

SENATE BILL NO. 866

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR BRATTIN.

3266S.02I

KRISTINA MARTIN, Secretary

AN ACT

To repeal sections 143.121, 400.1-201, 400.4A-106, 400.7-102, 407.661, 407.738, 407.830, 407.1043, 408.010, and 432.275, RSMo, and to enact in lieu thereof twelve new sections relating to legal tender.

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

Section A. Sections 143.121, 400.1-201, 400.4A-106,
2 400.7-102, 407.661, 407.738, 407.830, 407.1043, 408.010, and
3 432.275, RSMo, are repealed and twelve new sections enacted in
4 lieu thereof, to be known as sections 30.266, 34.700, 143.121,
5 400.1-201, 400.4A-106, 400.7-102, 407.661, 407.738, 407.830,
6 407.1043, 408.010, and 432.275, to read as follows:

30.266. The state treasurer shall keep in the custody
2 **of the state treasury an amount of gold and silver greater**
3 **than or equal to one percent of all state funds. Nothing in**
4 **this section shall require the state treasurer to invest any**
5 **state funds in a manner inconsistent with Article IV,**
6 **Section 15 of the Missouri Constitution.**

34.700. 1. A public entity shall not:
2 **(1) Accept a payment using central bank digital**
3 **currency; or**
4 **(2) Participate in any test of central bank digital**
5 **currency by any Federal Reserve branch.**

6 **2. For purposes of this section, the following terms**
7 **mean:**

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

8 (1) "Central bank digital currency" has the same
9 meaning as in section 400.1-201;

10 (2) "Public entity", the state of Missouri or any
11 political subdivision thereof, including all boards,
12 commissions, agencies, institutions, authorities, and bodies
13 politic and corporate of the state created by or in
14 accordance with state law or regulations.

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
57 operating loss taken against federal taxable income but

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

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

74 (6) For all tax years beginning on or after January 1,
75 2018, any interest expense paid or accrued in a previous
76 taxable year, but allowed as a deduction under 26 U.S.C.
77 Section 163, as amended, in the current taxable year by
78 reason of the carryforward of disallowed business interest
79 provisions of 26 U.S.C. Section 163(j), as amended. For the
80 purposes of this subdivision, an interest expense is
81 considered paid or accrued only in the first taxable year
82 the deduction would have been allowable under 26 U.S.C.
83 Section 163, as amended, if the limitation under 26 U.S.C.
84 Section 163(j), as amended, did not exist.

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

88 (1) Interest received on deposits held at a federal
89 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;

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

162 (10) For all tax years beginning on or after January
163 1, 2014, the amount of any income received as payment from
164 any program which provides compensation to agricultural
165 producers who have suffered a loss as the result of a
166 disaster or emergency, including the:

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

177 (11) For all tax years beginning on or after January
178 1, 2018, any interest expense paid or accrued in the current
179 taxable year, but not deducted as a result of the limitation
180 imposed under 26 U.S.C. Section 163(j), as amended. For the
181 purposes of this subdivision, an interest expense is
182 considered paid or accrued only in the first taxable year
183 the deduction would have been allowable under 26 U.S.C.

184 Section 163, as amended, if the limitation under 26 U.S.C.
185 Section 163(j), as amended, did not exist;

186 (12) One hundred percent of any retirement benefits
187 received by any taxpayer as a result of the taxpayer's
188 service in the Armed Forces of the United States, including
189 reserve components and the National Guard of this state, as
190 defined in 32 U.S.C. Sections 101(3) and 109, and any other
191 military force organized under the laws of this state; [and]

192 (13) One hundred percent of any federal grant moneys
193 received for the purpose of providing or expanding access to
194 broadband internet to areas of the state deemed to be
195 lacking such access; and

196 **(14) For all tax years beginning on or after January**
197 **1, 2025, the portion of capital gain on the sale or exchange**
198 **of gold and silver that are otherwise included in the**
199 **taxpayer's federal adjusted gross income.**

200 4. There shall be added to or subtracted from the
201 taxpayer's federal adjusted gross income the taxpayer's
202 share of the Missouri fiduciary adjustment provided in
203 section 143.351.

204 5. There shall be added to or subtracted from the
205 taxpayer's federal adjusted gross income the modifications
206 provided in section 143.411.

207 6. In addition to the modifications to a taxpayer's
208 federal adjusted gross income in this section, to calculate
209 Missouri adjusted gross income there shall be subtracted
210 from the taxpayer's federal adjusted gross income any gain
211 recognized pursuant to 26 U.S.C. Section 1033 of the
212 Internal Revenue Code of 1986, as amended, arising from
213 compulsory or involuntary conversion of property as a result
214 of condemnation or the imminence thereof.

215 7. (1) As used in this subsection, "qualified health
216 insurance premium" means the amount paid during the tax year
217 by such taxpayer for any insurance policy primarily
218 providing health care coverage for the taxpayer, the
219 taxpayer's spouse, or the taxpayer's dependents.

