the
301 municipality or its authority required to be established
302 pursuant to section 99.957 which special allocation fund
303 shall contain at least four separate segregated accounts
304 into which payments in lieu of taxes are deposited in one
305 account, economic activity taxes are deposited in a second
306 account, other net new revenues are deposited in a third
307 account, and other revenues, if any, received by the
308 authority or the municipality for the purpose of
309 implementing a development plan or a development project are
310 deposited in a fourth account;
311 (23) "State income tax increment", up to fifty percent
312 of the estimate of the income tax due the state for salaries
313 or wages paid to new employees in new jobs at a business
314 located in the development project area and created by the
315 development project. The estimate shall be a percentage of
316 the gross payroll which percentage shall be based upon an
317 analysis by the department of revenue of the practical tax
318 rate on gross payroll as a factor in overall taxable income;
319 (24) "State sales tax increment", up to one-half of
320 the incremental increase in the state sales tax revenue in
321 the development project area. In no event shall the
322 incremental increase include any amounts attributable to
323 retail sales unless the Missouri development finance board
324 and the department of economic development are satisfied
325 based on information provided by the municipality or
326 authority, and such entities have made a finding that a

327 substantial portion of all but a de minimus portion of the
328 sales tax increment attributable to retail sales is from new
329 sources which did not exist in the state during the baseline
330 year. The incremental increase for an existing facility
331 shall be the amount by which the state sales tax revenue
332 generated at the facility exceeds the state sales tax
333 revenue generated at the facility in the baseline year. The
334 incremental increase in development project areas where the
335 baseline year is the year following the year in which the
336 development project is approved by the municipality pursuant
337 to subdivision (2) of this section shall be the state sales
338 tax revenue generated by out-of-state businesses relocating
339 into a development project area. The incremental increase
340 for a Missouri facility which relocates to a development
341 project area shall be the amount by which the state sales
342 tax revenue of the facility exceeds the state sales tax
343 revenue for the facility in the calendar year prior to
344 relocation;
345 (25) "State sales tax revenues", the general revenue
346 portion of state sales tax revenues received pursuant to
347 section 144.020, excluding sales taxes that are
348 constitutionally dedicated, taxes deposited to the school
349 district trust fund in accordance with section 144.701,
350 sales and use taxes on motor vehicles, trailers, boats and
351 outboard motors and future sales taxes earmarked by law;
352 (26) "Taxing district's capital costs", those costs of
353 taxing districts for capital improvements that are found by
354 the municipal governing bodies to be necessary and to
355 directly result from a development project; and
356 (27) "Taxing districts", any political subdivision of
357 this state having the power to levy taxes.

99.1082. As used in sections 99.1080 to 99.1092, unless the context clearly requires otherwise, the following terms shall mean:

(1) "Baseline year", the calendar year prior to the adoption of an ordinance by the municipality approving a redevelopment project; provided, however, if local sales tax revenues or state sales tax revenues, from businesses other than any out-of-state business or businesses locating in the redevelopment project area, decrease in the redevelopment project area in the year following the year in which the ordinance approving a redevelopment project is approved by a municipality, the baseline year may, at the option of the municipality approving the redevelopment project, be the year following the year of the adoption of the ordinance approving the redevelopment project. When a redevelopment project area is located within a county for which public and individual assistance has been requested by the governor under Section 401 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. 5121, et seq., for an emergency proclaimed by the governor under section 44.100 due to a natural disaster of major proportions and the redevelopment project area is a central business district that sustained severe damage as a result of such natural disaster, as determined by the state emergency management agency, the baseline year may, at the option of the municipality approving the redevelopment project, be the calendar year in which the natural disaster occurred or the year following the year in which the natural disaster occurred, provided that the municipality adopts an ordinance approving the redevelopment project within one year after the occurrence of the natural disaster;

(2) "Blighted area", [an area which, by reason of the predominance of defective or inadequate street layout,

34 unsanitary or unsafe conditions, deterioration of site
35 improvements, improper subdivision or obsolete platting, or
36 the existence of conditions which endanger life or property
37 by fire and other causes, or any combination of such
38 factors, retards the provision of housing accommodations or
39 constitutes an economic or social liability or a menace to
40 the public health, safety, morals, or welfare in its present
41 condition and use**]** the same meaning as defined pursuant to
42 section 99.805;
43 (3) "Central business district", the area at or near
44 the historic core that is locally known as the "downtown" of
45 a municipality that has a median household income of sixty-
46 two thousand dollars or less, according to the United States
47 Census Bureau's American Community Survey, based on the most
48 recent of five-year period estimate data in which the final
49 year of the estimate ends in either zero or five. In
50 addition, at least fifty percent of existing buildings in
51 this area will have been built in excess of thirty-five
52 years prior or vacant lots that had prior structures built
53 in excess of thirty-five years prior to the adoption of the
54 ordinance approving the redevelopment plan. The historical
55 land use emphasis of a central business district prior to
56 redevelopment will have been a mixed use of business,
57 commercial, financial, transportation, government, and
58 multifamily residential uses;
59 (4) "Conservation area", any improved area within the
60 boundaries of a redevelopment area located within the
61 territorial limits of a municipality in which fifty percent
62 or more of the structures in the area have an age of thirty-
63 five years or more, and such an area is not yet a blighted
64 area but is detrimental to the public health, safety,
65 morals, or welfare and may become a blighted area because of
66 any one or more of the following factors: dilapidation;

67 obsolescence; deterioration; illegal use of individual
68 structures; presence of structures below minimum code
69 standards; abandonment; excessive vacancies; overcrowding of
70 structures and community facilities; lack of ventilation,
71 light or sanitary facilities; inadequate utilities;
72 excessive land coverage; deleterious land use or layout;
73 depreciation of physical maintenance; and lack of community
74 planning;
75 (5) "Gambling establishment", an excursion gambling
76 boat as defined in section 313.800 and any related business
77 facility including any real property improvements which are
78 directly and solely related to such business facility, whose
79 sole purpose is to provide goods or services to an excursion
80 gambling boat and whose majority ownership interest is held
81 by a person licensed to conduct gambling games on an
82 excursion gambling boat or licensed to operate an excursion
83 gambling boat as provided in sections 313.800 to 313.850;
84 (6) "Local sales tax increment", at least fifty
85 percent of the local sales tax revenue from taxes that are
86 imposed by a municipality and its county, and that are
87 generated by economic activities within a redevelopment area
88 over the amount of such taxes generated by economic
89 activities within such a redevelopment area in the calendar
90 year prior to the adoption of the ordinance designating such
91 a redevelopment area while financing under sections 99.1080
92 to 99.1092 remains in effect, but excluding personal
93 property taxes, taxes imposed on sales or charges for
94 sleeping rooms paid by transient guests of hotels and
95 motels, licenses, fees, or special assessments; provided
96 however, the governing body of any county may, by
97 resolution, exclude any portion of any countywide sales tax
98 of such county. For redevelopment projects or redevelopment
99 plans approved after August 28, 2005, if a retail

100 establishment relocates within one year from one facility
101 within the same county and the governing body of the
102 municipality finds that the retail establishment is a direct
103 beneficiary of tax increment financing, then for the
104 purposes of this subdivision, the economic activity taxes
105 generated by the retail establishment shall equal the total
106 additional revenues from economic activity taxes that are
107 imposed by a municipality or other taxing district over the
108 amount of economic activity taxes generated by the retail
109 establishment in the calendar year prior to its relocation
110 to the redevelopment area;
111 (7) "Local sales tax revenue", city sales tax revenues
112 received under sections 94.500 to 94.550 and county sales
113 tax revenues received under sections 67.500 to 67.594;
114 (8) "Major initiative", a development project within a
115 central business district which promotes tourism, cultural
116 activities, arts, entertainment, education, research,
117 arenas, multipurpose facilities, libraries, ports, mass
118 transit, museums, economic development, or conventions for
119 the municipality, and where the capital investment within
120 the redevelopment project area is:
121 (a) At least five million dollars for a project area
122 within a city having a population of one hundred thousand to
123 one hundred ninety-nine thousand nine hundred and ninety-
124 nine inhabitants;
125 (b) At least one million dollars for a project area
126 within a city having a population of fifty thousand to
127 ninety-nine thousand nine hundred and ninety-nine
128 inhabitants;
129 (c) At least five hundred thousand dollars for a
130 project area within a city having a population of ten
131 thousand to forty-nine thousand nine hundred and ninety-nine
132 inhabitants; or

133 (d) At least two hundred fifty thousand dollars for a
134 project area within a city having a population of one to
135 nine thousand nine hundred and ninety-nine inhabitants;
136 (9) "Municipality", any city or county of this state
137 having fewer than two hundred thousand inhabitants;
138 (10) "Obligations", bonds, loans, debentures, notes,
139 special certificates, or other evidences of indebtedness
140 issued by the municipality or authority, or other public
141 entity authorized to issue such obligations under sections
142 99.1080 to 99.1092 to carry out a redevelopment project or
143 to refund outstanding obligations;
144 (11) "Ordinance", an ordinance enacted by the
145 governing body of any municipality;
146 (12) "Redevelopment area", an area designated by a
147 municipality in respect to which the municipality has made a
148 finding that there exist conditions which cause the area to
149 be classified as a blighted area or a conservation area,
150 which area shall have the following characteristics:
151 (a) It can be renovated through one or more
152 redevelopment projects;
153 (b) It is located in the central business district;
154 (c) The redevelopment area shall not exceed ten
155 percent of the entire geographic area of the municipality.
156 Subject to the limitation set forth in this subdivision, the
157 redevelopment area can be enlarged or modified as provided
158 in section 99.1088;
159 (13) "Redevelopment plan", the comprehensive program
160 of a municipality to reduce or eliminate those conditions
161 which qualify a redevelopment area as a blighted area or a
162 conservation area, and to thereby enhance the tax bases of
163 the taxing districts which extend into the redevelopment
164 area through the reimbursement, payment, or other financing
165 of redevelopment project costs in accordance with sections

166 99.1080 to 99.1092 and through application for and
167 administration of downtown revitalization preservation
168 program financing under sections 99.1080 to 99.1092;
169 (14) "Redevelopment project", any redevelopment
170 project within a redevelopment area which constitutes a
171 major initiative in furtherance of the objectives of the
172 redevelopment plan, and any such redevelopment project shall
173 include a legal description of the area selected for such
174 redevelopment project;
175 (15) "Redevelopment project area", the area located
176 within a redevelopment area selected for a redevelopment
177 project;
178 (16) "Redevelopment project costs" include such costs
179 to the redevelopment plan or a redevelopment project, as
180 applicable, which are expended on public property,
181 buildings, or rights-of-way for public purposes to provide
182 infrastructure to support a redevelopment project, including
183 facades. Such costs shall only be allowed as an initial
184 expense which, to be recoverable, must be included in the
185 costs of a redevelopment plan or redevelopment project,
186 except in circumstances of plan amendments approved by the
187 department of economic development. Such infrastructure
188 costs include, but are not limited to, the following:
189 (a) Costs of studies, appraisals, surveys, plans, and
190 specifications;
191 (b) Professional service costs, including, but not
192 limited to, architectural, engineering, legal, marketing,
193 financial, planning, or special services;
194 (c) Property assembly costs, including, but not
195 limited to, acquisition of land and other property, real or
196 personal, or rights or interests therein, demolition of
197 buildings, and the clearing and grading of land;

198 (d) Costs of rehabilitation, reconstruction, repair,
199 or remodeling of existing public buildings and fixtures;
200 (e) Costs of construction of public works or
201 improvements;
202 (f) Financing costs, including, but not limited to,
203 all necessary expenses related to the issuance of
204 obligations issued to finance all or any portion of the
205 infrastructure costs of one or more redevelopment projects,
206 and which may include capitalized interest on any such
207 obligations and reasonable reserves related to any such
208 obligations;
209 (g) All or a portion of a taxing district's capital
210 costs resulting from any redevelopment project necessarily
211 incurred or to be incurred in furtherance of the objectives
212 of the redevelopment plan, to the extent the municipality by
213 written agreement accepts and approves such infrastructure
214 costs;
215 (h) Payments to taxing districts on a pro rata basis
216 to partially reimburse taxes diverted by approval of a
217 redevelopment project when all debt is retired;
218 (i) State government costs, including, but not limited
219 to, the reasonable costs incurred by the department of
220 economic development and the department of revenue in
221 evaluating an application for and administering downtown
222 revitalization preservation financing for a redevelopment
223 project;
224 (17) "State sales tax increment", up to one-half of
225 the incremental increase in the state sales tax revenue in
226 the redevelopment project area provided the local taxing
227 jurisdictions commit one-half of their local sales tax to
228 paying for redevelopment project costs. The incremental
229 increase shall be the amount by which the state sales tax
230 revenue generated at the facility or within the

231 redevelopment project area exceeds the state sales tax
232 revenue generated at the facility or within the
233 redevelopment project area in the baseline year. For
234 redevelopment projects or redevelopment plans approved after
235 August 28, 2005, if a retail establishment relocates within
236 one year from one facility to another facility within the
237 same county and the governing body of the municipality finds
238 that the retail establishment is a direct beneficiary of tax
239 increment financing, then for the purposes of this
240 subdivision, the economic activity taxes generated by the
241 retail establishment shall equal the total additional
242 revenues from economic activity taxes that are imposed by a
243 municipality or other taxing district over the amount of
244 economic activity taxes generated by the retail
245 establishment in the calendar year prior to the relocation
246 to the redevelopment area;
247 (18) "State sales tax revenues", the general revenue
248 portion of state sales tax revenues received under section
249 144.020, excluding sales taxes that are constitutionally
250 dedicated, taxes deposited to the school district trust fund
251 in accordance with section 144.701, sales and use taxes on
252 motor vehicles, trailers, boats and outboard motors and
253 future sales taxes earmarked by law;
254 (19) "Taxing district's capital costs", those costs of
255 taxing districts for capital improvements that are found by
256 the municipal governing bodies to be necessary and to
257 directly result from a redevelopment project;
258 (20) "Taxing districts", any political subdivision of
259 this state having the power to levy taxes.
100.310. As used in this law, the following words and
2 terms mean:
3 (1) "Authority", a public body corporate and politic
4 created by or pursuant to sections of this law or any other

public body exercising the powers, rights and duties of such an authority;

(2) "Blighted area", [an area which, by reason of the predominance of defective or inadequate street layout, insanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals or welfare in its present condition and use] the same meaning as defined pursuant to section 99.805;

(3) "Bond", any bonds, including refunding bonds, notes, interim certificates, debentures or other obligations issued by an authority pursuant to this law;

(4) "City", all cities of this state now having or which hereafter have four hundred thousand inhabitants or more according to the last decennial census of the United States or any city that has adopted a home rule charter pursuant to Section 19 of Article VI of the Missouri Constitution;

(5) "Clerk", the official custodian of records of the city;

(6) "Federal government", the United States of America or any agency or instrumentality corporate or otherwise of the United States of America;

(7) "Governing body", the city council, common council, board of aldermen or other legislative body charged with governing the municipality;

(8) "Industrial developer", any person, partnership or public or private corporation or agency which enters or proposes to enter into an industrial development contract;

(9) "Industrial development", the acquisition, clearance, grading, improving, preparing of land for industrial and commercial development and use and the construction, reconstruction, purchase, repair of industrial and commercial improvements, buildings, plants, additions, stores, shops, shopping centers, office buildings, hotels and motels and parking garages, multi-family housing facilities, warehouses, distribution centers, machines, fixtures, structures and other facilities relating to industrial and commercial use in blighted, insanitary or undeveloped industrial areas; and the existing merchants, residents, and present businesses shall have the first option to redevelop the area under this act;

(10) "Industrial development contract", a contract entered into between an authority and an industrial developer for the industrial development of an area in conformity with a plan;

(11) "Insanitary area", an area in which there is a predominance of buildings and improvements which, by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation or open spaces, high density of population and overcrowding of buildings, overcrowding of land, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime or constitutes an economic or social liability and is detrimental to the public health, safety, morals or welfare;

(12) "Obligee", any bondholders, agents or trustees for any bondholders, lessor demising to the authority property used in connection with industrial clearance project, or any assignee or assignees of the lessor's

interest or any part thereof, and the federal government when it is a party to any contract with the authority;

(13) "Person", any individual, firm, partnership, corporation, company, association, joint stock association, or body politic; and shall include any trustee, receiver, assignee or other similar representative thereof;

(14) "Plan", a plan as it exists from time to time for the orderly carrying on of a project of industrial development;

(15) "Project", any work or undertaking:

(a) To acquire blighted, insanitary and undeveloped industrial areas or portions thereof including lands, structures or improvements the acquisition of which is necessary or incidental to the proper industrial development of the blighted, insanitary and undeveloped industrial areas or to prevent the spread or recurrence of conditions of blight, insanitary or undevelopment;

(b) To clear any such areas by demolition or removal of existing buildings, structures, streets, utilities or other improvements thereon and to install, construct or reconstruct streets, utilities and site improvements essential to the preparation of sites for uses in accordance with a plan;

(c) To construct, reconstruct, remodel, repair, improve, install improvements, buildings, plants, additions, stores, shops, shopping centers, office buildings, hotels and motels and parking garages, multi-family housing facilities, warehouses, distribution centers, machines, fixtures, structures and other facilities related to industrial and commercial uses;

(d) To sell, lease or otherwise make available land in such areas for industrial and commercial or related use or

to retain such land for public use, in accordance with a plan;

(16) "Public body", the state or any municipality, county, township, board, commission, authority, district or any other subdivision of the state;

(17) "Real property", all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest and right, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage or otherwise and the indebtedness secured by such liens;

(18) "Undeveloped industrial area", any area which, by reason of defective and inadequate street layout or location of physical improvements, obsolescence and inadequate subdivision and platting contains vacant parcels of land not used economically; contains old, decaying, obsolete buildings, plants, stores, shops, shopping centers, office buildings, hotels and motels and parking garages, warehouses, distribution centers, structures; contains buildings, plants, stores, shops, shopping centers, office buildings, hotels and motels and parking garages, multi-family housing facilities, warehouses, distribution centers and structures whose operation is not economically feasible; contains intermittent commercial and industrial structures in a primarily industrial or commercial area; or contains insufficient space for the expansion and efficient use of land for industrial plants and commercial uses amounting to conditions which retard economic or social growth, are economic waste and social liabilities and represent an inability to pay reasonable taxes to the detriment and injury of the public health, safety, morals and welfare.

