

SENATE SUBSTITUTE

FOR

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILLS NOS. 617, 611, & 667

AN ACT

To repeal sections 32.087, 32.200, 66.601, 66.620, 67.395, 67.525, 67.571, 67.576, 67.578, 67.581, 67.582, 67.583, 67.584, 67.712, 67.713, 67.729, 67.737, 67.738, 67.745, 67.782, 67.799, 67.997, 67.1300, 67.1303, 67.1305, 67.1545, 67.1712, 67.1713, 67.1775, 67.1959, 67.1971, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 142.803, 143.011, 143.071, 143.151, 143.161, 143.171, 143.183, 143.431, 143.451, 143.461, 143.471, 144.010, 144.011, 144.014, 144.020, 144.030, 144.032, 144.043, 144.049, 144.054, 144.060, 144.069, 144.080, 144.083, 144.100, 144.140, 144.190, 144.210, 144.285, 144.517, 144.526, 144.600, 144.605, 144.655, 144.759, 144.761, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, 144.1015, 184.845, 221.407, 238.235, 238.410, 620.1350, and 644.032, RSMo, and to enact in lieu thereof ninety-five new sections relating to taxation, with penalty provisions, an effective date for certain sections, and a contingent effective date for certain sections.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI,
AS FOLLOWS:

1 Section A. Sections 32.087, 32.200, 66.601, 66.620, 67.395,
2 67.525, 67.571, 67.576, 67.578, 67.581, 67.582, 67.583, 67.584,
3 67.712, 67.713, 67.729, 67.737, 67.738, 67.745, 67.782, 67.799,
4 67.997, 67.1300, 67.1303, 67.1305, 67.1545, 67.1712, 67.1713,
5 67.1775, 67.1959, 67.1971, 67.2000, 67.2030, 67.2525, 67.2530,
6 94.578, 94.605, 94.660, 94.705, 142.803, 143.011, 143.071,
7 143.151, 143.161, 143.171, 143.183, 143.431, 143.451, 143.461,

1 143.471, 144.010, 144.011, 144.014, 144.020, 144.030, 144.032,
2 144.043, 144.049, 144.054, 144.060, 144.069, 144.080, 144.083,
3 144.100, 144.140, 144.190, 144.210, 144.285, 144.517, 144.526,
4 144.600, 144.605, 144.655, 144.759, 144.761, 144.1000, 144.1003,
5 144.1006, 144.1009, 144.1012, 144.1015, 184.845, 221.407,
6 238.235, 238.410, 620.1350, and 644.032, RSMo, are repealed and
7 ninety-five new sections enacted in lieu thereof, to be known as
8 sections 32.070, 32.086, 32.087, 32.200, 66.620, 67.395, 67.525,
9 67.571, 67.576, 67.578, 67.581, 67.582, 67.583, 67.584, 67.712,
10 67.713, 67.729, 67.737, 67.738, 67.745, 67.782, 67.799, 67.997,
11 67.1300, 67.1303, 67.1305, 67.1545, 67.1712, 67.1775, 67.1959,
12 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660,
13 94.705, 142.803, 143.011, 143.071, 143.151, 143.161, 143.171,
14 143.177, 143.183, 143.431, 143.451, 143.455, 143.461, 143.471,
15 144.010, 144.011, 144.014, 144.020, 144.022, 144.030, 144.032,
16 144.049, 144.054, 144.060, 144.079, 144.080, 144.082, 144.083,
17 144.084, 144.100, 144.105, 144.109, 144.110, 144.111, 144.112,
18 144.113, 144.114, 144.123, 144.124, 144.125, 144.140, 144.190,
19 144.210, 144.212, 144.285, 144.526, 144.600, 144.612, 144.655,
20 144.759, 144.761, 148.622, 184.845, 221.407, 238.235, 238.410,
21 620.1350, and 644.032, to read as follows:

22 32.070. 1. The director of the department of revenue shall
23 enter into the streamlined sales and use tax agreement with one
24 or more states to simplify and modernize sales and use tax
25 administration in order to substantially reduce the burden of tax
26 compliance for all sellers and for all types of commerce. In
27 furtherance of the streamlined sales and use tax agreement, the
28 director of the department of revenue may act jointly with other

1 states that are members of the streamlined sales and use tax
2 agreement to establish standards for certification of a certified
3 service provider and certified automated system and establish
4 performance standards for multistate sellers.

5 2. The director of the department of revenue may take other
6 action reasonably required to implement the provisions set forth
7 in the streamlined sales and use tax agreement, including, but
8 not limited to, the promulgation of rules and the joint
9 procurement, with other member states, of goods and services in
10 furtherance of the streamlined sales and use tax agreement.

