

# SENATE BILL NO. 735

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR KOENIG.

4156S.03I

ADRIANE D. CROUSE, Secretary

## AN ACT

To repeal sections 67.457, 67.1481, 67.1545, 238.235, 238.236, and 238.275, RSMo, and to enact in lieu thereof six new sections relating to certain special taxing districts.

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

Section A. Sections 67.457, 67.1481, 67.1545, 238.235, 238.236, and 238.275, RSMo, are repealed and six new sections enacted in lieu thereof, to be known as sections 67.457, 67.1481, 67.1545, 238.235, 238.236, and 238.275, to read as follows:

67.457. 1. To establish a neighborhood improvement district, the governing body of any city or county shall comply with either of the procedures described in subsection 2 or 3 of this section.

2. The governing body of any city or county proposing to create a neighborhood improvement district may by resolution submit the question of creating such district to all qualified voters residing within such district at a general or special election called for that purpose. Such resolution shall set forth the project name for the proposed improvement, the general nature of the proposed improvement, the estimated cost of such improvement, the boundaries of the proposed neighborhood improvement district to be assessed, and the proposed method or methods of assessment of real property within the district, including any provision for the annual assessment of maintenance costs of

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

17 the improvement in each year during the term of the bonds  
18 issued for the original improvement and after such bonds are  
19 paid in full. The governing body of the city or county may  
20 create a neighborhood improvement district when the question  
21 of creating such district has been approved by the vote of  
22 the percentage of electors within such district voting  
23 thereon that is equal to the percentage of voter approval  
24 required for the issuance of general obligation bonds of  
25 such city or county under Article VI, Section 26 of the  
26 constitution of this state. The notice of election  
27 containing the question of creating a neighborhood  
28 improvement district shall contain the project name for the  
29 proposed improvement, the general nature of the proposed  
30 improvement, the estimated cost of such improvement, the  
31 boundaries of the proposed neighborhood improvement district  
32 to be assessed, the proposed method or methods of assessment  
33 of real property within the district, including any  
34 provision for the annual assessment of maintenance costs of  
35 the improvement in each year after the bonds issued for the  
36 original improvement are paid in full, and a statement that  
37 the final cost of such improvement assessed against real  
38 property within the district and the amount of general  
39 obligation bonds issued therefor shall not exceed the  
40 estimated cost of such improvement, as stated in such  
41 notice, by more than twenty-five percent, and that the  
42 annual assessment for maintenance costs of the improvements  
43 shall not exceed the estimated annual maintenance cost, as  
44 stated in such notice, by more than twenty-five percent.  
45 The ballot upon which the question of creating a  
46 neighborhood improvement district is submitted to the  
47 qualified voters residing within the proposed district shall  
48 contain a question in substantially the following form:

49            Shall \_\_\_\_\_ (name of city or county) be  
50            authorized to create a neighborhood improvement  
51            district proposed for the \_\_\_\_\_ (project name  
52            for the proposed improvement) and incur  
53            indebtedness and issue general obligation bonds  
54            to pay for all or part of the cost of public  
55            improvements within such district, the cost of  
56            all indebtedness so incurred to be assessed by  
57            the governing body of the \_\_\_\_\_ (city or  
58            county) on the real property benefitted by such  
59            improvements for a period of \_\_\_\_\_ years, and,  
60            if included in the resolution, an assessment in  
61            each year thereafter with the proceeds thereof  
62            used solely for maintenance of the improvement?

63            3. As an alternative to the procedure described in  
64            subsection 2 of this section, the governing body of a city  
65            or county may create a neighborhood improvement district  
66            when a proper petition has been signed by the owners of  
67            record of at least two-thirds by area of all real property  
68            located within such proposed district. Each owner of record  
69            of real property located in the proposed district is allowed  
70            one signature. Any person, corporation, or limited  
71            liability partnership owning more than one parcel of land  
72            located in such proposed district shall be allowed only one  
73            signature on such petition. The petition, in order to  
74            become effective, shall be filed with the city clerk or  
75            county clerk. A proper petition for the creation of a  
76            neighborhood improvement district shall set forth the  
77            project name for the proposed improvement, the general  
78            nature of the proposed improvement, the estimated cost of  
79            such improvement, the boundaries of the proposed  
80            neighborhood improvement district to be assessed, the

81 proposed method or methods of assessment of real property  
82 within the district, including any provision for the annual  
83 assessment of maintenance costs of the improvement in each  
84 year during the term of the bonds issued for the original  
85 improvement and after such bonds are paid in full, a notice  
86 that the names of the signers may not be withdrawn later  
87 than seven days after the petition is filed with the city  
88 clerk or county clerk, and a notice that the final cost of  
89 such improvement assessed against real property within the  
90 district and the amount of general obligation bonds issued  
91 therefor shall not exceed the estimated cost of such  
92 improvement, as stated in such petition, by more than twenty-  
93 five percent, and that the annual assessment for maintenance  
94 costs of the improvements shall not exceed the estimated  
95 annual maintenance cost, as stated in such petition, by more  
96 than twenty-five percent.