220 (2) In addition to the subtractions in subsection 3 of
221 this section, one hundred percent of the amount of qualified
222 health insurance premiums shall be subtracted from the
223 taxpayer's federal adjusted gross income to the extent the
224 amount paid for such premiums is included in federal taxable
225 income. The taxpayer shall provide the department of
226 revenue with proof of the amount of qualified health
227 insurance premiums paid.

228 8. (1) Beginning January 1, 2014, in addition to the
229 subtractions provided in this section, one hundred percent
230 of the cost incurred by a taxpayer for a home energy audit
231 conducted by an entity certified by the department of
232 natural resources under section 640.153 or the
233 implementation of any energy efficiency recommendations made
234 in such an audit shall be subtracted from the taxpayer's
235 federal adjusted gross income to the extent the amount paid
236 for any such activity is included in federal taxable
237 income. The taxpayer shall provide the department of
238 revenue with a summary of any recommendations made in a
239 qualified home energy audit, the name and certification
240 number of the qualified home energy auditor who conducted
241 the audit, and proof of the amount paid for any activities
242 under this subsection for which a deduction is claimed. The
243 taxpayer shall also provide a copy of the summary of any
244 recommendations made in a qualified home energy audit to the
245 department of natural resources.

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

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

259 (4) A deduction shall not be claimed for any otherwise
260 eligible activity under this subsection if such activity
261 qualified for and received any rebate or other incentive
262 through a state-sponsored energy program or through an
263 electric corporation, gas corporation, electric cooperative,
264 or municipally owned utility.

265 9. The provisions of subsection 8 of this section
266 shall expire on December 31, 2020.

267 10. (1) As used in this subsection, the following
268 terms mean:

269 (a) "Beginning farmer", a taxpayer who:

270 a. Has filed at least one but not more than ten
271 Internal Revenue Service Schedule F (Form 1040) Profit or
272 Loss From Farming forms since turning eighteen years of age;

273 b. Is approved for a beginning farmer loan through the
274 USDA Farm Service Agency Beginning Farmer direct or
275 guaranteed loan program;

276 c. Has a farming operation that is determined by the
277 department of agriculture to be new production agriculture

278 but is the principal operator of a farm and has substantial
279 farming knowledge; or

280 d. Has been determined by the department of
281 agriculture to be a qualified family member;

282 (b) "Farm owner", an individual who owns farmland and
283 disposes of or relinquishes use of all or some portion of
284 such farmland as follows:

285 a. A sale to a beginning farmer;

286 b. A lease or rental agreement not exceeding ten years
287 with a beginning farmer; or

288 c. A crop-share arrangement not exceeding ten years
289 with a beginning farmer;

290 (c) "Qualified family member", an individual who is
291 related to a farm owner within the fourth degree by blood,
292 marriage, or adoption and who is purchasing or leasing or is
293 in a crop-share arrangement for land from all or a portion
294 of such farm owner's farming operation.

295 (2) (a) In addition to all other subtractions
296 authorized in this section, a taxpayer who is a farm owner
297 who sells all or a portion of such farmland to a beginning
298 farmer may subtract from such taxpayer's Missouri adjusted
299 gross income an amount to the extent included in federal
300 adjusted gross income as provided in this subdivision.

301 (b) Subject to the limitations in paragraph (c) of
302 this subdivision, the amount that may be subtracted shall be
303 equal to the portion of capital gains received from the sale
304 of such farmland that such taxpayer receives in the tax year
305 for which such taxpayer subtracts such capital gain.

306 (c) A taxpayer may subtract the following amounts and
307 percentages per tax year in total capital gains received
308 from the sale of such farmland under this subdivision:

309 a. For the first two million dollars received, one
310 hundred percent;

311 b. For the next one million dollars received, eighty
312 percent;

313 c. For the next one million dollars received, sixty
314 percent;

315 d. For the next one million dollars received, forty
316 percent; and

317 e. For the next one million dollars received, twenty
318 percent.

319 (d) The department of revenue shall prepare an annual
320 report reviewing the costs and benefits and containing
321 statistical information regarding the subtraction of capital
322 gains authorized under this subdivision for the previous tax
323 year including, but not limited to, the total amount of all
324 capital gains subtracted and the number of taxpayers
325 subtracting such capital gains. Such report shall be
326 submitted before February first of each year to the
327 committee on agriculture policy of the Missouri house of
328 representatives and the committee on agriculture, food
329 production and outdoor resources of the Missouri senate, or
330 the successor committees.

331 (3) (a) In addition to all other subtractions
332 authorized in this section, a taxpayer who is a farm owner
333 who enters a lease or rental agreement for all or a portion
334 of such farmland with a beginning farmer may subtract from
335 such taxpayer's Missouri adjusted gross income an amount to
336 the extent included in federal adjusted gross income as
337 provided in this subdivision.

338 (b) Subject to the limitation in paragraph (c) of this
339 subdivision, the amount that may be subtracted shall be
340 equal to the portion of cash rent income received from the

341 lease or rental of such farmland that such taxpayer receives
342 in the tax year for which such taxpayer subtracts such
343 income.

