

FIRST REGULAR SESSION

SENATE BILL NO. 161

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR CRAWFORD.

0555S.01I

ADRIANE D. CROUSE, Secretary

AN ACT

To repeal section 144.757, RSMo, and to enact in lieu thereof one new section relating to local use taxes.

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

Section A. Section 144.757, RSMo, is repealed and one new
2 section enacted in lieu thereof, to be known as section 144.757,
3 to read as follows:

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 at a rate equal to the rate of the
7 local sales tax in effect in such county or municipality;
8 provided, however, that no ordinance or order enacted
9 pursuant to sections 144.757 to 144.761 shall be effective
10 unless the governing body of the county or municipality
11 submits to the voters thereof at a municipal, county or
12 state general, primary or special election a proposal to
13 authorize the governing body of the county or municipality
14 to impose a local use tax pursuant to sections 144.757 to
15 144.761. Municipalities within a county having a charter
16 form of government with a population in excess of nine
17 hundred thousand may, upon voter approval received pursuant
18 to paragraph (b) of subdivision (2) of subsection 2 of this

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

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

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

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

☐ YES

☐ NO

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

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

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

68 A use tax is the equivalent of a sales tax on purchases
69 from out-of-state sellers by in-state buyers and on certain
70 taxable business transactions. [A use tax return shall not
71 be required to be filed by persons whose purchases from out-
72 of-state vendors do not in total exceed two thousand dollars
73 in any calendar year.] **Approval of this question will**
74 **eliminate the disparity in tax rates collected by local and**
75 **out-of-state sellers by imposing the same rate on all**
76 **sellers.**

77 ☐ YES

☐ NO

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

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

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

97 ☐ YES

☐ NO

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

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

103 Shall the _____ (city name) impose a local use tax at
104 the same rate as the local sales tax, [currently at a rate
105 of _____ (insert percent)] which includes the capital
106 improvements sales tax and the transportation tax, provided
107 that if any local sales tax is repealed, reduced or raised

108 by voter approval, the respective local use tax shall also
109 be repealed, reduced or raised by the same action? [A use
110 tax return shall not be required to be filed by persons
111 whose purchases from out-of-state vendors do not in total
112 exceed two thousand dollars in any calendar year.] **Approval**
113 **of this question will eliminate the disparity in tax rates**
114 **collected by local and out-of-state sellers by imposing the**
115 **same rate on all sellers.**

116 ☐ YES

☐ NO

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

120 (4) If any of such ballots are submitted on August 6,
121 1996, and if a majority of the votes cast on the proposal by
122 the qualified voters voting thereon are in favor of the
123 proposal, then the ordinance or order and any amendments
124 thereto shall be in effect October 1, 1996, provided the
125 director of revenue receives notice of adoption of the local
126 use tax on or before August 16, 1996. If any of such
127 ballots are submitted after December 31, 1996, and if a
128 majority of the votes cast on the proposal by the qualified
129 voters voting thereon are in favor of the proposal, then the
130 ordinance or order and any amendments thereto shall be in
131 effect on the first day of the calendar quarter which begins
132 at least forty-five days after the director of revenue
133 receives notice of adoption of the local use tax. If a
134 majority of the votes cast by the qualified voters voting
135 are opposed to the proposal, then the governing body of the
136 county or municipality shall have no power to impose the
137 local use tax as herein authorized unless and until the

governing body of the county or municipality shall again have submitted another proposal to authorize the governing body of the county or municipality to impose the local use tax and such proposal is approved by a majority of the qualified voters voting thereon.

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

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

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