135.950. The following terms, whenever used in sections 135.950 to 135.970 mean:

(1) "Average wage", the new payroll divided by the number of new jobs;

(2) "Blighted area", [an area which, by reason of the predominance of defective or inadequate street layout, unsanitary or unsafe conditions, deterioration of site improvements, improper subdivision or obsolete platting, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, retards the provision of housing accommodations or constitutes an economic or social liability or a menace to the public health, safety, morals, or welfare in its present condition and use. The term "blighted area" shall also include any area which produces or generates or has the potential to produce or generate electrical energy from a renewable energy resource, and which, by reason of obsolescence, decadence, blight, dilapidation, deteriorating or inadequate site improvements, substandard conditions, the predominance or defective or inadequate street layout, unsanitary or unsafe conditions, improper subdivision or obsolete platting, or the existence of conditions which endanger the life or property by fire or other means, or any combination of such factors, is underutilized, unutilized, or diminishes the economic usefulness of the land, improvements, or lock and dam site within such area for the production, generation, conversion, and conveyance of electrical energy from a renewable energy resource] <u>the same meaning as defined pursuant to section 99.805</u>;

(3) "Board", an enhanced enterprise zone board established pursuant to section 135.957;

(4) "Commencement of commercial operations" shall be deemed to occur during the first taxable year for which the

34 new business facility is first put into use by the taxpayer
35 in the enhanced business enterprise in which the taxpayer
36 intends to use the new business facility;
37 (5) "County average wage", the average wages in each
38 county as determined by the department for the most recently
39 completed full calendar year. However, if the computed
40 county average wage is above the statewide average wage, the
41 statewide average wage shall be deemed the county average
42 wage for such county for the purpose of determining
43 eligibility. The department shall publish the county
44 average wage for each county at least annually.
45 Notwithstanding the provisions of this subdivision to the
46 contrary, for any taxpayer that in conjunction with their
47 project is relocating employees from a Missouri county with
48 a higher county average wage, such taxpayer shall obtain the
49 endorsement of the governing body of the community from
50 which jobs are being relocated or the county average wage
51 for their project shall be the county average wage for the
52 county from which the employees are being relocated;
53 (6) "Department", the department of economic
54 development;
55 (7) "Director", the director of the department of
56 economic development;
57 (8) "Employee", a person employed by the enhanced
58 business enterprise that is scheduled to work an average of
59 at least one thousand hours per year, and such person at all
60 times has health insurance offered to him or her, which is
61 partially paid for by the employer;
62 (9) "Enhanced business enterprise", an industry or one
63 of a cluster of industries that is either:
64 (a) Identified by the department as critical to the
65 state's economic security and growth; or

66 (b) Will have an impact on industry cluster
67 development, as identified by the governing authority in its
68 application for designation of an enhanced enterprise zone
69 and approved by the department; but excluding gambling
70 establishments (NAICS industry group 7132), retail trade
71 (NAICS sectors 44 and 45), educational services (NAICS
72 sector 61), religious organizations (NAICS industry group
73 8131), public administration (NAICS sector 92), and food and
74 drinking places (NAICS subsector 722), however,
75 notwithstanding provisions of this section to the contrary,
76 headquarters or administrative offices of an otherwise
77 excluded business may qualify for benefits if the offices
78 serve a multistate territory. In the event a national,
79 state, or regional headquarters operation is not the
80 predominant activity of a project facility, the new jobs and
81 investment of such headquarters operation is considered
82 eligible for benefits under this section if the other
83 requirements are satisfied. Service industries may be
84 eligible only if a majority of its annual revenues will be
85 derived from out of the state;
86 (10) "Existing business facility", any facility in
87 this state which was employed by the taxpayer claiming the
88 credit in the operation of an enhanced business enterprise
89 immediately prior to an expansion, acquisition, addition, or
90 replacement;
91 (11) "Facility", any building used as an enhanced
92 business enterprise located within an enhanced enterprise
93 zone, including the land on which the facility is located
94 and all machinery, equipment, and other real and depreciable
95 tangible personal property acquired for use at and located
96 at or within such facility and used in connection with the
97 operation of such facility;

98 (12) "Facility base employment", the greater of the
99 number of employees located at the facility on the date of
100 the notice of intent, or for the twelve-month period prior
101 to the date of the notice of intent, the average number of
102 employees located at the facility, or in the event the
103 project facility has not been in operation for a full twelve-
104 month period, the average number of employees for the number
105 of months the facility has been in operation prior to the
106 date of the notice of intent;
107 (13) "Facility base payroll", the total amount of
108 taxable wages paid by the enhanced business enterprise to
109 employees of the enhanced business enterprise located at the
110 facility in the twelve months prior to the notice of intent,
111 not including the payroll of owners of the enhanced business
112 enterprise unless the enhanced business enterprise is
113 participating in an employee stock ownership plan. For the
114 purposes of calculating the benefits under this program, the
115 amount of base payroll shall increase each year based on the
116 consumer price index or other comparable measure, as
117 determined by the department;
118 (14) "Governing authority", the body holding primary
119 legislative authority over a county or incorporated
120 municipality;
121 (15) "Megaproject", any manufacturing or assembling
122 facility, approved by the department for construction and
123 operation within an enhanced enterprise zone, which
124 satisfies the following:
125 (a) The new capital investment is projected to exceed
126 three hundred million dollars over a period of eight years
127 from the date of approval by the department;
128 (b) The number of new jobs is projected to exceed one
129 thousand over a period of eight years beginning on the date
130 of approval by the department;

131 (c) The average wage of new jobs to be created shall
132 exceed the county average wage;
133 (d) The taxpayer shall offer health insurance to all
134 new jobs and pay at least eighty percent of such insurance
135 premiums; and
136 (e) An acceptable plan of repayment, to the state, of
137 the tax credits provided for the megaproject has been
138 provided by the taxpayer;
139 (16) "NAICS", the 1997 edition of the North American
140 Industry Classification System as prepared by the Executive
141 Office of the President, Office of Management and Budget.
142 Any NAICS sector, subsector, industry group or industry
143 identified in this section shall include its corresponding
144 classification in subsequent federal industry classification
145 systems;
146 (17) "New business facility", a facility that does not
147 produce or generate electrical energy from a renewable
148 energy resource and satisfies the following requirements:
149 (a) Such facility is employed by the taxpayer in the
150 operation of an enhanced business enterprise. Such facility
151 shall not be considered a new business facility in the hands
152 of the taxpayer if the taxpayer's only activity with respect
153 to such facility is to lease it to another person or
154 persons. If the taxpayer employs only a portion of such
155 facility in the operation of an enhanced business
156 enterprise, and leases another portion of such facility to
157 another person or persons or does not otherwise use such
158 other portions in the operation of an enhanced business
159 enterprise, the portion employed by the taxpayer in the
160 operation of an enhanced business enterprise shall be
161 considered a new business facility, if the requirements of
162 paragraphs (b), (c), and (d) of this subdivision are
163 satisfied;

164 (b) Such facility is acquired by, or leased to, the
165 taxpayer after December 31, 2004. A facility shall be
166 deemed to have been acquired by, or leased to, the taxpayer
167 after December 31, 2004, if the transfer of title to the
168 taxpayer, the transfer of possession pursuant to a binding
169 contract to transfer title to the taxpayer, or the
170 commencement of the term of the lease to the taxpayer occurs
171 after December 31, 2004;
172 (c) If such facility was acquired by the taxpayer from
173 another taxpayer and such facility was employed immediately
174 prior to the acquisition by another taxpayer in the
175 operation of an enhanced business enterprise, the operation
176 of the same or a substantially similar enhanced business
177 enterprise is not continued by the taxpayer at such
178 facility; and
179 (d) Such facility is not a replacement business
180 facility, as defined in subdivision (27) of this section;
181 (18) "New business facility employee", an employee of
182 the taxpayer in the operation of a new business facility
183 during the taxable year for which the credit allowed by
184 section 135.967 is claimed, except that truck drivers and
185 rail and barge vehicle operators and other operators of
186 rolling stock for hire shall not constitute new business
187 facility employees;
188 (19) "New business facility investment", the value of
189 real and depreciable tangible personal property, acquired by
190 the taxpayer as part of the new business facility, which is
191 used by the taxpayer in the operation of the new business
192 facility, during the taxable year for which the credit
193 allowed by 135.967 is claimed, except that trucks, truck-
194 trailers, truck semitrailers, rail vehicles, barge vehicles,
195 aircraft and other rolling stock for hire, track, switches,
196 barges, bridges, tunnels, and rail yards and spurs shall not

constitute new business facility investments. The total value of such property during such taxable year shall be:

(a) Its original cost if owned by the taxpayer; or

(b) Eight times the net annual rental rate, if leased by the taxpayer. The net annual rental rate shall be the annual rental rate paid by the taxpayer less any annual rental rate received by the taxpayer from subrentals. The new business facility investment shall be determined by dividing by twelve the sum of the total value of such property on the last business day of each calendar month of the taxable year. If the new business facility is in operation for less than an entire taxable year, the new business facility investment shall be determined by dividing the sum of the total value of such property on the last business day of each full calendar month during the portion of such taxable year during which the new business facility was in operation by the number of full calendar months during such period;

(20) "New job", the number of employees located at the facility that exceeds the facility base employment less any decrease in the number of the employees at related facilities below the related facility base employment. No job that was created prior to the date of the notice of intent shall be deemed a new job;

(21) "Notice of intent", a form developed by the department which is completed by the enhanced business enterprise and submitted to the department which states the enhanced business enterprise's intent to hire new jobs and request benefits under such program;

(22) "Related facility", a facility operated by the enhanced business enterprise or a related company in this state that is directly related to the operation of the project facility;

230 (23) "Related facility base employment", the greater
231 of:
232 (a) The number of employees located at all related
233 facilities on the date of the notice of intent; or
234 (b) For the twelve-month period prior to the date of
235 the notice of intent, the average number of employees
236 located at all related facilities of the enhanced business
237 enterprise or a related company located in this state;
238 (24) "Related taxpayer":
239 (a) A corporation, partnership, trust, or association
240 controlled by the taxpayer;
241 (b) An individual, corporation, partnership, trust, or
242 association in control of the taxpayer; or
243 (c) A corporation, partnership, trust or association
244 controlled by an individual, corporation, partnership, trust
245 or association in control of the taxpayer. "Control of a
246 corporation" shall mean ownership, directly or indirectly,
247 of stock possessing at least fifty percent of the total
248 combined voting power of all classes of stock entitled to
249 vote, "control of a partnership or association" shall mean
250 ownership of at least fifty percent of the capital or
251 profits interest in such partnership or association, and
252 "control of a trust" shall mean ownership, directly or
253 indirectly, of at least fifty percent of the beneficial
254 interest in the principal or income of such trust; ownership
255 shall be determined as provided in Section 318 of the
256 Internal Revenue Code of 1986, as amended;
257 (25) "Renewable energy generation zone", an area which
258 has been found, by a resolution or ordinance adopted by the
259 governing authority having jurisdiction of such area, to be
260 a blighted area and which contains land, improvements, or a
261 lock and dam site which is unutilized or underutilized for

262 the production, generation, conversion, and conveyance of
263 electrical energy from a renewable energy resource;
264 (26) "Renewable energy resource", shall include:
265 (a) Wind;
266 (b) Solar thermal sources or photovoltaic cells and
267 panels;
268 (c) Dedicated crops grown for energy production;
269 (d) Cellulosic agricultural residues;
270 (e) Plant residues;
271 (f) Methane from landfills, agricultural operations,
272 or wastewater treatment;
273 (g) Thermal depolymerization or pyrolysis for
274 converting waste material to energy;
275 (h) Clean and untreated wood such as pallets;
276 (i) Hydroelectric power, which shall include
277 electrical energy produced or generated by hydroelectric
278 power generating equipment, as such term is defined in
279 section 137.010;
280 (j) Fuel cells using hydrogen produced by one or more
281 of the renewable resources provided in paragraphs (a) to (i)
282 of this subdivision; or
283 (k) Any other sources of energy, not including nuclear
284 energy, that are certified as renewable by rule by the
285 department of economic development;
286 (27) "Replacement business facility", a facility
287 otherwise described in subdivision (17) of this section,
288 hereafter referred to in this subdivision as "new facility",
289 which replaces another facility, hereafter referred to in
290 this subdivision as "old facility", located within the
291 state, which the taxpayer or a related taxpayer previously
292 operated but discontinued operating on or before the close
293 of the first taxable year for which the credit allowed by

294 this section is claimed. A new facility shall be deemed to
295 replace an old facility if the following conditions are met:
296 (a) The old facility was operated by the taxpayer or a
297 related taxpayer during the taxpayer's or related taxpayer's
298 taxable period immediately preceding the taxable year in
299 which commencement of commercial operations occurs at the
300 new facility; and
301 (b) The old facility was employed by the taxpayer or a
302 related taxpayer in the operation of an enhanced business
303 enterprise and the taxpayer continues the operation of the
304 same or substantially similar enhanced business enterprise
305 at the new facility. Notwithstanding the preceding
306 provisions of this subdivision, a facility shall not be
307 considered a replacement business facility if the taxpayer's
308 new business facility investment, as computed in subdivision
309 (19) of this section, in the new facility during the tax
310 period for which the credits allowed in section 135.967 are
311 claimed exceed one million dollars and if the total number
312 of employees at the new facility exceeds the total number of
313 employees at the old facility by at least two;
314 (28) "Same or substantially similar enhanced business
315 enterprise", an enhanced business enterprise in which the
316 nature of the products produced or sold, or activities
317 conducted, are similar in character and use or are produced,
318 sold, performed, or conducted in the same or similar manner
319 as in another enhanced business enterprise.
137.115. 1. All other laws to the contrary
2 notwithstanding, the assessor or the assessor's deputies in
3 all counties of this state including the City of St. Louis
4 shall annually make a list of all real and tangible personal
5 property taxable in the assessor's city, county, town or
6 district. Except as otherwise provided in subsection 3 of
7 this section and section 137.078, the assessor shall

annually assess all personal property at thirty-three and one-third percent of its true value in money as of January first of each calendar year. The assessor shall annually assess all real property, including any new construction and improvements to real property, and possessory interests in real property at the percent of its true value in money set in subsection 5 of this section. The true value in money of any possessory interest in real property in subclass (3), where such real property is on or lies within the ultimate airport boundary as shown by a federal airport layout plan, as defined by 14 CFR 151.5, of a commercial airport having a FAR Part 139 certification and owned by a political subdivision, shall be the otherwise applicable true value in money of any such possessory interest in real property, less the total dollar amount of costs paid by a party, other than the political subdivision, towards any new construction or improvements on such real property completed after January 1, 2008, and which are included in the above-mentioned possessory interest, regardless of the year in which such costs were incurred or whether such costs were considered in any prior year. The assessor shall annually assess all real property in the following manner: new assessed values shall be determined as of January first of each odd-numbered year and shall be entered in the assessor's books; those same assessed values shall apply in the following even-numbered year, except for new construction and property improvements which shall be valued as though they had been completed as of January first of the preceding odd-numbered year. The assessor may call at the office, place of doing business, or residence of each person required by this chapter to list property, and require the person to make a correct statement of all taxable tangible personal property owned by the person or under his or her care, charge or management,

41 taxable in the county. On or before January first of each
42 even-numbered year, the assessor shall prepare and submit a
43 two-year assessment maintenance plan to the county governing
44 body and the state tax commission for their respective
45 approval or modification. The county governing body shall
46 approve and forward such plan or its alternative to the plan
47 to the state tax commission by February first. If the
48 county governing body fails to forward the plan or its
49 alternative to the plan to the state tax commission by
50 February first, the assessor's plan shall be considered
51 approved by the county governing body. If the state tax
52 commission fails to approve a plan and if the state tax
53 commission and the assessor and the governing body of the
54 county involved are unable to resolve the differences, in
55 order to receive state cost-share funds outlined in section
56 137.750, the county or the assessor shall petition the
57 administrative hearing commission, by May first, to decide
58 all matters in dispute regarding the assessment maintenance
59 plan. Upon agreement of the parties, the matter may be
60 stayed while the parties proceed with mediation or
61 arbitration upon terms agreed to by the parties. The final
62 decision of the administrative hearing commission shall be
63 subject to judicial review in the circuit court of the
64 county involved. In the event a valuation of subclass (1)
65 real property within any county with a charter form of
66 government, or within a city not within a county, is made by
67 a computer, computer-assisted method or a computer program,
68 the burden of proof, supported by clear, convincing and
69 cogent evidence to sustain such valuation, shall be on the
70 assessor at any hearing or appeal. In any such county,
71 unless the assessor proves otherwise, there shall be a
72 presumption that the assessment was made by a computer,
73 computer-assisted method or a computer program. Such

evidence shall include, but shall not be limited to, the following:

(1) The findings of the assessor based on an appraisal of the property by generally accepted appraisal techniques; and

(2) The purchase prices from sales of at least three comparable properties and the address or location thereof. As used in this subdivision, the word "comparable" means that:

(a) Such sale was closed at a date relevant to the property valuation; and

(b) Such properties are not more than one mile from the site of the disputed property, except where no similar properties exist within one mile of the disputed property, the nearest comparable property shall be used. Such property shall be within five hundred square feet in size of the disputed property, and resemble the disputed property in age, floor plan, number of rooms, and other relevant characteristics.

2. Assessors in each county of this state and the City of St. Louis may send personal property assessment forms through the mail.

3. The following items of personal property shall each constitute separate subclasses of tangible personal property and shall be assessed and valued for the purposes of taxation at the following percentages of their true value in money:

(1) Grain and other agricultural crops in an unmanufactured condition, one-half of one percent;

(2) Livestock, twelve percent;

(3) Farm machinery, twelve percent;

(4) Motor vehicles which are eligible for registration as and are registered as historic motor vehicles pursuant to

107 section 301.131 and aircraft which are at least twenty-five
108 years old and which are used solely for noncommercial
109 purposes and are operated less than **[**fifty**]** two hundred
110 hours per year or aircraft that are home built from a kit,
111 five percent;
112 (5) Poultry, twelve percent; and
113 (6) Tools and equipment used for pollution control and
114 tools and equipment used in retooling for the purpose of
115 introducing new product lines or used for making
116 improvements to existing products by any company which is
117 located in a state enterprise zone and which is identified
118 by any standard industrial classification number cited in
119 subdivision (7) of section 135.200, twenty-five percent.
120 4. The person listing the property shall enter a true
121 and correct statement of the property, in a printed blank
122 prepared for that purpose. The statement, after being
123 filled out, shall be signed and either affirmed or sworn to
124 as provided in section 137.155. The list shall then be
125 delivered to the assessor.
126 5. (1) All subclasses of real property, as such
127 subclasses are established in Section 4(b) of Article X of
128 the Missouri Constitution and defined in section 137.016,
129 shall be assessed at the following percentages of true value:
130 (a) For real property in subclass (1), nineteen
131 percent;
132 (b) For real property in subclass (2), twelve percent;
133 and
134 (c) For real property in subclass (3), thirty-two
135 percent.
136 (2) A taxpayer may apply to the county assessor, or,
137 if not located within a county, then the assessor of such
138 city, for the reclassification of such taxpayer's real
139 property if the use or purpose of such real property is

140 changed after such property is assessed under the provisions
141 of this chapter. If the assessor determines that such
142 property shall be reclassified, he or she shall determine
143 the assessment under this subsection based on the percentage
144 of the tax year that such property was classified in each
145 subclassification.

146 6. Manufactured homes, as defined in section 700.010,
147 which are actually used as dwelling units shall be assessed
148 at the same percentage of true value as residential real
149 property for the purpose of taxation. The percentage of
150 assessment of true value for such manufactured homes shall
151 be the same as for residential real property. If the county
152 collector cannot identify or find the manufactured home when
153 attempting to attach the manufactured home for payment of
154 taxes owed by the manufactured home owner, the county
155 collector may request the county commission to have the
156 manufactured home removed from the tax books, and such
157 request shall be granted within thirty days after the
158 request is made; however, the removal from the tax books
159 does not remove the tax lien on the manufactured home if it
160 is later identified or found. For purposes of this section,
161 a manufactured home located in a manufactured home rental
162 park, rental community or on real estate not owned by the
163 manufactured home owner shall be considered personal
164 property. For purposes of this section, a manufactured home
165 located on real estate owned by the manufactured home owner
166 may be considered real property.

167 7. Each manufactured home assessed shall be considered
168 a parcel for the purpose of reimbursement pursuant to
169 section 137.750, unless the manufactured home is deemed to
170 be real estate as defined in subsection 7 of section 442.015
171 and assessed as a realty improvement to the existing real
172 estate parcel.

173 8. Any amount of tax due and owing based on the
174 assessment of a manufactured home shall be included on the
175 personal property tax statement of the manufactured home
176 owner unless the manufactured home is deemed to be real
177 estate as defined in subsection 7 of section 442.015, in
178 which case the amount of tax due and owing on the assessment
179 of the manufactured home as a realty improvement to the
180 existing real estate parcel shall be included on the real
181 property tax statement of the real estate owner.
182 9. The assessor of each county and each city not
183 within a county shall use the trade-in value published in
184 the October issue of the National Automobile Dealers'
185 Association Official Used Car Guide, or its successor
186 publication, as the recommended guide of information for
187 determining the true value of motor vehicles described in
188 such publication. The assessor shall not use a value that
189 is greater than the average trade-in value in determining
190 the true value of the motor vehicle without performing a
191 physical inspection of the motor vehicle. For vehicles two
192 years old or newer from a vehicle's model year, the assessor
193 may use a value other than average without performing a
194 physical inspection of the motor vehicle. In the absence of
195 a listing for a particular motor vehicle in such
196 publication, the assessor shall use such information or
197 publications which in the assessor's judgment will fairly
198 estimate the true value in money of the motor vehicle.
199 10. Before the assessor may increase the assessed
200 valuation of any parcel of subclass (1) real property by
201 more than fifteen percent since the last assessment,
202 excluding increases due to new construction or improvements,
203 the assessor shall conduct a physical inspection of such
204 property.

