

## CONFERENCE COMMITTEE SUBSTITUTE

FOR

## HOUSE COMMITTEE SUBSTITUTE

FOR

## SENATE SUBSTITUTE

FOR

## SENATE COMMITTEE SUBSTITUTE

FOR

## SENATE BILLS NOS. 153 &amp; 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.

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*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,  
 2 67.1461, 67.1471, 67.1481, 67.1545, 67.2677, 67.2689, 99.020,  
 3 99.320, 99.805, 99.810, 99.820, 99.843, 99.847, 99.848, 99.918,  
 4 99.1082, 100.310, 135.950, 137.115, 143.011, 143.121, 143.171,  
 5 144.011, 144.014, 144.020, 144.049, 144.054, 144.080, 144.140,  
 6 144.526, 144.605, 144.710, 144.757, 144.759, 144.1000,  
 7 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 262.900,  
 8 353.020, and 620.2005, RSMo, are repealed and forty-nine new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.

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

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

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

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

53           7. If the boundaries of a political subdivision listed  
54 in subsection 1 of this section in which a sales or use tax  
55 has been imposed shall thereafter be changed or altered, the  
56 political subdivision shall forward to the director of  
57 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;

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

24 (d) A five-year plan stating a description of the  
25 purposes of the proposed district, the services it will  
26 provide, [the improvements] each improvement it will make  
27 [and] from the list of allowable improvements under section  
28 67.1461, an estimate of the costs of these services and  
29 improvements to be incurred, the anticipated sources of  
30 funds to pay the costs, and the anticipated term of the  
31 sources of funds to pay the costs;

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

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

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

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

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

49 (j) The proposed length of time for the existence of  
50 the district, which in the case of districts established  
51 after August 28, 2021, shall not exceed twenty-seven years  
52 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: \_\_\_\_\_

86 Map and parcel number and assessed value of each  
87 tract of real property within the proposed district  
88 owned: \_\_\_\_\_

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

93 \_\_\_\_\_

94 Signature of person Date  
95 signing for owner

96 STATE OF MISSOURI )

97 ) ss.

98 COUNTY OF \_\_\_\_\_ )

99 Before me personally appeared \_\_\_\_\_, to me  
100 personally known to be the individual described in  
101 and who executed the foregoing instrument.

102 WITNESS my hand and official seal this \_\_\_\_\_ day  
103 of \_\_\_\_\_ (month), \_\_\_\_\_ (year).

104 \_\_\_\_\_

105 Notary Public

106 My Commission Expires: \_\_\_\_\_ ; and

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

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

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

128 4. After the close of the public hearing required  
129 pursuant to subsection 1 of this section, the governing body  
130 of the municipality may adopt an ordinance approving the  
131 petition and establishing a district as set forth in the  
132 petition and may determine, if requested in the petition,  
133 whether the district, or any legally described portion  
134 thereof, constitutes a blighted area. If the petition was  
135 filed by the governing body of a municipality pursuant to  
136 subdivision (5) of subsection 2 of this section, after the  
137 close of the public hearing required pursuant to subsection  
138 1 of this section, the petition may be approved by the  
139 governing body and an election shall be called pursuant to  
140 section 67.1422.

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

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

150 (2) At any time after the public hearing and prior to  
151 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

such director's successor is appointed; provided that, if there is an odd number of directors, the last person appointed shall serve a two-year term. For any district formed on or after August 28, 2003, of the initial appointed directors, one-half shall be appointed to serve for a two-year term, and one-half shall be appointed to serve for the term specified by the district for successor directors pursuant to this subsection, and if an odd number of directors are appointed, the last person appointed shall serve for a two-year term; provided that each director shall serve until such director's successor is appointed. Successor directors shall be appointed in the same manner as the initial directors and shall serve for a term of years specified by the district prior to the appointment, which term shall be at least three years and not more than four years.

6. If the petition states the names of the initial directors, those directors shall serve for the terms specified in the petition and successor directors shall be determined either by the above-listed election process or appointment process as provided in the petition.

7. Any director may be removed for cause by a two-thirds affirmative vote of the directors of the board. Written notice of the proposed removal shall be given to all directors prior to action thereon.

8. The board is authorized to act on behalf of the district, subject to approval of qualified voters as required in this section; except that, all official acts of the board shall be by written resolution approved by the board.

67.1461. 1. Each district shall have all the powers, except to the extent any such power has been limited by the petition approved by the governing body of the municipality



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

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

11 (2) To sue and be sued;

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

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

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

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

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

30 (8) To levy and collect special assessments and taxes  
31 as provided in sections 67.1401 to 67.1571. However, no  
32 such assessments or taxes shall be levied on any property  
33 exempt from taxation pursuant to subdivision (5) of section  
34 137.100. Those exempt pursuant to subdivision (5) of section  
35 137.100 may voluntarily participate in the provisions of  
36 sections 67.1401 to 67.1571;

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

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

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

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

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

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

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

61           (13) To loan money as provided in sections 67.1401 to  
62 67.1571;

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

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

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

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

77 (a) Pedestrian or shopping malls and plazas;

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

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

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

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

86 (f) Lakes, dams, and waterways;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(29) To partner with a telecommunications company or broadband service provider in order to construct or improve telecommunications facilities which shall be wholly owned and operated by the telecommunications company or broadband service provider, as the terms "telecommunications company" and "telecommunications facilities" are defined in section 386.020 and subject to the provisions of section 392.410, that are in an unserved or underserved area, as defined in section 620.2450. Before any facilities are improved or constructed as a result of this section, the area shall be certified as unserved or underserved by the director of broadband development within the department of economic development;

(30) To carry out any other powers set forth in sections 67.1401 to 67.1571.

2. Each district which is located in a blighted area or which includes a blighted area shall have the following additional powers:

(1) Within its blighted area, to contract with any private property owner to demolish and remove, renovate, reconstruct, or rehabilitate any building or structure owned by such private property owner; and

(2) To expend its revenues or loan its revenues pursuant to a contract entered into pursuant to this subsection, provided that the governing body of the municipality has determined that the action to be taken pursuant to such contract is reasonably anticipated to remediate the blighting conditions and will serve a public purpose.

3. Each district shall annually reimburse the municipality for the reasonable and actual expenses incurred by the municipality to establish such district and review annual budgets and reports of such district required to be

submitted to the municipality; provided that, such annual reimbursement shall not exceed one and one-half percent of the revenues collected by the district in such year.

4. Nothing in sections 67.1401 to 67.1571 shall be construed to delegate to any district any sovereign right of municipalities to promote order, safety, health, morals, and general welfare of the public, except those such police powers, if any, expressly delegated pursuant to sections 67.1401 to 67.1571.

5. The governing body of the municipality establishing the district shall not decrease the level of publicly funded services in the district existing prior to the creation of the district or transfer the financial burden of providing the services to the district unless the services at the same time are decreased throughout the municipality, nor shall the governing body discriminate in the provision of the publicly funded services between areas included in such district and areas not so included.

6. All construction contracts entered into after August 28, 2021, in excess of five thousand dollars between a district that has adopted a sales tax and any private person, firm, or corporation shall be competitively bid and shall be awarded to the lowest and best bidder. Notice of the letting of the contracts shall be given in the manner provided by section 8.250.

67.1471. 1. The fiscal year for the district shall be the same as the fiscal year of the municipality.

2. No earlier than one hundred eighty days and no later than ninety days prior to the first day of each fiscal year, the board shall submit to the governing body of the city a proposed annual budget, setting forth expected expenditures, revenues, and rates of assessments and taxes, if any, for such fiscal year. The governing body may review

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

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

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

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

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

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

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

17           (1) It names the district to be terminated;

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

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

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

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

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

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

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

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



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

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

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

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

no resolution adopted pursuant to this section shall become effective unless the board of directors of the district submits to the qualified voters of the district, by mail-in ballot, a proposal to authorize a sales and use tax pursuant to this section. If a majority of the votes cast by the qualified voters on the proposed sales tax are in favor of the sales tax, then the resolution is adopted. If a majority of the votes cast by the qualified voters are opposed to the sales tax, then the resolution is void.

2. The ballot shall be substantially in the following form:

Shall the \_\_\_\_\_ (insert name of district) Community Improvement District impose a community improvement districtwide sales and use tax at the maximum rate of \_\_\_\_\_ (insert amount) for a period of \_\_\_\_\_ (insert number) years from the date on which such tax is first imposed for the purpose of providing revenue for \_\_\_\_\_ (insert general description of the purpose)?

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

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

48           5. In each district in which a sales and use tax is  
49 imposed pursuant to this section, every retailer shall add  
50 such additional tax imposed by the district to such  
51 retailer's sale price, and when so added such tax shall  
52 constitute a part of the purchase price, shall be a debt of  
53 the purchaser to the retailer until paid and shall be  
54 recoverable at law in the same manner as the purchase price.

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

62           7. The penalties provided in sections 144.010 to  
63 144.525 shall apply to violations of this section.

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

76           9. A district may repeal by resolution any sales and  
77 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



7 service providers within the geographic area of a franchise  
8 entity.

9       2. Beginning August 28, 2023, franchise entities are  
10 prohibited from collecting a video service provider fee in  
11 excess of four and one-half percent of such gross revenues.  
12 Beginning August 28, 2024, franchise entities are prohibited  
13 from collecting a video service provider fee in excess of  
14 four percent of such gross revenues. Beginning August 28,  
15 2025, franchise entities are prohibited from collecting a  
16 video service provider fee in excess of three and one-half  
17 percent of such gross revenues. Beginning August 28, 2026,  
18 franchise entities are prohibited from collecting a video  
19 service provider fee in excess of three percent of such  
20 gross revenues. Beginning August 28, 2027, and continuing  
21 thereafter, franchise entities are prohibited from  
22 collecting a video service provider fee in excess of two and  
23 one-half percent of such gross revenues.

24       3. Except as otherwise expressly provided in sections  
25 67.2675 to 67.2714, neither a franchise entity nor any other  
26 political subdivision shall demand any additional fees,  
27 licenses, gross receipt taxes, or charges on the provision  
28 of video services by a video service provider and shall not  
29 demand the use of any other calculation method.

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

entity shall notify the applicant for a video service authorization of the applicable gross revenue fee percentage within thirty days of the date notice of the applicant is provided.]

4. Not more than once per calendar year after the date that the incumbent cable operator's franchise existing on August 28, 2007, expires or would have expired if it had not been terminated pursuant to sections 67.2675 to 67.2714, or in any political subdivision where no franchise applied on the date of enactment of sections 67.2675 to 67.2714, no more than once per calendar year after the video service provider fee was initially imposed, a franchise entity, may, upon ninety days notice to all video service providers, elect to adjust the amount of the video service provider fee subject to state and federal law, but in no event shall such fee exceed [five percent of a video service provider's gross revenue] the calculation defined in subsections 1 and 2 of this section.