97 4. Upon receiving the requisite voter approval at an  
98 election or upon the filing of a proper petition with the  
99 city clerk or county clerk, the governing body may by  
100 resolution or ordinance determine the advisability of the  
101 improvement and may order that the district be established  
102 and that preliminary plans and specifications for the  
103 improvement be made. Such resolution or ordinance shall  
104 state and make findings as to the project name for the  
105 proposed improvement, the nature of the improvement, the  
106 estimated cost of such improvement, the boundaries of the  
107 neighborhood improvement district to be assessed, the  
108 proposed method or methods of assessment of real property  
109 within the district, including any provision for the annual  
110 assessment of maintenance costs of the improvement in each  
111 year after the bonds issued for the original improvement are  
112 paid in full, and shall also state that the final cost of

113 such improvement assessed against the real property within  
114 the neighborhood improvement district and the amount of  
115 general obligation bonds issued therefor shall not, without  
116 a new election or petition, exceed the estimated cost of  
117 such improvement by more than twenty-five percent.

118         5. The boundaries of the proposed district shall be  
119 described by metes and bounds, streets or other sufficiently  
120 specific description. The area of the neighborhood  
121 improvement district finally determined by the governing  
122 body of the city or county to be assessed may be less than,  
123 but shall not exceed, the total area comprising such  
124 district.

125         6. In any neighborhood improvement district organized  
126 prior to August 28, 1994, an assessment may be levied and  
127 collected after the original period approved for assessment  
128 of property within the district has expired, with the  
129 proceeds thereof used solely for maintenance of the  
130 improvement, if the residents of the neighborhood  
131 improvement district either vote to assess real property  
132 within the district for the maintenance costs in the manner  
133 prescribed in subsection 2 of this section or if the owners  
134 of two-thirds of the area of all real property located  
135 within the district sign a petition for such purpose in the  
136 same manner as prescribed in subsection 3 of this section.

137         7. Prior to any assessment hereafter being levied  
138 against any real property within any neighborhood  
139 improvement district, and prior to any lien enforceable  
140 under either chapter 140 or 141 being imposed after August  
141 28, 2013, against any real property within a neighborhood  
142 improvement district, the clerk of the governing body  
143 establishing the neighborhood improvement district shall  
144 cause to be recorded with the recorder of deeds for the

145 county in which any portion of the neighborhood improvement  
146 district is located a document conforming to the provisions  
147 of sections 59.310 and 59.313, and which shall contain at  
148 least the following information:

149 (1) Each and all owners of record of real property  
150 located within the neighborhood improvement district at the  
151 time of recording, who shall be identified in the document  
152 as grantors and indexed by the recorder, as required under  
153 and pursuant to section 59.440;

154 (2) The governing body establishing the neighborhood  
155 improvement district and the title of any official or agency  
156 responsible for collecting or enforcing any assessments, who  
157 shall be identified in the document as grantees and so  
158 indexed by the recorder, as required under and pursuant to  
159 section 59.440;

160 (3) The legal description of the property within the  
161 neighborhood improvement district which may either be the  
162 metes and bounds description authorized in subsection 5 of  
163 this section or the legal description of each lot or parcel  
164 within the neighborhood improvement district; and

165 (4) The identifying number of the resolution or  
166 ordinance creating the neighborhood improvement district, or  
167 a copy of such resolution or ordinance.

168 **8. Upon the completion of the improvements for which a**  
169 **neighborhood improvement district was established and the**  
170 **satisfaction of all debt obligations incurred by such**  
171 **district, the district shall be terminated by ordinance of**  
172 **the governing body of the city or county.**

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] shall** be terminated by ordinance adopted by the  
11 governing body of the municipality prior to the expiration  
12 of its term if the district has no outstanding obligations.  
13 A copy of such ordinance shall be given to the department of  
14 economic 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 sold or transferred  
44 in accordance with the plan for dissolution as approved by  
45 ordinance. Every effort should be made by the municipality  
46 for the assets of the district to be distributed in such a  
47 manner so as to benefit the real property which was formerly  
48 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 **food as defined in section 144.014**, sales of motor  
6 vehicles, trailers, boats, or outboard motors and sales to  
7 or by public utilities and providers of communications,  
8 cable, or video services. Any sales and use tax imposed



