

FIRST REGULAR SESSION

SENATE BILL NO. 47

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOUGH.

0750S.02I

ADRIANE D. CROUSE, Secretary

AN ACT

To amend chapters 67 and 94, RSMo, by adding thereto two new sections relating to local sales taxes.

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

Section A. Chapters 67 and 94, RSMo, are amended by adding
2 thereto two new sections, to be known as sections 67.1790 and
3 94.842, to read as follows:

67.1790. 1. The governing body of any county of the
2 first classification with more than two hundred sixty
3 thousand but fewer than three hundred thousand inhabitants,
4 or any city within such county, may impose by order or
5 ordinance a sales tax on all retail sales made within the
6 county or city that are subject to sales tax under chapter
7 144 for the purpose of funding early childhood education
8 programs in the county or city. The tax shall not exceed
9 one-quarter of one percent and shall be imposed solely for
10 the purpose of funding early childhood education programs in
11 the county or city. The tax authorized in this section
12 shall be in addition to all other sales taxes imposed by law
13 and shall be stated separately from all other charges and
14 taxes. The order or ordinance imposing a sales tax under
15 this section shall not become effective unless the governing
16 body of the county or city submits to the voters residing
17 within the county or city, on a general election day as
18 described in section 115.121, a proposal to authorize the

19 governing body of the county or city to impose a tax under
20 this section.

21 2. The question of whether the tax authorized by this
22 section shall be imposed shall be submitted in substantially
23 the following form:

24 Shall _____ (name of county/city) impose a
25 (countywide/citywide) sales tax at a rate of _____
26 (insert percentage) percent for the purpose of
27 funding early childhood education in the
28 (county/city)?

29 YES NO

30 If a majority of the votes cast on the question by the
31 qualified voters voting thereon are in favor of the
32 question, the order or ordinance shall become effective on
33 the first day of the second calendar quarter after the
34 director of revenue receives notice of adoption of the tax.
35 If a majority of the votes cast on the question by the
36 qualified voters voting thereon are opposed to the question,
37 the county or city shall not impose the sales tax authorized
38 under this section unless and until the question is
39 resubmitted under this section to the qualified voters and
40 such question is approved by a majority of the qualified
41 voters voting on the question.

42 3. On or after the effective date of any tax
43 authorized under this section, the county or city that
44 imposed the tax shall enter into an agreement with the
45 director of revenue for the purpose of collecting the tax
46 authorized in this section. On or after the effective date
47 of the tax, the director of revenue shall be responsible for
48 the administration, collection, enforcement, and operation
49 of the tax, and sections 32.085 and 32.087 shall apply. All

50 revenue collected under this section by the director of
51 revenue on behalf of any county or city, less one percent
52 for the cost of collection which shall be deposited in the
53 state's general revenue fund, shall be deposited in a
54 special trust fund, which is hereby created and shall be
55 known as the "Early Childhood Education Sales Tax Trust
56 Fund" and shall be used solely for the designated purposes.
57 Moneys in the fund shall not be deemed to be state funds and
58 shall not be commingled with any funds of the state. The
59 director may make refunds from the amounts in the trust fund
60 and credited to the county or city for erroneous payments
61 and overpayments made and may redeem dishonored checks and
62 drafts deposited to the credit of such county or city. Any
63 funds in the special trust fund that are not needed for
64 current expenditures shall be invested in the same manner as
65 other funds are invested. Any interest and moneys earned on
66 such investments shall be credited to the fund.

67 4. In order to permit sellers required to collect and
68 report the sales tax to collect the amount required to be
69 reported and remitted, but not to change the requirements of
70 reporting or remitting the tax, or to serve as a levy of the
71 tax, and in order to avoid fractions of pennies, the
72 governing body of the county or city may authorize the use
73 of a bracket system similar to that authorized under section
74 144.285, and, notwithstanding the provisions of that
75 section, this new bracket system shall be used where this
76 tax is imposed and shall apply to all taxable transactions.
77 Beginning with the effective date of the tax, every retailer
78 in the county or city shall add the sales tax to the sale
79 price, and this tax shall be a debt of the purchaser to the
80 retailer until paid and shall be recoverable at law in the
81 same manner as the purchase price. For purposes of this

82 section, all retail sales shall be deemed to be consummated
83 at the place of business of the retailer.

84 5. All applicable provisions in sections 144.010 to
85 144.527 governing the state sales tax and section 32.057,
86 the uniform confidentiality provision, shall apply to the
87 collection of the tax, and all exemptions granted to
88 agencies of government, organizations, and persons under
89 sections 144.010 to 144.527 are hereby made applicable to
90 the imposition and collection of the tax. The same sales
91 tax permit, exemption certificate, and retail certificate
92 required by sections 144.010 to 144.527 for the
93 administration and collection of the state sales tax shall
94 satisfy the requirements of this section, and no additional
95 permit, exemption certificate, or retail certificate shall
96 be required, except that the director of revenue may
97 prescribe a form of exemption certificate for an exemption
98 from the tax. All discounts allowed the retailer under the
99 state sales tax for the collection of and for payment of
100 taxes are hereby allowed and made applicable to the tax.
101 The penalties for violations provided in section 32.057 and
102 sections 144.010 to 144.527 are hereby made applicable to
103 violations of this section. If any person is delinquent in
104 the payment of the amount required to be paid under this
105 section, or in the event a determination has been made
106 against the person for taxes and penalties under this
107 section, the limitation for bringing suit for the collection
108 of the delinquent tax and penalties shall be the same as
109 that provided in sections 144.010 to 144.527.