205 11. If a physical inspection is required, pursuant to
206 subsection 10 of this section, the assessor shall notify the
207 property owner of that fact in writing and shall provide the
208 owner clear written notice of the owner's rights relating to
209 the physical inspection. If a physical inspection is
210 required, the property owner may request that an interior
211 inspection be performed during the physical inspection. The
212 owner shall have no less than thirty days to notify the
213 assessor of a request for an interior physical inspection.
214 12. A physical inspection, as required by subsection
215 10 of this section, shall include, but not be limited to, an
216 on-site personal observation and review of all exterior
217 portions of the land and any buildings and improvements to
218 which the inspector has or may reasonably and lawfully gain
219 external access, and shall include an observation and review
220 of the interior of any buildings or improvements on the
221 property upon the timely request of the owner pursuant to
222 subsection 11 of this section. Mere observation of the
223 property via a drive-by inspection or the like shall not be
224 considered sufficient to constitute a physical inspection as
225 required by this section.
226 13. A county or city collector may accept credit cards
227 as proper form of payment of outstanding property tax or
228 license due. No county or city collector may charge
229 surcharge for payment by credit card which exceeds the fee
230 or surcharge charged by the credit card bank, processor, or
231 issuer for its service. A county or city collector may
232 accept payment by electronic transfers of funds in payment
233 of any tax or license and charge the person making such
234 payment a fee equal to the fee charged the county by the
235 bank, processor, or issuer of such electronic payment.
236 14. Any county or city not within a county in this
237 state may, by an affirmative vote of the governing body of

238 such county, opt out of the provisions of this section and
239 sections 137.073, 138.060, and 138.100 as enacted by house
240 bill no. 1150 of the ninety-first general assembly, second
241 regular session and section 137.073 as modified by house
242 committee substitute for senate substitute for senate
243 committee substitute for senate bill no. 960, ninety-second
244 general assembly, second regular session, for the next year
245 of the general reassessment, prior to January first of any
246 year. No county or city not within a county shall exercise
247 this opt-out provision after implementing the provisions of
248 this section and sections 137.073, 138.060, and 138.100 as
249 enacted by house bill no. 1150 of the ninety-first general
250 assembly, second regular session and section 137.073 as
251 modified by house committee substitute for senate substitute
252 for senate committee substitute for senate bill no. 960,
253 ninety-second general assembly, second regular session, in a
254 year of general reassessment. For the purposes of applying
255 the provisions of this subsection, a political subdivision
256 contained within two or more counties where at least one of
257 such counties has opted out and at least one of such
258 counties has not opted out shall calculate a single tax rate
259 as in effect prior to the enactment of house bill no. 1150
260 of the ninety-first general assembly, second regular
261 session. A governing body of a city not within a county or
262 a county that has opted out under the provisions of this
263 subsection may choose to implement the provisions of this
264 section and sections 137.073, 138.060, and 138.100 as
265 enacted by house bill no. 1150 of the ninety-first general
266 assembly, second regular session, and section 137.073 as
267 modified by house committee substitute for senate substitute
268 for senate committee substitute for senate bill no. 960,
269 ninety-second general assembly, second regular session, for
270 the next year of general reassessment, by an affirmative

271 vote of the governing body prior to December thirty-first of
272 any year.
273 15. The governing body of any city of the third
274 classification with more than twenty-six thousand three
275 hundred but fewer than twenty-six thousand seven hundred
276 inhabitants located in any county that has exercised its
277 authority to opt out under subsection 14 of this section may
278 levy separate and differing tax rates for real and personal
279 property only if such city bills and collects its own
280 property taxes or satisfies the entire cost of the billing
281 and collection of such separate and differing tax rates.
282 Such separate and differing rates shall not exceed such
283 city's tax rate ceiling.
284 16. Any portion of real property that is available as
285 reserve for strip, surface, or coal mining for minerals for
286 purposes of excavation for future use or sale to others that
287 has not been bonded and permitted under chapter 444 shall be
288 assessed based upon how the real property is currently being
289 used. Any information provided to a county assessor, state
290 tax commission, state agency, or political subdivision
291 responsible for the administration of tax policies shall, in
292 the performance of its duties, make available all books,
293 records, and information requested, except such books,
294 records, and information as are by law declared confidential
295 in nature, including individually identifiable information
296 regarding a specific taxpayer or taxpayer's mine property.
297 For purposes of this subsection, "mine property" shall mean
298 all real property that is in use or readily available as a
299 reserve for strip, surface, or coal mining for minerals for
300 purposes of excavation for current or future use or sale to
301 others that has been bonded and permitted under chapter 444.
143.011. 1. A tax is hereby imposed for every taxable
2 year on the Missouri taxable income of every resident. The

tax shall be determined by applying the tax table or the rate provided in section 143.021, which is based upon the following rates:

If the Missouri taxable income is:	The tax is:
Not over $1,000.00	1 1/2% of the Missouri taxable income
Over $1,000 but not over $2,000	$15 plus 2% of excess over $1,000
Over $2,000 but not over $3,000	$35 plus 2 1/2% of excess over $2,000
Over $3,000 but not over $4,000	$60 plus 3% of excess over $3,000
Over $4,000 but not over $5,000	$90 plus 3 1/2% of excess over $4,000
Over $5,000 but not over $6,000	$125 plus 4% of excess over $5,000
Over $6,000 but not over $7,000	$165 plus 4 1/2% of excess over $6,000
Over $7,000 but not over $8,000	$210 plus 5% of excess over $7,000
Over $8,000 but not over $9,000	$260 plus 5 1/2% of excess over $8,000
Over $9,000	$315 plus 6% of excess over $9,000

2. (1) Beginning with the 2017 calendar year, the top rate of tax under subsection 1 of this section may be reduced over a period of years. Each reduction in the top rate of tax shall be by one-tenth of a percent and no more than one reduction shall occur in a calendar year. No more than **[**five**]** <u>seven</u> reductions shall be made under this

34 subsection. Reductions in the rate of tax shall take effect
35 on January first of a calendar year and such reduced rates
36 shall continue in effect until the next reduction occurs.
37 (2) A reduction in the rate of tax shall only occur if
38 the amount of net general revenue collected in the previous
39 fiscal year exceeds the highest amount of net general
40 revenue collected in any of the three fiscal years prior to
41 such fiscal year by at least one hundred fifty million
42 dollars.
43 (3) Any modification of tax rates under this
44 subsection shall only apply to tax years that begin on or
45 after a modification takes effect.
46 (4) The director of the department of revenue shall,
47 by rule, adjust the tax tables under subsection 1 of this
48 section to effectuate the provisions of this subsection.
49 The bracket for income subject to the top rate of tax shall
50 be eliminated once the top rate of tax has been reduced to
51 five and one-half percent, and the top remaining rate of tax
52 shall apply to all income in excess of the income in the
53 second highest remaining income bracket.
54 (5) Notwithstanding the provisions of subdivision (1)
55 of this subsection to the contrary, there shall be no
56 reduction under this subsection in the 2024 calendar year.
57 However, such reductions shall continue after the 2024
58 calendar year for subsequent calendar years.
59 3. (1) In addition to the rate reductions under
60 subsection 2 of this section, beginning with the 2019
61 calendar year, the top rate of tax under subsection 1 of
62 this section shall be reduced by four-tenths of one
63 percent. Such reduction in the rate of tax shall take
64 effect on January first of the 2019 calendar year.

65 (2) The modification of tax rates under this
66 subsection shall only apply to tax years that begin on or
67 after the date the modification takes effect.
68 (3) The director of the department of revenue shall,
69 by rule, adjust the tax tables under subsection 1 of this
70 section to effectuate the provisions of this subsection.
71 4. (1) In addition to the rate reductions under
72 subsections 2 and 3 of this section, beginning with the 2024
73 calendar year, the top rate of tax under subsection 1 of
74 this section shall be reduced by one-tenth of one percent.
75 (2) The modification of tax rates under this
76 subsection shall apply only to tax years that begin on or
77 after the date the modification takes effect.
78 (3) The director of the department of revenue shall,
79 by rule, adjust the tax tables under subsection 1 of this
80 section to effectuate the provisions of this subsection.
81 5. Beginning with the 2017 calendar year, the brackets
82 of Missouri taxable income identified in subsection 1 of
83 this section shall be adjusted annually by the percent
84 increase in inflation. The director shall publish such
85 brackets annually beginning on or after October 1, 2016.
86 Modifications to the brackets shall take effect on January
87 first of each calendar year and shall apply to tax years
88 beginning on or after the effective date of the new brackets.
89 **[**5.**]** 6. As used in this section, the following terms
90 mean:
91 (1) "CPI", the Consumer Price Index for All Urban
92 Consumers for the United States as reported by the Bureau of
93 Labor Statistics, or its successor index;
94 (2) "CPI for the preceding calendar year", the average
95 of the CPI as of the close of the twelve month period ending
96 on August thirty-first of such calendar year;

97 (3) "Net general revenue collected", all revenue
98 deposited into the general revenue fund, less refunds and
99 revenues originally deposited into the general revenue fund
100 but designated by law for a specific distribution or
101 transfer to another state fund;
102 (4) "Percent increase in inflation", the percentage,
103 if any, by which the CPI for the preceding calendar year
104 exceeds the CPI for the year beginning September 1, 2014,
105 and ending August 31, 2015.

143.121. 1. The Missouri adjusted gross income of a
2 resident individual shall be the taxpayer's federal adjusted
3 gross income subject to the modifications in this section.
4 2. There shall be added to the taxpayer's federal
5 adjusted gross income:
6 (1) The amount of any federal income tax refund
7 received for a prior year which resulted in a Missouri
8 income tax benefit. The amount added pursuant to this
9 subdivision shall not include any amount of a federal income
10 tax refund attributable to a tax credit reducing a
11 taxpayer's federal tax liability pursuant to Public Law 116-
12 136 or 116-260, enacted by the 116th United States Congress,
13 for the tax year beginning on or after January 1, 2020, and
14 ending on or before December 31, 2020, and deducted from
15 Missouri adjusted gross income pursuant to section 143.171.
16 The amount added under this subdivision shall also not
17 include any amount of a federal income tax refund
18 attributable to a tax credit reducing a taxpayer's federal
19 tax liability under any other federal law that provides
20 direct economic impact payments to taxpayers to mitigate
21 financial challenges related to the COVID-19 pandemic, and
22 deducted from Missouri adjusted gross income under section
23 143.171;

24 (2) Interest on certain governmental obligations
25 excluded from federal gross income by 26 U.S.C. Section 103
26 of the Internal Revenue Code, as amended. The previous
27 sentence shall not apply to interest on obligations of the
28 state of Missouri or any of its political subdivisions or
29 authorities and shall not apply to the interest described in
30 subdivision (1) of subsection 3 of this section. The amount
31 added pursuant to this subdivision shall be reduced by the
32 amounts applicable to such interest that would have been
33 deductible in computing the taxable income of the taxpayer
34 except only for the application of 26 U.S.C. Section 265 of
35 the Internal Revenue Code, as amended. The reduction shall
36 only be made if it is at least five hundred dollars;
37 (3) The amount of any deduction that is included in
38 the computation of federal taxable income pursuant to 26
39 U.S.C. Section 168 of the Internal Revenue Code as amended
40 by the Job Creation and Worker Assistance Act of 2002 to the
41 extent the amount deducted relates to property purchased on
42 or after July 1, 2002, but before July 1, 2003, and to the
43 extent the amount deducted exceeds the amount that would
44 have been deductible pursuant to 26 U.S.C. Section 168 of
45 the Internal Revenue Code of 1986 as in effect on January 1,
46 2002;
47 (4) The amount of any deduction that is included in
48 the computation of federal taxable income for net operating
49 loss allowed by 26 U.S.C. Section 172 of the Internal
50 Revenue Code of 1986, as amended, other than the deduction
51 allowed by 26 U.S.C. Section 172(b)(1)(G) and 26 U.S.C.
52 Section 172(i) of the Internal Revenue Code of 1986, as
53 amended, for a net operating loss the taxpayer claims in the
54 tax year in which the net operating loss occurred or carries
55 forward for a period of more than twenty years and carries
56 backward for more than two years. Any amount of net

57 operating loss taken against federal taxable income but
58 disallowed for Missouri income tax purposes pursuant to this
59 subdivision after June 18, 2002, may be carried forward and
60 taken against any income on the Missouri income tax return
61 for a period of not more than twenty years from the year of
62 the initial loss; and
63 (5) For nonresident individuals in all taxable years
64 ending on or after December 31, 2006, the amount of any
65 property taxes paid to another state or a political
66 subdivision of another state for which a deduction was
67 allowed on such nonresident's federal return in the taxable
68 year unless such state, political subdivision of a state, or
69 the District of Columbia allows a subtraction from income
70 for property taxes paid to this state for purposes of
71 calculating income for the income tax for such state,
72 political subdivision of a state, or the District of
73 Columbia;
74 (6) For all tax years beginning on or after January 1,
75 2018, any interest expense paid or accrued in a previous
76 taxable year, but allowed as a deduction under 26 U.S.C.
77 Section 163, as amended, in the current taxable year by
78 reason of the carryforward of disallowed business interest
79 provisions of 26 U.S.C. Section 163(j), as amended. For the
80 purposes of this subdivision, an interest expense is
81 considered paid or accrued only in the first taxable year
82 the deduction would have been allowable under 26 U.S.C.
83 Section 163, as amended, if the limitation under 26 U.S.C.
84 Section 163(j), as amended, did not exist.
85 3. There shall be subtracted from the taxpayer's
86 federal adjusted gross income the following amounts to the
87 extent included in federal adjusted gross income:
88 (1) Interest received on deposits held at a federal
89 reserve bank or interest or dividends on obligations of the

90 United States and its territories and possessions or of any
91 authority, commission or instrumentality of the United
92 States to the extent exempt from Missouri income taxes
93 pursuant to the laws of the United States. The amount
94 subtracted pursuant to this subdivision shall be reduced by
95 any interest on indebtedness incurred to carry the described
96 obligations or securities and by any expenses incurred in
97 the production of interest or dividend income described in
98 this subdivision. The reduction in the previous sentence
99 shall only apply to the extent that such expenses including
100 amortizable bond premiums are deducted in determining the
101 taxpayer's federal adjusted gross income or included in the
102 taxpayer's Missouri itemized deduction. The reduction shall
103 only be made if the expenses total at least five hundred
104 dollars;
105 (2) The portion of any gain, from the sale or other
106 disposition of property having a higher adjusted basis to
107 the taxpayer for Missouri income tax purposes than for
108 federal income tax purposes on December 31, 1972, that does
109 not exceed such difference in basis. If a gain is
110 considered a long-term capital gain for federal income tax
111 purposes, the modification shall be limited to one-half of
112 such portion of the gain;
113 (3) The amount necessary to prevent the taxation
114 pursuant to this chapter of any annuity or other amount of
115 income or gain which was properly included in income or gain
116 and was taxed pursuant to the laws of Missouri for a taxable
117 year prior to January 1, 1973, to the taxpayer, or to a
118 decedent by reason of whose death the taxpayer acquired the
119 right to receive the income or gain, or to a trust or estate
120 from which the taxpayer received the income or gain;

121 (4) Accumulation distributions received by a taxpayer
122 as a beneficiary of a trust to the extent that the same are
123 included in federal adjusted gross income;
124 (5) The amount of any state income tax refund for a
125 prior year which was included in the federal adjusted gross
126 income;
127 (6) The portion of capital gain specified in section
128 135.357 that would otherwise be included in federal adjusted
129 gross income;
130 (7) The amount that would have been deducted in the
131 computation of federal taxable income pursuant to 26 U.S.C.
132 Section 168 of the Internal Revenue Code as in effect on
133 January 1, 2002, to the extent that amount relates to
134 property purchased on or after July 1, 2002, but before July
135 1, 2003, and to the extent that amount exceeds the amount
136 actually deducted pursuant to 26 U.S.C. Section 168 of the
137 Internal Revenue Code as amended by the Job Creation and
138 Worker Assistance Act of 2002;
139 (8) For all tax years beginning on or after January 1,
140 2005, the amount of any income received for military service
141 while the taxpayer serves in a combat zone which is included
142 in federal adjusted gross income and not otherwise excluded
143 therefrom. As used in this section, "combat zone" means any
144 area which the President of the United States by Executive
145 Order designates as an area in which Armed Forces of the
146 United States are or have engaged in combat. Service is
147 performed in a combat zone only if performed on or after the
148 date designated by the President by Executive Order as the
149 date of the commencing of combat activities in such zone,
150 and on or before the date designated by the President by
151 Executive Order as the date of the termination of combatant
152 activities in such zone;

153 (9) For all tax years ending on or after July 1, 2002,
154 with respect to qualified property that is sold or otherwise
155 disposed of during a taxable year by a taxpayer and for
156 which an additional modification was made under subdivision
157 (3) of subsection 2 of this section, the amount by which
158 additional modification made under subdivision (3) of
159 subsection 2 of this section on qualified property has not
160 been recovered through the additional subtractions provided
161 in subdivision (7) of this subsection;
162 (10) For all tax years beginning on or after January
163 1, 2014, the amount of any income received as payment from
164 any program which provides compensation to agricultural
165 producers who have suffered a loss as the result of a
166 disaster or emergency, including the:
167 (a) Livestock Forage Disaster Program;
168 (b) Livestock Indemnity Program;
169 (c) Emergency Assistance for Livestock, Honeybees, and
170 Farm-Raised Fish;
171 (d) Emergency Conservation Program;
172 (e) Noninsured Crop Disaster Assistance Program;
173 (f) Pasture, Rangeland, Forage Pilot Insurance Program;
174 (g) Annual Forage Pilot Program;
175 (h) Livestock Risk Protection Insurance Plan; and
176 (i) Livestock Gross Margin Insurance Plan; and
177 (11) For all tax years beginning on or after January
178 1, 2018, any interest expense paid or accrued in the current
179 taxable year, but not deducted as a result of the limitation
180 imposed under 26 U.S.C. Section 163(j), as amended. For the
181 purposes of this subdivision, an interest expense is
182 considered paid or accrued only in the first taxable year
183 the deduction would have been allowable under 26 U.S.C.
184 Section 163, as amended, if the limitation under 26 U.S.C.
185 Section 163(j), as amended, did not exist.

186 4. There shall be added to or subtracted from the
187 taxpayer's federal adjusted gross income the taxpayer's
188 share of the Missouri fiduciary adjustment provided in
189 section 143.351.
190 5. There shall be added to or subtracted from the
191 taxpayer's federal adjusted gross income the modifications
192 provided in section 143.411.
193 6. In addition to the modifications to a taxpayer's
194 federal adjusted gross income in this section, to calculate
195 Missouri adjusted gross income there shall be subtracted
196 from the taxpayer's federal adjusted gross income any gain
197 recognized pursuant to 26 U.S.C. Section 1033 of the
198 Internal Revenue Code of 1986, as amended, arising from
199 compulsory or involuntary conversion of property as a result
200 of condemnation or the imminence thereof.
201 7. (1) As used in this subsection, "qualified health
202 insurance premium" means the amount paid during the tax year
203 by such taxpayer for any insurance policy primarily
204 providing health care coverage for the taxpayer, the
205 taxpayer's spouse, or the taxpayer's dependents.
206 (2) In addition to the subtractions in subsection 3 of
207 this section, one hundred percent of the amount of qualified
208 health insurance premiums shall be subtracted from the
209 taxpayer's federal adjusted gross income to the extent the
210 amount paid for such premiums is included in federal taxable
211 income. The taxpayer shall provide the department of
212 revenue with proof of the amount of qualified health
213 insurance premiums paid.
214 8. (1) Beginning January 1, 2014, in addition to the
215 subtractions provided in this section, one hundred percent
216 of the cost incurred by a taxpayer for a home energy audit
217 conducted by an entity certified by the department of
218 natural resources under section 640.153 or the

219 implementation of any energy efficiency recommendations made
220 in such an audit shall be subtracted from the taxpayer's
221 federal adjusted gross income to the extent the amount paid
222 for any such activity is included in federal taxable
223 income. The taxpayer shall provide the department of
224 revenue with a summary of any recommendations made in a
225 qualified home energy audit, the name and certification
226 number of the qualified home energy auditor who conducted
227 the audit, and proof of the amount paid for any activities
228 under this subsection for which a deduction is claimed. The
229 taxpayer shall also provide a copy of the summary of any
230 recommendations made in a qualified home energy audit to the
231 department of natural resources.
232 (2) At no time shall a deduction claimed under this
233 subsection by an individual taxpayer or taxpayers filing
234 combined returns exceed one thousand dollars per year for
235 individual taxpayers or cumulatively exceed two thousand
236 dollars per year for taxpayers filing combined returns.
237 (3) Any deduction claimed under this subsection shall
238 be claimed for the tax year in which the qualified home
239 energy audit was conducted or in which the implementation of
240 the energy efficiency recommendations occurred. If
241 implementation of the energy efficiency recommendations
242 occurred during more than one year, the deduction may be
243 claimed in more than one year, subject to the limitations
244 provided under subdivision (2) of this subsection.
245 (4) A deduction shall not be claimed for any otherwise
246 eligible activity under this subsection if such activity
247 qualified for and received any rebate or other incentive
248 through a state-sponsored energy program or through an
249 electric corporation, gas corporation, electric cooperative,
250 or municipally owned utility.

