SENATE AMENDMENT NO. ___

Offered by _____ **Of** _____

Amend SS/SCS/Senate **Bill No.** 131 , **Page** 3 , **Section** 135.098 , **Line** 70 ,

by inserting after all of said line the following:

"144.014. 1. Notwithstanding other provisions of law to the contrary, **[**beginning October 1, 1997, the tax levied and imposed under this chapter on**]** all retail sales of food shall be **[**at the rate of one percent. The revenue derived from the one percent rate pursuant to this section shall be deposited by the state treasurer in the school district trust fund and shall be distributed as provided in section 144.701**]** exempted from the provisions of and from the computation of the tax levied, assessed, or payable pursuant to this chapter, the local sales tax law as defined in section 32.085, and section 238.235.

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

regardless of whether such prepared food is consumed on the premises of that establishment, including, but not limited to, sales of food by any restaurant, fast food restaurant, delicatessen, eating house, or café."; and

Further amend the title and enacting clause accordingly.