110 6. The governing body of any county or city that has
111 adopted the sales tax authorized in this section may submit
112 the question of repeal of the tax to the voters at a general

143 repeal, the sales tax authorized in this section shall
144 remain effective until the question is resubmitted under
145 this section to the qualified voters and the repeal is
146 approved by a majority of the qualified voters voting on the
147 question.

148 8. If the tax is repealed or terminated by any means,
149 all funds remaining in the special trust fund shall continue
150 to be used solely for the designated purposes; the county or
151 city shall notify the director of revenue of the action at
152 least thirty days before the effective date of the repeal;
153 and the director may order retention in the trust fund, for
154 a period of one year, of two percent of the amount collected
155 after receipt of such notice to cover possible refunds or
156 overpayment of the tax and to redeem dishonored checks and
157 drafts deposited to the credit of such accounts. After one
158 year has elapsed from the effective date of abolition of the
159 tax in such county or city, the director shall remit the
160 balance in the account to the county or city and close the
161 account of that county or city. The director shall notify
162 each county or city of each instance of any amount refunded
163 or any check redeemed from receipts due the county or city.

164 9. The governing body of each county or city imposing
165 the tax authorized under this section shall select an
166 existing community task force to administer the revenue from
167 the tax received by the county or city. Such revenue shall
168 be expended only upon approval of an existing community task
169 force selected by the governing body of the county or city
170 to administer the funds and only in accordance with a budget
171 approved by the county or city governing body.

172 10. The governing body of any city or county
173 authorized to levy a sales tax pursuant to this section

174 shall include information on the city's or county's website
175 on the tax rate and the purposes for which the tax is levied.

94.842. 1. The governing body of any home rule city
2 with more than one hundred fifty-five thousand but fewer
3 than two hundred thousand inhabitants may impose a tax on
4 the charges for all sleeping rooms paid by the transient
5 guests of hotels or motels situated in the city, which shall
6 not be more than two and one-half percent per occupied room
7 per night. Such tax shall only become effective if the
8 governing body of the city submits a proposal to the voters
9 of the city at a general election day, as described in
10 section 115.121, that authorizes the governing body of the
11 city to impose a tax under the provisions of this section
12 and the voters approve such proposal. The tax authorized
13 under this section shall be in addition to the charge for a
14 sleeping room and shall be in addition to any and all taxes
15 imposed by law. The revenue of such tax shall be used
16 solely for capital improvements that can be demonstrated to
17 increase the number of overnight visitors. Such tax shall
18 be stated separately from all other charges and taxes.

19 2. The proposal shall be submitted in substantially
20 the following form:

21 Shall the City of _____ levy a tax of _____
22 percent on each sleeping room occupied and rented
23 by transient guests of hotels and motels located
24 in the city, whose revenue shall be dedicated to
25 capital improvements to increase tourism?

26 YES NO

27 If a majority of the votes cast on the proposal by the
28 qualified voters voting thereon are in favor of the
29 proposal, the tax shall become effective on the first day of

30 the calendar quarter following the calendar quarter in which
31 the election is held. If a majority of the votes cast on
32 the proposal by the qualified voters voting thereon are
33 opposed to the proposal, the governing body for the city
34 shall have no power to impose the tax authorized by this
35 section unless and until the governing body of the city
36 again submits the proposal to the qualified voters of the
37 city and such proposal is approved by a majority of the
38 qualified voters voting thereon.

39 3. After the approval of a proposal but before the
40 effective date of a tax authorized under this section, the
41 city shall adopt one of the following provisions for the
42 collection and administration of the tax:

43 (1) The city may adopt rules and regulations for the
44 internal collection of such tax by the city officers usually
45 responsible for collection and administration of city taxes;
46 or

47 (2) The city may enter into an agreement with the
48 director of revenue for the purpose of collecting the tax
49 authorized under this section. If a city enters into an
50 agreement with the director of revenue for the collection of
51 the tax authorized in this section, the director shall
52 perform all functions incident to the administration,
53 collection, enforcement, and operation of such tax, and the
54 director of revenue shall collect the additional tax
55 authorized under this section. The tax authorized under
56 this section shall be collected and reported upon such forms
57 and under such administrative rules and regulations as may
58 be prescribed by the director of revenue, and the director
59 of revenue may retain up to one percent for cost of
60 collection.

61 4. The city shall post on the official city website
62 information about the tax including, but not limited to, the
63 rate imposed and the capital improvements for which the
64 revenue has been or will be used.

65 5. As used in this section, "transient guests" means a
66 person or persons who occupy a room or rooms in a hotel,
67 motel, or tourist court for less than thirty-one consecutive
68 days.

✓