251 9. The provisions of subsection 8 of this section
252 shall expire on December 31, 2020.

143.171. 1. For all tax years beginning on or after
2 January 1, 1994, and ending on or before December 31, 2018,
3 an individual taxpayer shall be allowed a deduction for his
4 or her federal income tax liability under Chapter 1 of the
5 Internal Revenue Code for the same taxable year for which
6 the Missouri return is being filed, not to exceed five
7 thousand dollars on a single taxpayer's return or ten
8 thousand dollars on a combined return, after reduction for
9 all credits thereon, except the credit for payments of
10 federal estimated tax, the credit for the overpayment of any
11 federal tax, and the credits allowed by the Internal Revenue
12 Code by 26 U.S.C. Section 31, 26 U.S.C. Section 27, and 26
13 U.S.C. Section 34.

14 2. (1) Notwithstanding any other provision of law to
15 the contrary, for all tax years beginning on or after
16 January 1, 2019, an individual taxpayer shall be allowed a
17 deduction equal to a percentage of his or her federal income
18 tax liability under Chapter 1 of the Internal Revenue Code
19 for the same taxable year for which the Missouri return is
20 being filed, not to exceed five thousand dollars on a single
21 taxpayer's return or ten thousand dollars on a combined
22 return, after reduction for all credits thereon, except the
23 credit for payments of federal estimated tax, the credit for
24 the overpayment of any federal tax, and the credits allowed
25 by the Internal Revenue Code by 26 U.S.C. Section 31, 26
26 U.S.C. Section 27, and 26 U.S.C. Section 34. The deduction
27 percentage is determined according to the following table:

28 29 If the Missouri gross income on the return is:	The deduction percentage is:
30 $25,000 or less	35 percent

From $25,001 to $50,000	25 percent
From $50,001 to $100,000	15 percent
From $100,001 to $125,000	5 percent
$125,001 or more	0 percent

(2) Notwithstanding any provision of law to the contrary, the amount of any tax credits reducing a taxpayer's federal tax liability pursuant to Public Law 116-136 or 116-260, enacted by the 116th United States Congress, for the tax year beginning on or after January 1, 2020, and ending on or before December 31, 2020, and the amount of any tax credits reducing a taxpayer's federal tax liability under any other federal law that provides direct economic impact payments to taxpayers to mitigate financial challenges related to the COVID-19 pandemic shall not be considered in determining a taxpayer's federal tax liability for the purposes of subdivision (1) of this subsection.

3. For all tax years beginning on or after September 1, 1993, a corporate taxpayer shall be allowed a deduction for fifty percent of its federal income tax liability under Chapter 1 of the Internal Revenue Code for the same taxable year for which the Missouri return is being filed after reduction for all credits thereon, except the credit for payments of federal estimated tax, the credit for the overpayment of any federal tax, and the credits allowed by the Internal Revenue Code by 26 U.S.C. Section 31, 26 U.S.C. Section 27, and 26 U.S.C. Section 34.

4. If a federal income tax liability for a tax year prior to the applicability of sections 143.011 to 143.996 for which he was not previously entitled to a Missouri deduction is later paid or accrued, he may deduct the

61 federal tax in the later year to the extent it would have
62 been deductible if paid or accrued in the prior year.

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

3 2. For purposes of this section, the following terms
4 shall mean:

5 (1) "Department", the department of revenue;

6 (2) "Eligible taxpayer", a resident individual with a
7 filing status of single, head of household, widowed, or
8 married filing combined who is subject to the tax imposed
9 under chapter 143, excluding withholding tax imposed under
10 sections 143.191 to 143.265, and who is allowed a federal
11 earned income tax credit under 26 U.S.C. Section 32, as
12 amended;

13 (3) "Tax credit", a credit against the tax otherwise
14 due under chapter 143, excluding withholding tax imposed
15 under sections 143.191 to 143.265.

16 3. (1) Beginning with the 2023 calendar year, an
17 eligible taxpayer shall be allowed a tax credit in an amount
18 equal to a percentage of the amount such taxpayer would
19 receive under the federal earned income tax credit as such
20 credit existed under 26 U.S.C. Section 32 as of January 1,
21 2021, as provided pursuant to subdivision (2) of this
22 subsection. The tax credit allowed by this section shall be
23 claimed by such taxpayer at the time such taxpayer files a
24 return and shall be applied against the income tax liability
25 imposed by chapter 143 after reduction for all other credits
26 allowed thereon. If the amount of the credit exceeds the
27 tax liability, the difference shall not be refunded to the
28 taxpayer and shall not be carried forward to any subsequent
29 tax year.

30 (2) Subject to the provisions of subdivision (3) of
31 this subsection, the percentage of the federal earned income

32 tax credit to be allowed as a tax credit pursuant to
33 subdivision (1) of this subsection shall be ten percent,
34 which may be increased to twenty percent subject to the
35 provisions of subdivision (3) of this subsection. The
36 maximum percentage that may be claimed as a tax credit
37 pursuant to this section shall be twenty percent of the
38 federal earned income tax credit that may be claimed by such
39 taxpayer. Any increase in the percentage that may be
40 claimed as a tax credit shall take effect on January first
41 of a calendar year and such percentage shall continue in
42 effect until the next percentage increase occurs. An
43 increase shall only apply to tax years that begin on or
44 after the increase takes effect.
45 (3) The initial percentage to be claimed as a tax
46 credit and any increase in the percentage that may be
47 claimed pursuant to subdivision (2) of this subsection shall
48 only occur if the amount of net general revenue collected in
49 the previous fiscal year exceeds the highest amount of net
50 general revenue collected in any of the three fiscal years
51 prior to such fiscal year by at least one hundred fifty
52 million dollars.
53 4. Notwithstanding the provisions of section 32.057 to
54 the contrary, the department shall determine whether any
55 taxpayer filing a report or return with the department who
56 did not apply for the credit authorized under this section
57 may qualify for the credit and, if so, determines a taxpayer
58 may qualify for the credit, shall notify such taxpayer of
59 his or her potential eligibility. In making a determination
60 of eligibility under this section, the department shall use
61 any appropriate and available data including, but not
62 limited to, data available from the Internal Revenue
63 Service, the U.S. Department of Treasury, and state income
64 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 shall not be subject to the requirements of sections 135.800 to 135.830.

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

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

(2) The transfer of tangible personal property incident to the liquidation or cessation of a taxpayer's trade or business, conducted in proprietorship, partnership or corporate form, except to the extent any transfer is made in the ordinary course of the taxpayer's trade or business;

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

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

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

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

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

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

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

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

43 with or in conjunction with the retail sales of their food
44 or beverage. Such items shall include, but not be limited
45 to, wrapping or packaging materials and nonreusable paper,
46 wood, plastic and aluminum articles such as containers,
47 trays, napkins, dishes, silverware, cups, bags, boxes,
48 straws, sticks and toothpicks;
49 (11) The purchase by persons operating hotels, motels
50 or other transient accommodation establishments, of items of
51 a nonreusable nature which are furnished to the guests in
52 the guests' rooms of such establishments and such items are
53 included in the charge made for such accommodations. Such
54 items shall include, but not be limited to, soap, shampoo,
55 tissue and other toiletries and food or confectionery items
56 offered to the guests without charge;
57 (12) The transfer of a manufactured home other than:
58 (a) A transfer which involves the delivery of the
59 document known as the "Manufacturer's Statement of Origin"
60 to a person other than a manufactured home dealer, as
61 defined in section 700.010, for purposes of allowing such
62 person to obtain a title to the manufactured home from the
63 department of revenue of this state or the appropriate
64 agency or officer of any other state;
65 (b) A transfer which involves the delivery of a
66 "Repossessed Title" to a resident of this state if the tax
67 imposed by **[**sections 144.010 to 144.525**]** <u>this chapter</u> was
68 not paid on the transfer of the manufactured home described
69 in paragraph (a) of this subdivision;
70 (c) The first transfer which occurs after December 31,
71 1985, if the tax imposed by **[**sections 144.010 to 144.525**]**
72 <u>this chapter</u> was not paid on any transfer of the same
73 manufactured home which occurred before December 31, 1985; or
74 (13) Charges for initiation fees or dues to:

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

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

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

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

144.014. 1. Notwithstanding other provisions of law to the contrary, beginning October 1, 1997, the tax levied and imposed **[**pursuant to sections 144.010 to 144.525 and sections 144.600 to 144.746**]** <u>under this chapter</u> on all retail sales of food shall be at the rate of one percent. The revenue derived from the one percent rate pursuant to this section shall be deposited by the state treasurer in

the school district trust fund and shall be distributed as provided in section 144.701.

2. For the purposes of this section, the term "food" shall include only those products and types of food for which food stamps may be redeemed pursuant to the provisions of the Federal Food Stamp Program as contained in 7 U.S.C. Section 2012, as that section now reads or as it may be amended hereafter, and shall include food dispensed by or through vending machines. For the purpose of this section, except for vending machine sales, the term "food" shall not include food or drink sold by any establishment where the gross receipts derived from the sale of food prepared by such establishment for immediate consumption on or off the premises of the establishment constitutes more than eighty percent of the total gross receipts of that establishment, regardless of whether such prepared food is consumed on the premises of that establishment, including, but not limited to, sales of food by any restaurant, fast food restaurant, delicatessen, eating house, or café.

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

(1) Upon every retail sale in this state of tangible personal property, excluding motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats and outboard motors required to be titled under the laws of the state of

15 Missouri and subject to tax under subdivision (9) of this
16 subsection, a tax equivalent to four percent of the purchase
17 price paid or charged, or in case such sale involves the
18 exchange of property, a tax equivalent to four percent of
19 the consideration paid or charged, including the fair market
20 value of the property exchanged at the time and place of the
21 exchange, except as otherwise provided in section 144.025;
22 (2) A tax equivalent to four percent of the amount
23 paid for admission and seating accommodations, or fees paid
24 to, or in any place of amusement, entertainment or
25 recreation, games and athletic events, except amounts paid
26 for any instructional class;
27 (3) A tax equivalent to four percent of the basic rate
28 paid or charged on all sales of electricity or electrical
29 current, water and gas, natural or artificial, to domestic,
30 commercial or industrial consumers;
31 (4) (a) A tax equivalent to four percent on the basic
32 rate paid or charged on all sales of local and long distance
33 telecommunications service to telecommunications subscribers
34 and to others through equipment of telecommunications
35 subscribers for the transmission of messages and
36 conversations and upon the sale, rental or leasing of all
37 equipment or services pertaining or incidental thereto;
38 except that, the payment made by telecommunications
39 subscribers or others, pursuant to section 144.060, and any
40 amounts paid for access to the internet or interactive
41 computer services shall not be considered as amounts paid
42 for telecommunications services;
43 (b) If local and long distance telecommunications
44 services subject to tax under this subdivision are
45 aggregated with and not separately stated from charges for
46 telecommunications service or other services not subject to
47 tax under this subdivision, including, but not limited to,

48 interstate or international telecommunications services,
49 then the charges for nontaxable services may be subject to
50 taxation unless the telecommunications provider can identify
51 by reasonable and verifiable standards such portion of the
52 charges not subject to such tax from its books and records
53 that are kept in the regular course of business, including,
54 but not limited to, financial statement, general ledgers,
55 invoice and billing systems and reports, and reports for
56 regulatory tariffs and other regulatory matters;
57 (c) A telecommunications provider shall notify the
58 director of revenue of its intention to utilize the
59 standards described in paragraph (b) of this subdivision to
60 determine the charges that are subject to sales tax under
61 this subdivision. Such notification shall be in writing and
62 shall meet standardized criteria established by the
63 department regarding the form and format of such notice;
64 (d) The director of revenue may promulgate and enforce
65 reasonable rules and regulations for the administration and
66 enforcement of the provisions of this subdivision. Any rule
67 or portion of a rule, as that term is defined in section
68 536.010, that is created under the authority delegated in
69 this section shall become effective only if it complies with
70 and is subject to all of the provisions of chapter 536 and,
71 if applicable, section 536.028. This section and chapter
72 536 are nonseverable and if any of the powers vested with
73 the general assembly pursuant to chapter 536 to review, to
74 delay the effective date, or to disapprove and annul a rule
75 are subsequently held unconstitutional, then the grant of
76 rulemaking authority and any rule proposed or adopted after
77 August 28, 2019, shall be invalid and void;
78 (5) A tax equivalent to four percent of the basic rate
79 paid or charged for all sales of services for transmission
80 of messages of telegraph companies;

81 (6) A tax equivalent to four percent on the amount of
82 sales or charges for all rooms, meals and drinks furnished
83 at any hotel, motel, tavern, inn, restaurant, eating house,
84 drugstore, dining car, tourist cabin, tourist camp or other
85 place in which rooms, meals or drinks are regularly served
86 to the public. The tax imposed under this subdivision shall
87 not apply to any automatic mandatory gratuity for a large
88 group imposed by a restaurant when such gratuity is reported
89 as employee tip income and the restaurant withholds income
90 tax under section 143.191 on such gratuity;
91 (7) A tax equivalent to four percent of the amount
92 paid or charged for intrastate tickets by every person
93 operating a railroad, sleeping car, dining car, express car,
94 boat, airplane and such buses and trucks as are licensed by
95 the division of motor carrier and railroad safety of the
96 department of economic development of Missouri, engaged in
97 the transportation of persons for hire;
98 (8) A tax equivalent to four percent of the amount
99 paid or charged for rental or lease of tangible personal
100 property, provided that if the lessor or renter of any
101 tangible personal property had previously purchased the
102 property under the conditions of sale at retail or leased or
103 rented the property and the tax was paid at the time of
104 purchase, lease or rental, the lessor, sublessor, renter or
105 subrenter shall not apply or collect the tax on the
106 subsequent lease, sublease, rental or subrental receipts
107 from that property. The purchase, rental or lease of motor
108 vehicles, trailers, motorcycles, mopeds, motortricycles,
109 boats, and outboard motors shall be taxed and the tax paid
110 as provided in this section and section 144.070. In no
111 event shall the rental or lease of boats and outboard motors
112 be considered a sale, charge, or fee to, for or in places of
113 amusement, entertainment or recreation nor shall any such

114 rental or lease be subject to any tax imposed to, for, or in
115 such places of amusement, entertainment or recreation.
116 Rental and leased boats or outboard motors shall be taxed
117 under the provisions of the sales tax laws as provided under
118 such laws for motor vehicles and trailers. Tangible
119 personal property which is exempt from the sales or use tax
120 under section 144.030 upon a sale thereof is likewise exempt
121 from the sales or use tax upon the lease or rental thereof;
122 (9) A tax equivalent to four percent of the purchase
123 price, as defined in section 144.070, of new and used motor
124 vehicles, trailers, boats, and outboard motors purchased or
125 acquired for use on the highways or waters of this state
126 which are required to be registered under the laws of the
127 state of Missouri. This tax is imposed on the person
128 titling such property, and shall be paid according to the
129 procedures in section 144.440.
130 2. All tickets sold which are sold under the
131 provisions of **[**sections 144.010 to 144.525**]** <u>this chapter</u>
132 which are subject to the sales tax shall have printed,
133 stamped or otherwise endorsed thereon, the words "This
134 ticket is subject to a sales tax.".
144.049. 1. For purposes of this section, the
2 following terms mean:
3 (1) "Clothing", any article of wearing apparel
4 intended to be worn on or about the human body including,
5 but not limited to, disposable diapers for infants or adults
6 and footwear. The term shall include, but not be limited
7 to, cloth and other material used to make school uniforms or
8 other school clothing. Items normally sold in pairs shall
9 not be separated to qualify for the exemption. The term
10 shall not include watches, watchbands, jewelry, handbags,
11 handkerchiefs, umbrellas, scarves, ties, headbands, or belt
12 buckles; and

(2) "Personal computers", a laptop, desktop, or tower computer system which consists of a central processing unit, random access memory, a storage drive, a display monitor, and a keyboard and devices designed for use in conjunction with a personal computer, such as a disk drive, memory module, compact disk drive, daughterboard, digitizer, microphone, modem, motherboard, mouse, multimedia speaker, printer, scanner, single-user hardware, single-user operating system, soundcard, or video card;

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

2. In each year beginning on or after January 1, 2005, there is hereby specifically exempted from state <u>and local</u> sales tax law all retail sales of any article of clothing having a taxable value of one hundred dollars or less, all retail sales of school supplies not to exceed fifty dollars per purchase, all computer software with a taxable value of three hundred fifty dollars or less, all graphing calculators having a taxable value of one hundred fifty dollars or less, and all retail sales of personal computers or computer peripheral devices not to exceed one thousand five hundred dollars, during a three-day period beginning at 12:01 a.m. on the first Friday in August and ending at

46 midnight on the Sunday following. If a purchaser and seller
47 are located in two different time zones, the time zone of
48 the purchaser's location shall determine the authorized
49 exemption period.
50 3. [If the governing body of any political subdivision
51 adopted an ordinance that applied to the 2004 sales tax
52 holiday to prohibit the provisions of this section from
53 allowing the sales tax holiday to apply to such political
54 subdivision's local sales tax, then, notwithstanding any
55 provision of a local ordinance to the contrary, the 2005
56 sales tax holiday shall not apply to such political
57 subdivision's local sales tax. However, any such political
58 subdivision may enact an ordinance to allow the 2005 sales
59 tax holiday to apply to its local sales taxes. A political
60 subdivision must notify the department of revenue not less
61 than forty-five calendar days prior to the beginning date of
62 the sales tax holiday occurring in that year of any
63 ordinance or order rescinding an ordinance or order to opt
64 out.
65 4.] This section shall not apply to any sales which
66 take place within the Missouri state fairgrounds.
67 [5.] 4. This section applies to sales of items bought
68 for personal use only.
69 [6. After the 2005 sales tax holiday, any political
70 subdivision may, by adopting an ordinance or order, choose
71 to prohibit future annual sales tax holidays from applying
72 to its local sales tax. After opting out, the political
73 subdivision may rescind the ordinance or order. The
74 political subdivision must notify the department of revenue
75 not less than forty-five calendar days prior to the
76 beginning date of the sales tax holiday occurring in that
77 year of any ordinance or order rescinding an ordinance or
78 order to opt out.

79 7.] 5. This section may not apply to any retailer when
80 less than two percent of the retailer's merchandise offered
81 for sale qualifies for the sales tax holiday. The retailer
82 [shall] may offer a sales tax refund in lieu of the sales
83 tax holiday.
84 6. A sale of property that is eligible for an
85 exemption under subsection 1 of this section but is
86 purchased under a layaway sale shall only qualify for an
87 exemption if:
88 (1) Final payment on a layaway order is made by, and
89 the property is given to, the purchaser during the exemption
90 period; or
91 (2) The purchaser selects the property and the seller
92 accepts the order for the property during the exemption
93 period, for immediate delivery upon full payment, even if
94 delivery is made after the exemption period.
95 7. The exemption of a bundled transaction shall be
96 calculated as provided by law for all other bundled
97 transactions.
98 8. (1) For any discount offered by a seller that is a
99 reduction of the sales price of the product, the discounted
100 sales price shall determine whether the sales price falls
101 below the price threshold provided in subsection 1 of this
102 section. A coupon that reduces the sales price shall be
103 treated as a discount only if the seller is not reimbursed
104 for the coupon amount by a third party.
105 (2) If a discount applies to the total amount paid by
106 a purchaser rather than to the sales price of a particular
107 product and the purchaser has purchased both exempt property
108 and taxable property, the seller shall allocate the discount
109 based on the total sales prices of the taxable property
110 compared to the total sales prices of all property sold in
111 the same transaction.