11 3. For the purposes of representing the state as a member
12 of the agreement and, if necessary, amending the agreement, the
13 state shall be represented by four delegates, one of whom shall
14 be appointed by the governor, one shall be a member of the
15 general assembly appointed by the president pro tempore of the
16 senate, one shall be a member of the general assembly appointed
17 by the speaker of the house of representatives, with the director
18 of the department of revenue or the director's designee as the
19 fourth delegate. The delegates shall recommend to the committees
20 responsible for reviewing tax issues in the senate and the house
21 of representatives each year any amendment of state statutes
22 required to be substantially in compliance with the agreement.
23 Such delegates shall make a written report by the fifteenth day
24 of January each year regarding the status of the agreement.

25 4. The department of revenue shall promulgate rules
26 necessary to implement the provisions of the streamlined sales
27 and use tax agreement. Any rule or portion of a rule, as that
28 term is defined in section 536.010 that is created under the

1 authority delegated in this section shall become effective only
2 if it complies with and is subject to all of the provisions of
3 chapter 536, and, if applicable, section 536.028. This section
4 and chapter 536 are nonseverable and if any of the powers vested
5 with the general assembly pursuant to chapter 536, to review, to
6 delay the effective date, or to disapprove and annul a rule are
7 subsequently held unconstitutional, then the grant of rulemaking
8 authority and any rule proposed or adopted after August 28, 2018,
9 shall be invalid and void.

10 32.086. Notwithstanding any other provision of law, for all
11 local sales and use taxes collected by the department and
12 remitted to a political jurisdiction or taxing district, the
13 department shall remit one percent of the amount collected to the
14 general revenue fund to offset the cost of collection, unless a
15 greater amount is specified in the local sales and use tax law.
16 The department shall not commingle the remaining amounts
17 collected with general revenues and shall remit the remaining
18 amounts collected to the political jurisdiction or taxing
19 district less any credits for erroneous payments, overpayments,
20 and dishonored checks.

21 32.087. 1. Within ten days after the adoption of any
22 ordinance or order in favor of adoption of any local sales tax
23 authorized under the local sales tax law by the voters of a
24 taxing entity, the governing body or official of such taxing
25 entity shall forward to the director of revenue by United States
26 registered mail or certified mail a certified copy of the
27 ordinance or order. [The ordinance or order shall reflect the
28 effective date thereof.]

1 2. Any local sales tax so adopted shall become effective
2 [on the first day of the second calendar quarter after the
3 director of revenue receives notice of adoption of the local
4 sales tax, except] as provided in subsection [18] 19 of this
5 section, and shall be imposed on all transactions on which the
6 Missouri state sales tax is imposed.

7 3. Every retailer within the jurisdiction of one or more
8 taxing entities which has imposed one or more local sales taxes
9 under the local sales tax law shall add all taxes so imposed
10 along with the tax imposed by the sales tax law of the state of
11 Missouri to the sale price and, when added, the combined tax
12 shall constitute a part of the price, and shall be a debt of the
13 purchaser to the retailer until paid, and shall be recoverable at
14 law in the same manner as the purchase price. The combined rate
15 of the state sales tax and all local sales taxes shall be the sum
16 of the rates, multiplying the combined rate times the amount of
17 the sale.

18 4. [The brackets required to be established by the director
19 of revenue under the provisions of section 144.285 shall be based
20 upon the sum of the combined rate of the state sales tax and all
21 local sales taxes imposed under the provisions of the local sales
22 tax law.

23 5.] (1) The ordinance or order imposing a local sales tax
24 under the local sales tax law shall impose a tax upon all
25 transactions upon which the Missouri state sales tax is imposed
26 to the extent and in the manner provided in [sections 144.010 to
27 144.525] chapter 144, and the rules and regulations of the
28 director of revenue issued pursuant thereto[; except that the

1 rate of the tax shall be the sum of the combined rate of the
2 state sales tax or state highway use tax and all local sales
3 taxes imposed under the provisions of the local sales tax law].

4 (2) Notwithstanding any other provision of law to the
5 contrary, local taxing jurisdictions, except those in which
6 voters have approved a local use tax under section 144.757, shall
7 have placed on the ballot on or after the general election in
8 November 2014, but no later than the general election in November
9 2018, whether to repeal application of the local sales tax to the
10 titling of motor vehicles, trailers, boats, and outboard motors
11 that are subject to state sales tax under section 144.020 and
12 purchased from a source other than a licensed Missouri dealer.
13 The ballot question presented to the local voters shall contain
14 substantially the following language:

15 Shall the _____ (local jurisdiction's name) discontinue
16 applying and collecting the local sales tax on the titling of
17 motor vehicles, trailers, boats, and outboard motors that were
18 purchased from a source other than a licensed Missouri dealer?

