

SENATE BILL NO. 819

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR WASHINGTON.

1975S.011

KRISTINA MARTIN, Secretary

AN ACT

To repeal section 144.030, RSMo, and to enact in lieu thereof one new section relating to a sales tax exemption for feminine hygiene products purchased by certain organizations.

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

Section A. Section 144.030, RSMo, is repealed and one new
2 section enacted in lieu thereof, to be known as section 144.030,
3 to read as follows:

144.030. 1. There is hereby specifically exempted
2 from the provisions of sections 144.010 to 144.525 and from
3 the computation of the tax levied, assessed or payable
4 pursuant to sections 144.010 to 144.525 such retail sales as
5 may be made in commerce between this state and any other
6 state of the United States, or between this state and any
7 foreign country, and any retail sale which the state of
8 Missouri is prohibited from taxing pursuant to the
9 Constitution or laws of the United States of America, and
10 such retail sales of tangible personal property which the
11 general assembly of the state of Missouri is prohibited from
12 taxing or further taxing by the constitution of this state.

13 2. There are also specifically exempted from the
14 provisions of the local sales tax law as defined in section
15 32.085, section 238.235, and sections 144.010 to 144.525 and
16 144.600 to 144.761 and from the computation of the tax
17 levied, assessed or payable pursuant to the local sales tax
18 law as defined in section 32.085, section 238.235, and
19 sections 144.010 to 144.525 and 144.600 to 144.745:

(1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed form at retail; economic poisons registered pursuant to the provisions of the Missouri pesticide registration law, sections 281.220 to 281.310, which are to be used in connection with the growth or production of crops, fruit trees or orchards applied before, during, or after planting, the crop of which when harvested will be sold at retail or will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

(2) Materials, manufactured goods, machinery and parts which when used in manufacturing, processing, compounding, mining, producing or fabricating become a component part or ingredient of the new personal property resulting from such manufacturing, processing, compounding, mining, producing or fabricating and which new personal property is intended to be sold ultimately for final use or consumption; and materials, including without limitation, gases and manufactured goods, including without limitation slagging materials and firebrick, which are ultimately consumed in the manufacturing process by blending, reacting or interacting with or by becoming, in whole or in part,

52 component parts or ingredients of steel products intended to
53 be sold ultimately for final use or consumption;

54 (3) Materials, replacement parts and equipment
55 purchased for use directly upon, and for the repair and
56 maintenance or manufacture of, motor vehicles, watercraft,
57 railroad rolling stock or aircraft engaged as common
58 carriers of persons or property;

59 (4) Replacement machinery, equipment, and parts and
60 the materials and supplies solely required for the
61 installation or construction of such replacement machinery,
62 equipment, and parts, used directly in manufacturing,
63 mining, fabricating or producing a product which is intended
64 to be sold ultimately for final use or consumption; and
65 machinery and equipment, and the materials and supplies
66 required solely for the operation, installation or
67 construction of such machinery and equipment, purchased and
68 used to establish new, or to replace or expand existing,
69 material recovery processing plants in this state. For the
70 purposes of this subdivision, a "material recovery
71 processing plant" means a facility that has as its primary
72 purpose the recovery of materials into a usable product or a
73 different form which is used in producing a new product and
74 shall include a facility or equipment which are used
75 exclusively for the collection of recovered materials for
76 delivery to a material recovery processing plant but shall
77 not include motor vehicles used on highways. For purposes
78 of this section, the terms motor vehicle and highway shall
79 have the same meaning pursuant to section 301.010. For the
80 purposes of this subdivision, subdivision (5) of this
81 subsection, and section 144.054, as well as the definition
82 in subdivision (9) of subsection 1 of section 144.010, the
83 term "product" includes telecommunications services and the