112 9. Items that are normally sold as a single unit shall
113 continue to be sold in that manner and shall not be priced
114 separately and sold as individual items.
115 10. Items that are purchased during an exemption
116 period but that are not delivered to the purchaser until
117 after the exemption period due to the item not being in
118 stock shall qualify for an exemption. The provisions of
119 this subsection shall not apply to an item that was
120 delivered during an exemption period but was purchased prior
121 to or after the exemption period.
122 11. (1) If a purchaser purchases an item of eligible
123 property during an exemption period but later exchanges the
124 item for a similar eligible item after the exemption period,
125 no additional tax shall be due on the new item.
126 (2) If a purchaser purchases an item of eligible
127 property during an exemption period but later returns the
128 item after the exemption period and receives credit on the
129 purchase of a different nonexempt item, the appropriate
130 sales tax shall be due on the sale of the newly purchased
131 item.
132 (3) If a purchaser purchases an item of eligible
133 property before an exemption period but during the exemption
134 period returns the item and receives credit on the purchase
135 of a different item of eligible property, no sales tax shall
136 be due on the sale of the new item if the new item is
137 purchased during the exemption period.
138 (4) For a sixty-day period immediately following the
139 end of the exemption period, if a purchaser returns an
140 exempt item, no credit for or refund of sales tax shall be
141 given unless the purchaser provides a receipt or invoice
142 that shows tax was paid or the seller has sufficient
143 documentation to show that tax was paid on the item being
144 returned.

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

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

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

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

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

2. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of **[**sections 144.010 to 144.525 and 144.600 to 144.761, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761**]** <u>this chapter and the local sales tax law as defined in section 32.085 and from the computation of the tax levied, assessed, or payable under this chapter and the local sales tax law as defined in section 32.085</u>, electrical energy and gas, whether natural, artificial, or propane, water, coal, and energy sources, chemicals, machinery, equipment, and materials used or consumed in the manufacturing, processing, compounding, mining, or producing of any product, or used or consumed in the processing of recovered materials, or used in research and development related to manufacturing, processing, compounding, mining, or producing any product. **[**The exemptions granted in this

34 subsection shall not apply to local sales taxes as defined
35 in section 32.085 and the provisions of this subsection
36 shall be in addition to any state and local sales tax
37 exemption provided in section 144.030.**]** The construction
38 and application of this subsection as expressed by the
39 Missouri supreme court in DST Systems, Inc. v. Director of
40 Revenue, 43 S.W.3d 799 (Mo. banc 2001); Southwestern Bell
41 Tel. Co. v. Director of Revenue, 78 S.W.3d 763 (Mo. banc
42 2002); and Southwestern Bell Tel. Co. v. Director of
43 Revenue, 182 S.W.3d 226 (Mo. banc 2005), is hereby affirmed.
44 3. In addition to all other exemptions granted under
45 this chapter, there is hereby specifically exempted from the
46 provisions of **[**sections 144.010 to 144.525 and 144.600 to
47 144.761, and section 238.235,**]** this chapter and the local
48 sales tax law as defined in section 32.085, and from the
49 computation of the tax levied, assessed, or payable under
50 **[**sections 144.010 to 144.525 and 144.600 to 144.761, and
51 section 238.235,**]** this chapter and the local sales tax law
52 as defined in section 32.085, all utilities, machinery, and
53 equipment used or consumed directly in television or radio
54 broadcasting and all sales and purchases of tangible
55 personal property, utilities, services, or any other
56 transaction that would otherwise be subject to the state or
57 local sales or use tax when such sales are made to or
58 purchases are made by a contractor for use in fulfillment of
59 any obligation under a defense contract with the United
60 States government, and all sales and leases of tangible
61 personal property by any county, city, incorporated town, or
62 village, provided such sale or lease is authorized under
63 chapter 100, and such transaction is certified for sales tax
64 exemption by the department of economic development, and
65 tangible personal property used for railroad infrastructure
66 brought into this state for processing, fabrication, or

67 other modification for use outside the state in the regular
68 course of business.
69 4. In addition to all other exemptions granted under
70 this chapter, there is hereby specifically exempted from the
71 provisions of **[**sections 144.010 to 144.525 and 144.600 to
72 144.761, and section 238.235,**]** this chapter and the local
73 sales tax law as defined in section 32.085, and from the
74 computation of the tax levied, assessed, or payable under
75 **[**sections 144.010 to 144.525 and 144.600 to 144.761, and
76 section 238.235,**]** this chapter and the local sales tax law
77 as defined in section 32.085, all sales and purchases of
78 tangible personal property, utilities, services, or any
79 other transaction that would otherwise be subject to the
80 state or local sales or use tax when such sales are made to
81 or purchases are made by a private partner for use in
82 completing a project under sections 227.600 to 227.669.
83 5. In addition to all other exemptions granted under
84 this chapter, there is hereby specifically exempted from the
85 provisions of **[**sections 144.010 to 144.525 and 144.600 to
86 144.761, and section 238.235,**]** this chapter and the local
87 sales tax law as defined in section 32.085, and from the
88 computation of the tax levied, assessed, or payable under
89 **[**sections 144.010 to 144.525 and 144.600 to 144.761, and
90 section 238.235,**]** this chapter and the local sales tax law
91 as defined in section 32.085, all materials, manufactured
92 goods, machinery and parts, electrical energy and gas,
93 whether natural, artificial or propane, water, coal and
94 other energy sources, chemicals, soaps, detergents, cleaning
95 and sanitizing agents, and other ingredients and materials
96 inserted by commercial or industrial laundries to treat,
97 clean, and sanitize textiles in facilities which process at
98 least five hundred pounds of textiles per hour and at least
99 sixty thousand pounds per week.

144.080. 1. Every person receiving any payment or consideration upon the sale of property or rendering of service, subject to the tax imposed by the provisions of sections 144.010 to 144.525, is exercising the taxable privilege of selling the property or rendering the service at retail and is subject to the tax levied in section 144.020. The person shall be responsible not only for the collection of the amount of the tax imposed on the sale or service to the extent possible under the provisions of section 144.285, but shall**[**, on or before the last day of the month following each calendar quarterly period of three months,**]** file a return with the director of revenue showing the person's gross receipts and the amount of tax levied in section 144.020 for the preceding **[**quarter**]** filing period, and shall remit to the director of revenue, with the return, the taxes levied in section 144.020**[**, except**]** as provided in subsections 2 **[**and 3**]** to 4 of this section. The director of revenue may promulgate rules or regulations changing the filing and payment requirements of sellers, but shall not require any seller to file and pay more frequently than required in this section.

2. Where the aggregate amount levied and imposed upon a seller by section 144.020 is in excess of **[**two**]** five hundred **[**fifty**]** dollars **[**for either the first or second month of a calendar quarter**]** per calendar month during the previous calendar year, the seller shall file a return and pay such aggregate amount **[**for such months to the director of revenue by**]** on a monthly basis. The return shall be filed and the taxes paid on or before the twentieth day of the succeeding month.

3. Where the aggregate amount levied and imposed upon a seller by section 144.020 is five hundred dollars or less per calendar month, but is at least two hundred dollars in a

34 calendar quarter during the previous calendar year, the
35 seller shall file a return and pay such aggregate amount on
36 a quarterly basis. The return shall be filed and the taxes
37 paid on or before the last day of the month following each
38 calendar quarterly period.
39 4. Where the aggregate amount levied and imposed upon
40 a seller by section 144.020 is less than [forty-five] two
41 hundred dollars [in a] per calendar quarter during the
42 previous calendar year, the [director of revenue shall by
43 regulation permit the] seller [to] shall file a return [for
44 a calendar year] and pay such aggregate amount on an annual
45 basis. The return shall be filed and the taxes paid on or
46 before January thirty-first of the succeeding year.
47 [4.] 5. The seller of any property or person rendering
48 any service, subject to the tax imposed by sections 144.010
49 to 144.525, shall collect the tax from the purchaser of such
50 property or the recipient of the service to the extent
51 possible under the provisions of section 144.285, but the
52 seller's inability to collect any part or all of the tax
53 does not relieve the seller of the obligation to pay to the
54 state the tax imposed by section 144.020; except that the
55 collection of the tax imposed by sections 144.010 to 144.525
56 on motor vehicles and trailers shall be made as provided in
57 sections 144.070 and 144.440.
58 [5.] 6. Any person may advertise or hold out or state
59 to the public or to any customer directly that the tax or
60 any part thereof imposed by sections 144.010 to 144.525, and
61 required to be collected by the person, will be assumed or
62 absorbed by the person, provided that the amount of tax
63 assumed or absorbed shall be stated on any invoice or
64 receipt for the property sold or service rendered. Any
65 person violating any of the provisions of this section shall
66 be guilty of a misdemeanor. This subsection shall not apply

67 to any retailer prohibited from collecting and remitting
68 sales tax under section 66.630.

144.140. 1. From every remittance to the director of
2 revenue made on or before the date when the same becomes
3 due, the person required to remit the same shall be entitled
4 to deduct and retain an amount equal to two percent thereof.
5 2. The director shall provide a monetary allowance
6 from the taxes collected to a certified service provider
7 under the terms of the certified service contract signed
8 with the provider, provided that such allowance shall be
9 funded entirely from moneys collected by the certified
10 service provider.
11 3. Any certified service provider receiving an
12 allowance under subsection 2 of this section shall not be
13 entitled to simultaneously deduct the allowance provided for
14 under subsection 1 of this section.
15 4. For the purposes of this section, "certified
16 service provider" shall mean an agent certified by the
17 department of revenue to perform all the seller's sales and
18 use tax functions, other than the seller's obligation to
19 remit tax on its own purchases.
20 5. The provisions of this section relating to the
21 allowance for timely remittance of sales tax payment shall
22 also be applicable to the timely remittance of use tax
23 payment under sections 144.600 to 144.746.

144.526. 1. This section shall be known and may be
2 cited as the "Show Me Green Sales Tax Holiday".
3 2. For purposes of this section, the following terms
4 mean:
5 (1) "Appliance", clothes washers and dryers, water
6 heaters, trash compactors, dishwashers, conventional ovens,
7 ranges, stoves, air conditioners, furnaces, refrigerators
8 and freezers; and

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

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

4. **[**A political subdivision may allow the sales tax holiday under this section to apply to its local sales taxes by enacting an ordinance to that effect. Any such political subdivision shall notify the department of revenue not less than forty-five calendar days prior to the beginning date of the sales tax holiday occurring in that year of any such ordinance or order.

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

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

41 (2) The purchaser selects the property and the seller
42 accepts the order for the property during the exemption
43 period, for immediate delivery upon full payment, even if
44 delivery is made after the exemption period.
45 5. (1) For any discount offered by a seller that is a
46 reduction of the sales price of the product, the discounted
47 sales price shall determine whether the sales price falls
48 below the price threshold provided in subsection 3 of this
49 section. A coupon that reduces the sales price shall be
50 treated as a discount only if the seller is not reimbursed
51 for the coupon amount by a third party.
52 (2) If a discount applies to the total amount paid by
53 a purchaser rather than to the sales price of a particular
54 product and the purchaser has purchased both exempt property
55 and taxable property, the seller shall allocate the discount
56 based on the total sales prices of the taxable property
57 compared to the total sales prices of all property sold in
58 the same transaction.
59 6. Items that are normally sold as a single unit shall
60 continue to be sold in that manner and shall not be priced
61 separately and sold as individual items.
62 7. Items that are purchased during an exemption period
63 but that are not delivered to the purchaser until after the
64 exemption period due to the item not being in stock shall
65 qualify for an exemption. The provisions of this subsection
66 shall not apply to an item that was delivered during an
67 exemption period but was purchased prior to or after the
68 exemption period.
69 8. (1) If a purchaser purchases an item of eligible
70 property during an exemption period but later exchanges the
71 item for a similar eligible item after the exemption period,
72 no additional tax shall be due on the new item.

73 (2) If a purchaser purchases an item of eligible
74 property during an exemption period but later returns the
75 item after the exemption period and receives credit on the
76 purchase of a different nonexempt item, the appropriate
77 sales tax shall be due on the sale of the newly purchased
78 item.
79 (3) If a purchaser purchases an item of eligible
80 property before an exemption period but during the exemption
81 period returns the item and receives credit on the purchase
82 of a different item of eligible property, no sales tax shall
83 be due on the sale of the new item if the new item is
84 purchased during the exemption period.
85 (4) For a sixty-day period immediately following the
86 end of the exemption period, if a purchaser returns an
87 exempt item, no credit for or refund of sales tax shall be
88 given unless the purchaser provides a receipt or invoice
89 that shows tax was paid or the seller has sufficient
90 documentation to show that tax was paid on the item being
91 returned.
144.605. The following words and phrases as used in
2 sections 144.600 to 144.745 mean and include:
3 (1) "Calendar quarter", the period of three
4 consecutive calendar months ending on March thirty-first,
5 June thirtieth, September thirtieth or December thirty-first;
6 (2) "Engages in business activities within this state"
7 includes:
8 (a) Maintaining or having a franchisee or licensee
9 operating under the seller's trade name in this state if the
10 franchisee or licensee is required to collect sales tax
11 pursuant to sections 144.010 to 144.525;
12 (b) Soliciting sales or taking orders by sales agents
13 or traveling representatives;

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

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

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

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

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

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

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

(e) [Notwithstanding paragraph (c), a vendor shall be presumed to engage in business activities within this state if the vendor enters into an agreement with one or more residents of this state under which the resident, for a commission or other consideration, directly or indirectly refers potential customers, whether by a link on an internet website, an in-person oral presentation, telemarketing, or

47 otherwise, to the vendor, if the cumulative gross receipts
48 from sales by the vendor to customers in the state who are
49 referred to the vendor by all residents with this type of an
50 agreement with the vendor is in excess of ten thousand
51 dollars during the preceding twelve months;
52 (f) The presumption in paragraph (e) may be rebutted
53 by submitting proof that the residents with whom the vendor
54 has an agreement did not engage in any activity within the
55 state that was significantly associated with the vendor's
56 ability to establish or maintain the vendor's market in the
57 state during the preceding twelve months. Such proof may
58 consist of sworn written statements from all of the
59 residents with whom the vendor has an agreement stating that
60 they did not engage in any solicitation in the state on
61 behalf of the vendor during the preceding year provided that
62 such statements were provided and obtained in good faith;**]**
63 Selling tangible personal property for delivery into this
64 state, provided the seller's gross receipts from taxable
65 sales from delivery of tangible personal property into this
66 state in the previous calendar year or current calendar year
67 exceeds one hundred thousand dollars. For the purposes of
68 calculating a seller's gross receipts under this paragraph,
69 following the close of each calendar quarter, a vendor shall
70 determine whether the vendor met the requirements under this
71 paragraph during the twelve-month period ending on the last
72 day of the preceding calendar quarter. If the vendor met
73 such requirements for any such twelve-month period, such
74 vendor shall collect and remit the tax as provided under
75 section 144.635 for a period of not less than twelve months,
76 beginning not more than three months following the close of
77 the preceding calendar quarter, and shall continue to
78 collect and remit the tax for as long as the vendor is
79 engaged in business activities within this state, as

80 provided for under this paragraph, or otherwise maintains a
81 substantial nexus with this state;
82 (3) "Maintains a place of business in this state"
83 includes maintaining, occupying, or using, permanently or
84 temporarily, directly or indirectly, by whatever name
85 called, an office, place of distribution, sales or sample
86 room or place, warehouse or storage place, or other place of
87 business in this state, whether owned or operated by the
88 vendor or by any other person other than a common carrier
89 acting in its capacity as such;
90 (4) "Person", any individual, firm, copartnership,
91 joint venture, association, corporation, municipal or
92 private, and whether organized for profit or not, state,
93 county, political subdivision, state department, commission,
94 board, bureau or agency, except the state transportation
95 department, estate, trust, business trust, receiver or
96 trustee appointed by the state or federal court, syndicate,
97 or any other group or combination acting as a unit, and the
98 plural as well as the singular number;
99 (5) "Purchase", the acquisition of the ownership of,
100 or title to, tangible personal property, through a sale, as
101 defined herein, for the purpose of storage, use or
102 consumption in this state;
103 (6) "Purchaser", any person who is the recipient for a
104 valuable consideration of any sale of tangible personal
105 property acquired for use, storage or consumption in this
106 state;
107 (7) "Sale", any transfer, barter or exchange of the
108 title or ownership of tangible personal property, or the
109 right to use, store or consume the same, for a consideration
110 paid or to be paid, and any transaction whether called
111 leases, rentals, bailments, loans, conditional sales or
112 otherwise, and notwithstanding that the title or possession

113 of the property or both is retained for security. For the
114 purpose of this law the place of delivery of the property to
115 the purchaser, user, storer or consumer is deemed to be the
116 place of sale, whether the delivery be by the vendor or by
117 common carriers, private contractors, mails, express,
118 agents, salesmen, solicitors, hawkers, representatives,
119 consignors, peddlers, canvassers or otherwise;
120 (8) "Sales price", the consideration including the
121 charges for services, except charges incident to the
122 extension of credit, paid or given, or contracted to be paid
123 or given, by the purchaser to the vendor for the tangible
124 personal property, including any services that are a part of
125 the sale, valued in money, whether paid in money or
126 otherwise, and any amount for which credit is given to the
127 purchaser by the vendor, without any deduction therefrom on
128 account of the cost of the property sold, the cost of
129 materials used, labor or service cost, losses or any other
130 expenses whatsoever, except that cash discounts allowed and
131 taken on sales shall not be included and "sales price" shall
132 not include the amount charged for property returned by
133 customers upon rescission of the contract of sales when the
134 entire amount charged therefor is refunded either in cash or
135 credit or the amount charged for labor or services rendered
136 in installing or applying the property sold, the use,
137 storage or consumption of which is taxable pursuant to
138 sections 144.600 to 144.745. The sales price shall not
139 include usual and customary delivery charges that are
140 separately stated. In determining the amount of tax due
141 pursuant to sections 144.600 to 144.745, any charge incident
142 to the extension of credit shall be specifically exempted;
143 (9) "Selling agent", every person acting as a
144 representative of a principal, when such principal is not
145 registered with the director of revenue of the state of

146 Missouri for the collection of the taxes imposed pursuant to
147 sections 144.010 to 144.525 or sections 144.600 to 144.745
148 and who receives compensation by reason of the sale of
149 tangible personal property of the principal, if such
150 property is to be stored, used, or consumed in this state;
151 (10) "Storage", any keeping or retention in this state
152 of tangible personal property purchased from a vendor,
153 except property for sale or property that is temporarily
154 kept or retained in this state for subsequent use outside
155 the state;
156 (11) "Tangible personal property", all items subject
157 to the Missouri sales tax as provided in subdivisions (1)
158 and (3) of subsection 1 of section 144.020;
159 (12) "Taxpayer", any person remitting the tax or who
160 should remit the tax levied by sections 144.600 to 144.745;
161 (13) "Use", the exercise of any right or power over
162 tangible personal property incident to the ownership or
163 control of that property, except that it does not include
164 the temporary storage of property in this state for
165 subsequent use outside the state, or the sale of the
166 property in the regular course of business;
167 (14) "Vendor", every person engaged in making sales of
168 tangible personal property by mail order, by advertising, by
169 agent or peddling tangible personal property, soliciting or
170 taking orders for sales of tangible personal property, for
171 storage, use or consumption in this state, all salesmen,
172 solicitors, hawkers, representatives, consignees, peddlers
173 or canvassers, as agents of the dealers, distributors,
174 consignors, supervisors, principals or employers under whom
175 they operate or from whom they obtain the tangible personal
176 property sold by them, and every person who maintains a
177 place of business in this state, maintains a stock of goods
178 in this state, or engages in business activities within this

179 state and every person who engages in this state in the
180 business of acting as a selling agent for persons not
181 otherwise vendors as defined in this subdivision.
182 Irrespective of whether they are making sales on their own
183 behalf or on behalf of the dealers, distributors,
184 consignors, supervisors, principals or employers, they must
185 be regarded as vendors and the dealers, distributors,
186 consignors, supervisors, principals or employers must be
187 regarded as vendors for the purposes of sections 144.600 to
188 144.745.