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

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

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

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

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

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

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

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

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

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

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

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

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

34          4. The task force shall study best methods for right-  
35 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;

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

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

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

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

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

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

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

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

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

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

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

undertaking may include buildings, land, equipment, facilities and other real or personal property for necessary, convenient or desirable appurtenances, streets, sewers, water service, site preparation, gardening, administrative, community, health, welfare or other purposes. Such work or undertaking may also include housing, for persons of moderate income, offices, stores, solar energy access, parks, and recreational and educational facilities, provided that such activities be undertaken only in conjunction with the provision of housing for persons of very low and lower income, and provided further that any profit of the authority shall be distributed as provided in subsection 3 of section 99.080; or

(c) To accomplish a combination of the foregoing. The term "housing project" also may be applied to the planning of the buildings and improvements, the acquisition of property; the demolition of existing structures, the construction, reconstruction, alteration and repair of the improvements and all other work in connection therewith;

(d) In the planning and carrying out of any housing project owned and operated by a housing authority, a housing authority shall establish procedures for allocating any training and employment opportunities which may arise from such activity to qualified persons of very low and lower income who have been unemployed for one year or more and reside within the area of operation of the housing authority;

(13) "Mayor" shall mean the elected mayor of the city or the elected officer thereof charged with duties customarily imposed on the mayor or executive head of the city;

(14) "Obligee of the authority" or "obligee" shall include any bondholder, trustee or trustees for any 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

5 not include any area which lies within the territorial  
6 boundaries of another municipality unless a resolution has  
7 been adopted by the governing body of the other municipality  
8 declaring a need therefor; and in the case of a county, the  
9 area within the county, except that the area of operation in  
10 such case shall not include any area which lies within the  
11 territorial boundaries of a municipality unless a resolution  
12 has been adopted by the governing body of the municipality  
13 declaring a need therefor; and in the case of a regional  
14 authority, the area within the communities for which the  
15 regional authority is created, except that a regional  
16 authority shall not undertake a land clearance project  
17 within the territorial boundaries of any municipality unless  
18 a resolution has been adopted by the governing body of the  
19 municipality declaring that there is a need for the regional  
20 authority to undertake the land clearance project within  
21 such municipality; no authority shall operate in any area of  
22 operation in which another authority already established is  
23 undertaking or carrying out a land clearance project without  
24 the consent, by resolution, of the other authority;

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

30 (3) "Blighted area", [an area which, by reason of the  
31 predominance of defective or inadequate street layout,  
32 insanitary or unsafe conditions, deterioration of site  
33 improvements, improper subdivision or obsolete platting, or  
34 the existence of conditions which endanger life or property  
35 by fire and other causes, or any combination of such  
36 factors, retards the provision of housing accommodations or  
37 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;

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

(5) "Clerk", the clerk or other official of the municipality or county who is the custodian of the official records of the municipality or county;

(6) "Community", any county or municipality except that such term shall not include any municipality containing less than seventy-five thousand inhabitants until the governing body thereof shall have submitted the proposition of accepting the provisions of this law to the qualified voters therein at an election called and held as provided by law for the incurring of indebtedness by such municipality, and a majority of the voters voting at the election shall have voted in favor of such proposition;

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

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

(9) "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

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;

104           (11) "Mayor", the elected mayor of the city or the  
105 elected officer having the duties customarily imposed upon  
106 the mayor of the city or the executive head of a county;  
107           (12) "Municipality", any incorporated city, town or  
108 village in the state;  
109           (13) "Obligee", any bondholders, agents or trustees  
110 for any bondholders, lessor demising to the authority  
111 property used in connection with land clearance project, or  
112 any assignee or assignees of the lessor's interest or any  
113 part thereof, and the federal government when it is a party  
114 to any contract with the authority;  
115           (14) "Person", any individual, firm, partnership,  
116 corporation, company, association, joint stock association,  
117 or body politic; and shall include any trustee, receiver,  
118 assignee, or other similar representative thereof;  
119           (15) "Public body", the state or any municipality,  
120 county, township, board, commission, authority, district, or  
121 any other subdivision of the state;  
122           (16) "Real property", all lands, including  
123 improvements and fixtures thereon, and property of any  
124 nature appurtenant thereto, or used in connection therewith,  
125 and every estate, interest and right, legal or equitable,  
126 therein, including terms for years and liens by way of  
127 judgment, mortgage or otherwise and the indebtedness secured  
128 by such liens;  
129           (17) "Redeveloper", any person, partnership, or public  
130 or private corporation or agency which enters or proposes to  
131 enter into a redevelopment or rehabilitation or renewal  
132 contract;  
133           (18) "Redevelopment contract", a contract entered into  
134 between an authority and redeveloper for the redevelopment,  
135 rehabilitation or renewal of an area in conformity with a  
136 redevelopment plan or an urban renewal plan;

(19) "Redevelopment", the process of undertaking and carrying out a redevelopment plan or urban renewal plan;

(20) "Redevelopment plan", a plan other than a preliminary or tentative plan for the acquisition, clearance, reconstruction, rehabilitation, renewal or future use of a land clearance project area, and shall be sufficiently complete to comply with subdivision (4) of section 99.430 and shall be in compliance with a "workable program" for the city as a whole and wherever used in sections 99.300 to 99.660 the words "redevelopment plan" shall also mean and include "urban renewal plan" as defined in this section;

(21) "Urban renewal plan", a plan as it exists from time to time, for an urban renewal project, which plan shall conform to the general plan for the municipality as a whole; and shall be sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the area of the urban renewal project, zoning and planning changes, if any, land uses, maximum densities, building requirements, and the relationship of the plan to definite local objectives respecting appropriate land uses, improved traffic, public transportation, public utilities, recreational and community facilities, and other public improvements; an urban renewal plan shall be prepared and approved pursuant to the same procedure as provided with respect to a redevelopment plan;

(22) "Urban renewal project", any surveys, plans, undertakings and activities for the elimination and for the prevention of the spread or development of insanitary, blighted, deteriorated or deteriorating areas and may involve any work or undertaking for such purpose constituting a land clearance project or any rehabilitation

or conservation work, or any combination of such undertaking or work in accordance with an urban renewal project; for this purpose, "rehabilitation or conservation work" may include:

(a) Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements;

(b) Acquisition of real property and demolition, removal or rehabilitation of buildings and improvements thereon where necessary to eliminate unhealthful, insanitary or unsafe conditions, lessen density, eliminate uneconomic, obsolete or other uses detrimental to the public welfare, or to otherwise remove or prevent the spread of blight or deterioration, or to provide land for needed public facilities;

(c) To develop, construct, reconstruct, rehabilitate, repair or improve residences, houses, buildings, structures and other facilities;

(d) Installation, construction, or reconstruction of streets, utilities, parks, playgrounds, and other improvements necessary for carrying out the objectives of the urban renewal project; and

(e) The disposition, for uses in accordance with the objectives of the urban renewal project, of any property or part thereof acquired in the area of the project; but such disposition shall be in the manner prescribed in this law for the disposition of property in a land clearance project area;

(23) "Workable program", an official plan of action, as it exists from time to time, for effectively dealing with the problem in insanitary, blighted, deteriorated or deteriorating areas within the community and for the 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

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. A conservation area shall meet at least three of the factors provided in this subdivision for projects approved on or after December 23, 1997. For all redevelopment plans and projects approved on or after January 1, 2022, in retail areas, a conservation area shall meet the dilapidation factor as one of the three factors required under this subdivision;

(4) "Economic activity taxes", the total additional revenue from taxes which are imposed by a municipality and other taxing districts, and which are generated by economic activities within a redevelopment area over the amount of such taxes generated by economic activities within such redevelopment area in the calendar year prior to the adoption of the ordinance designating such a redevelopment area, while tax increment financing remains in effect, but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees or special assessments. For redevelopment projects or redevelopment plans approved after December 23, 1997, if a retail establishment relocates within one year from one facility to another facility within the same county and the governing body of the municipality finds that the relocation is a direct beneficiary of tax

increment financing, then for purposes of this definition, the economic activity taxes generated by the retail establishment shall equal the total additional revenues from economic activity taxes which are imposed by a municipality or other taxing district over the amount of economic activity taxes generated by the retail establishment in the calendar year prior to its relocation to the redevelopment area;

(5) "Economic development area", any area or portion of an area located within the territorial limits of a municipality, which does not meet the requirements of subdivisions (1) and (3) of this section, and in which the governing body of the municipality finds that redevelopment will not be solely used for development of commercial businesses which unfairly compete in the local economy and is in the public interest because it will:

(a) Discourage commerce, industry or manufacturing from moving their operations to another state; or

(b) Result in increased employment in the municipality; or

(c) Result in preservation or enhancement of the tax base of the municipality;

(6) "Gambling establishment", an excursion gambling boat as defined in section 313.800 and any related business facility including any real property improvements which are directly and solely related to such business facility, whose sole purpose is to provide goods or services to an excursion gambling boat and whose majority ownership interest is held by a person licensed to conduct gambling games on an excursion gambling boat or licensed to operate an excursion gambling boat as provided in sections 313.800 to 313.850. This subdivision shall be applicable only to a redevelopment area designated by ordinance adopted after December 23, 1997;



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

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

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

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

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

total initial equalized value of real property in such area until the designation is terminated pursuant to subsection 2 of section 99.850;

(12) "Port infrastructure project", docks and associated equipment, cargo and passenger terminals, storage warehouses, or any other similar infrastructure directly related to port facilities located in a port district created pursuant to the provisions of chapter 68 and located within one-half of one mile of a navigable waterway;

[(12)] (13) "Redevelopment 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, a conservation area, an economic development area, an enterprise zone pursuant to sections 135.200 to 135.256, or a combination thereof, which area includes only those parcels of real property directly and substantially benefitted by the proposed redevelopment project;

[(13)] (14) "Redevelopment plan", the comprehensive program of a municipality for redevelopment intended by the payment of redevelopment costs to reduce or eliminate those conditions, the existence of which qualified the redevelopment area as a blighted area, conservation area, economic development area, or combination thereof, and to thereby enhance the tax bases of the taxing districts which extend into the redevelopment area. Each redevelopment plan shall conform to the requirements of section 99.810;

[(14)] (15) "Redevelopment project", any development project within a redevelopment area in furtherance of the objectives of the redevelopment plan; any such redevelopment project shall include a legal description of the area 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

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

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

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

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

49 (5) A cost-benefit analysis showing the economic  
50 impact of the plan on each taxing district which is at least  
51 partially within the boundaries of the redevelopment area.  
52 The analysis shall show the impact on the economy if the  
53 project is not built, and is built pursuant to the  
54 redevelopment plan under consideration. The cost-benefit  
55 analysis shall include a fiscal impact study on every  
56 affected political subdivision, and sufficient information  
57 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,