19 Approval of this measure will result in a reduction of local
20 revenue to provide for vital services for _____ (local
21 jurisdiction's name) and it will place Missouri dealers of motor
22 vehicles, outboard motors, boats, and trailers at a competitive
23 disadvantage to non-Missouri dealers of motor vehicles, outboard
24 motors, boats, and trailers.

25 YES NO

26
27 If you are in favor of the question, place an "X" in the box
28 opposite "YES". If you are opposed to the question, place an "X"

1 in the box opposite "NO".

2 (3) If the ballot question set forth in subdivision (2) of
3 this subsection receives a majority of the votes cast in favor of
4 the proposal, or if the local taxing jurisdiction fails to place
5 the ballot question before the voters on or before the general
6 election in November 2018, the local taxing jurisdiction shall
7 cease applying the local sales tax to the titling of motor
8 vehicles, trailers, boats, and outboard motors that were
9 purchased from a source other than a licensed Missouri dealer.

10 (4) In addition to the requirement that the ballot question
11 set forth in subdivision (2) of this subsection be placed before
12 the voters, the governing body of any local taxing jurisdiction
13 that had previously imposed a local use tax on the use of motor
14 vehicles, trailers, boats, and outboard motors may, at any time,
15 place a proposal on the ballot at any election to repeal
16 application of the local sales tax to the titling of motor
17 vehicles, trailers, boats, and outboard motors purchased from a
18 source other than a licensed Missouri dealer. If a majority of
19 the votes cast by the registered voters voting thereon are in
20 favor of the proposal to repeal application of the local sales
21 tax to such titling, then the local sales tax shall no longer be
22 applied to the titling of motor vehicles, trailers, boats, and
23 outboard motors purchased from a source other than a licensed
24 Missouri dealer. If a majority of the votes cast by the
25 registered voters voting thereon are opposed to the proposal to
26 repeal application of the local sales tax to such titling, such
27 application shall remain in effect.

28 (5) In addition to the requirement that the ballot question

1 set forth in subdivision (2) of this subsection be placed before
2 the voters on or after the general election in November 2014, and
3 on or before the general election in November 2018, whenever the
4 governing body of any local taxing jurisdiction imposing a local
5 sales tax on the sale of motor vehicles, trailers, boats, and
6 outboard motors receives a petition, signed by fifteen percent of
7 the registered voters of such jurisdiction voting in the last
8 gubernatorial election, and calling for a proposal to be placed
9 on the ballot at any election to repeal application of the local
10 sales tax to the titling of motor vehicles, trailers, boats, and
11 outboard motors purchased from a source other than a licensed
12 Missouri dealer, the governing body shall submit to the voters of
13 such jurisdiction a proposal to repeal application of the local
14 sales tax to such titling. If a majority of the votes cast by
15 the registered voters voting thereon are in favor of the proposal
16 to repeal application of the local sales tax to such titling,
17 then the local sales tax shall no longer be applied to the
18 titling of motor vehicles, trailers, boats, and outboard motors
19 purchased from a source other than a licensed Missouri dealer.
20 If a majority of the votes cast by the registered voters voting
21 thereon are opposed to the proposal to repeal application of the
22 local sales tax to such titling, such application shall remain in
23 effect.

24 (6) Nothing in this subsection shall be construed to
25 authorize the voters of any jurisdiction to repeal application of
26 any state sales or use tax.

27 (7) If any local sales tax on the titling of motor
28 vehicles, trailers, boats, and outboard motors purchased from a

1 source other than a licensed Missouri dealer is repealed, such
2 repeal shall take effect [on the first day of the second calendar
3 quarter after the election] as provided in subsection 19 of this
4 section. If any local sales tax on the titling of motor
5 vehicles, trailers, boats, and outboard motors purchased from a
6 source other than a licensed Missouri dealer is required to cease
7 to be applied or collected due to failure of a local taxing
8 jurisdiction to hold an election pursuant to subdivision (2) of
9 this subsection, such cessation shall take effect on March 1,
10 2019.