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

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

9 (2) To consult, contract, and work with certified
10 service providers independently. The department is
11 authorized to determine the method and amount of
12 compensation to be provided to certified service providers
13 by this state for the services of such certified service
14 providers to certain sellers, provided that no certified
15 service provider or seller utilizing a certified service
16 provider shall be entitled to the deduction provided in
17 subsection 1 of section 144.140.

18 2. The department is also hereby authorized to
19 independently take such actions as may be reasonably
20 necessary to secure the payment of and account for the tax
21 collected and remitted by retailers and vendors. The
22 department shall independently carry out any or all
23 activities relating to the collection of online use tax if

24 the department, in its own judgment, determines that
25 independently carrying out such activities would promote
26 cost-saving to the state.
27 3. The director of revenue shall make, promulgate, and
28 enforce reasonable rules and regulations for the
29 administration and enforcement of the provisions of this
30 chapter relating to the collection and remittance of sales
31 and use tax by certified service providers. Any rule or
32 portion of a rule, as that term is defined in section
33 536.010, that is created under the authority delegated in
34 this section shall become effective only if it complies with
35 and is subject to all of the provisions of chapter 536 and,
36 if applicable, section 536.028. This section and chapter
37 536 are nonseverable and if any of the powers vested with
38 the general assembly pursuant to chapter 536 to review, to
39 delay the effective date, or to disapprove and annul a rule
40 are subsequently held unconstitutional, then the grant of
41 rulemaking authority and any rule proposed or adopted after
42 January 1, 2023, shall be invalid and void.
43 4. The provisions of this section shall automatically
44 sunset five years after the effective date of this section
45 unless reauthorized by an act of the general assembly.
144.637. 1. The director of revenue shall provide and
2 maintain a database that describes boundary changes for all
3 taxing jurisdictions and the effective dates of such changes
4 for the use of vendors collecting the tax imposed under
5 sections 144.600 to 144.746.
6 2. For the identification of counties and cities,
7 codes corresponding to the rates shall be provided according
8 to Federal Information Processing Standards (FIPS) as
9 developed by the National Institute of Standards and
10 Technology. For the identification of all other

11 jurisdictions, codes corresponding to the rates shall be in
12 a format determined by the director.
13 3. The director shall provide and maintain address-
14 based boundary database records for assigning taxing
15 jurisdictions and associated rates. The database records
16 shall be in the same approved format as the database
17 described under subsection 1 of this section and shall meet
18 the requirements developed under the federal Mobile
19 Telecommunications Sourcing Act, 4 U.S.C. Section 119(a).
20 If a vendor is unable to determine the applicable rate and
21 jurisdiction using an address-based database record after
22 exercising due diligence, the vendor may apply the nine-
23 digit zip code designation applicable to a purchase. If a
24 nine-digit zip code designation is not available for a
25 street address or if a vendor is unable to determine the
26 nine-digit zip code designation applicable to a purchase
27 after exercising due diligence to determine the designation,
28 the vendor may apply the rate for the five-digit zip code
29 area. The lowest combined tax rate imposed in the zip code
30 area shall apply if the area includes more than one tax rate
31 in any level of taxing jurisdiction. For the purposes of
32 this section, there shall be a rebuttable presumption that a
33 vendor has exercised due diligence if the vendor has
34 attempted to determine the tax rate and jurisdiction by
35 utilizing software approved by the director and makes the
36 assignment from the address and zip code information
37 applicable to the purchase. If the director certifies an
38 address-based database provided by a third party, a vendor
39 may use such database in place of the database records
40 provided for in this subsection.
41 4. The electronic databases provided for in
42 subsections 1 and 3 of this section shall be in downloadable
43 format as determined by the director. The databases may be

44 directly provided by the director or provided by a third
45 party as designated by the director. The databases shall be
46 provided at no cost to the user of the database.
47 5. The provisions of subsection 3 of this section
48 shall not apply if the purchased product is received by the
49 purchaser at the business location of the vendor.
50 6. No vendor shall be liable for reliance upon
51 erroneous data provided by the director on tax rates,
52 boundaries, or taxing jurisdiction assignments.
144.638. 1. (1) The director shall provide and
2 maintain a taxability matrix. The state's entries in the
3 matrix shall be provided and maintained by the director in a
4 database that is in a downloadable format.
5 (2) The director shall provide reasonable notice of
6 changes in the taxability of the products or services listed
7 in the taxability matrix.
8 (3) A seller or CSP shall be relieved from liability
9 to this state or any local taxing jurisdiction for having
10 charged and collected the incorrect amount of state or local
11 sales or use tax resulting from such seller's or CSP's
12 reliance upon erroneous data provided or approved by the
13 director in the taxability matrix, and a seller shall be
14 relieved from liability for erroneous returns made by a CSP
15 on behalf of the seller.
16 2. A purchaser shall be relieved from any additional
17 tax, interest, additions, or penalties for failure to
18 collect and remit the proper amount of tax owed on a
19 purchase subject to sales tax under this chapter if:
20 (1) The purchaser's seller or a certified service
21 provider relied on erroneous data provided by the director
22 on tax rates, boundaries, taxing jurisdiction assignments,
23 or in the taxability matrix created under subsection 1 of
24 this section;

25 (2) A purchaser using a database created under
26 subsection 1 of this section received erroneous data
27 provided by the director on tax rates, boundaries, or taxing
28 jurisdiction assignments; or
29 (3) A purchaser relied on erroneous data provided by
30 the director in the taxability matrix created under
31 subsection 1 of this section.
144.752. 1. For the purposes of this section, the
2 following terms shall mean:
3 (1) "Marketplace facilitator", a person that:
4 (a) Facilitates a retail sale by a marketplace seller
5 by listing or advertising for sale by the marketplace
6 seller, in any forum, tangible personal property or services
7 that are subject to tax under this chapter; and
8 (b) Either directly or indirectly through agreements
9 or arrangements with third parties collects payment from the
10 purchaser and transmits all or part of the payment to the
11 marketplace seller.

12 A marketplace facilitator is a seller and shall comply with
13 the provisions of this chapter. A marketplace facilitator
14 does not include a person who provides internet advertising
15 services, or product listing, and does not collect payment
16 from the purchaser and transmit payment to the marketplace
17 seller; does not include a person with respect to the
18 provision of travel agency services or the operation of a
19 marketplace or that portion of a marketplace that enables
20 consumers to receive travel agency services; and does not
21 include a third party financial institution appointed by a
22 merchant or a marketplace facilitator to handle various
23 forms of payment transactions, such as processing credit
24 cards and debit cards, and whose sole activity with respect
25 to marketplace sales is to facilitate the payment
26 transactions between two parties. For the purposes of this

27 subdivision, "travel agency services" means facilitating,
28 for a commission, fee, or other consideration, vacation or
29 travel packages; rental car or other travel reservations;
30 tickets for domestic or foreign travel by air, rail, ship,
31 bus, or other medium of transportation; or hotel or other
32 lodging accommodations;
33 (2) "Marketplace seller", a seller that makes sales
34 through any electronic marketplace operated by a marketplace
35 facilitator;
36 (3) "Person", any individual; firm; copartnership;
37 joint venture; association; corporation, municipal or
38 private, whether organized for profit or not; state; county;
39 political subdivision; state department, commission, board,
40 bureau, or agency, except the department of transportation;
41 estate; trust; business trust; receiver or trustee appointed
42 by the state or a federal court; syndicate; or any other
43 group or combination acting as a unit;
44 (4) "Purchaser", any person who is the recipient for a
45 valuable consideration of any sale of tangible personal
46 property acquired for use, storage, or consumption in this
47 state;
48 (5) "Retail sale", the same meaning as defined under
49 sections 144.010 and 144.011, excluding motor vehicles,
50 trailers, motorcycles, mopeds, motortricycles, boats, and
51 outboard motors required to be titled under the laws of the
52 state and subject to tax under subdivision (9) of subsection
53 1 of section 144.020;
54 (6) "Seller", a person selling or furnishing tangible
55 personal property or rendering services on the receipts from
56 which a tax is imposed under section 144.020.
57 2. (1) Beginning January 1, 2023, marketplace
58 facilitators that engage in business activities within this
59 state shall register with the department to collect and

60 remit use tax, as applicable, on sales made through the
61 marketplace facilitator's marketplace by or on behalf of a
62 marketplace seller that are delivered into the state,
63 whether by the marketplace facilitator or another person,
64 and regardless of whether the marketplace seller for whom
65 sales are facilitated possesses a retail sales license or
66 would have been required to collect use tax had the sale not
67 been facilitated by the marketplace facilitator. Such
68 retail sales shall include those made directly by the
69 marketplace facilitator and shall also include those retail
70 sales made by marketplace sellers through the marketplace
71 facilitator's marketplace. The collection and reporting
72 requirements of this subsection shall not apply to retail
73 sales other than those made through a marketplace
74 facilitator's marketplace. Nothing in this section shall be
75 construed to limit or prohibit the ability of a marketplace
76 facilitator and a marketplace seller to enter into
77 agreements regarding the fulfillment of the requirements of
78 this chapter.
79 (2) All taxable sales made through a marketplace
80 facilitator's marketplace by or on behalf of a marketplace
81 seller shall be deemed to be consummated at the location in
82 this state to which the item is shipped or delivered, or at
83 which possession is taken by the purchaser.
84 3. Marketplace facilitators that are required to
85 collect use tax under this section shall report and remit
86 the tax separately from any sales and use tax collected by
87 the marketplace facilitator, or by affiliates of the
88 marketplace facilitator, that the marketplace facilitator
89 would have been required to collect and remit under the
90 provisions of this chapter prior to January 1, 2023. Such
91 tax shall be reported and remitted as determined by the
92 department. Marketplace facilitators shall maintain records

93 of all sales delivered to a location in the state, including
94 electronic or paper copies of invoices showing the
95 purchaser, address, purchase amount, and use tax collected.
96 Such records shall be made available for review and
97 inspection upon request by the department.
98 4. Marketplace facilitators who properly collect and
99 remit to the department in a timely manner use tax on sales
100 in accordance with the provisions of this section by or on
101 behalf of marketplace sellers shall be eligible for any
102 discount provided under this chapter.
103 5. A marketplace facilitator shall separately state on
104 an invoice provided to a purchaser the use tax collected and
105 remitted on behalf of a marketplace seller.
106 6. Any taxpayer who remits use tax under this section
107 shall be entitled to refunds or credits to the same extent
108 and in the same manner provided for in section 144.190 for
109 taxes collected and remitted under this section. Nothing in
110 this section shall relieve a purchaser of the obligation to
111 remit use tax for any retail sale taxable under this chapter
112 for which a marketplace facilitator or marketplace seller
113 does not collect and remit the use tax.
114 7. Except as provided under subsection 8 of this
115 section, marketplace facilitators shall be subject to the
116 penalty provisions, procedures, and reporting requirements
117 provided under the provisions of this chapter.
118 8. No class action shall be brought against a
119 marketplace facilitator in any court in this state on behalf
120 of purchasers arising from or in any way related to an
121 overpayment of use tax collected on retail sales facilitated
122 by a marketplace facilitator, regardless of whether that
123 claim is characterized as a tax refund claim. Nothing in
124 this subsection shall affect a purchaser's right to seek a
125 refund as provided under section 144.190.

126 9. The department may promulgate rules to implement the
127 provisions of this section. Any rule or portion of a rule,
128 as that term is defined in section 536.010, that is created
129 under the authority delegated in this section shall become
130 effective only if it complies with and is subject to all of
131 the provisions of chapter 536 and, if applicable, section
132 536.028. This section and chapter 536 are nonseverable and
133 if any of the powers vested with the general assembly
134 pursuant to chapter 536 to review, to delay the effective
135 date, or to disapprove and annul a rule are subsequently
136 held unconstitutional, then the grant of rulemaking
137 authority and any rule proposed or adopted after January 1,
138 2023, shall be invalid and void.

144.757. 1. Any county or municipality**[**, except
2 municipalities within a county having a charter form of
3 government with a population in excess of nine hundred
4 thousand,**]** may, by a majority vote of its governing body,
5 impose a local use tax if a local sales tax is imposed as
6 defined in section 32.085 or if a sales tax is imposed under
7 section 94.850 or 94.890, with such local use tax imposed at
8 a rate equal to the rate of the local sales tax **[**in effect
9 in**]** and any sales tax imposed under section 94.850 or 94.890
10 by such county or municipality; provided, however, that no
11 ordinance or order enacted pursuant to sections 144.757 to
12 144.761 shall be effective unless the governing body of the
13 county or municipality submits to the voters thereof at a
14 municipal, county or state general, primary or special
15 election a proposal to authorize the governing body of the
16 county or municipality to impose a local use tax pursuant to
17 sections 144.757 to 144.761. **[**Municipalities within a
18 county having a charter form of government with a population
19 in excess of nine hundred thousand may, upon voter approval
20 received pursuant to paragraph (b) of subdivision (2) of

21 subsection 2 of this section, impose a local use tax at the
22 same rate as the local municipal sales tax with the revenues
23 from all such municipal use taxes to be distributed pursuant
24 to subsection 4 of section 94.890. The municipality shall
25 within thirty days of the approval of the use tax imposed
26 pursuant to paragraph (b) of subdivision (2) of subsection 2
27 of this section select one of the distribution options
28 permitted in subsection 4 of section 94.890 for distribution
29 of all municipal use taxes.
30 2.**]** (1) The ballot of submission**[**, except for
31 counties and municipalities described in subdivisions (2)
32 and (3) of this subsection,**]** shall contain substantially the
33 following language:
34 Shall the _____ (county or municipality's name)
35 impose a local use tax at the same rate as the
36 total local sales tax rate, **[**currently _____
37 (insert percent)**,]** provided that if the local
38 sales tax rate is reduced or raised by voter
39 approval, the local use tax rate shall also be
40 reduced or raised by the same action? **[**A use
41 tax return shall not be required to be filed by
42 persons whose purchases from out-of-state
43 vendors do not in total exceed two thousand
44 dollars in any calendar year.**]**

45 ☐ YES ☐ NO

46 If you are in favor of the question, place an "X" in
47 the box opposite "YES". If you are opposed to the question,
48 place an "X" in the box opposite "NO".
49 (2) **[**(a) The ballot of submission in a county having
50 a charter form of government with a population in excess of
51 nine hundred thousand shall contain substantially the
52 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

116 whose purchases from out-of-state vendors do not
117 in total exceed two thousand dollars in any
118 calendar year.

119 ☐ YES ☐ NO

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

124 (4)**]** If any of such ballots are submitted on August 6,
125 1996, and if a majority of the votes cast on the proposal by
126 the qualified voters voting thereon are in favor of the
127 proposal, then the ordinance or order and any amendments
128 thereto shall be in effect October 1, 1996, provided the
129 director of revenue receives notice of adoption of the local
130 use tax on or before August 16, 1996. If any of such
131 ballots are submitted after December 31, 1996, and if a
132 majority of the votes cast on the proposal by the qualified
133 voters voting thereon are in favor of the proposal, then the
134 ordinance or order and any amendments thereto shall be in
135 effect on the first day of the calendar quarter which begins
136 at least forty-five days after the director of revenue
137 receives notice of adoption of the local use tax. If a
138 majority of the votes cast by the qualified voters voting
139 are opposed to the proposal, then the governing body of the
140 county or municipality shall have no power to impose the
141 local use tax as herein authorized unless and until the
142 governing body of the county or municipality shall again
143 have submitted another proposal to authorize the governing
144 body of the county or municipality to impose the local use
145 tax and such proposal is approved by a majority of the
146 qualified voters voting thereon.

147 **[**3.**]** 2. The local use tax may be imposed at the same
148 rate as the local sales tax then currently in effect in the
149 county or municipality upon all transactions which are
150 subject to the taxes imposed pursuant to sections 144.600 to
151 144.745 within the county or municipality adopting such tax;
152 provided, however, that if any local sales tax is repealed
153 or the rate thereof is reduced or raised by voter approval,
154 the local use tax rate shall also be deemed to be repealed,
155 reduced or raised by the same action repealing, reducing or
156 raising the local sales tax.
157 **[**4.**]** 3. For purposes of sections 144.757 to 144.761,
158 the use tax may be referred to or described as the
159 equivalent of a sales tax on purchases made from out-of-
160 state sellers by in-state buyers and on certain
161 intrabusiness transactions. Such a description shall not
162 change the classification, form or subject of the use tax or
163 the manner in which it is collected. The use tax shall not
164 be described as a new tax or as not a new tax and shall not
165 be advertised or promoted in a manner in violation of
166 section 115.646.
144.759. 1. All local use taxes collected by the
2 director of revenue pursuant to sections 144.757 to 144.761
3 on behalf of any county or municipality, less one percent
4 for cost of collection, which shall be deposited in the
5 state's general revenue fund after payment of premiums for
6 surety bonds as provided in section 32.087 shall be
7 deposited with the state treasurer in a local use tax trust
8 fund, which fund shall be separate and apart from the local
9 sales tax trust funds. The moneys in such local use tax
10 trust fund shall not be deemed to be state funds and shall
11 not be commingled with any funds of the state. The director
12 of revenue shall keep accurate records of the amount of
13 money in the trust fund which was collected in each county

14 or municipality imposing a local use tax, and the records
15 shall be open to the inspection of officers of the county or
16 municipality and to the public. No later than the tenth day
17 of each month, the director of revenue shall distribute all
18 moneys deposited in the trust fund during the preceding
19 month, except as provided in subsection 2 of this section,
20 to the county or municipality treasurer, or such other
21 officer as may be designated by the county or municipality
22 ordinance or order, of each county or municipality imposing
23 the tax authorized by sections 144.757 to 144.761, the sum
24 due the county or municipality as certified by the director
25 of revenue.
26 2. Subject to the provisions of subsection 1 of this
27 section, the director of revenue shall distribute all moneys
28 which would be due any county having a charter form of
29 government and having a population of nine hundred thousand
30 or more to the county treasurer or such other officer as may
31 be designated by county ordinance, who shall distribute
32 [such moneys as follows: the] that portion of the use [tax]
33 taxes imposed by the county [which equals one-half the rate
34 of sales tax in effect for such county shall be disbursed to
35 the county treasurer for expenditure throughout the county
36 for public safety, parks, and job creation, subject to any
37 qualifications and regulations adopted by ordinance of the
38 county. Such ordinance shall require an audited
39 comprehensive financial report detailing the management and
40 use of such funds each year. Such ordinance shall also
41 require that the county and the municipal league of the
42 county jointly prepare a strategy to guide expenditures of
43 funds and conduct an annual review of the strategy. The
44 treasurer or such other officer as may be designated by
45 county ordinance shall distribute one-third of the balance
46 to the county and to each city, town and village in group B

47 according to section 66.620 as modified by this section, a
48 portion of the two-thirds remainder of such balance equal to
49 the percentage ratio that the population of each such city,
50 town or village bears to the total population of all such
51 group B cities, towns and villages. For the purposes of
52 this subsection, population shall be determined by the last
53 federal decennial census or the latest census that
54 determines the total population of the county and all
55 political subdivisions therein. For the purposes of this
56 subsection, each city, town or village in group A according
57 to section 66.620 but whose per capita sales tax receipts
58 during the preceding calendar year pursuant to sections
59 66.600 to 66.630 were less than the per capita countywide
60 average of all sales tax receipts during the preceding
61 calendar year, shall be treated as a group B city, town or
62 village until the per capita amount distributed to such
63 city, town or village equals the difference between the per
64 capita sales tax receipts during the preceding calendar year
65 and the per capita countywide average of all sales tax
66 receipts during the preceding calendar year**]** that is equal
67 to the rate of sales taxes imposed by the county under
68 sections 66.600 and 67.547 to the cities, towns, and
69 villages within such county and to the unincorporated area
70 of the county on the ratio of the population that each such
71 city, town, village, and the unincorporated areas of the
72 county bears to the total population of the county;
73 provided, however, the county treasurer or other officer
74 shall distribute that portion of the use tax imposed by the
75 county equal to the rate of sales tax imposed by the county
76 under section 67.547 for the purpose of funding zoological
77 activities and zoological facilities of the zoological park
78 subdistrict of the metropolitan zoological park and museum
79 district as created under section 184.350.