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

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

19 (3) Pursuant to a redevelopment plan, subject to any  
20 constitutional limitations, acquire by purchase, donation,  
21 lease or, as part of a redevelopment project, eminent  
22 domain, own, convey, lease, mortgage, or dispose of land and  
23 other property, real or personal, or rights or interests  
24 therein, and grant or acquire licenses, easements and  
25 options with respect thereto, all in the manner and at such  
26 price the municipality or the commission determines is  
27 reasonably necessary to achieve the objectives of the  
28 redevelopment plan. No conveyance, lease, mortgage,  
29 disposition of land or other property, acquired by the  
30 municipality, or agreement relating to the development of  
31 the property shall be made except upon the adoption of an  
32 ordinance by the governing body of the municipality. Each  
33 municipality or its commission shall establish written  
34 procedures relating to bids and proposals for implementation  
35 of the redevelopment projects. Furthermore, no conveyance,  
36 lease, mortgage, or other disposition of land or agreement  
37 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

members shall be appointed in any manner agreed upon by the affected districts;

(2) In all municipalities one member shall be appointed, in any manner agreed upon by the affected districts, to represent all other districts levying ad valorem taxes within the area selected for a redevelopment project or the redevelopment area, excluding representatives of the governing body of the municipality;

(3) In all municipalities six members shall be appointed by the chief elected officer of the municipality, with the consent of the majority of the governing body of the municipality;

(4) In all municipalities which are not counties and not in a first class county with a charter form of government having a population in excess of nine hundred thousand, two members shall be appointed by the county of such municipality in the same manner as members are appointed in subdivision (3) of this subsection;

(5) In a municipality which is a county with a charter form of government having a population in excess of nine hundred thousand, three members shall be appointed by the cities in the county which have tax increment financing districts in a manner in which the cities shall agree;

(6) In a municipality which is located in the first class county with a charter form of government having a population in excess of nine hundred thousand, three members shall be appointed by the county of such municipality in the same manner as members are appointed in subdivision (3) of this subsection;

(7) At the option of the members appointed by the municipality, the members who are appointed by the school boards and other taxing districts may serve on the 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

unless the county executive or presiding commissioner appoints a new member or members.

3. Beginning August 28, 2008:

(1) In lieu of a commission created under subsection 2 of this section, any city, town, or village in a county with a charter form of government and with more than one million inhabitants, in a county with a charter form of government and with more than two hundred fifty thousand but fewer than three hundred fifty thousand inhabitants, [or] in a county of the first classification with more than one hundred eighty-five thousand but fewer than two hundred thousand inhabitants, or in a county of the first classification with more than ninety-two thousand but fewer than one hundred one thousand inhabitants shall, prior to adoption of an ordinance approving the designation of a redevelopment area or approving a redevelopment plan or redevelopment project, create a commission consisting of twelve persons to be appointed as follows:

(a) Six members appointed either by the county executive or presiding commissioner; notwithstanding any provision of law to the contrary, no approval by the county's governing body shall be required;

(b) Three members appointed by the cities, towns, or villages in the county which have tax increment financing districts in a manner in which the chief elected officials of such cities, towns, or villages agree;

(c) Two members appointed by the school boards whose districts are included in the county in a manner in which the school boards agree; and

(d) One member to represent all other districts levying ad valorem taxes in the proposed redevelopment area in a manner in which all such districts agree.

No city, town, or village subject to this subsection shall create or maintain a commission under subsection 2 of this section, except as necessary to complete a public hearing for which notice under section 99.830 has been provided prior to August 28, 2008, and to vote or make recommendations relating to redevelopment plans, redevelopment projects, or designation of redevelopment areas, or amendments thereto that were the subject of such public hearing;

(2) Members appointed to the commission created under this subsection, except those six members appointed by either the county executive or presiding commissioner, shall serve on the commission for a term to coincide with the length of time a redevelopment project, redevelopment plan, or designation of a redevelopment area is considered for approval by the commission. The six members appointed by either the county executive or the presiding commissioner shall serve on all such commissions until replaced. The city, town, or village that creates a commission under this subsection shall send notice thereof by certified mail to the county executive or presiding commissioner, to the school districts whose boundaries include any portion of the proposed redevelopment area, and to the other taxing districts whose boundaries include any portion of the proposed redevelopment area. The city, town, or village that creates the commission shall also be solely responsible for notifying all other cities, towns, and villages in the county that have tax increment financing districts and shall exercise all administrative functions of the commission. The school districts receiving notice from the city, town, or village shall be solely responsible for notifying the other school districts within the county of the formation of 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

5 percent of the tax increment financing revenues generated  
6 pursuant to section 99.845 into a strategic infrastructure  
7 for economic growth fund established by such city in lieu of  
8 deposit into the special allocation fund. Moneys deposited  
9 into the strategic infrastructure for economic growth fund  
10 pursuant to this section may be expended by the city  
11 establishing such fund for the purpose of funding capital  
12 investments in public infrastructure that the governing body  
13 of such city has determined to be in a census tract that is  
14 defined as a low-income community pursuant to 26 U.S.C.  
15 Section 45D(e) or is eligible to be designated as a  
16 qualified opportunity zone pursuant to 26 U.S.C. Section  
17 1400Z-1.

99.843. Notwithstanding the provisions of sections  
2 99.800 to 99.865 to the contrary, no new tax increment  
3 financing project shall be authorized in any greenfield  
4 area, as such term is defined in section 99.805[, that is  
5 located within a city not within a county or any county  
6 subject to the authority of the East-West Gateway Council of  
7 Governments. Municipalities not subject to the authority of  
8 the East-West Gateway Council of Governments may authorize  
9 tax increment finance projects in greenfield areas].

99.847. 1. Notwithstanding the provisions of sections  
2 99.800 to 99.865 to the contrary, for all years ending on or  
3 before December 31, 2021, no new tax increment financing  
4 project shall be authorized in any area which is within an  
5 area designated as flood plain by the Federal Emergency  
6 Management Agency and which is located in or partly within a  
7 county with a charter form of government with greater than  
8 two hundred fifty thousand inhabitants but fewer than three  
9 hundred thousand inhabitants, unless the redevelopment area  
10 actually abuts a river or a major waterway and is  
11 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:

4           (1) "Authority", the downtown economic stimulus  
5 authority for a municipality, created pursuant to section  
6 99.921;

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

(3) "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 same meaning as defined pursuant to section 99.805;

(4) "Central business district", the area at or near the historic core that is locally known as the "downtown" of a municipality that has a median household income of sixty-two thousand dollars or less, according to the United States Census Bureau's American Community Survey, based on the most recent of five-year period estimate data in which the final year of the estimate ends in either zero or five. In addition, at least fifty percent of existing buildings in this area will have been built in excess of thirty-five years prior or vacant lots that had prior structures built in excess of thirty-five years prior to the adoption of the ordinance approving the redevelopment plan. The historical land use emphasis of a central business district prior to redevelopment will have been a mixed use of business, commercial, financial, transportation, government, and multifamily residential uses;

(5) "Collecting officer", the officer of the municipality responsible for receiving and processing payments in lieu of taxes, economic activity taxes other than economic activity taxes which are local sales taxes, and other local taxes other than local sales taxes, and, for 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

development project costs in accordance with sections 99.915 to 99.980 and through the exercise of the powers set forth in sections 99.915 to 99.980. The development plan shall conform to the requirements of section 99.942;

(9) "Development project", any development project within a development area which constitutes a major initiative in furtherance of the objectives of the development plan, and any such development project shall include a legal description of the area selected for such development project;

(10) "Development project area", the area located within a development area selected for a development project;

(11) "Development project costs" include such costs to the development plan or a development project, as applicable, which are expended on public property, buildings, or rights-of-ways for public purposes to provide infrastructure to support a development project. Such costs shall only be allowed as an initial expense which, to be recoverable, must be included in the costs of a development plan or development project, except in circumstances of plan amendments approved by the Missouri development finance board and the department of economic development. Such infrastructure costs include, but are not limited to, the following:

(a) Costs of studies, appraisals, surveys, plans, and specifications;

(b) Professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning, or special services;

(c) Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;

(d) Costs of rehabilitation, reconstruction, repair, or remodeling of existing public buildings and fixtures;

(e) Costs of construction of public works or improvements;

(f) Financing costs, including, but not limited to, all necessary expenses related to the issuance of obligations issued to finance all or any portion of the infrastructure costs of one or more development projects, and which may include capitalized interest on any such obligations and reasonable reserves related to any such obligations;

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

(h) Payments to taxing districts on a pro rata basis to partially reimburse taxes diverted by approval of a development project;

(i) State government costs, including, but not limited to, the reasonable costs incurred by the department of economic development, the department of revenue and the office of administration in evaluating an application for and administering state supplemental downtown development financing for a development project; and

(j) Endowment of positions at an institution of higher education which has a designation as a Carnegie Research I University including any campus of such university system, subject to the provisions of section 99.958. In addition, economic activity taxes and payment in lieu of taxes may be expended on or used to reimburse any reasonable or necessary

costs incurred or estimated to be incurred in furtherance of a development plan or a development project;

(12) "Economic activity taxes", the total additional revenue from taxes which are imposed by the municipality and other taxing districts, and which are generated by economic activities within each development project area, which are not related to the relocation of any out-of-state business into the development project area, which exceed the amount of such taxes generated by economic activities within such development project area in the baseline year plus, in development project areas where the baseline year is the year following the year in which the development project is approved by the municipality pursuant to subdivision (2) of this section, the total revenue from taxes which are imposed by the municipality and other taxing districts which is generated by economic activities within the development project area resulting from the relocation of an out-of-state business or out-of-state businesses to the development project area pursuant to section 99.919; but excluding personal property taxes, taxes imposed on sales or charges for sleeping rooms paid by transient guests of hotels and motels, licenses, fees, or special assessments. If a retail establishment relocates within one year from one facility to another facility within the same county and the municipality or authority finds that the retail establishment is a direct beneficiary of development financing, then for purposes of this definition, the economic activity taxes generated by the retail establishment shall equal the total additional revenues from taxes which are imposed by the municipality and other taxing districts which are generated by the economic activities within the development project area which exceed the amount of taxes which are imposed by the municipality and other taxing districts which are generated

by economic activities within the development project area generated by the retail establishment in the baseline year;

(13) "Gambling establishment", an excursion gambling boat as defined in section 313.800 and any related business facility including any real property improvements which are directly and solely related to such business facility, whose sole purpose is to provide goods or services to an excursion gambling boat and whose majority ownership interest is held by a person licensed to conduct gambling games on an excursion gambling boat or licensed to operate an excursion gambling boat as provided in sections 313.800 to 313.850;