term "manufacturing" shall include the production, or production and transmission, of telecommunications services. The preceding sentence does not make a substantive change in the law and is intended to clarify that the term "manufacturing" has included and continues to include the production and transmission of "telecommunications services", as enacted in this subdivision and subdivision (5) of this subsection, as well as the definition in subdivision (9) of subsection 1 of section 144.010. The preceding two sentences reaffirm legislative intent consistent with the interpretation of this subdivision and subdivision (5) of this subsection in *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002) and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), and accordingly abrogates the Missouri supreme court's interpretation of those exemptions in *IBM Corporation v. Director of Revenue*, 491 S.W.3d 535 (Mo. banc 2016) to the extent inconsistent with this section and *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002) and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005). The construction and application of this subdivision as expressed by the Missouri supreme court in *DST Systems, Inc. v. Director of Revenue*, 43 S.W.3d 799 (Mo. banc 2001); *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), is hereby affirmed. Material recovery is not the reuse of materials within a manufacturing process or the use of a product previously recovered. The material recovery processing plant shall

qualify under the provisions of this section regardless of ownership of the material being recovered;

(5) Machinery and equipment, and parts and the materials and supplies solely required for the installation or construction of such machinery and equipment, purchased and used to establish new or to expand existing manufacturing, mining or fabricating plants in the state if such machinery and equipment is used directly in manufacturing, mining or fabricating a product which is intended to be sold ultimately for final use or consumption. The construction and application of this subdivision as expressed by the Missouri supreme court in *DST Systems, Inc. v. Director of Revenue*, 43 S.W.3d 799 (Mo. banc 2001); *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), is hereby affirmed;

(6) Tangible personal property which is used exclusively in the manufacturing, processing, modification or assembling of products sold to the United States government or to any agency of the United States government;

(7) Animals or poultry used for breeding or feeding purposes, or captive wildlife;

(8) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and other machinery, equipment, replacement parts and supplies used in producing newspapers published for dissemination of news to the general public;

(9) The rentals of films, records or any type of sound or picture transcriptions for public commercial display;

(10) Pumping machinery and equipment used to propel products delivered by pipelines engaged as common carriers;

147 (11) Railroad rolling stock for use in transporting
148 persons or property in interstate commerce and motor
149 vehicles licensed for a gross weight of twenty-four thousand
150 pounds or more or trailers used by common carriers, as
151 defined in section 390.020, in the transportation of persons
152 or property;

153 (12) Electrical energy used in the actual primary
154 manufacture, processing, compounding, mining or producing of
155 a product, or electrical energy used in the actual secondary
156 processing or fabricating of the product, or a material
157 recovery processing plant as defined in subdivision (4) of
158 this subsection, in facilities owned or leased by the
159 taxpayer, if the total cost of electrical energy so used
160 exceeds ten percent of the total cost of production, either
161 primary or secondary, exclusive of the cost of electrical
162 energy so used or if the raw materials used in such
163 processing contain at least twenty-five percent recovered
164 materials as defined in section 260.200. There shall be a
165 rebuttable presumption that the raw materials used in the
166 primary manufacture of automobiles contain at least twenty-
167 five percent recovered materials. For purposes of this
168 subdivision, "processing" means any mode of treatment, act
169 or series of acts performed upon materials to transform and
170 reduce them to a different state or thing, including
171 treatment necessary to maintain or preserve such processing
172 by the producer at the production facility;

173 (13) Anodes which are used or consumed in
174 manufacturing, processing, compounding, mining, producing or
175 fabricating and which have a useful life of less than one
176 year;

177 (14) Machinery, equipment, appliances and devices
178 purchased or leased and used solely for the purpose of

179 preventing, abating or monitoring air pollution, and
180 materials and supplies solely required for the installation,
181 construction or reconstruction of such machinery, equipment,
182 appliances and devices;

183 (15) Machinery, equipment, appliances and devices
184 purchased or leased and used solely for the purpose of
185 preventing, abating or monitoring water pollution, and
186 materials and supplies solely required for the installation,
187 construction or reconstruction of such machinery, equipment,
188 appliances and devices;