344 (c) No taxpayer shall subtract more than twenty-five
345 thousand dollars per tax year in total cash rent income
346 received from the lease or rental of such farmland under
347 this subdivision.

348 (4) (a) In addition to all other subtractions
349 authorized in this section, a taxpayer who is a farm owner
350 who enters a crop-share arrangement on all or a portion of
351 such farmland with a beginning farmer may subtract from such
352 taxpayer's Missouri adjusted gross income an amount to the
353 extent included in federal adjusted gross income as provided
354 in this subdivision.

355 (b) Subject to the limitation in paragraph (c) of this
356 subdivision, the amount that may be subtracted shall be
357 equal to the portion of income received from the crop-share
358 arrangement on such farmland that such taxpayer receives in
359 the tax year for which such taxpayer subtracts such income.

360 (c) No taxpayer shall subtract more than twenty-five
361 thousand dollars per tax year in total income received from
362 the lease or rental of such farmland under this subdivision.

363 (5) The department of agriculture shall, by rule,
364 establish a process to verify that a taxpayer is a beginning
365 farmer for purposes of this section and shall provide
366 verification to the beginning farmer and farm seller of such
367 farmer's and seller's certification and qualification for
368 the exemption provided in this subsection.

400.1-201. (a) Unless the context otherwise requires,
2 words or phrases defined in this section, or in the
3 additional definitions contained in other articles of this

4 chapter that apply to particular articles or parts thereof,
5 have the meanings stated.

6 (b) Subject to definitions contained in other articles
7 of this chapter that apply to particular articles or parts
8 thereof:

9 (1) "Action", in the sense of a judicial proceeding,
10 includes recoupment, counterclaim, set-off, suit in equity,
11 and any other proceeding in which rights are determined.

12 (2) "Aggrieved party" means a party entitled to pursue
13 a remedy.

14 (3) "Agreement", as distinguished from "contract",
15 means the bargain of the parties in fact, as found in their
16 language or inferred from other circumstances, including
17 course of performance, course of dealing, or usage of trade
18 as provided in section 400.1-303.

19 (4) "Bank" means a person engaged in the business of
20 banking and includes a savings bank, savings and loan
21 association, credit union, and trust company.

22 (5) "Bearer" means a person in possession of a
23 negotiable instrument, document of title, or certificated
24 security that is payable to bearer or indorsed in blank.

25 (6) "Bill of lading" means a document evidencing the
26 receipt of goods for shipment issued by a person engaged in
27 the business of transporting or forwarding goods.

28 (7) "Branch" includes a separately incorporated
29 foreign branch of a bank.

30 (8) "Burden of establishing" a fact means the burden
31 of persuading the trier of fact that the existence of the
32 fact is more probable than its nonexistence.

33 (9) "Buyer in ordinary course of business" means a
34 person that buys goods in good faith, without knowledge that
35 the sale violates the rights of another person in the goods,

36 and in the ordinary course from a person, other than a
37 pawnbroker, in the business of selling goods of that kind.
38 A person buys goods in the ordinary course if the sale to
39 the person comports with the usual or customary practices in
40 the kind of business in which the seller is engaged or with
41 the seller's own usual or customary practices. A person
42 that sells oil, gas, or other minerals at the wellhead or
43 minehead is a person in the business of selling goods of
44 that kind. A buyer in ordinary course of business may buy
45 for cash, by exchange of other property, or on secured or
46 unsecured credit, and may acquire goods or documents of
47 title under a preexisting contract for sale. Only a buyer
48 that takes possession of the goods or has a right to recover
49 the goods from the seller under article 2 may be a buyer in
50 ordinary course of business. "Buyer in ordinary course of
51 business" does not include a person that acquires goods in a
52 transfer in bulk or as security for or in total or partial
53 satisfaction of a money debt.

54 (10) **"Central bank digital currency" means a digital**
55 **currency, a digital medium of exchange, or a digital**
56 **monetary unit of account issued by the United States Federal**
57 **Reserve System, a federal agency, a foreign government, a**
58 **foreign central bank, or a foreign reserve system, that is**
59 **made directly available to a consumer by such entities. The**
60 **term includes a digital currency, a digital medium of**
61 **exchange, or a digital monetary unit of account issued by**
62 **the United States Federal Reserve System, a federal agency,**
63 **a foreign government, a foreign central bank, or a foreign**
64 **reserve system, that is processed or validated directly by**
65 **such entities.**

66 (11) "Conspicuous", with reference to a term, means so
67 written, displayed, or presented that a reasonable person

68 against which it is to operate ought to have noticed it.
69 Whether a term is "conspicuous" or not is a decision for the
70 court. Conspicuous terms include the following:

71 (A) a heading in capitals equal to or greater in size
72 than the surrounding text, or in contrasting type, font, or
73 color to the surrounding text of the same or lesser size; and

74 (B) language in the body of a record or display in
75 larger type than the surrounding text, or in contrasting
76 type, font, or color to the surrounding text of the same
77 size, or set off from surrounding text of the same size by
78 symbols or other marks that call attention to the language.