(14) "Major initiative", a development project within a central business district that:

(a) Promotes tourism, cultural activities, arts, entertainment, education, research, arenas, multipurpose facilities, libraries, ports, mass transit, museums, or conventions, the estimated cost of which is in excess of the amount set forth below for the municipality, as applicable;

or

(b) Promotes business location or expansion, the estimated cost of which is in excess of the amount set forth below for the municipality, and is estimated to create at least as many new jobs as set forth below within three years 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

262	50,000 or less	\$500,000	at least 5;
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263           (15) "Municipality", any city, village, incorporated  
264 town, or any county of this state established on or prior to  
265 January 1, 2001, or a census-designated place in any county  
266 designated by the county for purposes of sections 99.915 to  
267 99.1060;

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

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

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

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

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

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

during the time the current equalized value of real property in such development project area exceeds the total equalized value of real property in such development project area during the baseline year until development financing for such development project area expires or is terminated pursuant to sections 99.915 to 99.980;

(22) "Special allocation fund", the fund of the municipality or its authority required to be established pursuant to section 99.957 which special allocation fund shall contain at least four separate segregated accounts into which payments in lieu of taxes are deposited in one account, economic activity taxes are deposited in a second account, other net new revenues are deposited in a third account, and other revenues, if any, received by the authority or the municipality for the purpose of implementing a development plan or a development project are deposited in a fourth account;

(23) "State income tax increment", up to fifty percent of the estimate of the income tax due the state for salaries or wages paid to new employees in new jobs at a business located in the development project area and created by the development project. The estimate shall be a percentage of the gross payroll which percentage shall be based upon an analysis by the department of revenue of the practical tax rate on gross payroll as a factor in overall taxable income;

(24) "State sales tax increment", up to one-half of the incremental increase in the state sales tax revenue in the development project area. In no event shall the incremental increase include any amounts attributable to retail sales unless the Missouri development finance board and the department of economic development are satisfied based on information provided by the municipality or authority, and such entities have made a finding that a



substantial portion of all but a de minimus portion of the sales tax increment attributable to retail sales is from new sources which did not exist in the state during the baseline year. The incremental increase for an existing facility shall be the amount by which the state sales tax revenue generated at the facility exceeds the state sales tax revenue generated at the facility in the baseline year. The incremental increase in development project areas where the baseline year is the year following the year in which the development project is approved by the municipality pursuant to subdivision (2) of this section shall be the state sales tax revenue generated by out-of-state businesses relocating into a development project area. The incremental increase for a Missouri facility which relocates to a development project area shall be the amount by which the state sales tax revenue of the facility exceeds the state sales tax revenue for the facility in the calendar year prior to relocation;

(25) "State sales tax revenues", the general revenue portion of state sales tax revenues received pursuant to section 144.020, excluding sales taxes that are constitutionally dedicated, taxes deposited to the school district trust fund in accordance with section 144.701, sales and use taxes on motor vehicles, trailers, boats and outboard motors and future sales taxes earmarked by law;

(26) "Taxing district's capital costs", those costs of taxing districts for capital improvements that are found by the municipal governing bodies to be necessary and to directly result from a development project; and

(27) "Taxing districts", any political subdivision of 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

establishment relocates within one year from one facility within the same county and the governing body of the municipality finds that the retail establishment is a direct beneficiary of tax increment financing, then for the purposes of this subdivision, the economic activity taxes generated by the retail establishment shall equal the total additional revenues from economic activity taxes that are imposed by a municipality or other taxing district over the amount of economic activity taxes generated by the retail establishment in the calendar year prior to its relocation to the redevelopment area;

(7) "Local sales tax revenue", city sales tax revenues received under sections 94.500 to 94.550 and county sales tax revenues received under sections 67.500 to 67.594;

(8) "Major initiative", a development project within a central business district which promotes tourism, cultural activities, arts, entertainment, education, research, arenas, multipurpose facilities, libraries, ports, mass transit, museums, economic development, or conventions for the municipality, and where the capital investment within the redevelopment project area is:

(a) At least five million dollars for a project area within a city having a population of one hundred thousand to one hundred ninety-nine thousand nine hundred and ninety-nine inhabitants;

(b) At least one million dollars for a project area within a city having a population of fifty thousand to ninety-nine thousand nine hundred and ninety-nine inhabitants;

(c) At least five hundred thousand dollars for a project area within a city having a population of ten thousand to forty-nine thousand nine hundred and ninety-nine inhabitants; or

(d) At least two hundred fifty thousand dollars for a project area within a city having a population of one to nine thousand nine hundred and ninety-nine inhabitants;

(9) "Municipality", any city or county of this state having fewer than two hundred thousand inhabitants;

(10) "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 under sections 99.1080 to 99.1092 to carry out a redevelopment project or to refund outstanding obligations;

(11) "Ordinance", an ordinance enacted by the governing body of any municipality;

(12) "Redevelopment 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 can be renovated through one or more redevelopment projects;

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

(c) The redevelopment area shall not exceed ten percent of the entire geographic area of the municipality. Subject to the limitation set forth in this subdivision, the redevelopment area can be enlarged or modified as provided in section 99.1088;

(13) "Redevelopment plan", the comprehensive program of a municipality to reduce or eliminate those conditions which qualify a redevelopment area as a blighted area or a conservation area, and to thereby enhance the tax bases of the taxing districts which extend into the redevelopment area through the reimbursement, payment, or other financing of redevelopment project costs in accordance with sections

99.1080 to 99.1092 and through application for and administration of downtown revitalization preservation program financing under sections 99.1080 to 99.1092;

(14) "Redevelopment project", any redevelopment project within a redevelopment area which constitutes a major initiative in furtherance of the objectives of the redevelopment plan, and any such redevelopment project shall include a legal description of the area selected for such redevelopment project;

(15) "Redevelopment project area", the area located within a redevelopment area selected for a redevelopment project;

(16) "Redevelopment project costs" include such costs to the redevelopment plan or a redevelopment project, as applicable, which are expended on public property, buildings, or rights-of-way for public purposes to provide infrastructure to support a redevelopment project, including facades. Such costs shall only be allowed as an initial expense which, to be recoverable, must be included in the costs of a redevelopment plan or redevelopment project, except in circumstances of plan amendments approved by the department of economic development. Such infrastructure costs include, but are not limited to, the following:

(a) Costs of studies, appraisals, surveys, plans, and specifications;

(b) Professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning, or special services;

(c) Property assembly costs, including, but not limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of 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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

115 (18) "Undeveloped industrial area", any area which, by  
116 reason of defective and inadequate street layout or location  
117 of physical improvements, obsolescence and inadequate  
118 subdivision and platting contains vacant parcels of land not  
119 used economically; contains old, decaying, obsolete  
120 buildings, plants, stores, shops, shopping centers, office  
121 buildings, hotels and motels and parking garages,  
122 warehouses, distribution centers, structures; contains  
123 buildings, plants, stores, shops, shopping centers, office  
124 buildings, hotels and motels and parking garages, multi-  
125 family housing facilities, warehouses, distribution centers  
126 and structures whose operation is not economically feasible;  
127 contains intermittent commercial and industrial structures  
128 in a primarily industrial or commercial area; or contains  
129 insufficient space for the expansion and efficient use of  
130 land for industrial plants and commercial uses amounting to  
131 conditions which retard economic or social growth, are  
132 economic waste and social liabilities and represent an  
133 inability to pay reasonable taxes to the detriment and  
134 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] the same  
meaning as defined pursuant to section 99.805;

(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

new business facility is first put into use by the taxpayer in the enhanced business enterprise in which the taxpayer intends to use the new business facility;

(5) "County average wage", the average wages in each county as determined by the department for the most recently completed full calendar year. However, if the computed county average wage is above the statewide average wage, the statewide average wage shall be deemed the county average wage for such county for the purpose of determining eligibility. The department shall publish the county average wage for each county at least annually.

Notwithstanding the provisions of this subdivision to the contrary, for any taxpayer that in conjunction with their project is relocating employees from a Missouri county with a higher county average wage, such taxpayer shall obtain the endorsement of the governing body of the community from which jobs are being relocated or the county average wage for their project shall be the county average wage for the county from which the employees are being relocated;

(6) "Department", the department of economic development;

(7) "Director", the director of the department of economic development;

(8) "Employee", a person employed by the enhanced business enterprise that is scheduled to work an average of at least one thousand hours per year, and such person at all times has health insurance offered to him or her, which is partially paid for by the employer;

(9) "Enhanced business enterprise", an industry or one of a cluster of industries that is either:

(a) Identified by the department as critical to the state's economic security and growth; or

(b) Will have an impact on industry cluster development, as identified by the governing authority in its application for designation of an enhanced enterprise zone and approved by the department; but excluding gambling establishments (NAICS industry group 7132), retail trade (NAICS sectors 44 and 45), educational services (NAICS sector 61), religious organizations (NAICS industry group 8131), public administration (NAICS sector 92), and food and drinking places (NAICS subsector 722), however, notwithstanding provisions of this section to the contrary, headquarters or administrative offices of an otherwise excluded business may qualify for benefits if the offices serve a multistate territory. In the event a national, state, or regional headquarters operation is not the predominant activity of a project facility, the new jobs and investment of such headquarters operation is considered eligible for benefits under this section if the other requirements are satisfied. Service industries may be eligible only if a majority of its annual revenues will be derived from out of the state;

(10) "Existing business facility", any facility in this state which was employed by the taxpayer claiming the credit in the operation of an enhanced business enterprise immediately prior to an expansion, acquisition, addition, or replacement;

(11) "Facility", any building used as an enhanced business enterprise located within an enhanced enterprise zone, including the land on which the facility is located and all machinery, equipment, and other real and depreciable tangible personal property acquired for use at and located at or within such facility and used in connection with the operation of such facility;



(12) "Facility base employment", the greater of the number of employees located at the facility on the date of the notice of intent, or for the twelve-month period prior to the date of the notice of intent, the average number of employees located at the facility, or in the event the project facility has not been in operation for a full twelve-month period, the average number of employees for the number of months the facility has been in operation prior to the date of the notice of intent;

(13) "Facility base payroll", the total amount of taxable wages paid by the enhanced business enterprise to employees of the enhanced business enterprise located at the facility in the twelve months prior to the notice of intent, not including the payroll of owners of the enhanced business enterprise unless the enhanced business enterprise is participating in an employee stock ownership plan. For the purposes of calculating the benefits under this program, the amount of base payroll shall increase each year based on the consumer price index or other comparable measure, as determined by the department;

(14) "Governing authority", the body holding primary legislative authority over a county or incorporated municipality;