11 (8) Notwithstanding any provision of law to the contrary,
12 if any local sales tax on the titling of motor vehicles,
13 trailers, boats, and outboard motors purchased from a source
14 other than a licensed Missouri dealer is repealed after the
15 general election in November 2014, or if the taxing jurisdiction
16 failed to present the ballot to the voters at a general election
17 on or before November 2018, then the governing body of such
18 taxing jurisdiction may, at any election subsequent to the repeal
19 or after the general election in November 2018, if the
20 jurisdiction failed to present the ballot to the voters, place
21 before the voters the issue of imposing a sales tax on the
22 titling of motor vehicles, trailers, boats, and outboard motors
23 that are subject to state sales tax under section 144.020 that
24 were purchased from a source other than a licensed Missouri
25 dealer. The ballot question presented to the local voters shall
26 contain substantially the following language:

27 Shall the _____ (local jurisdiction's name) apply and
28 collect the local sales tax on the titling of motor vehicles,

1 trailers, boats, and outboard motors that are subject to state
2 sales tax under section 144.020 and purchased from a source other
3 than a licensed Missouri dealer?

4
5 Approval of this measure will result in an increase of local
6 revenue to provide for vital services for _____ (local
7 jurisdiction's name), and it will remove a competitive advantage
8 that non-Missouri dealers of motor vehicles, outboard motors,
9 boats, and trailers have over Missouri dealers of motor vehicles,
10 outboard motors, boats, and trailers.

11 YES NO

12 If you are in favor of the question, place an "X" in the box
13 opposite "YES". If you are opposed to the question, place an "X"
14 in the box opposite "NO".

15 (9) If any local sales tax on the titling of motor
16 vehicles, trailers, boats, and outboard motors purchased from a
17 source other than a licensed Missouri dealer is adopted, such tax
18 shall take effect and be imposed [on the first day of the second
19 calendar quarter after the election] as provided in subsection 19
20 of this section.

21 [6.] 5. On and after the effective date of any local sales
22 tax imposed under the provisions of the local sales tax law, the
23 director of revenue shall perform all functions incident to the
24 administration, collection, enforcement, and operation of the
25 tax, and the director of revenue shall collect in addition to the
26 sales tax for the state of Missouri all additional local sales
27 taxes authorized under the authority of the local sales tax law.
28 All local sales taxes imposed under the local sales tax law

1 together with all taxes imposed under the sales tax law of the
2 state of Missouri shall be collected together and reported upon
3 such forms and under such administrative rules and regulations as
4 may be prescribed by the director of revenue.

5 [7.] 6. All applicable provisions contained in sections
6 144.010 to 144.525 governing the state sales tax and section
7 32.057, the uniform confidentiality provision, shall apply to the
8 collection of any local sales tax imposed under the local sales
9 tax law except as modified by the local sales tax law.

10 [8.] 7. All exemptions granted to agencies of government,
11 organizations, persons and to the sale of certain articles and
12 items of tangible personal property and taxable services under
13 the provisions of sections 144.010 to 144.525, as these sections
14 now read and as they may hereafter be amended, it being the
15 intent of this general assembly to ensure that the same sales tax
16 exemptions granted from the state sales tax law also be granted
17 under the local sales tax law, are hereby made applicable to the
18 imposition and collection of all local sales taxes imposed under
19 the local sales tax law.

20 [9.] 8. The same sales tax permit, exemption certificate
21 and retail certificate required by sections 144.010 to 144.525
22 for the administration and collection of the state sales tax
23 shall satisfy the requirements of the local sales tax law, and no
24 additional permit or exemption certificate or retail certificate
25 shall be required; except that the director of revenue may
26 prescribe a form of exemption certificate for an exemption from
27 any local sales tax imposed by the local sales tax law.

28 [10.] 9. All discounts allowed the retailer under the

1 provisions of the state sales tax law for the collection of and
2 for payment of taxes under the provisions of the state sales tax
3 law are hereby allowed and made applicable to any local sales tax
4 collected under the provisions of the local sales tax law.

5 [11.] 10. The penalties provided in section 32.057 and
6 sections 144.010 to 144.525 for a violation of the provisions of
7 those sections are hereby made applicable to violations of the
8 provisions of the local sales tax law.

9 [12. (1)] 11. For the purposes of any local sales tax
10 imposed by an ordinance or order under the local sales tax law,
11 all sales[, except the sale of motor vehicles, trailers, boats,
12 and outboard motors required to be titled under the laws of the
13 state of Missouri, shall be deemed to be consummated at the place
14 of business of the retailer unless the tangible personal property
15 sold is delivered by the retailer or his agent to an out-of-state
16 destination. In the event a retailer has more than one place of
17 business in this state which participates in the sale, the sale
18 shall be deemed to be consummated at the place of business of the
19 retailer where the initial order for the tangible personal
20 property is taken, even though the order must be forwarded
21 elsewhere for acceptance, approval of credit, shipment or
22 billing. A sale by a retailer's agent or employee shall be
23 deemed to be consummated at the place of business from which he
24 works.