79 [(11)] (12) "Consumer" means an individual who enters
80 into a transaction primarily for personal, family, or
81 household purposes.

82 [(12)] (13) "Contract", as distinguished from
83 "agreement", means the total legal obligation that results
84 from the parties' agreement as determined by this chapter as
85 supplemented by any other applicable laws.

86 [(13)] (14) "Creditor" includes a general creditor, a
87 secured creditor, a lien creditor, and any representative of
88 creditors, including an assignee for the benefit of
89 creditors, a trustee in bankruptcy, a receiver in equity,
90 and an executor or administrator of an insolvent debtor's or
91 assignor's estate.

92 [(14)] (15) "Defendant" includes a person in the
93 position of defendant in a counterclaim, cross-claim, or
94 third-party claim.

95 [(15)] (16) "Delivery", with respect to an instrument,
96 document of title, or chattel paper, means voluntary
97 transfer of possession.

98 [(16)] (17) "Document of title" includes bill of
99 lading, dock warrant, dock receipt, warehouse receipt or

100 order for the delivery of goods, and also any other document
101 which in the regular course of business or financing is
102 treated as adequately evidencing that the person in
103 possession of it is entitled to receive, hold, and dispose
104 of the document and the goods it covers. To be a document
105 of title, a document shall purport to be issued by or
106 addressed to a bailee and purport to cover goods in the
107 bailee's possession which are either identified or are
108 fungible portions of an identified mass.

109 [(17)] (18) "Fault" means a default, breach, or
110 wrongful act or omission.

111 [(18)] (19) "Fungible goods" means:

112 (A) goods of which any unit, by nature or usage of
113 trade, is the equivalent of any other like unit; or

114 (B) goods that by agreement are treated as equivalent.

115 [(19)] (20) "Genuine" means free of forgery or
116 counterfeiting.

117 [(20)] (21) "Good faith", except as otherwise provided
118 in article 5, means honesty in fact and the observance of
119 reasonable commercial standards of fair dealing.

120 [(21)] (22) "Holder" means:

121 (A) the person in possession of a negotiable
122 instrument that is payable either to bearer or to an
123 identified person that is the person in possession; or

124 (B) the person in possession of a document of title if
125 the goods are deliverable either to bearer or to the order
126 of the person in possession.

127 [(22)] (23) "Insolvency proceeding" includes an
128 assignment for the benefit of creditors or other proceeding
129 intended to liquidate or rehabilitate the estate of the
130 person involved.

131 [(23)] (24) "Insolvent" means:

132 (A) having generally ceased to pay debts in the
133 ordinary course of business other than as a result of bona
134 fide dispute;

135 (B) being unable to pay debts as they become due; or

136 (C) being insolvent within the meaning of federal
137 bankruptcy law.

138 [(24)] (25) "Money" means a medium of exchange
139 currently authorized or adopted by a domestic or foreign
140 government. The term includes a monetary unit of account
141 established by an intergovernmental organization or by
142 agreement between two or more countries. **The term does not**
143 **include a central bank digital currency.**

144 [(25)] (26) "Organization" means a person other than
145 an individual.

146 [(26)] (27) "Party", as distinguished from "third
147 party", means a person that has engaged in a transaction or
148 made an agreement subject to this chapter.

149 [(27)] (28) "Person" means an individual, corporation,
150 business trust, estate, trust, partnership, limited
151 liability company, association, joint venture, government,
152 governmental subdivision, agency, or instrumentality, public
153 corporation, or any other legal or commercial entity.

154 [(28)] (29) "Present value" means the amount as of a
155 date certain of one or more sums payable in the future,
156 discounted to the date certain by use of either an interest
157 rate specified by the parties if that rate is not manifestly
158 unreasonable at the time the transaction is entered into or,
159 if an interest rate is not so specified, a commercially
160 reasonable rate that takes into account the facts and
161 circumstances at the time the transaction is entered into.

162 [(29)] (30) "Purchase" means taking by sale, lease,
163 discount, negotiation, mortgage, pledge, lien, security

164 interest, issue or reissue, gift, or any other voluntary
165 transaction creating an interest in property.

166 [(30)] (31) "Purchaser" means a person that takes by
167 purchase.

168 [(31)] (32) "Record" means information that is
169 inscribed on a tangible medium or that is stored in an
170 electronic or other medium and is retrievable in perceivable
171 form.

172 [(32)] (33) "Remedy" means any remedial right to which
173 an aggrieved party is entitled with or without resort to a
174 tribunal.

175 [(33)] (34) "Representative" means a person empowered
176 to act for another, including an agent, an officer of a
177 corporation or association, and a trustee, executor, or
178 administrator of an estate.

179 [(34)] (35) "Right" includes remedy.