(15) "Megaproject", any manufacturing or assembling facility, approved by the department for construction and operation within an enhanced enterprise zone, which satisfies the following:

(a) The new capital investment is projected to exceed three hundred million dollars over a period of eight years from the date of approval by the department;

(b) The number of new jobs is projected to exceed one thousand over a period of eight years beginning on the date 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;

(b) Such facility is acquired by, or leased to, the taxpayer after December 31, 2004. A facility shall be deemed to have been acquired by, or leased to, the taxpayer after December 31, 2004, if the transfer of title to the taxpayer, the transfer of possession pursuant to a binding contract to transfer title to the taxpayer, or the commencement of the term of the lease to the taxpayer occurs after December 31, 2004;

(c) If such facility was acquired by the taxpayer from another taxpayer and such facility was employed immediately prior to the acquisition by another taxpayer in the operation of an enhanced business enterprise, the operation of the same or a substantially similar enhanced business enterprise is not continued by the taxpayer at such facility; and

(d) Such facility is not a replacement business facility, as defined in subdivision (27) of this section;

(18) "New business facility employee", an employee of the taxpayer in the operation of a new business facility during the taxable year for which the credit allowed by section 135.967 is claimed, except that truck drivers and rail and barge vehicle operators and other operators of rolling stock for hire shall not constitute new business facility employees;

(19) "New business facility investment", the value of real and depreciable tangible personal property, acquired by the taxpayer as part of the new business facility, which is used by the taxpayer in the operation of the new business facility, during the taxable year for which the credit allowed by 135.967 is claimed, except that trucks, truck-trailers, truck semitrailers, rail vehicles, barge vehicles, aircraft and other rolling stock for hire, track, switches, barges, bridges, tunnels, and rail yards and spurs shall not

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

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

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

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

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

226 (22) "Related facility", a facility operated by the  
227 enhanced business enterprise or a related company in this  
228 state that is directly related to the operation of the  
229 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

the production, generation, conversion, and conveyance of electrical energy from a renewable energy resource;

(26) "Renewable energy resource", shall include:

(a) Wind;

(b) Solar thermal sources or photovoltaic cells and panels;

(c) Dedicated crops grown for energy production;

(d) Cellulosic agricultural residues;

(e) Plant residues;

(f) Methane from landfills, agricultural operations, or wastewater treatment;

(g) Thermal depolymerization or pyrolysis for converting waste material to energy;

(h) Clean and untreated wood such as pallets;

(i) Hydroelectric power, which shall include electrical energy produced or generated by hydroelectric power generating equipment, as such term is defined in section 137.010;

(j) Fuel cells using hydrogen produced by one or more of the renewable resources provided in paragraphs (a) to (i) of this subdivision; or

(k) Any other sources of energy, not including nuclear energy, that are certified as renewable by rule by the department of economic development;

(27) "Replacement business facility", a facility otherwise described in subdivision (17) of this section, hereafter referred to in this subdivision as "new facility", which replaces another facility, hereafter referred to in this subdivision as "old facility", located within the state, which the taxpayer or a related taxpayer previously operated but discontinued operating on or before the close 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

8 annually assess all personal property at thirty-three and  
9 one-third percent of its true value in money as of January  
10 first of each calendar year. The assessor shall annually  
11 assess all real property, including any new construction and  
12 improvements to real property, and possessory interests in  
13 real property at the percent of its true value in money set  
14 in subsection 5 of this section. The true value in money of  
15 any possessory interest in real property in subclass (3),  
16 where such real property is on or lies within the ultimate  
17 airport boundary as shown by a federal airport layout plan,  
18 as defined by 14 CFR 151.5, of a commercial airport having a  
19 FAR Part 139 certification and owned by a political  
20 subdivision, shall be the otherwise applicable true value in  
21 money of any such possessory interest in real property, less  
22 the total dollar amount of costs paid by a party, other than  
23 the political subdivision, towards any new construction or  
24 improvements on such real property completed after January  
25 1, 2008, and which are included in the above-mentioned  
26 possessory interest, regardless of the year in which such  
27 costs were incurred or whether such costs were considered in  
28 any prior year. The assessor shall annually assess all real  
29 property in the following manner: new assessed values shall  
30 be determined as of January first of each odd-numbered year  
31 and shall be entered in the assessor's books; those same  
32 assessed values shall apply in the following even-numbered  
33 year, except for new construction and property improvements  
34 which shall be valued as though they had been completed as  
35 of January first of the preceding odd-numbered year. The  
36 assessor may call at the office, place of doing business, or  
37 residence of each person required by this chapter to list  
38 property, and require the person to make a correct statement  
39 of all taxable tangible personal property owned by the  
40 person or under his or her care, charge or management,



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

section 301.131 and aircraft which are at least twenty-five years old and which are used solely for noncommercial purposes and are operated less than ~~[fifty]~~ two hundred hours per year or aircraft that are home built from a kit, five percent;

(5) Poultry, twelve percent; and

(6) Tools and equipment used for pollution control and tools and equipment used in retooling for the purpose of introducing new product lines or used for making improvements to existing products by any company which is located in a state enterprise zone and which is identified by any standard industrial classification number cited in subdivision (7) of section 135.200, twenty-five percent.

4. The person listing the property shall enter a true and correct statement of the property, in a printed blank prepared for that purpose. The statement, after being filled out, shall be signed and either affirmed or sworn to as provided in section 137.155. The list shall then be delivered to the assessor.

5. (1) All subclasses of real property, as such subclasses are established in Section 4(b) of Article X of the Missouri Constitution and defined in section 137.016, shall be assessed at the following percentages of true value:

(a) For real property in subclass (1), nineteen percent;

(b) For real property in subclass (2), twelve percent; and

(c) For real property in subclass (3), thirty-two percent.

(2) A taxpayer may apply to the county assessor, or, if not located within a county, then the assessor of such city, for the reclassification of such taxpayer's real property if the use or purpose of such real property is

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

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

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



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

6	If the Missouri taxable	The tax is:
7	income is:	
8	Not over \$1,000.00	1 1/2% of the Missouri
9		taxable income
10	Over \$1,000 but not over	\$15 plus 2% of excess over
11	\$2,000	\$1,000
12	Over \$2,000 but not over	\$35 plus 2 1/2% of excess
13	\$3,000	over \$2,000
14	Over \$3,000 but not over	\$60 plus 3% of excess over
15	\$4,000	\$3,000
16	Over \$4,000 but not over	\$90 plus 3 1/2% of excess
17	\$5,000	over \$4,000
18	Over \$5,000 but not over	\$125 plus 4% of excess over
19	\$6,000	\$5,000
20	Over \$6,000 but not over	\$165 plus 4 1/2% of excess
21	\$7,000	over \$6,000
22	Over \$7,000 but not over	\$210 plus 5% of excess over
23	\$8,000	\$7,000
24	Over \$8,000 but not over	\$260 plus 5 1/2% of excess
25	\$9,000	over \$8,000
26	Over \$9,000	\$315 plus 6% of excess over
27		\$9,000

28 2. (1) Beginning with the 2017 calendar year, the top  
29 rate of tax under subsection 1 of this section may be  
30 reduced over a period of years. Each reduction in the top  
31 rate of tax shall be by one-tenth of a percent and no more  
32 than one reduction shall occur in a calendar year. No more  
33 than ~~[five]~~ seven reductions shall be made under this

subsection. Reductions in the rate of tax shall take effect on January first of a calendar year and such reduced rates shall continue in effect until the next reduction occurs.

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

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

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

(5) Notwithstanding the provisions of subdivision (1) of this subsection to the contrary, there shall be no reduction under this subsection in the 2024 calendar year. However, such reductions shall continue after the 2024 calendar year for subsequent calendar years.

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

operating loss taken against federal taxable income but disallowed for Missouri income tax purposes pursuant to this subdivision after June 18, 2002, may be carried forward and taken against any income on the Missouri income tax return for a period of not more than twenty years from the year of the initial loss; and

(5) For nonresident individuals in all taxable years ending on or after December 31, 2006, the amount of any property taxes paid to another state or a political subdivision of another state for which a deduction was allowed on such nonresident's federal return in the taxable year unless such state, political subdivision of a state, or the District of Columbia allows a subtraction from income for property taxes paid to this state for purposes of calculating income for the income tax for such state, political subdivision of a state, or the District of Columbia;

(6) For all tax years beginning on or after January 1, 2018, any interest expense paid or accrued in a previous taxable year, but allowed as a deduction under 26 U.S.C. Section 163, as amended, in the current taxable year by reason of the carryforward of disallowed business interest provisions of 26 U.S.C. Section 163(j), as amended. For the purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under 26 U.S.C. Section 163, as amended, if the limitation under 26 U.S.C. Section 163(j), as amended, did not exist.

3. There shall be subtracted from the taxpayer's federal adjusted gross income the following amounts to the extent included in federal adjusted gross income:

(1) Interest received on deposits held at a federal 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;



(9) For all tax years ending on or after July 1, 2002, with respect to qualified property that is sold or otherwise disposed of during a taxable year by a taxpayer and for which an additional modification was made under subdivision (3) of subsection 2 of this section, the amount by which additional modification made under subdivision (3) of subsection 2 of this section on qualified property has not been recovered through the additional subtractions provided in subdivision (7) of this subsection;

(10) For all tax years beginning on or after January 1, 2014, the amount of any income received as payment from any program which provides compensation to agricultural producers who have suffered a loss as the result of a disaster or emergency, including the:

- (a) Livestock Forage Disaster Program;
- (b) Livestock Indemnity Program;
- (c) Emergency Assistance for Livestock, Honeybees, and Farm-Raised Fish;
- (d) Emergency Conservation Program;
- (e) Noninsured Crop Disaster Assistance Program;
- (f) Pasture, Rangeland, Forage Pilot Insurance Program;
- (g) Annual Forage Pilot Program;
- (h) Livestock Risk Protection Insurance Plan; and
- (i) Livestock Gross Margin Insurance Plan; and

(11) For all tax years beginning on or after January 1, 2018, any interest expense paid or accrued in the current taxable year, but not deducted as a result of the limitation imposed under 26 U.S.C. Section 163(j), as amended. For the purposes of this subdivision, an interest expense is considered paid or accrued only in the first taxable year the deduction would have been allowable under 26 U.S.C. Section 163, as amended, if the limitation under 26 U.S.C. 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

implementation of any energy efficiency recommendations made in such an audit shall be subtracted from the taxpayer's federal adjusted gross income to the extent the amount paid for any such activity is included in federal taxable income. The taxpayer shall provide the department of revenue with a summary of any recommendations made in a qualified home energy audit, the name and certification number of the qualified home energy auditor who conducted the audit, and proof of the amount paid for any activities under this subsection for which a deduction is claimed. The taxpayer shall also provide a copy of the summary of any recommendations made in a qualified home energy audit to the department of natural resources.