189 (16) Tangible personal property purchased by a rural
190 water district;

191 (17) All amounts paid or charged for admission or
192 participation or other fees paid by or other charges to
193 individuals in or for any place of amusement, entertainment
194 or recreation, games or athletic events, including museums,
195 fairs, zoos and planetariums, owned or operated by a
196 municipality or other political subdivision where all the
197 proceeds derived therefrom benefit the municipality or other
198 political subdivision and do not inure to any private
199 person, firm, or corporation, provided, however, that a
200 municipality or other political subdivision may enter into
201 revenue-sharing agreements with private persons, firms, or
202 corporations providing goods or services, including
203 management services, in or for the place of amusement,
204 entertainment or recreation, games or athletic events, and
205 provided further that nothing in this subdivision shall
206 exempt from tax any amounts retained by any private person,
207 firm, or corporation under such revenue-sharing agreement;

208 (18) All sales of insulin, and all sales, rentals,
209 repairs, and parts of durable medical equipment, prosthetic
210 devices, and orthopedic devices as defined on January 1,

1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically including hearing aids and hearing aid supplies and all sales of drugs which may be legally dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to administer those items, including samples and materials used to manufacture samples which may be dispensed by a practitioner authorized to dispense such samples and all sales or rental of medical oxygen, home respiratory equipment and accessories including parts, and hospital beds and accessories and ambulatory aids including parts, and all sales or rental of manual and powered wheelchairs including parts, and stairway lifts, Braille writers, electronic Braille equipment and, if purchased or rented by or on behalf of a person with one or more physical or mental disabilities to enable them to function more independently, all sales or rental of scooters including parts, and reading machines, electronic print enlargers and magnifiers, electronic alternative and augmentative communication devices, and items used solely to modify motor vehicles to permit the use of such motor vehicles by individuals with disabilities or sales of over-the-counter or nonprescription drugs to individuals with disabilities, and drugs required by the Food and Drug Administration to meet the over-the-counter drug product labeling requirements in 21 CFR 201.66, or its successor, as prescribed by a health care practitioner licensed to prescribe;

(19) All sales made by or to religious and charitable organizations and institutions in their religious, charitable or educational functions and activities and all sales made by or to all elementary and secondary schools

243 operated at public expense in their educational functions
244 and activities;

245 (20) All sales of aircraft to common carriers for
246 storage or for use in interstate commerce and all sales made
247 by or to not-for-profit civic, social, service or fraternal
248 organizations, including fraternal organizations which have
249 been declared tax-exempt organizations pursuant to Section
250 501(c)(8) or (10) of the 1986 Internal Revenue Code, as
251 amended, in their civic or charitable functions and
252 activities and all sales made to eleemosynary and penal
253 institutions and industries of the state, and all sales made
254 to any private not-for-profit institution of higher
255 education not otherwise excluded pursuant to subdivision
256 (19) of this subsection or any institution of higher
257 education supported by public funds, and all sales made to a
258 state relief agency in the exercise of relief functions and
259 activities;

260 (21) All ticket sales made by benevolent, scientific
261 and educational associations which are formed to foster,
262 encourage, and promote progress and improvement in the
263 science of agriculture and in the raising and breeding of
264 animals, and by nonprofit summer theater organizations if
265 such organizations are exempt from federal tax pursuant to
266 the provisions of the Internal Revenue Code and all
267 admission charges and entry fees to the Missouri state fair
268 or any fair conducted by a county agricultural and
269 mechanical society organized and operated pursuant to
270 sections 262.290 to 262.530;