180 [(35)] (36) "Security interest" means an interest in
181 personal property or fixtures which secures payment or
182 performance of an obligation. "Security interest" includes
183 any interest of a consignor and a buyer of accounts, chattel
184 paper, a payment intangible, or a promissory note in a
185 transaction that is subject to article 9. "Security
186 interest" does not include the special property interest of
187 a buyer of goods on identification of those goods to a
188 contract for sale under section 400.2-401, but a buyer may
189 also acquire a "security interest" by complying with article
190 9. Except as otherwise provided in section 400.2-505, the
191 right of a seller or lessor of goods under article 2 or 2A
192 to retain or acquire possession of the goods is not a
193 "security interest", but a seller or lessor may also acquire
194 a "security interest" by complying with article 9. The
195 retention or reservation of title by a seller of goods

196 notwithstanding shipment or delivery to the buyer under
197 section 400.2-401 is limited in effect to a reservation of a
198 "security interest". Whether a transaction in the form of a
199 lease creates a "security interest" is determined pursuant
200 to section 400.1-203.

201 [(36)] (37) "Send" in connection with a writing,
202 record, or notice means:

203 (A) to deposit in the mail or deliver for transmission
204 by any other usual means of communication with postage or
205 cost of transmission provided for and properly addressed
206 and, in the case of an instrument, to an address specified
207 thereon or otherwise agreed, or if there be none to any
208 address reasonable under the circumstances; or

209 (B) in any other way to cause to be received any
210 record or notice within the time it would have arrived if
211 properly sent.

212 [(37)] (38) "Signed" includes using any symbol
213 executed or adopted with present intention to adopt or
214 accept a writing.

215 [(38)] (39) "State" means a State of the United
216 States, the District of Columbia, Puerto Rico, the United
217 States Virgin Islands, or any territory or insular
218 possession subject to the jurisdiction of the United States.

219 [(39)] (40) "Surety" includes a guarantor or other
220 secondary obligor.

221 [(40)] (41) "Term" means a portion of an agreement
222 that relates to a particular matter.

223 [(41)] (42) "Unauthorized signature" means a signature
224 made without actual, implied, or apparent authority. The
225 term includes a forgery.

226 [(42)] (43) "Warehouse receipt" means a receipt issued
227 by a person engaged in the business of storing goods for
228 hire.

229 [(43)] (44) "Writing" includes printing, typewriting,
230 or any other intentional reduction to tangible form.

231 "Written" has a corresponding meaning.

400.4A-106. (a) The time of receipt of a payment
2 order or communication cancelling or amending a payment
3 order is determined by the rules applicable to receipt of a
4 notice stated in [section 400.1-201(27)] **subdivision (28) of**
5 **subsection (b) of section 400.1-201**. A receiving bank may
6 fix a cut-off time or times on a funds-transfer business day
7 for the receipt and processing of payment orders and
8 communications cancelling or amending payment orders.
9 Different cut-off times may apply to payment orders,
10 cancellations, or amendments, or to different categories of
11 payment orders, cancellations, or amendments. A cut-off
12 time may apply to senders generally or different cut-off
13 times may apply to different senders or categories of
14 payment orders. If a payment order or communication
15 cancelling or amending a payment order is received after the
16 close of a funds-transfer business day or after the
17 appropriate cut-off time on a funds-transfer business day,
18 the receiving bank may treat the payment order or
19 communication as received at the opening of the next funds-
20 transfer business day.

21 (b) If this Article refers to an execution date or
22 payment date or states a day on which a receiving bank is
23 required to take action, and the date or day does not fall
24 on a funds-transfer business day, the next day that is a
25 funds-transfer business day is treated as the date or day
26 stated, unless the contrary is stated in this Article.

400.7-102. (a) In this article, unless the context
2 otherwise requires:

3 (1) "Bailee" means a person that by a warehouse
4 receipt, bill of lading, or other document of title
5 acknowledges possession of goods and contracts to deliver
6 them.

7 (2) "Carrier" means a person that issues a bill of
8 lading.

9 (3) "Consignee" means a person named in a bill of
10 lading to which or to whose order the bill promises delivery.

11 (4) "Consignor" means a person named in a bill of
12 lading as the person from which the goods have been received
13 for shipment.

14 (5) "Delivery order" means a record that contains an
15 order to deliver goods directed to a warehouse, carrier, or
16 other person that in the ordinary course of business issues
17 warehouse receipts or bills of lading.

18 (6) "Good faith" has the same meaning as in
19 subdivision [(20)] (21) of subsection (b) of section 400.1-
20 201.

21 (7) "Goods" means all things that are treated as
22 movable for the purposes of a contract for storage or
23 transportation.

24 (8) "Issuer" means a bailee that issues a document of
25 title or, in the case of an unaccepted delivery order, the
26 person that orders the possessor of goods to deliver. The
27 term includes a person for which an agent or employee
28 purports to act in issuing a document if the agent or
29 employee has real or apparent authority to issue documents,
30 even if the issuer did not receive any goods, the goods were
31 misdescribed, or in any other respect the agent or employee
32 violated the issuer's instructions.

33 (9) "Person entitled under the document" means the
34 holder, in the case of a negotiable document of title, or
35 the person to which delivery of the goods is to be made by
36 the terms of, or pursuant to instructions in a record under,
37 a nonnegotiable document of title.