(2) At no time shall a deduction claimed under this subsection by an individual taxpayer or taxpayers filing combined returns exceed one thousand dollars per year for individual taxpayers or cumulatively exceed two thousand dollars per year for taxpayers filing combined returns.

(3) Any deduction claimed under this subsection shall be claimed for the tax year in which the qualified home energy audit was conducted or in which the implementation of the energy efficiency recommendations occurred. If implementation of the energy efficiency recommendations occurred during more than one year, the deduction may be claimed in more than one year, subject to the limitations provided under subdivision (2) of this subsection.

(4) A deduction shall not be claimed for any otherwise eligible activity under this subsection if such activity qualified for and received any rebate or other incentive through a state-sponsored energy program or through an electric corporation, gas corporation, electric cooperative, 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	If the Missouri gross	The deduction percentage
29	income on the return is:	is:
30	\$25,000 or less	35 percent

31	From \$25,001 to \$50,000	25 percent
32	From \$50,001 to \$100,000	15 percent
33	From \$100,001 to \$125,000	5 percent
34	\$125,001 or more	0 percent

35           (2) Notwithstanding any provision of law to the  
36 contrary, the amount of any tax credits reducing a  
37 taxpayer's federal tax liability pursuant to Public Law 116-  
38 136 or 116-260, enacted by the 116th United States Congress,  
39 for the tax year beginning on or after January 1, 2020, and  
40 ending on or before December 31, 2020, and the amount of any  
41 tax credits reducing a taxpayer's federal tax liability  
42 under any other federal law that provides direct economic  
43 impact payments to taxpayers to mitigate financial  
44 challenges related to the COVID-19 pandemic shall not be  
45 considered in determining a taxpayer's federal tax liability  
46 for the purposes of subdivision (1) of this subsection.

47           3. For all tax years beginning on or after September  
48 1, 1993, a corporate taxpayer shall be allowed a deduction  
49 for fifty percent of its federal income tax liability under  
50 Chapter 1 of the Internal Revenue Code for the same taxable  
51 year for which the Missouri return is being filed after  
52 reduction for all credits thereon, except the credit for  
53 payments of federal estimated tax, the credit for the  
54 overpayment of any federal tax, and the credits allowed by  
55 the Internal Revenue Code by 26 U.S.C. Section 31, 26 U.S.C.  
56 Section 27, and 26 U.S.C. Section 34.

57           4. If a federal income tax liability for a tax year  
58 prior to the applicability of sections 143.011 to 143.996  
59 for which he was not previously entitled to a Missouri  
60 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

tax credit to be allowed as a tax credit pursuant to subdivision (1) of this subsection shall be ten percent, which may be increased to twenty percent subject to the provisions of subdivision (3) of this subsection. The maximum percentage that may be claimed as a tax credit pursuant to this section shall be twenty percent of the federal earned income tax credit that may be claimed by such taxpayer. Any increase in the percentage that may be claimed as a tax credit shall take effect on January first of a calendar year and such percentage shall continue in effect until the next percentage increase occurs. An increase shall only apply to tax years that begin on or after the increase takes effect.

(3) The initial percentage to be claimed as a tax credit and any increase in the percentage that may be claimed pursuant to subdivision (2) of this subsection shall only occur if the amount of net general revenue collected in the previous fiscal year exceeds the highest amount of net general revenue collected in any of the three fiscal years prior to such fiscal year by at least one hundred fifty million dollars.

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

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

72       6. The director of the department may promulgate rules  
73 and regulations to administer the provisions of this  
74 section. Any rule or portion of a rule, as that term is  
75 defined in section 536.010, that is created under the  
76 authority delegated in this section shall become effective  
77 only if it complies with and is subject to all of the  
78 provisions of chapter 536 and, if applicable, section  
79 536.028. This section and chapter 536 are nonseverable and  
80 if any of the powers vested with the general assembly  
81 pursuant to chapter 536 to review, to delay the effective  
82 date, or to disapprove and annul a rule are subsequently  
83 held unconstitutional, then the grant of rulemaking  
84 authority and any rule proposed or adopted after the  
85 effective date of this section shall be invalid and void.

86       7. Tax credits authorized under this section shall not  
87 be subject to the requirements of sections 135.800 to  
88 135.830.

144.011. 1. For purposes of [sections 144.010 to  
2 144.525 and 144.600 to 144.748] this chapter, and the taxes  
3 imposed thereby, the definition of "retail sale" or "sale at  
4 retail" shall not be construed to include any of the  
5 following:

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



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

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

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

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

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

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

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

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

40           (10) The purchase by persons operating eating or food  
41 service establishments, of items of a nonreusable nature  
42 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 "Reposessed Title" to a resident of this state if the tax  
67 imposed by [sections 144.010 to 144.525] this chapter 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 this chapter 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:

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

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

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

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

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

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

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

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

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

Missouri and subject to tax under subdivision (9) of this subsection, a tax equivalent to four percent of the purchase price paid or charged, or in case such sale involves the exchange of property, a tax equivalent to four percent of the consideration paid or charged, including the fair market value of the property exchanged at the time and place of the exchange, except as otherwise provided in section 144.025;

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

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

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

(b) If local and long distance telecommunications services subject to tax under this subdivision are aggregated with and not separately stated from charges for telecommunications service or other services not subject to tax under this subdivision, including, but not limited to,

interstate or international telecommunications services, then the charges for nontaxable services may be subject to taxation unless the telecommunications provider can identify by reasonable and verifiable standards such portion of the charges not subject to such tax from its books and records that are kept in the regular course of business, including, but not limited to, financial statement, general ledgers, invoice and billing systems and reports, and reports for regulatory tariffs and other regulatory matters;

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

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

(5) A tax equivalent to four percent of the basic rate paid or charged for all sales of services for transmission 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

rental or lease be subject to any tax imposed to, for, or in such places of amusement, entertainment or recreation.

Rental and leased boats or outboard motors shall be taxed under the provisions of the sales tax laws as provided under such laws for motor vehicles and trailers. Tangible personal property which is exempt from the sales or use tax under section 144.030 upon a sale thereof is likewise exempt from the sales or use tax upon the lease or rental thereof;

(9) A tax equivalent to four percent of the purchase price, as defined in section 144.070, of 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 registered under the laws of the state of Missouri. This tax is imposed on the person titling such property, and shall be paid according to the procedures in section 144.440.

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

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

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



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

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

34           2. In each year beginning on or after January 1, 2005,  
35 there is hereby specifically exempted from state and local  
36 sales tax law all retail sales of any article of clothing  
37 having a taxable value of one hundred dollars or less, all  
38 retail sales of school supplies not to exceed fifty dollars  
39 per purchase, all computer software with a taxable value of  
40 three hundred fifty dollars or less, all graphing  
41 calculators having a taxable value of one hundred fifty  
42 dollars or less, and all retail sales of personal computers  
43 or computer peripheral devices not to exceed one thousand  
44 five hundred dollars, during a three-day period beginning at  
45 12:01 a.m. on the first Friday in August and ending at

midnight on the Sunday following. If 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.

3. [If the governing body of any political subdivision adopted an ordinance that applied to the 2004 sales tax holiday to prohibit the provisions of this section from allowing the sales tax holiday to apply to such political subdivision's local sales tax, then, notwithstanding any provision of a local ordinance to the contrary, the 2005 sales tax holiday shall not apply to such political subdivision's local sales tax. However, any such political subdivision may enact an ordinance to allow the 2005 sales tax holiday to apply to its local sales taxes. A political subdivision must 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 ordinance or order rescinding an ordinance or order to opt out.

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

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

[6. After the 2005 sales tax holiday, any political subdivision may, by adopting an ordinance or order, choose to prohibit future annual sales tax holidays from applying to its local sales tax. After opting out, the political subdivision may rescind the ordinance or order. The political subdivision must 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 ordinance or order rescinding an ordinance or 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] 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, 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

subsection shall not apply to local sales taxes as defined in section 32.085 and the provisions of this subsection shall be in addition to any state and local sales tax exemption provided in section 144.030.] The construction and application of this subsection as expressed by the Missouri supreme court in *DST Systems, Inc. v. Director of Revenue*, 43 S.W.3d 799 (Mo. banc 2001); *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), is hereby affirmed.

3. 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 section 238.235,] 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 [sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235,] this chapter and the local sales tax law as defined in section 32.085, all utilities, machinery, and equipment used or consumed directly in television or radio broadcasting and all sales and purchases of tangible personal property, utilities, services, or any other transaction that would otherwise be subject to the state or local sales or use tax when such sales are made to or purchases are made by a contractor for use in fulfillment of any obligation under a defense contract with the United States government, and all sales and leases of tangible personal property by any county, city, incorporated town, or village, provided such sale or lease is authorized under chapter 100, and such transaction is certified for sales tax exemption by the department of economic development, and tangible personal property used for railroad infrastructure 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

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

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

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

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

38           (1) Final payment on a layaway order is made by, and  
39 the property is given to, the purchaser during the exemption  
40 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;

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

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

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

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

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

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

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

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

otherwise, to the vendor, if the cumulative gross receipts from sales by the vendor to customers in the state who are referred to the vendor by all residents with this type of an agreement with the vendor is in excess of ten thousand dollars during the preceding twelve months;

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

Selling tangible personal property for delivery into this state, provided the seller's gross receipts from taxable sales from delivery of tangible personal property into this state in the previous calendar year or current calendar year exceeds one hundred thousand dollars. For the purposes of calculating a seller's gross receipts under this paragraph, following the close of each calendar quarter, a vendor shall determine whether the vendor met the requirements under this paragraph during the twelve-month period ending on the last day of the preceding calendar quarter. If the vendor met such requirements for any such twelve-month period, such vendor shall collect and remit the tax as provided under section 144.635 for a period of not less than twelve months, beginning not more than three months following the close of the preceding calendar quarter, and shall continue to collect and remit the tax for as long as the vendor is 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



of the property or both is retained for security. For the purpose of this law the place of delivery of the property to the purchaser, user, storer or consumer is deemed to be the place of sale, whether the delivery be by the vendor or by common carriers, private contractors, mails, express, agents, salesmen, solicitors, hawkers, representatives, consignors, peddlers, canvassers or otherwise;

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

(9) "Selling agent", every person acting as a representative of a principal, when such principal is not registered with the director of revenue of the state of

Missouri for the collection of the taxes imposed pursuant to sections 144.010 to 144.525 or sections 144.600 to 144.745 and who receives compensation by reason of the sale of tangible personal property of the principal, if such property is to be stored, used, or consumed in this state;

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

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

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

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

(14) "Vendor", every person engaged in making sales of tangible personal property by mail order, by advertising, by agent or peddling tangible personal property, soliciting or taking orders for sales of tangible personal property, for storage, use or consumption in this state, all salesmen, solicitors, hawkers, representatives, consignees, peddlers or canvassers, as agents of the dealers, distributors, consignors, supervisors, principals or employers under whom they operate or from whom they obtain the tangible personal property sold by them, and every person who maintains a place of business in this state, maintains a stock of goods 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

jurisdictions, codes corresponding to the rates shall be in a format determined by the director.