9 pursuant to this section may be imposed in increments of one-  
10 eighth of one percent, up to a maximum of one percent,  
11 **provided that the total combined rate of sales taxes at any**  
12 **given location within the district shall not exceed three**  
13 **and one-fourth percent, and further provided that no**  
14 **district with a combined rate of sales taxes in excess of**  
15 **three and one-fourth percent as of August 28, 2022, shall be**  
16 **required to repeal or reduce any sales tax rate imposed by**  
17 **the district. For the purposes of this subsection, "total**  
18 **combined rate of sales taxes" shall include the tax imposed**  
19 **by a district pursuant to this section as well as any other**  
20 **sales tax imposed by a taxing jurisdiction that is not a**  
21 **county, city, town, village, or city not within a county.**

22 Such district sales and use tax may be imposed for any  
23 district purpose designated by the district in its ballot of  
24 submission to its qualified voters; except that, no  
25 resolution adopted pursuant to this section shall become  
26 effective unless the board of directors of the district  
27 submits to the qualified voters of the district, by mail-in  
28 ballot, a proposal to authorize a sales and use tax pursuant  
29 to this section. If a majority of the votes cast by the  
30 qualified voters on the proposed sales tax are in favor of  
31 the sales tax, then the resolution is adopted. If a  
32 majority of the votes cast by the qualified voters are  
33 opposed to the sales tax, then the resolution is void.

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

36 Shall the \_\_\_\_\_ (insert name of district)  
37 Community Improvement District impose a community  
38 improvement districtwide sales and use tax at the  
39 maximum rate of \_\_\_\_\_ (insert amount) for a  
40 period of \_\_\_\_\_ (insert number) years from the  
41 date on which such tax is first imposed for the

42 purpose of providing revenue for \_\_\_\_\_ (insert  
43 general description of the purpose)?

44  YES  NO

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

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

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

60 5. In each district in which a sales and use tax is  
61 imposed pursuant to this section, every retailer shall add  
62 such additional tax imposed by the district to such  
63 retailer's sale price, and when so added such tax shall  
64 constitute a part of the purchase price, shall be a debt of  
65 the purchaser to the retailer until paid and shall be  
66 recoverable at law in the same manner as the purchase price.

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

74           7. The penalties provided in sections 144.010 to  
75 144.525 shall apply to violations of this section.

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

88           9. A district may repeal by resolution any sales and  
89 use tax imposed pursuant to this section before the  
90 expiration date of such sales and use tax unless the repeal  
91 of such sales and use tax will impair the district's ability  
92 to repay any liabilities the district has incurred, moneys  
93 the district has borrowed or obligation the district has  
94 issued to finance any improvements or services rendered for  
95 the district.

96           10. Notwithstanding the provisions of chapter 115, an  
97 election for a district sales and use tax under this section  
98 shall be conducted in accordance with the provisions of this  
99 section.

100           11. In each district in which a sales tax is imposed  
101 under this section, every retailer shall prominently display  
102 the rate of the sales tax imposed or increased at the cash  
103 register area.

          238.235. 1. (1) Any transportation development  
2 district may by resolution impose a transportation

3 development district sales tax on all retail sales made in  
4 such transportation development district which are subject  
5 to taxation pursuant to the provisions of sections 144.010  
6 to 144.525, except such transportation development district  
7 sales tax shall not apply to the **sale of food as defined in**  
8 **section 144.014 or to the** sale or use of motor vehicles,  
9 trailers, boats, or outboard motors nor to all sales of  
10 electricity or electrical current, water and gas, natural or  
11 artificial, nor to sales of service to telephone  
12 subscribers, either local or long distance. Such  
13 transportation development district sales tax may be imposed  
14 for any transportation development purpose designated by the  
15 transportation development district in its ballot of  
16 submission to its qualified voters, except that no  
17 resolution enacted pursuant to the authority granted by this  
18 section shall be effective unless:

19 (a) The board of directors of the transportation  
20 development district submits to the qualified voters of the  
21 transportation development district a proposal to authorize  
22 the board of directors of the transportation development  
23 district to impose or increase the levy of an existing tax  
24 pursuant to the provisions of this section; or

25 (b) The voters approved the question certified by the  
26 petition filed pursuant to subsection 5 of section 238.207.

27 (2) If the transportation district submits to the  
28 qualified voters of the transportation development district  
29 a proposal to authorize the board of directors of the  
30 transportation development district to impose or increase  
31 the levy of an existing tax pursuant to the provisions of  
32 paragraph (a) of subdivision (1) of this subsection, the  
33 ballot of submission shall contain, but need not be limited  
34 to, the following language:

35            Shall the transportation development district of  
36            \_\_\_\_\_ (transportation development district's  
37            name) impose a transportation development  
38            district-wide sales tax at the rate of \_\_\_\_\_  
39            (insert amount) for a period of \_\_\_\_\_ (insert  
40            number) years from the date on which such tax is  
41            first imposed for the purpose of \_\_\_\_\_ (insert  
42            transportation development purpose)?