271 (22) All sales made to any private not-for-profit
272 elementary or secondary school, all sales of feed additives,
273 medications or vaccines administered to livestock or poultry
274 in the production of food or fiber, all sales of pesticides

used in the production of crops, livestock or poultry for food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as defined in section 142.028, natural gas, propane, and electricity used by an eligible new generation cooperative or an eligible new generation processing entity as defined in section 348.432, and all sales of farm machinery and equipment, other than airplanes, motor vehicles and trailers, and any freight charges on any exempt item. As used in this subdivision, the term "feed additives" means tangible personal property which, when mixed with feed for livestock or poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and other assorted pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark the application of pesticides and herbicides for the production of crops, livestock or poultry. As used in this subdivision, the term "farm machinery and equipment" shall mean:

(a) New or used farm tractors and such other new or used farm machinery and equipment, including utility vehicles used for any agricultural use, and repair or replacement parts thereon and any accessories for and upgrades to such farm machinery and equipment and rotary mowers used for any agricultural purposes. For the purposes of this subdivision, "utility vehicle" shall mean any motorized vehicle manufactured and used exclusively for off-highway use which is more than fifty inches but no more than

307 eighty inches in width, measured from outside of tire rim to
308 outside of tire rim, with an unladen dry weight of three
309 thousand five hundred pounds or less, traveling on four or
310 six wheels;

311 (b) Supplies and lubricants used exclusively, solely,
312 and directly for producing crops, raising and feeding
313 livestock, fish, poultry, pheasants, chukar, quail, or for
314 producing milk for ultimate sale at retail, including field
315 drain tile; and

316 (c) One-half of each purchaser's purchase of diesel
317 fuel therefor which is:

318 a. Used exclusively for agricultural purposes;

319 b. Used on land owned or leased for the purpose of
320 producing farm products; and

321 c. Used directly in producing farm products to be sold
322 ultimately in processed form or otherwise at retail or in
323 producing farm products to be fed to livestock or poultry to
324 be sold ultimately in processed form at retail;

325 (23) Except as otherwise provided in section 144.032,
326 all sales of metered water service, electricity, electrical
327 current, natural, artificial or propane gas, wood, coal or
328 home heating oil for domestic use and in any city not within
329 a county, all sales of metered or unmetered water service
330 for domestic use:

331 (a) "Domestic use" means that portion of metered water
332 service, electricity, electrical current, natural,
333 artificial or propane gas, wood, coal or home heating oil,
334 and in any city not within a county, metered or unmetered
335 water service, which an individual occupant of a residential
336 premises uses for nonbusiness, noncommercial or
337 nonindustrial purposes. Utility service through a single or
338 master meter for residential apartments or condominiums,

including service for common areas and facilities and vacant units, shall be deemed to be for domestic use. Each seller shall establish and maintain a system whereby individual purchases are determined as exempt or nonexempt;

(b) Regulated utility sellers shall determine whether individual purchases are exempt or nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file with and approved by the Missouri public service commission. Sales and purchases made pursuant to the rate classification "residential" and sales to and purchases made by or on behalf of the occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, shall be considered as sales made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales tax upon the entire amount of purchases classified as nondomestic use. The seller's utility service rate classification and the provision of service thereunder shall be conclusive as to whether or not the utility must charge sales tax;

(c) Each person making domestic use purchases of services or property and who uses any portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of the fourth month following the year of purchase, and without assessment, notice or demand, file a return and pay sales tax on that portion of nondomestic purchases. Each person making nondomestic purchases of services or property and who uses any portion of the services or property so purchased for domestic use, and each person making domestic purchases on behalf of occupants of residential apartments or condominiums through a single or master meter, including service for common areas

and facilities and vacant units, under a nonresidential utility service rate classification may, between the first day of the first month and the fifteenth day of the fourth month following the year of purchase, apply for credit or refund to the director of revenue and the director shall give credit or make refund for taxes paid on the domestic use portion of the purchase. The person making such purchases on behalf of occupants of residential apartments or condominiums shall have standing to apply to the director of revenue for such credit or refund;

(24) All sales of handicraft items made by the seller or the seller's spouse if the seller or the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such sales do not constitute a majority of the annual gross income of the seller;