38 (10) "Record" has the same meaning as in subdivision
39 [(31)] (32) of subsection (b) of section 400.1-201.

40 (11) "Sign" means, with present intent to authenticate
41 or adopt a record:

42 (A) to execute or adopt a tangible symbol; or

43 (B) to attach to or logically associate with the
44 record an electronic sound, symbol, or process.

45 (12) "Shipper" means a person that enters into a
46 contract of transportation with a carrier.

47 (13) "Warehouse" means a person engaged in the
48 business of storing goods for hire.

49 (b) Definitions in other articles applying to this
50 article and the sections in which they appear are:

51 (1) "Contract for sale", section 400.2-106.

52 (2) "Lessee in the ordinary course of business",
53 section 400.2A-103.

54 (3) "Receipt" of goods, section 400.2-103.

55 (c) In addition, article 1 contains general
56 definitions and principles of construction and
57 interpretation applicable throughout this article.

407.661. As used in sections 407.660 to 407.665 the
2 following terms shall mean:

3 (1) "Advertisement", the attempt by publication,
4 dissemination, solicitation, circulation, or any other means
5 to induce, directly or indirectly, any person to enter into
6 any obligation or acquire any title or interest in any
7 merchandise, or any commercial message in any medium that

8 directly or indirectly promotes or assists a rental-purchase
9 agreement;

10 (2) "Cash price", the price for which the merchant
11 would have sold the merchandise to the consumer for cash on
12 the date of the rental-purchase agreement;

13 (3) "Consumer", an individual who leases personal
14 property under a rental-purchase agreement;

15 (4) "Merchandise", the personal property that is the
16 subject of a rental-purchase agreement;

17 (5) "Merchant", a person who, in the ordinary course
18 of business, regularly leases, offers to lease, or arranges
19 for the leasing of merchandise under a rental-purchase
20 agreement;

21 (6) "Rental-purchase agreement", an agreement between
22 a merchant and a consumer for the use of merchandise by the
23 consumer for personal, family, or household purposes, for an
24 initial period of four months or less that is automatically
25 renewable with each payment after the initial period, and
26 that permits the consumer to become the owner of the
27 merchandise. A rental-purchase agreement shall not be
28 construed to be nor be governed by any of the following:

29 (a) A lease or agreement which constitutes a credit
30 sale as defined in 12 CFR 226.2(a)(16) and section 1602(g)
31 of the Truth-in-Lending Act, 15 U.S.C. 1601 et seq.;

32 (b) A lease which constitutes a consumer lease as
33 defined in 12 CFR 213.2(a)(6);

34 (c) Any lease for agricultural, business, or
35 commercial purposes;

36 (d) Any lease made to an organization;

37 (e) A lease or agreement which constitutes a retail
38 time contract or retail time transaction as defined in
39 subdivisions (14) and (15) of section 408.250;

40 (f) A security interest as defined in subdivision
41 [(35)] (36) of subsection (b) of section 400.1-201; or

42 (g) A home solicitation sale as that term is defined
43 in section 407.700;

44 (7) "Period", a day, week, month, or other subdivision
45 of a year.

407.738. 1. Any one or more of the following persons
2 who suffers any damage proximately resulting from one or
3 more acts of unlawful motor vehicle subleasing, as described
4 in section 407.742 may bring an action in the circuit court
5 in the county in which the defendant resides, has his
6 principal place of business, or where an act of unlawful
7 motor vehicle subleasing occurred against the person who has
8 engaged in those acts:

9 (1) A seller or other secured party under a
10 conditional sale contract or a security agreement;

11 (2) A lender under a direct loan agreement;

12 (3) A lessor under a lease contract;

13 (4) A buyer under a conditional sale contract;

14 (5) A purchaser under a direct loan agreement, an
15 agreement which provides for a security interest, or an
16 agreement which is equivalent to these types of agreements;

17 (6) A lessee under a lease contract;

18 (7) An actual or purported transferee or assignee of
19 any right or interest of a buyer, a purchaser, or a lessee.

20 2. The circuit court in an action under subsection 1
21 of this section may award, in its discretion, actual
22 damages; punitive damages; reasonable attorney's fees and
23 costs to the prevailing party; equitable relief, including,
24 but not limited to, an injunction and restitution of money
25 and property; and any other equitable relief which the court
26 deems proper.