80 3. The director of revenue may authorize the state
81 treasurer to make refunds from the amounts in the trust fund
82 and credited to any county or municipality for erroneous
83 payments and overpayments made, and may redeem dishonored
84 checks and drafts deposited to the credit of such counties
85 or municipalities. If any county or municipality abolishes
86 the tax, the county or municipality shall notify the
87 director of revenue of the action at least ninety days prior
88 to the effective date of the repeal, and the director of
89 revenue may order retention in the trust fund, for a period
90 of one year, of two percent of the amount collected after
91 receipt of such notice to cover possible refunds or
92 overpayment of the tax and to redeem dishonored checks and
93 drafts deposited to the credit of such accounts. After one
94 year has elapsed after the effective date of abolition of
95 the tax in such county or municipality, the director of
96 revenue shall authorize the state treasurer to remit the
97 balance in the account to the county or municipality and
98 close the account of that county or municipality. The
99 director of revenue shall notify each county or municipality
100 of each instance of any amount refunded or any check
101 redeemed from receipts due the county or municipality.
102 4. Except as modified in sections 144.757 to 144.761,
103 all provisions of sections 32.085 and 32.087 applicable to
104 the local sales tax, except for subsection 12 of section
105 32.087, and all provisions of sections 144.600 to 144.745
106 shall apply to the tax imposed pursuant to sections 144.757
107 to 144.761, and the director of revenue shall perform all
108 functions incident to the administration, collection,
109 enforcement, and operation of the tax.
262.900. 1. As used in this section, the following
2 terms mean:

(1) "Agricultural products", an agricultural, horticultural, viticultural, or vegetable product, growing of grapes that will be processed into wine, bees, honey, fish or other aquacultural product, planting seed, livestock, a livestock product, a forestry product, poultry or a poultry product, either in its natural or processed state, that has been produced, processed, or otherwise had value added to it in this state;

(2) "Blighted area", **[**that portion of the city within which the legislative authority of such city determines that by reason of age, obsolescence, inadequate, or outmoded design or physical deterioration have become economic and social liabilities, and that such conditions are conducive to ill health, transmission of disease, crime or inability to pay reasonable taxes**]** the same meaning as defined pursuant to section 99.805;

(3) "Department", the department of agriculture;

(4) "Domesticated animal", cattle, calves, sheep, swine, ratite birds including but not limited to ostrich and emu, llamas, alpaca, buffalo, bison, elk documented as obtained from a legal source and not from the wild, goats, or horses, other equines, or rabbits raised in confinement for human consumption;

(5) "Grower UAZ", a type of UAZ:

(a) That can either grow produce, raise livestock, or produce other value-added agricultural products;

(b) That does not exceed fifty laying hens, six hundred fifty broiler chickens, or thirty domesticated animals;

(6) "Livestock", cattle, calves, sheep, swine, ratite birds including but not limited to ostrich and emu, aquatic products as described in section 277.024, llamas, alpaca, buffalo, bison, elk documented as obtained from a legal

36 source and not from the wild, goats, or horses, other
37 equines, or rabbits raised in confinement for human
38 consumption;
39 (7) "Locally grown", a product that was grown or
40 raised in the same county or city not within a county in
41 which the UAZ is located or in an adjoining county or city
42 not within a county. For a product raised or sold in a city
43 not within a county, locally grown also includes an
44 adjoining county with a charter form of government with more
45 than nine hundred fifty thousand inhabitants and those
46 adjoining said county;
47 (8) "Meat", any edible portion of livestock or poultry
48 carcass or part thereof;
49 (9) "Meat product", anything containing meat intended
50 for or capable of use for human consumption, which is
51 derived, in whole or in part, from livestock or poultry;
52 (10) "Mobile unit", the same as motor vehicle as
53 defined in section 301.010;
54 (11) "Poultry", any domesticated bird intended for
55 human consumption;
56 (12) "Processing UAZ", a type of UAZ:
57 (a) That processes livestock, poultry, or produce for
58 human consumption;
59 (b) That meets federal and state processing laws and
60 standards;
61 (c) Is a qualifying small business approved by the
62 department;
63 (13) "Qualifying small business", those enterprises
64 which are established within an Urban Agricultural Zone
65 subsequent to its creation, and which meet the definition
66 established for the Small Business Administration and set
67 forth in Section 121.201 of Part 121 of Title 13 of the Code
68 of Federal Regulations;

(14) "Value-added agricultural products", any product or products that are the result of:

(a) Using an agricultural product grown in this state to produce a meat or dairy product in this state;

(b) A change in the physical state or form of the original agricultural product;

(c) An agricultural product grown in this state which has had its value enhanced by special production methods such as organically grown products; or

(d) A physical segregation of a commodity or agricultural product grown in this state that enhances its value such as identity preserved marketing systems;

(15) "Urban agricultural zone" or "UAZ", a zone within a metropolitan statistical area as defined by the United States Office of Budget and Management that has one or more of the following entities that is a qualifying small business and approved by the department, as follows:

(a) Any organization or person who grows produce or other agricultural products;

(b) Any organization or person that raises livestock or poultry;

(c) Any organization or person who processes livestock or poultry;

(d) Any organization that sells at a minimum seventy-five percent locally grown food;

(16) "Vending UAZ", a type of UAZ:

(a) That sells produce, meat, or value-added locally grown agricultural goods;

(b) That is able to accept food stamps under the provisions of the Supplemental Nutrition Assistance Program as a form of payment; and

(c) Is a qualifying small business that is approved by the department for an UAZ vendor license.

2. (1) A person or organization shall submit to any incorporated municipality an application to develop an UAZ on a blighted area of land. Such application shall demonstrate or identify on the application:

(a) If the person or organization is a grower UAZ, processing UAZ, vending UAZ, or a combination of all three types of UAZs provided in this paragraph, in which case the person or organization shall meet the requirements of each type of UAZ in order to qualify;

(b) The number of jobs to be created;

(c) The types of products to be produced; and

(d) If applying for a vending UAZ, the ability to accept food stamps under the provisions of the Supplemental Nutrition Assistance Program if selling products to consumers.

(2) A municipality shall review and modify the application as necessary before either approving or denying the request to establish an UAZ.

(3) Approval of the UAZ by such municipality shall be reviewed five and ten years after the development of the UAZ. After twenty-five years, the UAZ shall dissolve.

If the municipality finds during its review that the UAZ is not meeting the requirements set out in this section, the municipality may dissolve the UAZ.

3. The governing body of any municipality planning to seek designation of an urban agricultural zone shall establish an urban agricultural zone board. The number of members on the board shall be seven. One member of the board shall be appointed by the school district or districts located within the area proposed for designation of an urban agricultural zone. Two members of the board shall be appointed by other affected taxing districts. The remaining four members shall be chosen by the chief elected officer of

135 the municipality. The four members chosen by the chief
136 elected officer of the municipality shall all be residents
137 of the county or city not within a county in which the UAZ
138 is to be located, and at least one of such four members
139 shall have experience in or represent organizations
140 associated with sustainable agriculture, urban farming,
141 community gardening, or any of the activities or products
142 authorized by this section for UAZs.
143 4. The school district member and the two affected
144 taxing district members shall each have initial terms of
145 five years. Of the four members appointed by the chief
146 elected official, two shall have initial terms of four
147 years, and two shall have initial terms of three years.
148 Thereafter, members shall serve terms of five years. Each
149 member shall hold office until a successor has been
150 appointed. All vacancies shall be filled in the same manner
151 as the original appointment. For inefficiency or neglect of
152 duty or misconduct in office, a member of the board may be
153 removed by the applicable appointing authority.
154 5. A majority of the members shall constitute a quorum
155 of such board for the purpose of conducting business and
156 exercising the powers of the board and for all other
157 purposes. Action may be taken by the board upon a vote of a
158 majority of the members present.
159 6. The members of the board annually shall elect a
160 chair from among the members.
161 7. The role of the board shall be to conduct the
162 activities necessary to advise the governing body on the
163 designation of an urban agricultural zone and any other
164 advisory duties as determined by the governing body. The
165 role of the board after the designation of an urban
166 agricultural zone shall be review and assessment of zone
167 activities.

168 8. Prior to the adoption of an ordinance proposing the
169 designation of an urban agricultural zone, the urban
170 agricultural board shall fix a time and place for a public
171 hearing and notify each taxing district located wholly or
172 partially within the boundaries of the proposed urban
173 agricultural zone. The board shall send, by certified mail,
174 a notice of such hearing to all taxing districts and
175 political subdivisions in the area to be affected and shall
176 publish notice of such hearing in a newspaper of general
177 circulation in the area to be affected by the designation at
178 least twenty days prior to the hearing but not more than
179 thirty days prior to the hearing. Such notice shall state
180 the time, location, date, and purpose of the hearing. At
181 the public hearing any interested person or affected taxing
182 district may file with the board written objections to, or
183 comments on, and may be heard orally in respect to, any
184 issues embodied in the notice. The board shall hear and
185 consider all protests, objections, comments, and other
186 evidence presented at the hearing. The hearing may be
187 continued to another date without further notice other than
188 a motion to be entered upon the minutes fixing the time and
189 place of the subsequent hearing.
190 9. Following the conclusion of the public hearing
191 required under subsection 8 of this section, the governing
192 authority of the municipality may adopt an ordinance
193 designating an urban agricultural zone.
194 10. The real property of the UAZ shall not be subject
195 to assessment or payment of ad valorem taxes on real
196 property imposed by the cities affected by this section, or
197 by the state or any political subdivision thereof, for a
198 period of up to twenty-five years as specified by ordinance
199 under subsection 9 of this section, except to such extent
200 and in such amount as may be imposed upon such real property

201 during such period, as was determined by the assessor of the
202 county in which such real property is located, or, if not
203 located within a county, then by the assessor of such city,
204 in an amount not greater than the amount of taxes due and
205 payable thereon during the calendar year preceding the
206 calendar year during which the urban agricultural zone was
207 designated. The amounts of such tax assessments shall not
208 be increased during such period so long as the real property
209 is used in furtherance of the activities provided under the
210 provisions of subdivision (15) of subsection 1 of this
211 section. At the conclusion of the period of abatement
212 provided by the ordinance, the property shall then be
213 reassessed. If only a portion of real property is used as
214 an UAZ, then only that portion of real property shall be
215 exempt from assessment or payment of ad valorem taxes on
216 such property, as provided by this section.
217 11. If the water services for the UAZ are provided by
218 the municipality, the municipality may authorize a grower
219 UAZ to pay wholesale water rates for the cost of water
220 consumed on the UAZ. If available, the UAZ may pay fifty
221 percent of the standard cost to hook onto the water source.
222 12. (1) Any local sales tax revenues received from
223 the sale of agricultural products sold in the UAZ, or any
224 local sales tax revenues received by a mobile unit
225 associated with a vending UAZ selling agricultural products
226 in the municipality in which the vending UAZ is located,
227 shall be deposited in the urban agricultural zone fund
228 established in subdivision (2) of this subsection. An
229 amount equal to one percent shall be retained by the
230 director of revenue for deposit in the general revenue fund
231 to offset the costs of collection.
232 (2) There is hereby created in the state treasury the
233 "Urban Agricultural Zone Fund", which shall consist of money

234 collected under subdivision (1) of this subsection. The
235 state treasurer shall be custodian of the fund. In
236 accordance with sections 30.170 and 30.180, the state
237 treasurer may approve disbursements. The fund shall be a
238 dedicated fund and, upon appropriation, shall be used for
239 the purposes authorized by this section. Notwithstanding
240 the provisions of section 33.080 to the contrary, any moneys
241 remaining in the fund at the end of the biennium shall not
242 revert to the credit of the general revenue fund. The state
243 treasurer shall invest moneys in the fund in the same manner
244 as other funds are invested. Any interest and moneys earned
245 on such investments shall be credited to the fund. Fifty
246 percent of fund moneys shall be made available to school
247 districts. The remaining fifty percent of fund moneys shall
248 be allocated to municipalities that have urban agricultural
249 zones based upon the municipality's percentage of local
250 sales tax revenues deposited into the fund. The
251 municipalities shall, upon appropriation, provide fund
252 moneys to urban agricultural zones within the municipality
253 for improvements. School districts may apply to the
254 department for money in the fund to be used for the
255 development of curriculum on or the implementation of urban
256 farming practices under the guidance of the University of
257 Missouri extension service and a certified vocational
258 agricultural instructor. The funds are to be distributed on
259 a competitive basis within the school district or districts
260 in which the UAZ is located pursuant to rules to be
261 promulgated by the department, with special consideration
262 given to the relative number of students eligible for free
263 and reduced-price lunches attending the schools within such
264 district or districts.
265 13. Any rule or portion of a rule, as that term is
266 defined in section 536.010, that is created under the

267 authority delegated in this section shall become effective
268 only if it complies with and is subject to all of the
269 provisions of chapter 536 and, if applicable, section
270 536.028. This section and chapter 536 are nonseverable and
271 if any of the powers vested with the general assembly
272 pursuant to chapter 536 to review, to delay the effective
273 date, or to disapprove and annul a rule are subsequently
274 held unconstitutional, then the grant of rulemaking
275 authority and any rule proposed or adopted after August 28,
276 2013, shall be invalid and void.
277 14. The provisions of this section shall not apply to
278 any county with a charter form of government and with more
279 than three hundred thousand but fewer than four hundred
280 fifty thousand inhabitants.

353.020. The following terms, whenever used or
2 referred to in this chapter, mean:
3 (1) "Area", that portion of the city which the
4 legislative authority of such city has found or shall find
5 to be blighted so that the clearance, replanning,
6 rehabilitation, or reconstruction thereof is necessary to
7 effectuate the purposes of this law. Any such area may
8 include buildings or improvements not in themselves
9 blighted, and any real property, whether improved or
10 unimproved, the inclusion of which is deemed necessary for
11 the effective clearance, replanning, reconstruction or
12 rehabilitation of the area of which such buildings,
13 improvements or real property form a part;
14 (2) "Blighted area", [that portion of the city within
15 which the legislative authority of such city determines that
16 by reason of age, obsolescence, inadequate or outmoded
17 design or physical deterioration have become economic and
18 social liabilities, and that such conditions are conducive
19 to ill health, transmission of disease, crime or inability

20 to pay reasonable taxes**]** the same meaning as defined
21 pursuant to section 99.805;
22 (3) "City" or "such cities", any city within this
23 state and any county of the first classification with a
24 charter form of government and a population of at least nine
25 hundred thousand inhabitants or any county with a charter
26 form of government and with more than six hundred thousand
27 but less than seven hundred thousand inhabitants. The
28 county's authority pursuant to this chapter shall be
29 restricted to the unincorporated areas of such county;
30 (4) "Development plan", a plan, together with any
31 amendments thereto, for the development of all or any part
32 of a blighted area, which is authorized by the legislative
33 authority of any such city;
34 (5) "Legislative authority", the city council or board
35 of aldermen of the cities affected by this chapter;
36 (6) "Mortgage", a mortgage, trust indenture, deed of
37 trust, building and loan contract, or other instrument
38 creating a lien on real property, to secure the payment of
39 an indebtedness, and the indebtedness secured by any of them;
40 (7) "Real property" includes lands, buildings,
41 improvements, land under water, waterfront property, and any
42 and all easements, franchises and hereditaments, corporeal
43 or incorporeal, and every estate, interest, privilege,
44 easement, franchise and right therein, or appurtenant
45 thereto, legal or equitable, including restrictions of
46 record, created by plat, covenant or otherwise, rights-of-
47 way and terms for years;
48 (8) "Redevelopment", the clearance, replanning,
49 reconstruction or rehabilitation of any blighted area, and
50 the provision for such industrial, commercial, residential
51 or public structures and spaces as may be appropriate,

52 including recreational and other facilities incidental or
53 appurtenant thereto;
54 (9) "Redevelopment project", a specific work or
55 improvement to effectuate all or any part of a development
56 plan;
57 (10) "Urban redevelopment corporation", a corporation
58 organized pursuant to this chapter; except that any life
59 insurance company organized pursuant to the laws of, or
60 admitted to do business in, the state of Missouri may from
61 time to time within five years after April 23, 1946,
62 undertake, alone or in conjunction with, or as a lessee of
63 any such life insurance company or urban redevelopment
64 corporation, a redevelopment project pursuant to this
65 chapter, and shall, in its operations with respect to any
66 such redevelopment project, but not otherwise, be deemed to
67 be an urban redevelopment corporation for the purposes of
68 this section and sections 353.010, 353.040, 353.060 and
69 353.110 to 353.160.
620.2005. 1. As used in sections 620.2000 to
2 620.2020, the following terms mean:
3 (1) "Average wage", the new payroll divided by the
4 number of new jobs, or the payroll of the retained jobs
5 divided by the number of retained jobs;
6 (2) "Commencement of operations", the starting date
7 for the qualified company's first new employee, which shall
8 be no later than twelve months from the date of the approval;
9 (3) "Contractor", a person, employer, or business
10 entity that enters into an agreement to perform any service
11 or work or to provide a certain product in exchange for
12 valuable consideration. This definition shall include but
13 not be limited to a general contractor, subcontractor,
14 independent contractor, contract employee, project manager,
15 or a recruiting or staffing entity;

16 (4) "County average wage", the average wages in each
17 county as determined by the department for the most recently
18 completed full calendar year. However, if the computed
19 county average wage is above the statewide average wage, the
20 statewide average wage shall be deemed the county average
21 wage for such county for the purpose of determining
22 eligibility. The department shall publish the county
23 average wage for each county at least annually.
24 Notwithstanding the provisions of this subdivision to the
25 contrary, for any qualified company that in conjunction with
26 their project is relocating employees from a Missouri county
27 with a higher county average wage, the company shall obtain
28 the endorsement of the governing body of the community from
29 which jobs are being relocated or the county average wage
30 for their project shall be the county average wage for the
31 county from which the employees are being relocated;
32 (5) "Department", the Missouri department of economic
33 development;
34 (6) "Director", the director of the department of
35 economic development;
36 (7) "Employee", a person employed by a qualified
37 company, excluding:
38 (a) Owners of the qualified company unless the
39 qualified company is participating in an employee stock
40 ownership plan; or
41 (b) Owners of a noncontrolling interest in stock of a
42 qualified company that is publicly traded;
43 (8) "Existing Missouri business", a qualified company
44 that, for the ten-year period preceding submission of a
45 notice of intent to the department, had a physical location
46 in Missouri and full-time employees who routinely performed
47 job duties within Missouri;

48 (9) "Full-time employee", an employee of the qualified
49 company that is scheduled to work an average of at least
50 thirty-five hours per week for a twelve-month period, and
51 one for which the qualified company offers health insurance
52 and pays at least fifty percent of such insurance premiums.
53 An employee that spends less than fifty percent of the
54 employee's work time at the facility shall be considered to
55 be located at a facility if the employee receives his or her
56 directions and control from that facility, is on the
57 facility's payroll, one hundred percent of the employee's
58 income from such employment is Missouri income, and the
59 employee is paid at or above the applicable percentage of
60 the county average wage;
61 (10) "Industrial development authority", an industrial
62 development authority organized under chapter 349 that has
63 entered into a formal written memorandum of understanding
64 with an entity of the United States Department of Defense
65 regarding a qualified military project;
66 (11) "Infrastructure projects", highways, roads,
67 streets, bridges, sewers, traffic control systems and
68 devices, water distribution and supply systems, curbing,
69 sidewalks, storm water and drainage systems, broadband
70 internet infrastructure, and any other similar public
71 improvements, but in no case shall infrastructure projects
72 include private structures;
73 (12) "Local incentives", the present value of the
74 dollar amount of direct benefit received by a qualified
75 company for a project facility from one or more local
76 political subdivisions, but this term shall not include
77 loans or other funds provided to the qualified company that
78 shall be repaid by the qualified company to the political
79 subdivision;