(25) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of revenue shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales taxes on such excise taxes;

(26) Sales of fuel consumed or used in the operation of ships, barges, or waterborne vessels which are used primarily in or for the transportation of property or cargo, or the conveyance of persons for hire, on navigable rivers bordering on or located in part in this state, if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel while it is afloat upon such river;

(27) All sales made to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100 in the exercise of the functions and

402 activities of such agency as provided pursuant to the
403 compact;

404 (28) Computers, computer software and computer
405 security systems purchased for use by architectural or
406 engineering firms headquartered in this state. For the
407 purposes of this subdivision, "headquartered in this state"
408 means the office for the administrative management of at
409 least four integrated facilities operated by the taxpayer is
410 located in the state of Missouri;

411 (29) All livestock sales when either the seller is
412 engaged in the growing, producing or feeding of such
413 livestock, or the seller is engaged in the business of
414 buying and selling, bartering or leasing of such livestock;

415 (30) All sales of barges which are to be used
416 primarily in the transportation of property or cargo on
417 interstate waterways;

418 (31) Electrical energy or gas, whether natural,
419 artificial or propane, water, or other utilities which are
420 ultimately consumed in connection with the manufacturing of
421 cellular glass products or in any material recovery
422 processing plant as defined in subdivision (4) of this
423 subsection;

424 (32) Notwithstanding other provisions of law to the
425 contrary, all sales of pesticides or herbicides used in the
426 production of crops, aquaculture, livestock or poultry;

427 (33) Tangible personal property and utilities
428 purchased for use or consumption directly or exclusively in
429 the research and development of agricultural/biotechnology
430 and plant genomics products and prescription pharmaceuticals
431 consumed by humans or animals;

432 (34) All sales of grain bins for storage of grain for
433 resale;

434 (35) All sales of feed which are developed for and
435 used in the feeding of pets owned by a commercial breeder
436 when such sales are made to a commercial breeder, as defined
437 in section 273.325, and licensed pursuant to sections
438 273.325 to 273.357;

439 (36) All purchases by a contractor on behalf of an
440 entity located in another state, provided that the entity is
441 authorized to issue a certificate of exemption for purchases
442 to a contractor under the provisions of that state's laws.
443 For purposes of this subdivision, the term "certificate of
444 exemption" shall mean any document evidencing that the
445 entity is exempt from sales and use taxes on purchases
446 pursuant to the laws of the state in which the entity is
447 located. Any contractor making purchases on behalf of such
448 entity shall maintain a copy of the entity's exemption
449 certificate as evidence of the exemption. If the exemption
450 certificate issued by the exempt entity to the contractor is
451 later determined by the director of revenue to be invalid
452 for any reason and the contractor has accepted the
453 certificate in good faith, neither the contractor or the
454 exempt entity shall be liable for the payment of any taxes,
455 interest and penalty due as the result of use of the invalid
456 exemption certificate. Materials shall be exempt from all
457 state and local sales and use taxes when purchased by a
458 contractor for the purpose of fabricating tangible personal
459 property which is used in fulfilling a contract for the
460 purpose of constructing, repairing or remodeling facilities
461 for the following:

462 (a) An exempt entity located in this state, if the
463 entity is one of those entities able to issue project
464 exemption certificates in accordance with the provisions of
465 section 144.062; or

466 (b) An exempt entity located outside the state if the
467 exempt entity is authorized to issue an exemption
468 certificate to contractors in accordance with the provisions
469 of that state's law and the applicable provisions of this
470 section;

471 (37) All sales or other transfers of tangible personal
472 property to a lessor who leases the property under a lease
473 of one year or longer executed or in effect at the time of
474 the sale or other transfer to an interstate compact agency
475 created pursuant to sections 70.370 to 70.441 or sections
476 238.010 to 238.100;