3. The director shall provide and maintain address-based boundary database records for assigning taxing jurisdictions and associated rates. The database records shall be in the same approved format as the database described under subsection 1 of this section and shall meet the requirements developed under the federal Mobile Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If a vendor is unable to determine the applicable rate and jurisdiction using an address-based database record after exercising due diligence, the vendor may apply the nine-digit zip code designation applicable to a purchase. If a nine-digit zip code designation is not available for a street address or if a vendor is unable to determine the nine-digit zip code designation applicable to a purchase after exercising due diligence to determine the designation, the vendor may apply the rate for the five-digit zip code area. The lowest combined tax rate imposed in the zip code area shall apply if the area includes more than one tax rate in any level of taxing jurisdiction. For the purposes of this section, there shall be a rebuttable presumption that a vendor has exercised due diligence if the vendor has attempted to determine the tax rate and jurisdiction by utilizing software approved by the director and makes the assignment from the address and zip code information applicable to the purchase. If the director certifies an address-based database provided by a third party, a vendor may use such database in place of the database records provided for in this subsection.

4. The electronic databases provided for in subsections 1 and 3 of this section shall be in downloadable 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

subdivision, "travel agency services" means facilitating, for a commission, fee, or other consideration, vacation or travel packages; rental car or other travel reservations; tickets for domestic or foreign travel by air, rail, ship, bus, or other medium of transportation; or hotel or other lodging accommodations;

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

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

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

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

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

2. (1) Beginning January 1, 2023, marketplace facilitators that engage in business activities within this 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

of all sales delivered to a location in the state, including electronic or paper copies of invoices showing the purchaser, address, purchase amount, and use tax collected. Such records shall be made available for review and inspection upon request by the department.

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

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

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

7. Except as provided under subsection 8 of this section, marketplace facilitators shall be subject to the penalty provisions, procedures, and reporting requirements provided under the provisions of this chapter.

8. No class action shall be brought against a marketplace facilitator in any court in this state on behalf of purchasers arising from or in any way related to an overpayment of use tax collected on retail sales facilitated by a marketplace facilitator, regardless of whether that claim is characterized as a tax refund claim. Nothing in this subsection shall affect a purchaser's right to seek a 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

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

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

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

☐ YES

☐ NO

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

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

53 For the purposes of enhancing county and  
54 municipal public safety, parks, and job creation  
55 and enhancing local government services, shall  
56 the county be authorized to collect a local use  
57 tax equal to the total of the existing county  
58 sales tax rate of (insert tax rate), provided  
59 that if the county sales tax is repealed,  
60 reduced or raised by voter approval, the local  
61 use tax rate shall also be repealed, reduced or  
62 raised by the same voter action? Fifty percent  
63 of the revenue shall be used by the county  
64 throughout the county for improving and  
65 enhancing public safety, park improvements, and  
66 job creation, and fifty percent shall be used  
67 for enhancing local government services. The  
68 county shall be required to make available to  
69 the public an audited comprehensive financial  
70 report detailing the management and use of the  
71 countywide portion of the funds each year.  
72 A use tax is the equivalent of a sales tax on  
73 purchases from out-of-state sellers by in-state  
74 buyers and on certain taxable business  
75 transactions. A use tax return shall not be  
76 required to be filed by persons whose purchases  
77 from out-of-state vendors do not in total exceed  
78 two thousand dollars in any calendar year.

79 ☐ YES ☐ NO

80 If you are in favor of the question, place an  
81 "X" in the box opposite "YES". If you are  
82 opposed to the question, place an "X" in the box  
83 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".

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

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:

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

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

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

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

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

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

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

32           (6) "Livestock", cattle, calves, sheep, swine, ratite  
33 birds including but not limited to ostrich and emu, aquatic  
34 products as described in section 277.024, llamas, alpaca,  
35 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;

(7) "Locally grown", a product that was grown or raised in the same county or city not within a county in which the UAZ is located or in an adjoining county or city not within a county. For a product raised or sold in a city not within a county, locally grown also includes an adjoining county with a charter form of government with more than nine hundred fifty thousand inhabitants and those adjoining said county;

(8) "Meat", any edible portion of livestock or poultry carcass or part thereof;

(9) "Meat product", anything containing meat intended for or capable of use for human consumption, which is derived, in whole or in part, from livestock or poultry;

(10) "Mobile unit", the same as motor vehicle as defined in section 301.010;

(11) "Poultry", any domesticated bird intended for human consumption;

(12) "Processing UAZ", a type of UAZ:

(a) That processes livestock, poultry, or produce for human consumption;

(b) That meets federal and state processing laws and standards;

(c) Is a qualifying small business approved by the department;

(13) "Qualifying small business", those enterprises which are established within an Urban Agricultural Zone subsequent to its creation, and which meet the definition established for the Small Business Administration and set forth in Section 121.201 of Part 121 of Title 13 of the Code 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.

102           2.   (1)   A person or organization shall submit to any  
103   incorporated municipality an application to develop an UAZ  
104   on a blighted area of land.  Such application shall  
105   demonstrate or identify on the application:

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

111           (b)   The number of jobs to be created;

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

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

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

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

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

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

the municipality. The four members chosen by the chief elected officer of the municipality shall all be residents of the county or city not within a county in which the UAZ is to be located, and at least one of such four members shall have experience in or represent organizations associated with sustainable agriculture, urban farming, community gardening, or any of the activities or products authorized by this section for UAZs.

4. The school district member and the two affected taxing district members shall each have initial terms of five years. Of the four members appointed by the chief elected official, two shall have initial terms of four years, and two shall have initial terms of three years. Thereafter, members shall serve terms of five years. Each member shall hold office until a successor has been appointed. All vacancies shall be filled in the same manner as the original appointment. For inefficiency or neglect of duty or misconduct in office, a member of the board may be removed by the applicable appointing authority.

5. A majority of the members shall constitute a quorum of such board for the purpose of conducting business and exercising the powers of the board and for all other purposes. Action may be taken by the board upon a vote of a majority of the members present.

6. The members of the board annually shall elect a chair from among the members.

7. The role of the board shall be to conduct the activities necessary to advise the governing body on the designation of an urban agricultural zone and any other advisory duties as determined by the governing body. The role of the board after the designation of an urban agricultural zone shall be review and assessment of zone 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

during such period, as was determined by the assessor of the county in which such real property is located, or, if not located within a county, then by the assessor of such city, in an amount not greater than the amount of taxes due and payable thereon during the calendar year preceding the calendar year during which the urban agricultural zone was designated. The amounts of such tax assessments shall not be increased during such period so long as the real property is used in furtherance of the activities provided under the provisions of subdivision (15) of subsection 1 of this section. At the conclusion of the period of abatement provided by the ordinance, the property shall then be reassessed. If only a portion of real property is used as an UAZ, then only that portion of real property shall be exempt from assessment or payment of ad valorem taxes on such property, as provided by this section.

11. If the water services for the UAZ are provided by the municipality, the municipality may authorize a grower UAZ to pay wholesale water rates for the cost of water consumed on the UAZ. If available, the UAZ may pay fifty percent of the standard cost to hook onto the water source.

12. (1) Any local sales tax revenues received from the sale of agricultural products sold in the UAZ, or any local sales tax revenues received by a mobile unit associated with a vending UAZ selling agricultural products in the municipality in which the vending UAZ is located, shall be deposited in the urban agricultural zone fund established in subdivision (2) of this subsection. An amount equal to one percent shall be retained by the director of revenue for deposit in the general revenue fund to offset the costs of collection.

(2) There is hereby created in the state treasury the "Urban Agricultural Zone Fund", which shall consist of money

collected under subdivision (1) of this subsection. The state treasurer shall be custodian of the fund. In accordance with sections 30.170 and 30.180, the state treasurer may approve disbursements. The fund shall be a dedicated fund and, upon appropriation, shall be used for the purposes authorized by this section. Notwithstanding the provisions of section 33.080 to the contrary, any moneys remaining in the fund at the end of the biennium shall not revert to the credit of the general revenue fund. The state treasurer shall invest moneys in the fund in the same manner as other funds are invested. Any interest and moneys earned on such investments shall be credited to the fund. Fifty percent of fund moneys shall be made available to school districts. The remaining fifty percent of fund moneys shall be allocated to municipalities that have urban agricultural zones based upon the municipality's percentage of local sales tax revenues deposited into the fund. The municipalities shall, upon appropriation, provide fund moneys to urban agricultural zones within the municipality for improvements. School districts may apply to the department for money in the fund to be used for the development of curriculum on or the implementation of urban farming practices under the guidance of the University of Missouri extension service and a certified vocational agricultural instructor. The funds are to be distributed on a competitive basis within the school district or districts in which the UAZ is located pursuant to rules to be promulgated by the department, with special consideration given to the relative number of students eligible for free and reduced-price lunches attending the schools within such district or districts.

13. Any rule or portion of a rule, as that term is 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

to pay reasonable taxes] the same meaning as defined  
pursuant to section 99.805;

(3) "City" or "such cities", any city within this state and any county of the first classification with a charter form of government and a population of at least nine hundred thousand inhabitants or any county with a charter form of government and with more than six hundred thousand but less than seven hundred thousand inhabitants. The county's authority pursuant to this chapter shall be restricted to the unincorporated areas of such county;

(4) "Development plan", a plan, together with any amendments thereto, for the development of all or any part of a blighted area, which is authorized by the legislative authority of any such city;

(5) "Legislative authority", the city council or board of aldermen of the cities affected by this chapter;

(6) "Mortgage", a mortgage, trust indenture, deed of trust, building and loan contract, or other instrument creating a lien on real property, to secure the payment of an indebtedness, and the indebtedness secured by any of them;

(7) "Real property" includes lands, buildings, improvements, land under water, waterfront property, and any and all easements, franchises and hereditaments, corporeal or incorporeal, and every estate, interest, privilege, easement, franchise and right therein, or appurtenant thereto, legal or equitable, including restrictions of record, created by plat, covenant or otherwise, rights-of-way and terms for years;

(8) "Redevelopment", the clearance, replanning, reconstruction or rehabilitation of any blighted area, and the provision for such industrial, commercial, residential or public structures and spaces as may be appropriate,

including recreational and other facilities incidental or appurtenant thereto;

(9) "Redevelopment project", a specific work or improvement to effectuate all or any part of a development plan;

(10) "Urban redevelopment corporation", a corporation organized pursuant to this chapter; except that any life insurance company organized pursuant to the laws of, or admitted to do business in, the state of Missouri may from time to time within five years after April 23, 1946, undertake, alone or in conjunction with, or as a lessee of any such life insurance company or urban redevelopment corporation, a redevelopment project pursuant to this chapter, and shall, in its operations with respect to any such redevelopment project, but not otherwise, be deemed to be an urban redevelopment corporation for the purposes of this section and sections 353.010, 353.040, 353.060 and 353.110 to 353.160.