80 (13) "Manufacturing capital investment", expenditures
81 made by a qualified manufacturing company to retool or
82 reconfigure a manufacturing project facility directly
83 related to the manufacturing of a new product or the
84 expansion or modification of the manufacture of an existing
85 product;
86 (14) "Memorandum of understanding", an agreement
87 executed by an industrial development authority and an
88 entity of the United States Department of Defense, a copy of
89 which is provided to the department of economic development,
90 that states, but is not limited to:
91 (a) A requirement for the military to provide the
92 total number of existing jobs, jobs directly created by a
93 qualified military project, and average salaries of such
94 jobs to the industrial development authority and the
95 department of economic development annually for the term of
96 the benefit;
97 (b) A requirement for the military to provide an
98 accounting of the expenditures of capital investment made by
99 the military directly related to the qualified military
100 project to the industrial development authority and the
101 department of economic development annually for the term of
102 the benefit;
103 (c) The process by which the industrial development
104 authority shall monetize the tax credits annually and any
105 transaction cost or administrative fee charged by the
106 industrial development authority to the military on an
107 annual basis;
108 (d) A requirement for the industrial development
109 authority to provide proof to the department of economic
110 development of the payment made to the qualified military
111 project annually, including the amount of such payment;

112 (e) The schedule of the maximum amount of tax credits
113 which may be authorized in each year for the project and the
114 specified term of the benefit, as provided by the department
115 of economic development; and
116 (f) A requirement that the annual benefit paid shall
117 be the lesser of:
118 a. The maximum amount of tax credits authorized; or
119 b. The actual calculated benefit derived from the
120 number of new jobs and average salaries;
121 (15) "NAICS" or "NAICS industry classification", the
122 classification provided by the most recent edition of the
123 North American Industry Classification System as prepared by
124 the Executive Office of the President, Office of Management
125 and Budget;
126 (16) "New capital investment", shall include costs
127 incurred by the qualified company at the project facility
128 after acceptance by the qualified company of the proposal
129 for benefits from the department or the approval notice of
130 intent, whichever occurs first, for real or personal
131 property, and may include the value of finance or capital
132 leases for real or personal property for the term of such
133 lease at the project facility executed after acceptance by
134 the qualified company of the proposal for benefits from the
135 department or the approval of the notice of intent;
136 (17) "New direct local revenue", the present value of
137 the dollar amount of direct net new tax revenues of the
138 local political subdivisions likely to be produced by the
139 project over a ten-year period as calculated by the
140 department, excluding local earnings tax, and net new
141 utility revenues, provided the local incentives include a
142 discount or other direct incentives from utilities owned or
143 operated by the political subdivision;

144 (18) "New job", the number of full-time employees
145 located at the project facility that exceeds the project
146 facility base employment less any decrease in the number of
147 full-time employees at related facilities below the related
148 facility base employment. No job that was created prior to
149 the date of the notice of intent shall be deemed a new job;
150 (19) "New payroll", the amount of wages paid for all
151 new jobs, located at the project facility during the
152 qualified company's tax year that exceeds the project
153 facility base payroll;
154 (20) "New product", a new model or line of a
155 manufactured good that has not been manufactured in Missouri
156 by a qualified manufacturing company at any time prior to
157 the date of the notice of intent, or an existing brand,
158 model, or line of a manufactured good that is redesigned;
159 (21) "Notice of intent", a form developed by the
160 department and available online, completed by the qualified
161 company, and submitted to the department stating the
162 qualified company's intent to request benefits under this
163 program. The notice of intent shall be accompanied with a
164 detailed plan by the qualifying company to make good faith
165 efforts to employ, at a minimum, commensurate with the
166 percentage of minority populations in the state of Missouri,
167 as reported in the previous decennial census, the
168 following: racial minorities, contractors who are racial
169 minorities, and contractors that, in turn, employ at a
170 minimum racial minorities commensurate with the percentage
171 of minority populations in the state of Missouri, as
172 reported in the previous decennial census. At a minimum,
173 such plan shall include monitoring the effectiveness of
174 outreach and recruitment strategies in attracting diverse
175 applicants and linking with different or additional referral

176 sources in the event that recruitment efforts fail to
177 produce a diverse pipeline of applicants;
178 (22) "Percent of local incentives", the amount of
179 local incentives divided by the amount of new direct local
180 revenue;
181 (23) "Program", the Missouri works program established
182 in sections 620.2000 to 620.2020;
183 (24) "Project facility", the building or buildings
184 used by a qualified company at which new or retained jobs
185 and any new capital investment are or will be located or by
186 a qualified manufacturing company at which a manufacturing
187 capital investment is or will be located. A project
188 facility may include separate buildings located within sixty
189 miles of each other such that their purpose and operations
190 are interrelated; provided that where the buildings making
191 up the project facility are not located within the same
192 county, the average wage of the new payroll shall exceed the
193 applicable percentage of the highest county average wage
194 among the counties in which the buildings are located. Upon
195 approval by the department, a subsequent project facility
196 may be designated if the qualified company demonstrates a
197 need to relocate to the subsequent project facility at any
198 time during the project period. For qualified military
199 projects, the term "project facility" means the military
200 base or installation at which such qualified military
201 project is or shall be located;
202 (25) "Project facility base employment", the greater
203 of the number of full-time employees located at the project
204 facility on the date of the notice of intent or, for the
205 twelve-month period prior to the date of the notice of
206 intent, the average number of full-time employees located at
207 the project facility. In the event the project facility has
208 not been in operation for a full twelve-month period, the

209 average number of full-time employees for the number of
210 months the project facility has been in operation prior to
211 the date of the notice of intent;
212 (26) "Project facility base payroll", the annualized
213 payroll for the project facility base employment or the
214 total amount of taxable wages paid by the qualified company
215 to full-time employees of the qualified company located at
216 the project facility in the twelve months prior to the
217 notice of intent. For purposes of calculating the benefits
218 under this program, the amount of base payroll shall
219 increase each year based on an appropriate measure, as
220 determined by the department;
221 (27) "Project period", the time period within which
222 benefits are awarded to a qualified company or within which
223 the qualified company is obligated to perform under an
224 agreement with the department, whichever is greater;
225 (28) "Projected net fiscal benefit", the total fiscal
226 benefit to the state less any state benefits offered to the
227 qualified company, as determined by the department;
228 (29) "Qualified company", a firm, partnership, joint
229 venture, association, private or public corporation whether
230 organized for profit or not, or headquarters of such entity
231 registered to do business in Missouri that is the owner or
232 operator of a project facility, certifies that it offers
233 health insurance to all full-time employees of all
234 facilities located in this state, and certifies that it pays
235 at least fifty percent of such insurance premiums. For the
236 purposes of sections 620.2000 to 620.2020, the term
237 "qualified company" shall not include:
238 (a) Gambling establishments (NAICS industry group
239 7132);
240 (b) Store front consumer-based retail trade
241 establishments (under NAICS sectors 44 and 45), except with

242 respect to any company headquartered in this state with a
243 majority of its full-time employees engaged in operations
244 not within the NAICS codes specified in this subdivision and
245 except for any such establishments located in a county of
246 the third or fourth classification;
247 (c) Food and drinking places (NAICS subsector 722);
248 (d) Public utilities (NAICS 221 including water and
249 sewer services);
250 (e) Any company that is delinquent in the payment of
251 any nonprotested taxes or any other amounts due the state or
252 federal government or any other political subdivision of
253 this state;
254 (f) Any company requesting benefits for retained jobs
255 that has filed for or has publicly announced its intention
256 to file for bankruptcy protection. However, a company that
257 has filed for or has publicly announced its intention to
258 file for bankruptcy may be a qualified company provided that
259 such company:
260 a. Certifies to the department that it plans to
261 reorganize and not to liquidate; and
262 b. After its bankruptcy petition has been filed, it
263 produces proof, in a form and at times satisfactory to the
264 department, that it is not delinquent in filing any tax
265 returns or making any payment due to the state of Missouri,
266 including but not limited to all tax payments due after the
267 filing of the bankruptcy petition and under the terms of the
268 plan of reorganization. Any taxpayer who is awarded
269 benefits under this subsection and who files for bankruptcy
270 under Chapter 7 of the United States Bankruptcy Code, Title
271 11 U.S.C., shall immediately notify the department and shall
272 forfeit such benefits and shall repay the state an amount
273 equal to any state tax credits already redeemed and any
274 withholding taxes already retained;

275 (g) Educational services (NAICS sector 61);
276 (h) Religious organizations (NAICS industry group
277 8131);
278 (i) Public administration (NAICS sector 92);
279 (j) Ethanol distillation or production;
280 (k) Biodiesel production; or
281 (l) Health care and social services (NAICS sector 62).

282 Notwithstanding any provision of this section to the
283 contrary, the headquarters, administrative offices, or
284 research and development facilities of an otherwise excluded
285 business may qualify for benefits if the offices or
286 facilities serve a multistate territory. In the event a
287 national, state, or regional headquarters operation is not
288 the predominant activity of a project facility, the jobs and
289 investment of such operation shall be considered eligible
290 for benefits under this section if the other requirements
291 are satisfied;
292 (30) "Qualified manufacturing company", a company that:
293 (a) Is a qualified company that manufactures motor
294 vehicles (NAICS group 3361);
295 (b) Manufactures goods at a facility in Missouri;
296 (c) Manufactures a new product or has commenced making
297 a manufacturing capital investment to the project facility
298 necessary for the manufacturing of such new product, or
299 modifies or expands the manufacture of an existing product
300 or has commenced making a manufacturing capital investment
301 for the project facility necessary for the modification or
302 expansion of the manufacture of such existing product; and
303 (d) Continues to meet the requirements of paragraphs
304 (a) to (c) of this subdivision for the project period;
305 (31) "Qualified military project", the expansion or
306 improvement of a military base or installation within this
307 state that causes:

308 (a) An increase of ten or more part-time or full-time
309 military or civilian support personnel:
310 a. Whose average salaries equal or exceed ninety
311 percent of the county average wage; and
312 b. Who are offered health insurance, with an entity of
313 the United States Department of Defense paying at least
314 fifty percent of such insurance premiums; and
315 (b) Investment in real or personal property at the
316 base or installation expressly for the purposes of serving a
317 new or expanded military activity or unit.

318 For the purposes of this subdivision, part-time military or
319 civilian support personnel shall be converted to full-time
320 new jobs by, in hire date order, counting one full-time new
321 job for every thirty-five averaged hours worked per week by
322 part-time military or civilian support personnel in jobs
323 directly created by the qualified military project. For
324 each such full-time new job, the sum of the wages of the
325 part-time military or civilian support personnel combined
326 and converted to form the new job shall be the wage for the
327 one full-time new job. Each part-time military or civilian
328 support personnel whose job is combined and converted for
329 such a full-time new job shall be offered health insurance
330 as described in subparagraph b of paragraph (a) of this
331 subdivision;
332 (32) "Related company", shall mean:
333 (a) A corporation, partnership, trust, or association
334 controlled by the qualified company;
335 (b) An individual, corporation, partnership, trust, or
336 association in control of the qualified company; or
337 (c) Corporations, partnerships, trusts or associations
338 controlled by an individual, corporation, partnership,
339 trust, or association in control of the qualified company.

340 As used in this paragraph, "control of a qualified company"
341 shall mean:
342 a. Ownership, directly or indirectly, of stock
343 possessing at least fifty percent of the total combined
344 voting power of all classes of stock entitled to vote in the
345 case of a qualified company that is a corporation;
346 b. Ownership of at least fifty percent of the capital
347 or profit interest in such qualified company if it is a
348 partnership or association;
349 c. Ownership, directly or indirectly, of at least
350 fifty percent of the beneficial interest in the principal or
351 income of such qualified company if it is a trust, and
352 ownership shall be determined as provided in Section 318 of
353 the Internal Revenue Code of 1986, as amended;
354 (33) "Related facility", a facility operated by the
355 qualified company or a related company located in this state
356 that is directly related to the operations of the project
357 facility or in which operations substantially similar to the
358 operations of the project facility are performed;
359 (34) "Related facility base employment", the greater
360 of the number of full-time employees located at all related
361 facilities on the date of the notice of intent or, for the
362 twelve-month period prior to the date of the notice of
363 intent, the average number of full-time employees located at
364 all related facilities of the qualified company or a related
365 company located in this state;
366 (35) "Related facility base payroll", the annualized
367 payroll of the related facility base payroll or the total
368 amount of taxable wages paid by the qualified company to
369 full-time employees of the qualified company located at a
370 related facility in the twelve months prior to the filing of
371 the notice of intent. For purposes of calculating the
372 benefits under this program, the amount of related facility

373 base payroll shall increase each year based on an
374 appropriate measure, as determined by the department;
375 (36) "Rural area", a county in Missouri with a
376 population less than seventy-five thousand or that does not
377 contain an individual city with a population greater than
378 fifty thousand according to the most recent federal
379 decennial census;
380 (37) "Tax credits", tax credits issued by the
381 department to offset the state taxes imposed by chapters 143
382 and 148, or which may be sold or refunded as provided for in
383 this program;
384 (38) "Withholding tax", the state tax imposed by
385 sections 143.191 to 143.265. For purposes of this program,
386 the withholding tax shall be computed using a schedule as
387 determined by the department based on average wages.
388 2. This section is subject to the provisions of
389 section 196.1127.

Section 1. 1. No later than the first week of November
2 2021 any county or municipality of this state that has
3 enacted a use tax shall provide notice in the newspaper with
4 the greatest circulation in such county or municipality and
5 on any county or municipality website, provided such website
6 exists, that certain purchases from out-of-state vendors
7 will become subject to an expansion of the use tax as
8 provided by state law. The notice shall be printed in the
9 newspaper at least once per week, for two consecutive weeks.
10 The notice shall include the rates of the use tax in the
11 county or municipality and shall include general information
12 on repealing a local use tax under section 144.761.
13 2. Nothing under subsection 1 of this section shall be
14 construed to require that duplicate notices be published or
15 to prevent any counties or municipalities from coordinating

16 and collaborating in their notice efforts in order to
17 maximize cost savings to taxpayers.

[144.710. From every remittance made by a vendor as required by sections 144.600 to 144.745 to the director of revenue on or before the date when the remittance becomes due, the vendor may deduct and retain an amount equal to two percent thereof.]

[144.1000. Sections 144.1000 to 144.1015 shall be known as and referred to as the "Simplified Sales and Use Tax Administration Act".]

[144.1003. As used in sections 144.1000 to 144.1015, the following terms shall mean:

(1) "Agreement", the streamlined sales and use tax agreement;

(2) "Certified automated system", software certified jointly by the states that are signatories to the agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to remit to the appropriate state and maintain a record of the transaction;

(3) "Certified service provider", an agent certified jointly by the states that are signatories to the agreement to perform all of the seller's sales tax functions;

(4) "Person", an individual, trust, estate, fiduciary, partnership, limited liability company, limited liability partnership, corporation or any other legal entity;

(5) "Sales tax", any sales tax levied pursuant to this chapter, section 32.085, or any other sales tax authorized by statute and levied by this state or its political subdivisions;

(6) "Seller", any person making sales, leases or rentals of personal property or services;

(7) "State", any state of the United States and the District of Columbia;

(8) "Use tax", the use tax levied pursuant to this chapter.]

[144.1006. For the purposes of reviewing and, if necessary, amending the agreement embodying the simplification recommendations contained in section 144.1015, the state may enter into multistate discussions. For purposes of such discussions, the state shall be represented by seven delegates, one of whom shall be appointed by the governor, two members appointed by the speaker of the house of representatives, one member appointed by the minority leader of the house of representatives, two members appointed by the president pro tempore of the senate and one member appointed

by the minority leader of the senate. The delegates need not be members of the general assembly and at least one of the delegates appointed by the speaker of the house of representatives and one member appointed by the president pro tempore of the senate shall be from the private sector and represent the interests of Missouri businesses. The delegates shall recommend to the committees responsible for reviewing tax issues in the senate and the house of representatives each year any amendment of state statutes required to be substantially in compliance with the agreement. Such delegates shall make a written report by the fifteenth day of January each year regarding the status of the multistate discussions and upon final adoption of the terms of the sales and use tax agreement by the multistate body.**]**

[144.1009. No provision of the agreement authorized by sections 144.1000 to 144.1015 in whole or in part invalidates or amends any provision of the law of this state. Implementation of any condition of this agreement in this state, whether adopted before, at, or after membership of this state in the agreement, must be by action of the general assembly. Such report shall be delivered to the governor, the secretary of state, the president pro tempore of the senate and the speaker of the house of representatives and shall simultaneously be made publicly available by the secretary of state to any person requesting a copy.**]**

[144.1012. Unless five of the seven delegates agree, the delegates shall not enter into or vote for any streamlined sales and use tax agreement that:

(1) Requires adoption of a definition of any term that would cause any item or transaction that is now excluded or exempted from sales or use tax to become subject to sales or use tax;

(2) Requires the state of Missouri to fully exempt or fully apply sales taxes to the sale of food or any other item;

(3) Restricts the ability of local governments under statutes in effect on August 28, 2002, to enact one or more local taxes on one or more items without application of the tax to all sales within the taxing jurisdiction, however, restriction of any such taxes allowed by statutes effective after August 28, 2002, may be supported;

(4) Provides for adoption of any uniform rate structure that would result in a tax increase for any Missouri taxpayer;

(5) Affects the sourcing of sales tax transactions; or

(6) Prohibits limitations or thresholds on the application of sales and use tax rates or prohibits any current sales or use tax exemption in the state of Missouri, including exemptions that are based on the value of the transaction or item.]

[144.1015. In addition to the requirements of section 144.1012, the delegates should consider the following features when deciding whether or not to enter into any streamlined sales and use tax agreement:

(1) The agreement should address the limitation of the number of state rates over time;

(2) The agreement should establish uniform standards for administration of exempt sales and the form used for filing sales and use tax returns and remittances;

(3) The agreement should require the state to provide a central, electronic registration system that allows a seller to register to collect and remit sales and use taxes for all signatory states;

(4) The agreement should provide that registration with the central registration system and the collection of sales and use taxes in the signatory states will not be used as a factor in determining whether the seller has nexus with a state for any tax;

(5) The agreement should provide for reduction of the burdens of complying with local sales and use taxes through the following so long as they do not conflict with the provisions of section 144.1012:

(a) Restricting variances between the state and local tax bases;

(b) Requiring states to administer any sales and use taxes levied by local jurisdictions within the state so that sellers collecting and remitting these taxes will not have to register or file returns with, remit funds to, or be subject to independent audits from local taxing jurisdictions;

(c) Restricting the frequency of changes in the local sales and use tax rates and setting effective dates for the application of local jurisdictional boundary changes to local sales and use taxes; and

(d) Providing notice of changes in local sales and use tax rates and of changes in the boundaries of local taxing jurisdictions;

(6) The agreement should outline any monetary allowances that are to be provided by the states to sellers or certified service providers. The agreement must allow for a joint public and private sector study of the compliance cost on sellers and certified service providers to collect sales and use taxes for

53 state and local governments under various levels
54 of complexity to be completed by July 1, 2003;
55 (7) The agreement should require each
56 state to certify compliance with the terms of
57 the agreement prior to joining and to maintain
58 compliance, under the laws of the member state,
59 with all provisions of the agreement while a
60 member, only if the agreement and any amendment
61 thereto complies with the provisions of section
62 144.1012;
63 (8) The agreement should require each
64 state to adopt a uniform policy for certified
65 service providers that protects the privacy of
66 consumers and maintains the confidentiality of
67 tax information; and
68 (9) The agreement should provide for the
69 appointment of an advisory council of private
70 sector representatives and an advisory council
71 of nonmember state representatives to consult
72 with in the administration of the agreement.**]**

Section B. The enactment of sections 143.177, 144.608,
2 144.637, 144.638, and 144.752 of this act; the repeal and
3 reenactment of sections 143.011, 144.011, 144.014, 144.020,
4 144.049, 144.054, 144.140, 144.526, and 144.605 of this act;
5 and the repeal of sections 144.710, 144.1000, 144.1003,
6 144.1006, 144.1009, 144.1012, and 144.1015 of this act shall
7 become effective January 1, 2023.

Section C. Because immediate action is necessary to
2 protect the interests of taxpayers during the COVID-19
3 pandemic, the repeal and reenactment of sections 143.121 and
4 143.171 of this act are deemed necessary for the immediate
5 preservation of the public health, welfare, peace, and
6 safety, and are hereby declared to be an emergency act
7 within the meaning of the constitution, and the repeal and
8 reenactment of sections 143.121 and 143.171 of this act
9 shall be in full force and effect upon its passage and
10 approval.

Section D. The repeal and reenactment of Section
2 67.2677 shall become effective August 28, 2023.

✓

Andrew Koenig

J Eggleston