477 (38) Sales of tickets to any collegiate athletic
478 championship event that is held in a facility owned or
479 operated by a governmental authority or commission, a quasi-
480 governmental agency, a state university or college or by the
481 state or any political subdivision thereof, including a
482 municipality, and that is played on a neutral site and may
483 reasonably be played at a site located outside the state of
484 Missouri. For purposes of this subdivision, "neutral site"
485 means any site that is not located on the campus of a
486 conference member institution participating in the event;

487 (39) All purchases by a sports complex authority
488 created under section 64.920, and all sales of utilities by
489 such authority at the authority's cost that are consumed in
490 connection with the operation of a sports complex leased to
491 a professional sports team;

492 (40) All materials, replacement parts, and equipment
493 purchased for use directly upon, and for the modification,
494 replacement, repair, and maintenance of aircraft, aircraft
495 power plants, and aircraft accessories;

496 (41) Sales of sporting clays, wobble, skeet, and trap
497 targets to any shooting range or similar places of business

498 for use in the normal course of business and money received
499 by a shooting range or similar places of business from
500 patrons and held by a shooting range or similar place of
501 business for redistribution to patrons at the conclusion of
502 a shooting event;

503 (42) All sales of motor fuel, as defined in section
504 142.800, used in any watercraft, as defined in section
505 306.010;

506 (43) Any new or used aircraft sold or delivered in
507 this state to a person who is not a resident of this state
508 or a corporation that is not incorporated in this state, and
509 such aircraft is not to be based in this state and shall not
510 remain in this state more than ten business days subsequent
511 to the last to occur of:

512 (a) The transfer of title to the aircraft to a person
513 who is not a resident of this state or a corporation that is
514 not incorporated in this state; or

515 (b) The date of the return to service of the aircraft
516 in accordance with 14 CFR 91.407 for any maintenance,
517 preventive maintenance, rebuilding, alterations, repairs, or
518 installations that are completed contemporaneously with the
519 transfer of title to the aircraft to a person who is not a
520 resident of this state or a corporation that is not
521 incorporated in this state;

522 (44) Motor vehicles registered in excess of fifty-four
523 thousand pounds, and the trailers pulled by such motor
524 vehicles, that are actually used in the normal course of
525 business to haul property on the public highways of the
526 state, and that are capable of hauling loads commensurate
527 with the motor vehicle's registered weight; and the
528 materials, replacement parts, and equipment purchased for
529 use directly upon, and for the repair and maintenance or

530 manufacture of such vehicles. For purposes of this
531 subdivision, "motor vehicle" and "public highway" shall have
532 the meaning as ascribed in section 390.020;

533 (45) All internet access or the use of internet access
534 regardless of whether the tax is imposed on a provider of
535 internet access or a buyer of internet access. For purposes
536 of this subdivision, the following terms shall mean:

537 (a) "Direct costs", costs incurred by a governmental
538 authority solely because of an internet service provider's
539 use of the public right-of-way. The term shall not include
540 costs that the governmental authority would have incurred if
541 the internet service provider did not make such use of the
542 public right-of-way. Direct costs shall be determined in a
543 manner consistent with generally accepted accounting
544 principles;

545 (b) "Internet", computer and telecommunications
546 facilities, including equipment and operating software, that
547 comprises the interconnected worldwide network that employ
548 the transmission control protocol or internet protocol, or
549 any predecessor or successor protocols to that protocol, to
550 communicate information of all kinds by wire or radio;