43                                 YES                                 NO

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

48            If a majority of the votes cast on the proposal by the  
49            qualified voters voting thereon are in favor of the  
50            proposal, then the resolution and any amendments thereto  
51            shall be in effect. If a majority of the votes cast by the  
52            qualified voters voting are opposed to the proposal, then  
53            the board of directors of the transportation development  
54            district shall have no power to impose the sales tax  
55            authorized by this section unless and until the board of  
56            directors of the transportation development district shall  
57            again have submitted another proposal to authorize it to  
58            impose the sales tax pursuant to the provisions of this  
59            section and such proposal is approved by a majority of the  
60            qualified voters voting thereon.

61            (3) The sales tax authorized by this section shall  
62            become effective on the first day of the second calendar  
63            quarter after the department of revenue receives  
64            notification of the tax.

65            (4) In each transportation development district in  
66            which a sales tax has been imposed in the manner provided by  
67            this section, every retailer shall add the tax imposed by

68 the transportation development district pursuant to this  
69 section to the retailer's sale price, and when so added such  
70 tax shall constitute a part of the price, shall be a debt of  
71 the purchaser to the retailer until paid, and shall be  
72 recoverable at law in the same manner as the purchase price.

73 (5) In order to permit sellers required to collect and  
74 report the sales tax authorized by this section to collect  
75 the amount required to be reported and remitted, but not to  
76 change the requirements of reporting or remitting tax or to  
77 serve as a levy of the tax, and in order to avoid fractions  
78 of pennies, the transportation development district may  
79 establish appropriate brackets which shall be used in the  
80 district imposing a tax pursuant to this section in lieu of  
81 those brackets provided in section 144.285.

82 (6) All revenue received by a transportation  
83 development district from the tax authorized by this section  
84 which has been designated for a certain transportation  
85 development purpose shall be deposited in a special trust  
86 fund and shall be used solely for such designated purpose.  
87 Upon the expiration of the period of years approved by the  
88 qualified voters pursuant to subdivision (2) of this  
89 subsection or if the tax authorized by this section is  
90 repealed pursuant to subsection 6 of this section, all funds  
91 remaining in the special trust fund shall continue to be  
92 used solely for such designated transportation development  
93 purpose. Any funds in such special trust fund which are not  
94 needed for current expenditures may be invested by the board  
95 of directors in accordance with applicable laws relating to  
96 the investment of other transportation development district  
97 funds.

98 (7) The sales tax may be imposed in increments of one-  
99 eighth of one percent, up to a maximum of one percent,

100 provided that the total combined rate of sales taxes at any  
101 given location within the district shall not exceed three  
102 and one-fourth percent, and further provided that no  
103 district with a combined rate of sales taxes in excess of  
104 three and one-fourth percent as of August 28, 2022, shall be  
105 required to repeal or reduce any sales tax rate imposed by  
106 the district. For the purposes of this subsection, "total  
107 combined rate of sales taxes" shall include the tax imposed  
108 by a district pursuant to this section as well as any other  
109 sales tax imposed by a taxing jurisdiction that is not a  
110 county, city, town, village, or city not within a county.  
111 The tax shall be imposed on the receipts from the sale at  
112 retail of all tangible personal property or taxable services  
113 at retail within the transportation development district  
114 adopting such tax, if such property and services are subject  
115 to taxation by the state of Missouri pursuant to the  
116 provisions of sections 144.010 to 144.525, except such  
117 transportation development district sales tax shall not  
118 apply to the **sale of food as defined in section 144.014 or**  
119 **to the** sale or use of motor vehicles, trailers, boats, or  
120 outboard motors nor to public utilities. Any transportation  
121 development district sales tax imposed pursuant to this  
122 section shall be imposed at a rate that shall be uniform  
123 throughout the district.

124 2. The resolution imposing the sales tax pursuant to  
125 this section shall impose upon all sellers a tax for the  
126 privilege of engaging in the business of selling tangible  
127 personal property or rendering taxable services at retail to  
128 the extent and in the manner provided in sections 144.010 to  
129 144.525, and the rules and regulations of the director of  
130 revenue issued pursuant thereto; except that the rate of the  
131 tax shall be the rate imposed by the resolution as the sales

132 tax and the tax shall be reported and returned to and  
133 collected by the transportation development district.