27 3. As used in sections 407.738 to 407.745, the
28 following terms have the following meanings:

29 (1) "Buyer" has the meaning set forth in subdivision
30 (9) of section 365.010;

31 (2) "Conditional sale contract" means:

32 (a) Any contract for the sale of a motor vehicle
33 between a buyer and a seller, with or without accessories,
34 under which possession is delivered to the buyer but the
35 title vests in the buyer thereafter only upon the payment of
36 all or part of the price, or upon the performance of any
37 other condition; or

38 (b) Any contract for the bailment or leasing of a
39 motor vehicle between a buyer and a seller, with or without
40 accessories, by which the bailee or lessee agrees to pay as
41 compensation for use a sum substantially equivalent to or in
42 excess of the aggregate value of the vehicle and its
43 accessories, if any, at the time the contract is executed,
44 and by which it is agreed that the bailee or lessee will
45 become, or for no other consideration or for a nominal
46 consideration has the option of becoming, the owner of the
47 vehicle upon full compliance with the terms of the contract;
48 or

49 (c) Any contract for the sale of a motor vehicle
50 between a buyer and a seller, with or without accessories,
51 under which possession is delivered to the buyer, and a lien
52 on the property is to vest in the seller as security for the
53 payment of part or all of the price, or for the performance
54 of any other condition;

55 (d) Conditional sale contract includes any contract
56 for the sale or bailment of a motor vehicle between a buyer
57 and a seller primarily for business or commercial purposes;

58 (3) "Direct loan agreement" means an agreement between
59 a lender and a purchaser whereby the lender has advanced
60 funds pursuant to a loan secured by the motor vehicle which
61 the purchaser has purchased;

62 (4) "Lease contract" means a lease contract between a
63 lessor or bailor and a lessee or bailee including a lease
64 for business or commercial purposes;

65 (5) "Motor vehicle" means any vehicle required to be
66 registered pursuant to chapter 301;

67 (6) "Person" has the meaning set forth in subdivision
68 (5) of section 407.010;

69 (7) "Purchaser", has the meaning set forth in
70 subdivision (30) of section 400.1-201;

71 (8) "Security agreement" and "secured party" have the
72 meanings set forth, respectively, in paragraphs (h) and (i)
73 of subdivision (1) of section 400.9-105. "Security
74 interest" has the meaning set forth in subdivision [(35)]
75 **(36) of subsection (b)** of section 400.1-201;

76 (9) "Seller" has the meaning set forth in subdivision
77 (12) of section 365.020 and includes the present holder of
78 the conditional sale contract.

79 4. The rights and remedies provided in sections
80 407.738 to 407.745 are in addition to any other rights and
81 remedies provided by law.

 407.830. It shall be a defense for a motor vehicle
2 franchisor, to any action brought under sections 407.810 to
3 407.835 by a motor vehicle franchisee, if it be shown that
4 such motor vehicle franchisee has failed to substantially
5 comply with reasonable and lawful requirements imposed by
6 the franchise and other agreements ancillary or collateral
7 thereto, or if the motor vehicle franchisee, or any of its
8 officers, have been convicted of a felony relevant to

9 business honesty or business practices, or if the motor
10 vehicle franchisee has ceased conducting its business or has
11 abandoned the franchise, or is insolvent as that term is
12 defined in subdivision [(23)] (24) of subsection (b) of
13 section 400.1-201, or has filed a voluntary petition in
14 bankruptcy, or has made an assignment for benefit of
15 creditors, or has been the subject of an involuntary
16 proceeding under the federal bankruptcy act or under any
17 state insolvency law which is not vacated within twenty days
18 from the institution thereof, or there has been an
19 appointment of a receiver or other officer having similar
20 powers for the motor vehicle franchisee or the motor vehicle
21 franchisee's business who is not removed within twenty days
22 from his appointment, or there has been a levy under
23 attachment, execution or similar process which is not within
24 ten days vacated or removed by payment or bonding, and it
25 shall be a defense to any action brought under sections
26 407.810 to 407.835 that the complained of conduct by a motor
27 vehicle franchisor was undertaken in good faith in pursuit
28 of rights or remedies accorded to a motor vehicle franchisor
29 as a seller of goods or a holder of a security interest
30 under the provisions of chapter 400.

407.1043. It shall be a defense for a motorcycle or
2 all-terrain vehicle franchisor, to any action brought
3 pursuant to sections 407.1025 to 407.1049 by a motorcycle or
4 all-terrain vehicle franchisee, if it is shown that such
5 motorcycle or all-terrain vehicle franchisee has failed to
6 substantially comply with reasonable and lawful requirements
7 imposed by the franchise and other agreements ancillary or
8 collateral thereto, or if the motorcycle or all-terrain
9 vehicle franchisee, or any of its officers, have been
10 convicted of a felony relevant to business honesty or

11 business practices, or if the motorcycle or all-terrain
12 vehicle franchisee has ceased conducting its business or has
13 abandoned the franchise, or is insolvent as that term is
14 defined in subdivision [(23)] **(24) of subsection (b)** of
15 section 400.1-201, or has filed a voluntary petition in
16 bankruptcy, or has made an assignment for benefit of
17 creditors, or has been the subject of an involuntary
18 proceeding under the Federal Bankruptcy Act or under any
19 state insolvency law which is not vacated within twenty days
20 from the institution thereof, or there has been an
21 appointment of a receiver or other officer having similar
22 powers for the motorcycle or all-terrain vehicle franchisee
23 or the motorcycle or all-terrain vehicle franchisee's
24 business who is not removed within twenty days from the
25 person's appointment, or there has been a levy under
26 attachment, execution or similar process which is not within
27 ten days vacated or removed by payment or bonding, and it
28 shall be a defense to any action brought pursuant to
29 sections 407.1025 to 407.1049 that the complained of conduct
30 by a motorcycle or all-terrain vehicle franchisor was
31 undertaken in good faith in pursuit of rights or remedies
32 accorded to a motorcycle or all-terrain vehicle franchisor
33 as a seller of goods or a holder of a security interest
34 pursuant to the provisions of chapter 400.