551 (c) "Internet access", a service that enables users to
552 connect to the internet to access content, information, or
553 other services without regard to whether the service is
554 referred to as telecommunications, communications,
555 transmission, or similar services, and without regard to
556 whether a provider of the service is subject to regulation
557 by the Federal Communications Commission as a common carrier
558 under 47 U.S.C. Section 201, et seq. For purposes of this
559 subdivision, internet access also includes: the purchase,
560 use, or sale of communications services, including
561 telecommunications services as defined in section 144.010,

to the extent the communications services are purchased, used, or sold to provide the service described in this subdivision or to otherwise enable users to access content, information, or other services offered over the internet; services that are incidental to the provision of a service described in this subdivision, when furnished to users as part of such service, including a home page, electronic mail, and instant messaging, including voice-capable and video-capable electronic mail and instant messaging, video clips, and personal electronic storage capacity; a home page electronic mail and instant messaging, including voice-capable and video-capable electronic mail and instant messaging, video clips, and personal electronic storage capacity that are provided independently or that are not packed with internet access. As used in this subdivision, internet access does not include voice, audio, and video programming or other products and services, except services described in this paragraph or this subdivision, that use internet protocol or any successor protocol and for which there is a charge, regardless of whether the charge is separately stated or aggregated with the charge for services described in this paragraph or this subdivision;

(d) "Tax", any charge imposed by the state or a political subdivision of the state for the purpose of generating revenues for governmental purposes and that is not a fee imposed for a specific privilege, service, or benefit conferred, except as described as otherwise under this subdivision, or any obligation imposed on a seller to collect and to remit to the state or a political subdivision of the state any gross retail tax, sales tax, or use tax imposed on a buyer by such a governmental entity. The term tax shall not include any franchise fee or similar fee

imposed or authorized under sections 67.1830 to 67.1846 or section 67.2689; Section 622 or 653 of the Communications Act of 1934, 47 U.S.C. Section 542 and 47 U.S.C. Section 573; or any other fee related to obligations of telecommunications carriers under the Communications Act of 1934, 47 U.S.C. Section 151, et seq., except to the extent that:

a. The fee is not imposed for the purpose of recovering direct costs incurred by the franchising or other governmental authority from providing the specific privilege, service, or benefit conferred to the payer of the fee; or

b. The fee is imposed for the use of a public right-of-way based on a percentage of the service revenue, and the fee exceeds the incremental direct costs incurred by the governmental authority associated with the provision of that right-of-way to the provider of internet access service.

Nothing in this subdivision shall be interpreted as an exemption from taxes due on goods or services that were subject to tax on January 1, 2016;

(46) All purchases by a company of solar photovoltaic energy systems, components used to construct a solar photovoltaic energy system, and all purchases of materials and supplies used directly to construct or make improvements to such systems, provided that such systems:

(a) Are sold or leased to an end user; or

(b) Are used to produce, collect and transmit electricity for resale or retail.

(47) All purchases by a qualifying organization of feminine hygiene products. For the purposes of this subdivision, the following terms shall mean:

625 (a) **"Feminine hygiene products", feminine hygiene**
626 **products including, but not limited to, tampons, pads,**
627 **liners, and cups;**

628 (b) **"Qualifying organization", a shelter for victims**
629 **of domestic violence, as defined in section 135.550, a local**
630 **homeless shelter, as defined in section 135.647, or any**
631 **other not-for-profit organization providing services to**
632 **individuals experiencing domestic violence or homelessness.**

633 3. Any ruling, agreement, or contract, whether written
634 or oral, express or implied, between a person and this
635 state's executive branch, or any other state agency or
636 department, stating, agreeing, or ruling that such person is
637 not required to collect sales and use tax in this state
638 despite the presence of a warehouse, distribution center, or
639 fulfillment center in this state that is owned or operated
640 by the person or an affiliated person shall be null and void
641 unless it is specifically approved by a majority vote of
642 each of the houses of the general assembly. For purposes of
643 this subsection, an "affiliated person" means any person
644 that is a member of the same controlled group of
645 corporations as defined in Section 1563(a) of the Internal
646 Revenue Code of 1986, as amended, as the vendor or any other
647 entity that, notwithstanding its form of organization, bears
648 the same ownership relationship to the vendor as a
649 corporation that is a member of the same controlled group of
650 corporations as defined in Section 1563(a) of the Internal
651 Revenue Code, as amended.

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