

SENATE BILL NO. 1620

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR GREGORY (15).

7014S.011

KRISTINA MARTIN, Secretary

AN ACT

To repeal section 144.285, RSMo, and to enact in lieu thereof one new section relating to the calculation of sales tax for certain cash transactions.

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

Section A. Section 144.285, RSMo, is repealed and one new
2 section enacted in lieu thereof, to be known as section 144.285,
3 to read as follows:

144.285. 1. In order to permit sellers required to
2 collect and report the sales tax to collect the amount
3 required to be reported and remitted, but not to change the
4 requirements of reporting or remitting tax or to serve as a
5 levy of the tax, and in order to avoid fractions of pennies,
6 the director of revenue shall establish brackets, showing
7 the amounts of tax to be collected on sales of specified
8 amounts, which shall be applicable to all taxable
9 transactions.

10 2. In all instances where statements covering taxable
11 purchases are rendered to the taxpayer on a monthly or other
12 periodic basis, the amount of tax shall be determined by
13 applying the applicable tax rate to the taxable purchases
14 represented on the statement, rounded to the nearest whole
15 cent, or by application of the brackets established by the
16 director of revenue, at the option of the retail vendor.

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

17 3. No vendor or seller shall knowingly charge or
18 receive from a purchaser as a sales tax any sum in excess of
19 the sums provided for in this section.

20 4. A vendor may, at his option, determine the amount
21 charged to and received from each purchaser by use of a
22 formula which applies the applicable tax rate to each
23 taxable purchase, rounded to the nearest whole cent. The
24 formula shall be uniformly and consistently applied to all
25 purchases similarly situated.

26 5. **(1) For cash transactions only, a vendor may round**
27 **the total amount of sale due on a transaction to the nearest**
28 **five cents. Totals ending in \$0.01, \$0.02, \$0.06, or \$0.07**
29 **may be rounded down to the nearest amount divisible by**
30 **\$0.05. Totals ending in \$0.03, \$0.04, \$0.08, or \$0.09 may**
31 **be rounded up to the nearest amount divisible by \$0.05.**
32 **Rounding shall be applied only to the final total of the**
33 **transaction after all items, discounts, and taxes have been**
34 **calculated.**

35 **(2) This rounding shall not apply to transactions paid**
36 **by credit, debit, or other noncash methods. The applicable**
37 **amount of tax due in accordance with the tax brackets shall**
38 **be remitted to the department of revenue regardless of the**
39 **method of payment from the taxpayer's customer.**

40 6. Amounts which a vendor charges to and receives from
41 the purchaser in accordance with this section shall not be
42 includable in his gross receipts if the amounts are
43 separately charged or stated.

44 **[6.] 7. If sales tax for one or more local political**
45 **subdivisions is owed by a taxpayer pursuant to chapter 66,**
46 **67, 92, or 94 and that taxpayer remits less than all sales**
47 **tax due for a filing period specified in section 144.080,**
48 **the director of revenue shall deposit the tax remitted**

49 proportionately to each taxing jurisdiction in accordance
50 with the percentage that each such jurisdiction's share of
51 the tax due for the filing period bears to the total tax due
52 from such taxpayer for such period. The unpaid balance due
53 along with penalties and interest shall be similarly
54 prorated among the state and all local jurisdictions for
55 which tax was due during the filing period for which an
56 underpayment occurs. The provisions of this subsection
57 shall apply to all returns or remittances relating to sales
58 made on or after January 1, 1984.

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