134 3. On and after the effective date of any tax imposed  
135 pursuant to this section, the director of revenue shall  
136 perform all functions incident to the administration,  
137 collection, enforcement, and operation of the tax, and the  
138 director of revenue shall collect, in addition to all other  
139 sales taxes imposed by law, the additional tax authorized  
140 pursuant to this section. The tax imposed pursuant to this  
141 section and the taxes imposed pursuant to all other laws of  
142 the state of Missouri shall be collected together and  
143 reported upon such forms and pursuant to such administrative  
144 rules and regulations as may be prescribed by the director  
145 of revenue.

146 4. (1) All applicable provisions contained in  
147 sections 144.010 to 144.525, governing the state sales tax,  
148 sections 32.085 and 32.087 and section 32.057, the uniform  
149 confidentiality provision, shall apply to the collection of  
150 the tax imposed by this section, except as modified in this  
151 section.

152 (2) All exemptions granted to agencies of government,  
153 organizations, persons and to the sale of certain articles  
154 and items of tangible personal property and taxable services  
155 pursuant to the provisions of sections 144.010 to 144.525  
156 are hereby made applicable to the imposition and collection  
157 of the tax imposed by this section.

158 (3) The same sales tax permit, exemption certificate  
159 and retail certificate required by sections 144.010 to  
160 144.525 for the administration and collection of the state  
161 sales tax shall satisfy the requirements of this section,  
162 and no additional permit or exemption certificate or retail  
163 certificate shall be required; except that the



164 transportation development district may prescribe a form of  
165 exemption certificate for an exemption from the tax imposed  
166 by this section.

167 (4) All discounts allowed the retailer pursuant to the  
168 provisions of the state sales tax laws for the collection of  
169 and for payment of taxes pursuant to such laws are hereby  
170 allowed and made applicable to any taxes collected pursuant  
171 to the provisions of this section.

172 (5) The penalties provided in section 32.057 and  
173 sections 144.010 to 144.525 for violation of those sections  
174 are hereby made applicable to violations of this section.

175 (6) For the purpose of a sales tax imposed by a  
176 resolution pursuant to this section, all retail sales except  
177 retail sales of motor vehicles shall be deemed to be  
178 consummated at the place of business of the retailer unless  
179 the tangible personal property sold is delivered by the  
180 retailer or the retailer's agent to an out-of-state  
181 destination or to a common carrier for delivery to an out-of-  
182 state destination. In the event a retailer has more than  
183 one place of business in this state which participates in  
184 the sale, the sale shall be deemed to be consummated at the  
185 place of business of the retailer where the initial order  
186 for the tangible personal property is taken, even though the  
187 order must be forwarded elsewhere for acceptance, approval  
188 of credit, shipment or billing. A sale by a retailer's  
189 employee shall be deemed to be consummated at the place of  
190 business from which the employee works.

191 5. All sales taxes received by the transportation  
192 development district shall be deposited by the director of  
193 revenue in a special fund to be expended for the purposes  
194 authorized in this section. The director of revenue shall  
195 keep accurate records of the amount of money which was

196 collected pursuant to this section, and the records shall be  
197 open to the inspection of officers of each transportation  
198 development district and the general public.

199         6. (1) No transportation development district  
200 imposing a sales tax pursuant to this section may repeal or  
201 amend such sales tax unless such repeal or amendment will  
202 not impair the district's ability to repay any liabilities  
203 which it has incurred, money which it has borrowed or  
204 revenue bonds, notes or other obligations which it has  
205 issued or which have been issued by the commission or any  
206 local transportation authority to finance any project or  
207 projects.

208         (2) Whenever the board of directors of any  
209 transportation development district in which a  
210 transportation development sales tax has been imposed in the  
211 manner provided by this section receives a petition, signed  
212 by ten percent of the qualified voters calling for an  
213 election to repeal such transportation development sales  
214 tax, the board of directors shall, if such repeal will not  
215 impair the district's ability to repay any liabilities which  
216 it has incurred, money which it has borrowed or revenue  
217 bonds, notes or other obligations which it has issued or  
218 which have been issued by the commission or any local  
219 transportation authority to finance any project or projects,  
220 submit to the qualified voters of such transportation  
221 development district a proposal to repeal the transportation  
222 development sales tax imposed pursuant to the provisions of  
223 this section. If a majority of the votes cast on the  
224 proposal by the qualified voters voting thereon are in favor  
225 of the proposal to repeal the transportation development  
226 sales tax, then the resolution imposing the transportation  
227 development sales tax, along with any amendments thereto, is

228 repealed. If a majority of the votes cast by the qualified  
229 voters voting thereon are opposed to the proposal to repeal  
230 the transportation development sales tax, then the ordinance  
231 or resolution imposing the transportation development sales  
232 tax, along with any amendments thereto, shall remain in  
233 effect.