25 (2) For the purposes of any local sales tax imposed by an
26 ordinance or order under the local sales tax law, the sales tax
27 upon the titling of all motor vehicles, trailers, boats, and
28 outboard motors shall be imposed at the rate in effect at the

1 location of the residence of the purchaser, and remitted to that
2 local taxing entity, and not at the place of business of the
3 retailer, or the place of business from which the retailer's
4 agent or employee works.

5 (3) For the purposes of any local tax imposed by an
6 ordinance or under the local sales tax law on charges for mobile
7 telecommunications services, all taxes of mobile
8 telecommunications service shall be imposed as provided in the
9 Mobile Telecommunications Sourcing Act, 4 U.S.C. Sections 116
10 through 124, as amended] shall be sourced as provided by sections
11 144.111 to 144.114.

12 [13.] 12. Local sales taxes shall not be imposed on the
13 seller of motor vehicles, trailers, boats, and outboard motors
14 required to be titled under the laws of the state of Missouri,
15 but shall be collected from the purchaser by the director of
16 revenue at the time application is made for a certificate of
17 title, if the address of the applicant is within a taxing entity
18 imposing a local sales tax under the local sales tax law.

19 [14.] 13. The director of revenue and any of his deputies,
20 assistants and employees who have any duties or responsibilities
21 in connection with the collection, deposit, transfer,
22 transmittal, disbursement, safekeeping, accounting, or recording
23 of funds which come into the hands of the director of revenue
24 under the provisions of the local sales tax law shall enter a
25 surety bond or bonds payable to any and all taxing entities in
26 whose behalf such funds have been collected under the local sales
27 tax law in the amount of one hundred thousand dollars for each
28 such tax; but the director of revenue may enter into a blanket

1 bond covering himself and all such deputies, assistants and
2 employees. The cost of any premium for such bonds shall be paid
3 by the director of revenue from the share of the collections
4 under the sales tax law retained by the director of revenue for
5 the benefit of the state.

6 [15.] 14. The director of revenue shall annually report on
7 his management of each trust fund which is created under the
8 local sales tax law and administration of each local sales tax
9 imposed under the local sales tax law. He shall provide each
10 taxing entity imposing one or more local sales taxes authorized
11 by the local sales tax law with a detailed accounting of the
12 source of all funds received by him for the taxing entity.
13 Notwithstanding any other provisions of law, the state auditor
14 shall annually audit each trust fund. A copy of the director's
15 report and annual audit shall be forwarded to each taxing entity
16 imposing one or more local sales taxes.

17 [16.] 15. Within the boundaries of any taxing entity where
18 one or more local sales taxes have been imposed, if any person is
19 delinquent in the payment of the amount required to be paid by
20 him under the local sales tax law or in the event a determination
21 has been made against him for taxes and penalty under the local
22 sales tax law, the limitation for bringing suit for the
23 collection of the delinquent tax and penalty shall be the same as
24 that provided in sections 144.010 to 144.525. Where the director
25 of revenue has determined that suit must be filed against any
26 person for the collection of delinquent taxes due the state under
27 the state sales tax law, and where such person is also delinquent
28 in payment of taxes under the local sales tax law, the director

1 of revenue shall notify the taxing entity in the event any person
2 fails or refuses to pay the amount of any local sales tax due so
3 that appropriate action may be taken by the taxing entity.

4 [17.] 16. Where property is seized by the director of
5 revenue under the provisions of any law authorizing seizure of
6 the property of a taxpayer who is delinquent in payment of the
7 tax imposed by the state sales tax law, and where such taxpayer
8 is also delinquent in payment of any tax imposed by the local
9 sales tax law, the director of revenue shall permit the taxing
10 entity to join in any sale of property to pay the delinquent
11 taxes and penalties due the state and to the taxing entity under
12 the local sales tax law. The proceeds from such sale shall first
13 be applied to all sums due the state, and the remainder, if any,
14 shall be applied to all sums due such taxing entity.

15 [18.] 17. If a local sales tax has been in effect for at
16 least one year under the provisions of the local sales tax law
17 and voters approve reimposition of the same local sales tax at
18 the same rate at an election as provided for in the local sales
19 tax law prior to the date such tax is due to expire, the tax [so]
20 reimposed shall become effective [the first day of the first
21 calendar quarter after the director receives a certified copy of
22 the ordinance, order or resolution accompanied by a map clearly
23 showing the boundaries thereof and the results of such election,
24 provided that such ordinance, order or resolution and all
25 necessary accompanying materials are received by the director at
26 least thirty days prior to the expiration of such tax. Any
27 administrative cost or expense incurred by the state as a result
28 of the provisions of this subsection shall be paid by the city or

1 county reimposing such tax] as provided by subsection 19 of this
2 section.