620.2005. 1. As used in sections 620.2000 to 620.2020, the following terms mean:

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

(2) "Commencement of operations", the starting date for the qualified company's first new employee, which shall be no later than twelve months from the date of the approval;

(3) "Contractor", a person, employer, or business entity that enters into an agreement to perform any service or work or to provide a certain product in exchange for valuable consideration. This definition shall include but not be limited to a general contractor, subcontractor, independent contractor, contract employee, project manager, 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;

(e) The schedule of the maximum amount of tax credits which may be authorized in each year for the project and the specified term of the benefit, as provided by the department of economic development; and

(f) A requirement that the annual benefit paid shall be the lesser of:

a. The maximum amount of tax credits authorized; or

b. The actual calculated benefit derived from the number of new jobs and average salaries;

(15) "NAICS" or "NAICS industry classification", the classification provided by the most recent edition of the North American Industry Classification System as prepared by the Executive Office of the President, Office of Management and Budget;

(16) "New capital investment", shall include costs incurred by the qualified company at the project facility after acceptance by the qualified company of the proposal for benefits from the department or the approval notice of intent, whichever occurs first, for real or personal property, and may include the value of finance or capital leases for real or personal property for the term of such lease at the project facility executed after acceptance by the qualified company of the proposal for benefits from the department or the approval of the notice of intent;

(17) "New direct local revenue", the present value of the dollar amount of direct net new tax revenues of the local political subdivisions likely to be produced by the project over a ten-year period as calculated by the department, excluding local earnings tax, and net new utility revenues, provided the local incentives include a discount or other direct incentives from utilities owned or operated by the political subdivision;

(18) "New job", the number of full-time employees located at the project facility that exceeds the project facility base employment less any decrease in the number of full-time 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;

(19) "New payroll", the amount of wages paid for all new jobs, located at the project facility during the qualified company's tax year that exceeds the project facility base payroll;

(20) "New product", a new model or line of a manufactured good that has not been manufactured in Missouri by a qualified manufacturing company at any time prior to the date of the notice of intent, or an existing brand, model, or line of a manufactured good that is redesigned;

(21) "Notice of intent", a form developed by the department and available online, completed by the qualified company, and submitted to the department stating the qualified company's intent to request benefits under this program. The notice of intent shall be accompanied with a detailed plan by the qualifying company to make good faith efforts to employ, at a minimum, commensurate with the percentage of minority populations in the state of Missouri, as reported in the previous decennial census, the following: racial minorities, contractors who are racial minorities, and contractors that, in turn, employ at a minimum racial minorities commensurate with the percentage of minority populations in the state of Missouri, as reported in the previous decennial census. At a minimum, such plan shall include monitoring the effectiveness of outreach and recruitment strategies in attracting diverse applicants and linking with different or additional referral

sources in the event that recruitment efforts fail to produce a diverse pipeline of applicants;

(22) "Percent of local incentives", the amount of local incentives divided by the amount of new direct local revenue;

(23) "Program", the Missouri works program established in sections 620.2000 to 620.2020;

(24) "Project facility", the building or buildings used by a qualified company at which new or retained jobs and any new capital investment are or will be located or by a qualified manufacturing company at which a manufacturing capital investment is or will be located. A project facility may include separate buildings located within sixty miles of each other such that their purpose and operations are interrelated; provided that where the buildings making up the project facility are not located within the same county, the average wage of the new payroll shall exceed the applicable percentage of the highest county average wage among the counties in which the buildings are located. Upon approval by the department, a subsequent project facility may be designated if the qualified company demonstrates a need to relocate to the subsequent project facility at any time during the project period. For qualified military projects, the term "project facility" means the military base or installation at which such qualified military project is or shall be located;

(25) "Project facility base employment", the greater of the number of full-time employees located at the project facility on the date of the notice of intent or, for the twelve-month period prior to the date of the notice of intent, the average number of full-time employees located at the project facility. In the event the project facility has 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

respect to any company headquartered in this state with a majority of its full-time employees engaged in operations not within the NAICS codes specified in this subdivision and except for any such establishments located in a county of the third or fourth classification;

(c) Food and drinking places (NAICS subsector 722);

(d) Public utilities (NAICS 221 including water and sewer services);

(e) Any company that is delinquent in the payment of any nonprotested taxes or any other amounts due the state or federal government or any other political subdivision of this state;

(f) Any company requesting benefits for retained jobs that has filed for or has publicly announced its intention to file for bankruptcy protection. However, a company that has filed for or has publicly announced its intention to file for bankruptcy may be a qualified company provided that such company:

a. Certifies to the department that it plans to reorganize and not to liquidate; and

b. After its bankruptcy petition has been filed, it produces proof, in a form and at times satisfactory to the department, that it is not delinquent in filing any tax returns or making any payment due to the state of Missouri, including but not limited to all tax payments due after the filing of the bankruptcy petition and under the terms of the plan of reorganization. Any taxpayer who is awarded benefits under this subsection and who files for bankruptcy under Chapter 7 of the United States Bankruptcy Code, Title 11 U.S.C., shall immediately notify the department and shall forfeit such benefits and shall repay the state an amount equal to any state tax credits already redeemed and any 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

base payroll shall increase each year based on an appropriate measure, as determined by the department;

(36) "Rural area", a county in Missouri with a population less than seventy-five thousand or that does not contain an individual city with a population greater than fifty thousand according to the most recent federal decennial census;

(37) "Tax credits", tax credits issued by the department to offset the state taxes imposed by chapters 143 and 148, or which may be sold or refunded as provided for in this program;

(38) "Withholding tax", the state tax imposed by sections 143.191 to 143.265. For purposes of this program, the withholding tax shall be computed using a schedule as determined by the department based on average wages.

2. This section is subject to the provisions of section 196.1127.

Section 1. 1. No later than the first week of November 2021 any county or municipality of this state that has enacted a use tax shall provide notice in the newspaper with the greatest circulation in such county or municipality and on any county or municipality website, provided such website exists, that certain purchases from out-of-state vendors will become subject to an expansion of the use tax as provided by state law. The notice shall be printed in the newspaper at least once per week, for two consecutive weeks. The notice shall include the rates of the use tax in the county or municipality and shall include general information on repealing a local use tax under section 144.761.

2. Nothing under subsection 1 of this section shall be construed to require that duplicate notices be published or to prevent any counties or municipalities from coordinating

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

2             [144.710. From every remittance made by a  
3             vendor as required by sections 144.600 to  
4             144.745 to the director of revenue on or before  
5             the date when the remittance becomes due, the  
6             vendor may deduct and retain an amount equal to  
              two percent thereof.]

2             [144.1000. Sections 144.1000 to 144.1015  
3             shall be known as and referred to as the  
4             "Simplified Sales and Use Tax Administration  
              Act".]

2             [144.1003. As used in sections 144.1000 to  
3             144.1015, the following terms shall mean:

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

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

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

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

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

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

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

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

2             [144.1006. For the purposes of reviewing  
3             and, if necessary, amending the agreement  
4             embodying the simplification recommendations  
5             contained in section 144.1015, the state may  
6             enter into multistate discussions. For purposes  
7             of such discussions, the state shall be  
8             represented by seven delegates, one of whom  
9             shall be appointed by the governor, two members  
10            appointed by the speaker of the house of  
11            representatives, one member appointed by the  
12            minority leader of the house of representatives,  
13            two members appointed by the president pro  
              tempore of the senate and one member appointed

14 by the minority leader of the senate. The  
15 delegates need not be members of the general  
16 assembly and at least one of the delegates  
17 appointed by the speaker of the house of  
18 representatives and one member appointed by the  
19 president pro tempore of the senate shall be  
20 from the private sector and represent the  
21 interests of Missouri businesses. The delegates  
22 shall recommend to the committees responsible  
23 for reviewing tax issues in the senate and the  
24 house of representatives each year any amendment  
25 of state statutes required to be substantially  
26 in compliance with the agreement. Such  
27 delegates shall make a written report by the  
28 fifteenth day of January each year regarding the  
29 status of the multistate discussions and upon  
30 final adoption of the terms of the sales and use  
31 tax agreement by the multistate body.]

2 [144.1009. No provision of the agreement  
3 authorized by sections 144.1000 to 144.1015 in  
4 whole or in part invalidates or amends any  
5 provision of the law of this state.  
6 Implementation of any condition of this  
7 agreement in this state, whether adopted before,  
8 at, or after membership of this state in the  
9 agreement, must be by action of the general  
10 assembly. Such report shall be delivered to the  
11 governor, the secretary of state, the president  
12 pro tempore of the senate and the speaker of the  
13 house of representatives and shall  
14 simultaneously be made publicly available by the  
15 secretary of state to any person requesting a  
copy.]

2 [144.1012. Unless five of the seven  
3 delegates agree, the delegates shall not enter  
4 into or vote for any streamlined sales and use  
5 tax agreement that:  
6 (1) Requires adoption of a definition of  
7 any term that would cause any item or  
8 transaction that is now excluded or exempted  
9 from sales or use tax to become subject to sales  
10 or use tax;  
11 (2) Requires the state of Missouri to  
12 fully exempt or fully apply sales taxes to the  
13 sale of food or any other item;  
14 (3) Restricts the ability of local  
15 governments under statutes in effect on August  
16 28, 2002, to enact one or more local taxes on  
17 one or more items without application of the tax  
18 to all sales within the taxing jurisdiction,  
19 however, restriction of any such taxes allowed  
20 by statutes effective after August 28, 2002, may  
21 be supported;  
22 (4) Provides for adoption of any uniform  
23 rate structure that would result in a tax  
24 increase for any Missouri taxpayer;  
25 (5) Affects the sourcing of sales tax  
transactions; or

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

2           [144.1015. In addition to the requirements  
3 of section 144.1012, the delegates should  
4 consider the following features when deciding  
5 whether or not to enter into any streamlined  
6 sales and use tax agreement:

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

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

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

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

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

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

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

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

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

47          (6) The agreement should outline any  
48 monetary allowances that are to be provided by  
49 the states to sellers or certified service  
50 providers. The agreement must allow for a joint  
51 public and private sector study of the  
52 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.

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Andrew Koenig

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J Eggleston