234 7. Notwithstanding any provision of sections 99.800 to  
235 99.865 and this section to the contrary, the sales tax  
236 imposed by a district whose project is a public mass  
237 transportation system shall not be considered economic  
238 activity taxes as such term is defined under sections 99.805  
239 and 99.918 and shall not be subject to allocation under the  
240 provisions of subsection 3 of section 99.845, or subsection  
241 4 of section 99.957.

238.236. 1. This section shall not apply to any tax  
2 levied pursuant to section 238.235, and no tax shall be  
3 imposed pursuant to the provisions of this section if a tax  
4 has been imposed by a transportation development district  
5 pursuant to section 238.235.

6 2. In lieu of the taxes allowed pursuant to section  
7 238.235, any transportation development district which  
8 consists of all of one or more entire counties, all of one  
9 or more entire cities, or all of one or more entire counties  
10 and one or more entire cities which are totally outside the  
11 boundaries of those counties may by resolution impose a  
12 transportation development district sales tax on all retail  
13 sales made in such transportation development district which  
14 are subject to taxation pursuant to the provisions of  
15 sections 144.010 to 144.525, **except food as defined in**  
16 **section 144.014**, for any transportation development purpose  
17 designated by the transportation development district in its  
18 ballot of submission to its qualified voters. No resolution

19 enacted pursuant to the authority granted by this section  
 20 shall be effective unless:

21 (1) The board of directors of the transportation  
 22 development district submits to the qualified voters of the  
 23 transportation development district, at a state general,  
 24 primary, or special election, a proposal to authorize the  
 25 board of directors of the transportation development  
 26 district to impose or increase the levy of an existing tax  
 27 pursuant to the provisions of this section; or

28 (2) The voters approved the question certified by the  
 29 petition filed pursuant to subsection 5 of section 238.207.

30 3. If the transportation development district submits  
 31 to the qualified voters of the transportation development  
 32 district a proposal to authorize the board of directors of  
 33 the transportation development district to impose or  
 34 increase the levy of an existing tax pursuant to the  
 35 provisions of subdivision (1) of subsection 2 of this  
 36 section, the ballot of submission shall contain, but need  
 37 not be limited to, the following language:

38 Shall the transportation development district of  
 39 \_\_\_\_\_ (transportation development district's  
 40 name) impose a transportation development  
 41 district-wide sales tax at the rate of \_\_\_\_\_  
 42 (insert amount) for a period of \_\_\_\_\_ (insert  
 43 number) years from the date on which such tax is  
 44 first imposed for the purpose of \_\_\_\_\_ (insert  
 45 transportation development purpose)?

46  YES  NO

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

51 If a majority of the votes cast on the proposal by the  
52 qualified voters voting thereon are in favor of the  
53 proposal, then the resolution and any amendments thereto  
54 shall be in effect. If a majority of the votes cast by the  
55 qualified voters voting are opposed to the proposal, then  
56 the board of directors of the transportation development  
57 district shall have no power to impose the sales tax  
58 authorized by this section unless and until the board of  
59 directors of the transportation development district shall  
60 again have submitted another proposal to authorize it to  
61 impose the sales tax pursuant to the provisions of this  
62 section and such proposal is approved by a majority of the  
63 qualified voters voting thereon.

64 4. Within ten days after the adoption of any  
65 resolution in favor of the adoption of a transportation  
66 development district sales tax which has been approved by  
67 the qualified voters of such transportation development  
68 district, the transportation development district shall  
69 forward to the director of revenue, by United States  
70 registered mail or certified mail, a certified copy of the  
71 resolution of its board of directors. The resolution shall  
72 reflect the effective date thereof. The sales tax  
73 authorized by this section shall become effective on the  
74 first day of the second calendar quarter after the director  
75 of revenue receives notice of adoption of such tax.

76 5. All revenue received by a transportation  
77 development district from the tax authorized by this section  
78 which has been designated for a certain transportation  
79 development purpose shall be deposited in a special trust  
80 fund and shall be used solely for such designated purpose.  
81 Upon the expiration of the period of years approved by the

82 qualified voters pursuant to subsection 3 of this section or  
83 if the tax authorized by this section is repealed pursuant  
84 to subsection 12 of this section, all funds remaining in the  
85 special trust fund shall continue to be used solely for such  
86 designated transportation development purpose. Any funds in  
87 such special trust fund which are not needed for current  
88 expenditures may be invested by the board of directors in  
89 accordance with applicable laws relating to the investment  
90 of other transportation development district funds.