3 18. If the boundaries of a city in which a sales tax has
4 been imposed shall thereafter be changed or altered, the city
5 clerk shall forward to the director of revenue by United States
6 registered mail or certified mail a certified copy of the
7 ordinance adding or detaching territory from the city within ten
8 days of adoption of the ordinance. The ordinance shall reflect
9 the effective date of the ordinance and shall be accompanied by a
10 map of the city clearly showing the territory added or detached
11 from the city boundaries. Upon receipt of the ordinance and map,
12 the tax imposed under the local sales tax law shall be effective
13 in the added territory or abolished in the detached territory on
14 the first day of a calendar quarter after one hundred twenty
15 days' notice to sellers.

16 19. (1) The effective date for the imposition, repeal, or
17 rate change of each local sales and use tax is the first day of
18 the calendar quarter after a minimum of one hundred twenty days'
19 notice to sellers. In all cases where notice is required to be
20 made to the director of revenue by a local taxing jurisdiction,
21 such notice shall be made at least one hundred twenty days prior
22 to the effective date for the imposition, repeal, or rate change
23 of a local sales and use tax.

24 (2) The effective date for any local jurisdiction boundary
25 change for sales and use tax purposes is the first day of the
26 calendar quarter after a minimum of one hundred twenty days'
27 notice to sellers.

28 32.200. The "Multistate Tax Compact" is hereby enacted into

1 law and entered into with all jurisdictions legally joining
2 therein, in the form substantially as follows:

3 MULTISTATE TAX COMPACT

4 Article I

5 The purposes of this compact are to:

6 1. Facilitate proper determination of state and local tax
7 liability of multistate taxpayers, including the equitable
8 apportionment of tax bases and settlement of apportionment
9 disputes.

10 2. Promote uniformity or compatibility in significant
11 components of tax systems.

12 3. Facilitate taxpayer convenience and compliance in the
13 filing of tax returns and in other phases of tax administration.

14 4. Avoid duplicative taxation.

15 Article II

16 As used in this compact:

17 1. "State" means a state of the United States, the District
18 of Columbia, the Commonwealth of Puerto Rico, or any territory or
19 possession of the United States.

20 2. "Subdivision" means any governmental unit or special
21 district of a state.

22 3. "Taxpayer" means any corporation, partnership, firm,
23 association, governmental unit or agency or person acting as a
24 business entity in more than one state.

25 4. "Income tax" means a tax imposed on or measured by net
26 income including any tax imposed on or measured by an amount
27 arrived at by deducting expenses from gross income, one or more
28 forms of which expenses are not specifically and directly related

1 to particular transactions.

2 5. "Capital stock tax" means a tax measured in any way by
3 the capital of a corporation considered in its entirety.

4 6. "Gross receipts tax" means a tax, other than a sales
5 tax, which is imposed on or measured by the gross volume of
6 business, in terms of gross receipts or in other terms, and in
7 the determination of which no deduction is allowed which would
8 constitute the tax an income tax.

9 7. "Sales tax" means a tax imposed with respect to the
10 transfer for a consideration of ownership, possession or custody
11 of tangible personal property or the rendering of services
12 measured by the price of the tangible personal property
13 transferred or services rendered and which is required by state
14 or local law to be separately stated from the sales price by the
15 seller, or which is customarily separately stated from the sales
16 price, but does not include a tax imposed exclusively on the sale
17 of a specifically identified commodity or article or class of
18 commodities or articles.

19 8. "Use tax" means a nonrecurring tax, other than a sales
20 tax, which

21 (a) is imposed on or with respect to the exercise or
22 enjoyment of any right or power over tangible personal property
23 incident to the ownership, possession or custody of that property
24 or the leasing of that property from another including any
25 consumption, keeping, retention, or other use of tangible
26 personal property; and

27 (b) is complementary to a sales tax.

28 9. "Tax" means an income tax, capital stock tax, gross

1 receipts tax, sales tax, use tax, and any other tax which has a
2 multistate impact, except that the provisions of articles III, IV
3 and V of this compact shall apply only to the taxes specifically
4 designated therein and the provisions of article IX of this
5 compact shall apply only in respect to determinations pursuant to
6 article IV.