408.010. [The silver coins of the United States are
2 hereby declared a] **1. Gold and silver coinage shall be**
3 **accepted as** legal tender, at their [par value, fixed by the
4 laws of the United States] **spot price plus market premium,**
5 and shall be receivable in payment of all debts, public or
6 private, hereafter contracted in the state of Missouri[;
7 provided, however, that no person shall have the right to
8 pay, upon any one debt, dimes and half dimes to an amount

9 exceeding ten dollars, or of twenty and twenty-five cent
10 pieces exceeding twenty dollars]. The state of Missouri
11 shall accept gold and silver coinage as payment for any
12 debt, tax, fee, or obligation owed. Costs incurred in the
13 course of verification of the weight and purity of any gold
14 or silver coinage during any such transaction shall be borne
15 by the receiving entity.

16 2. No person or entity shall be required to use gold
17 or silver coinage in the payment of any debt.

18 3. Nothing in this section shall prohibit the use of
19 federal reserve notes in the payment of any debt.

20 4. Except as otherwise provided in section 513.607,
21 under no circumstance shall the state of Missouri or any
22 department, agency, court, political subdivision, or
23 instrumentality thereof seize from any person any gold or
24 silver that is owned by such person. Any person who has his
25 or her gold or silver seized in violation of this section
26 shall have a cause of action in a court of competent
27 jurisdiction. Any successful cause of action shall result
28 in an award of attorney's fees.

432.275. 1. As used in this section, "transferable
2 record" means an electronic record that:

3 (1) Would be a note under sections 400.3-101 to 400.3-
4 605 or a document under sections 400.7-101 to 400.7-604 if
5 the electronic record were in writing; and

6 (2) The issuer of the electronic record expressly has
7 agreed is a transferable record.

8 2. A person has control of a transferable record if a
9 system employed for evidencing the transfer of interests in
10 the transferable record reliably establishes that person as
11 the person to which the transferable record was issued or
12 transferred.

13 3. A system satisfies subsection 2 of this section and
14 a person is deemed to have control of a transferable record
15 if the transferable record is created, stored, and assigned
16 in such a manner that:

17 (1) A single authoritative copy of the transferable
18 record exists which is unique, identifiable, and, except as
19 otherwise provided in subdivisions (4), (5), and (6) of this
20 subsection, unalterable;

21 (2) The authoritative copy identifies the person
22 asserting control as:

23 (a) The person to which the transferable record was
24 issued; or

25 (b) If the authoritative copy indicates that the
26 transferable record has been transferred, the person to
27 which the transferable record was most recently transferred;

28 (3) The authoritative copy is communicated to and
29 maintained by the person asserting control or its designated
30 custodian;

31 (4) Copies or revisions that add or change an
32 identified assignee of the authoritative copy can be made
33 only with the consent of the person asserting control;

34 (5) Each copy of the authoritative copy and any copy
35 of a copy is readily identifiable as a copy that is not the
36 authoritative copy; and

37 (6) Any revision of the authoritative copy is readily
38 identifiable as authorized or unauthorized.

39 4. Except as otherwise agreed, a person having control
40 of a transferable record is the holder, as defined in
41 subdivision [(21)] **(22) of subsection (b)** of section 400.1-
42 201, of the uniform commercial code, of the transferable
43 record and has the same rights and defenses as a holder of
44 an equivalent record or writing under the uniform commercial

45 code, including, if the applicable statutory requirements
46 under section 400.3-302(a), 400.7-501, or 400.9-308 of the
47 uniform commercial code are satisfied, the rights and
48 defenses of a holder in due course, a holder to which a
49 negotiable document of title has been duly negotiated, or a
50 purchaser, respectively. Delivery, possession, and
51 endorsement are not required to obtain or exercise any of
52 the rights under this subsection.

53 5. Except as otherwise agreed, an obligor under a
54 transferable record has the same rights and defenses as an
55 equivalent obligor under equivalent records or writings
56 under the uniform commercial code.

57 6. If requested by a person against which enforcement
58 is sought, the person seeking to enforce the transferable
59 record shall provide reasonable proof that the person is in
60 control of the transferable record. Proof may include
61 access to the authoritative copy of the transferable record
62 and related business records sufficient to review the terms
63 of the transferable record and to establish the identity of
64 the person having control of the transferable record.

Section B. If any provision of section A of this act
2 or the application thereof to anyone or to any circumstance
3 is held invalid, the remainder of those sections and the
4 application of such provisions to others or other
5 circumstances shall not be affected thereby.

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