91         6. The sales tax may be imposed at a rate of one-  
92 eighth of one percent, one-fourth of one percent, three-  
93 eighths of one percent, one-half of one percent or one  
94 percent, **provided that the total combined rate of sales**  
95 **taxes at any given location within the district shall not**  
96 **exceed three and one-fourth percent, and further provided**  
97 **that no district with a combined rate of sales taxes in**  
98 **excess of three and one-fourth percent as of August 28,**  
99 **2022, shall be required to repeal or reduce any sales tax**  
100 **rate imposed by the district. For the purposes of this**  
101 **subsection, "total combined rate of sales taxes" shall**  
102 **include the tax imposed by a district pursuant to this**  
103 **section as well as any other sales tax imposed by a taxing**  
104 **jurisdiction that is not a county, city, town, village, or**  
105 **city not within a county. The tax shall be imposed on the**  
106 receipts from the sale at retail of all tangible personal  
107 property or taxable services at retail within the  
108 transportation development district adopting such tax, if  
109 such property and services are subject to taxation by the  
110 state of Missouri pursuant to the provisions of sections  
111 144.010 to 144.525, **excluding food as defined in section**  
112 **144.014.** Any transportation development district sales tax

113 imposed pursuant to this section shall be imposed at a rate  
114 that shall be uniform throughout the district.

115         7. The resolution imposing the sales tax pursuant to  
116 this section shall impose upon all sellers a tax for the  
117 privilege of engaging in the business of selling tangible  
118 personal property or rendering taxable services at retail to  
119 the extent and in the manner provided in sections 144.010 to  
120 144.525 and the rules and regulations of the director of  
121 revenue issued pursuant thereto; except that the rate of the  
122 tax shall be the rate imposed by the resolution as the sales  
123 tax. The amount reported and returned to the director of  
124 revenue by the seller shall be computed on the basis of the  
125 combined rate of the tax imposed by sections 144.010 to  
126 144.525 and the tax imposed by the resolution as authorized  
127 by this section, plus any amounts imposed pursuant to other  
128 provisions of law.

129         8. On and after the effective date of any tax imposed  
130 pursuant to this section, the director of revenue shall  
131 perform all functions incident to the administration,  
132 collection, enforcement, and operation of the tax, and the  
133 director of revenue shall collect, in addition to all other  
134 sales taxes imposed by law, the additional tax authorized  
135 pursuant to this section. The tax imposed pursuant to this  
136 section and the taxes imposed pursuant to all other laws of  
137 the state of Missouri shall be collected together and  
138 reported upon such forms and pursuant to such administrative  
139 rules and regulations as may be prescribed by the director  
140 of revenue.

141         9. All applicable provisions contained in sections  
142 144.010 to 144.525 governing the state sales tax, sections  
143 32.085 and 32.087 governing local sales taxes, and section  
144 32.057, the uniform confidentiality provision, shall apply

145 to the collection of the tax imposed by this section, except  
146 as modified in this section.

147         10. All sales taxes collected by the director of  
148 revenue pursuant to this section on behalf of any  
149 transportation development district, less one percent for  
150 the cost of collection, which shall be deposited in the  
151 state's general revenue fund after payment of premiums for  
152 surety bonds as provided in section 32.087, shall be  
153 deposited in the state treasury to the credit of the  
154 "Transportation Development District Sales Tax Fund", which  
155 is hereby created. Moneys in the transportation development  
156 district sales tax fund shall not be deemed to be state  
157 funds and shall not be commingled with any funds of the  
158 state. All interest earned upon the balance in the  
159 transportation development district sales tax fund shall be  
160 deposited to the credit of the same fund. Any balance in  
161 the fund at the end of an appropriation period shall not be  
162 transferred to the general revenue fund and the provisions  
163 of section 33.080 shall not apply to the fund. The director  
164 of revenue shall keep accurate records of the amount of  
165 money which was collected in each transportation development  
166 district imposing a sales tax pursuant to this section, and  
167 the records shall be open to the inspection of officers of  
168 each transportation development district and the general  
169 public. Not later than the tenth day of each month, the  
170 director of revenue shall distribute all moneys deposited in  
171 such fund during the preceding month to the proper  
172 transportation development district.

173         11. The director of revenue may authorize the state  
174 treasurer to make refunds from the amounts credited to any  
175 transportation development district for erroneous payments  
176 and overpayments made, and may redeem dishonored checks and



177 drafts deposited to the credit of such districts. If any  
178 transportation development district repeals the tax  
179 authorized by this section, the transportation development  
180 district shall notify the director of revenue of the action  
181 at least ninety days prior to the effective date of the  
182 repeal and the director of revenue may order retention, for  
183 a period of one year, of two percent of the amount collected  
184 after receipt of such notice to cover possible refunds or  
185 overpayment of such tax and to redeem dishonored checks and  
186 drafts deposited to the credit of such accounts. After one  
187 year has elapsed after the effective date of repeal of the  
188 tax authorized by this section in such transportation  
189 development district, the director of revenue shall remit  
190 the balance in the account to the transportation development  
191 district and close the account of that transportation  
192 development district. The director of revenue shall notify  
193 each transportation development district of each instance of  
194 any amount refunded or any check redeemed from receipts due  
195 the transportation development district.