7 Article III

8 1. Any taxpayer subject to an income tax whose income is
9 subject to apportionment and allocation for tax purposes pursuant
10 to the laws of a party state or pursuant to the laws of
11 subdivisions in two or more party states may elect to apportion
12 and allocate his income in the manner provided by the laws of
13 such state or by the laws of such states and subdivisions without
14 reference to this compact, or may elect to apportion and allocate
15 in accordance with article IV; except that for tax years
16 beginning on or after January 1, 2019, any taxpayer subject to
17 the tax imposed by section 143.071 shall apportion and allocate
18 in accordance with the provisions of Chapter 143 and shall not
19 apportion or allocate in accordance with article IV. This
20 election for any tax year may be made in all party states or
21 subdivisions thereof or in any one or more of the party states or
22 subdivisions thereof without reference to the election made in
23 the others. For the purposes of this paragraph, taxes imposed by
24 subdivisions shall be considered separately from state taxes and
25 the apportionment and allocation also may be applied to the
26 entire tax base. In no instance wherein article IV is employed
27 for all subdivisions of a state may the sum of all apportionments
28 and allocations to subdivisions within a state be greater than

1 the apportionment and allocation that would be assignable to that
2 state if the apportionment or allocation were being made with
3 respect to a state income tax.

4 2. Each party state or any subdivision thereof which
5 imposes an income tax shall provide by law that any taxpayer
6 required to file a return, whose only activities within the
7 taxing jurisdiction consist of sales and do not include owning or
8 renting real estate or tangible personal property, and whose
9 dollar volume of gross sales made during the tax year within the
10 state or subdivision, as the case may be, is not in excess of
11 \$100,000 may elect to report and pay any tax due on the basis of
12 a percentage of such volume, and shall adopt rates which shall
13 produce a tax which reasonably approximates the tax otherwise
14 due. The multistate tax commission, not more than once in five
15 years, may adjust the \$100,000 figure in order to reflect such
16 changes as may occur in the real value of the dollar, and such
17 adjusted figure, upon adoption by the commission, shall replace
18 the \$100,000 figure specifically provided herein. Each party
19 state and subdivision thereof may make the same election
20 available to taxpayers additional to those specified in this
21 paragraph.

22 3. Nothing in this article relates to the reporting or
23 payment of any tax other than an income tax.

24 Article IV

25 1. As used in this article, unless the context otherwise
26 requires:

27 (1) "Business income" means income arising from
28 transactions and activity in the regular course of the taxpayer's

1 trade or business and includes income from tangible and
2 intangible property if the acquisition, management, and
3 disposition of the property constitute integral parts of the
4 taxpayer's regular trade or business operations.

5 (2) "Commercial domicile" means the principal place from
6 which the trade or business of the taxpayer is directed or
7 managed.

8 (3) "Compensation" means wages, salaries, commissions and
9 any other form of remuneration paid to employees for personal
10 services.

11 (4) "Financial organization" means any bank, trust company,
12 savings bank, industrial bank, land bank, safe deposit company,
13 private banker, savings and loan association, credit union,
14 cooperative bank, small loan company, sales finance company,
15 investment company, or any type of insurance company.

16 (5) "Nonbusiness income" means all income other than
17 business income.

18 (6) "Public utility" means any business entity

19 (a) which owns or operates any plant, equipment, property,
20 franchise, or license for the transmission of communications,
21 transportation of goods or persons, except by pipeline, or the
22 production, transmission, sale, delivery, or furnishing of
23 electricity, water or steam; and

24 (b) whose rates of charges for goods or services have been
25 established or approved by a federal, state or local government
26 or governmental agency.

27 (7) "Sales" means all gross receipts of the taxpayer not
28 allocated under paragraphs of this article.

1 (8) "State" means any state of the United States, the
2 District of Columbia, the Commonwealth of Puerto Rico, any
3 territory or possession of the United States, and any foreign
4 country or political subdivision thereof.

5 (9) "This state" means the state in which the relevant tax
6 return is filed or, in the case of application of this article,
7 to the apportionment and allocation of income for local tax
8 purposes, the subdivision or local taxing district in which the
9 relevant tax return is filed.

10 2. Any taxpayer having income from business activity which
11 is taxable both within and without this state, other than
12 activity as a financial organization or public utility or the
13 rendering of purely personal services by an individual, shall
14 allocate and apportion his net income as provided in this
15 article. If a taxpayer has income from business activity as a
16 public utility but derives the greater percentage of his income
17 from activities subject to this article, the taxpayer may elect
18 to allocate and apportion his entire net income as provided in
19 this article.