196       12. (1) No transportation development district  
197 imposing a sales tax pursuant to this section may repeal or  
198 amend such sales tax unless such repeal or amendment will  
199 not impair the district's ability to repay any liabilities  
200 which it has incurred, money which it has borrowed or  
201 revenue bonds, notes or other obligations which it has  
202 issued or which have been issued by the commission or any  
203 local transportation authority to finance any project or  
204 projects.

205       (2) Whenever the board of directors of any  
206 transportation development district in which a  
207 transportation development sales tax has been imposed in the  
208 manner provided by this section receives a petition, signed

209 by ten percent of the qualified voters of such  
210 transportation development district calling for an election  
211 to repeal such transportation development sales tax, the  
212 board of directors shall, if such repeal will not impair the  
213 district's ability to repay any liabilities which it has  
214 incurred, money which it has borrowed or revenue bonds,  
215 notes or other obligations which it has issued or which have  
216 been issued by the commission or any local transportation  
217 authority to finance any project or projects, submit to the  
218 voters of such transportation development district a  
219 proposal to repeal the transportation development sales tax  
220 imposed pursuant to the provisions of this section. If a  
221 majority of the votes cast on the proposal by the qualified  
222 voters voting thereon are in favor of the proposal to repeal  
223 the transportation development sales tax, then the  
224 resolution imposing the transportation development sales  
225 tax, along with any amendments thereto, is repealed. If a  
226 majority of the votes cast by the qualified voters voting  
227 thereon are opposed to the proposal to repeal the  
228 transportation development sales tax, then the resolution  
229 imposing the transportation development sales tax, along  
230 with any amendments thereto, shall remain in effect.

238.275. 1. Within six months after development and  
2 initial maintenance costs of its completed project have been  
3 paid, the district shall pursuant to contract transfer  
4 ownership and control of the project to the commission or a  
5 local transportation authority which shall be responsible  
6 for all future maintenance costs pursuant to contract. Such  
7 transfer may be made sooner with the consent of the  
8 recipient.

9 2. At such time as a district has completed its  
10 project and has transferred ownership of the project to the

11 commission or other local transportation authority for  
12 maintenance, or at such time as the board determines that it  
13 is unable to complete its project due to lack of funding or  
14 for any other reason, the board shall [submit for a vote in  
15 an election held throughout the district the question of  
16 whether the district should be abolished. The question  
17 shall be submitted in substantially the following form:

18        Shall the \_\_\_\_\_ Transportation Development  
19        District be abolished?] **abolish the district.**

20        3. The district board shall not [propose the question  
21 to] abolish the district while there are outstanding claims  
22 or causes of action pending against the district, while the  
23 district liabilities exceed its assets, or while the  
24 district is insolvent, in receivership or under the  
25 jurisdiction of the bankruptcy court. Prior to [submitting  
26 the question to abolish] **abolishing** the district [to a  
27 vote], the state auditor shall audit the district to  
28 determine the financial status of the district, and whether  
29 the district may be abolished pursuant to law.

30        4. While the district still exists, it shall continue  
31 to accrue all revenues to which it is entitled at law.

32        5. Upon [receipt of certification by the appropriate  
33 election authorities that the majority of those voting  
34 within the district have voted to abolish the district, and  
35 if the state auditor has determined] **the state auditor's**  
36 **determination** that the district's financial condition is  
37 such that it may be abolished pursuant to law, then the  
38 board shall:

39            (1) Sell any remaining district real or personal  
40 property it wishes, and then transfer the proceeds and any  
41 other real or personal property owned by the district,  
42 including revenues due and owing the district, to the

43 commission or any appropriate local transportation authority  
44 assuming maintenance and control of the project, for its  
45 further use and disposition;

46 (2) Terminate the employment of any remaining district  
47 employees, and otherwise conclude its affairs;

48 (3) At a public meeting of the district, declare by a  
49 majority vote that the district has been abolished effective  
50 that date; and

51 (4) Cause copies of that resolution under seal to be  
52 filed with the secretary of state, the director of revenue,  
53 the commission, and with each local transportation authority  
54 affected by the district. Upon the completion of the final  
55 act specified in this subsection, the legal existence of the  
56 district shall cease.

✓