20 3. For purposes of allocation and apportionment of income
21 under this article, a taxpayer is taxable in another state if

22 (1) in that state he is subject to a net income tax, a
23 franchise tax measured by net income, a franchise tax for the
24 privilege of doing business, or a corporate stock tax; or

25 (2) that state has jurisdiction to subject the taxpayer to
26 a net income tax regardless of whether, in fact, the state does
27 or does not.

28 4. Rents and royalties from real or tangible personal

1 property, capital gains, interest, dividends or patent or
2 copyright royalties, to the extent that they constitute
3 nonbusiness income, shall be allocated as provided in paragraphs
4 5 through 8 of this article.

5 5. (1) Net rents and royalties from real property located
6 in this state are allocable to this state.

7 (2) Net rents and royalties from tangible personal property
8 are allocable to this state:

9 (a) if and to the extent that the property is utilized in
10 this state; or

11 (b) in their entirety if the taxpayer's commercial domicile
12 is in this state and the taxpayer is not organized under the laws
13 of or taxable in the state in which the property is utilized.

14 (3) The extent of utilization of tangible personal property
15 in a state is determined by multiplying the rents and royalties
16 by a fraction, the numerator of which is the number of days of
17 physical location of the property in the state during the rental
18 or royalty period in the taxable year and the denominator of
19 which is the number of days of physical location of the property
20 everywhere during all rental or royalty periods in the taxable
21 year. If the physical location of the property during the rental
22 or royalty period is unknown or unascertainable by the taxpayer,
23 tangible personal property is utilized in the state in which the
24 property was located at the time the rental or royalty payer
25 obtained possession.

26 6. (1) Capital gains and losses from sales of real
27 property located in this state are allocable to this state.

28 (2) Capital gains and losses from sales of tangible

1 personal property are allocable to this state if

2 (a) the property had a situs in this state at the time of
3 the sale; or

4 (b) the taxpayer's commercial domicile is in this state and
5 the taxpayer is not taxable in the state in which the property
6 had a situs.

7 (3) Capital gains and losses from sales of intangible
8 personal property are allocable to this state if the taxpayer's
9 commercial domicile is in this state.

10 7. Interest and dividends are allocable to this state if
11 the taxpayer's commercial domicile is in this state.

12 8. (1) Patent and copyright royalties are allocable to
13 this state:

14 (a) if and to the extent that the patent or copyright is
15 utilized by the payer in this state; or

16 (b) if and to the extent that the patent copyright is
17 utilized by the payer in a state in which the taxpayer is not
18 taxable and the taxpayer's commercial domicile is in this state.

19 (2) A patent is utilized in a state to the extent that it
20 is employed in production, fabrication, manufacturing, or other
21 processing in the state or to the extent that a patented product
22 is produced in the state. If the basis of receipts from patent
23 royalties does not permit allocation to states or if the
24 accounting procedures do not reflect states of utilization, the
25 patent is utilized in the state in which the taxpayer's
26 commercial domicile is located.

27 (3) A copyright is utilized in a state to the extent that
28 printing or other publication originates in the state. If the

1 basis of receipts from copyright royalties does not permit
2 allocation to states or if the accounting procedures do not
3 reflect states of utilization, the copyright is utilized in the
4 state in which the taxpayer's commercial domicile is located.

5 9. All business income shall be apportioned to this state
6 by multiplying the income by a fraction, the numerator of which
7 is the property factor plus the payroll factor plus the sales
8 factor, and the denominator of which is three.

9 10. The property factor is a fraction, the numerator of
10 which is the average value of the taxpayer's real and tangible
11 personal property owned or rented and used in this state during
12 the tax period and the denominator of which is the average value
13 of all the taxpayer's real and tangible personal property owned
14 or rented and used during the tax period.

15 11. Property owned by the taxpayer is valued at its
16 original cost. Property rented by the taxpayer is valued at eight
17 times the net annual rental rate. Net annual rental rate is the
18 annual rental rate paid by the taxpayer less any annual rental
19 rate received by the taxpayer from subrentals.

20 12. The average value of property shall be determined by
21 averaging the values at the beginning and ending of the tax
22 period but the tax administrator may require the averaging of
23 monthly values during the tax period if reasonably required to
24 reflect properly the average value of the taxpayer's property.

25 13. The payroll factor is a fraction, the numerator of
26 which is the total amount paid in this state during the tax
27 period by the taxpayer for compensation and the denominator of
28 which is the total compensation paid everywhere during the tax

1 period.

2 14. Compensation is paid in this state if:

3 (1) the individual's service is performed entirely within
4 the state;

5 (2) the individual's service is performed both within and
6 without the state, but the service performed without the state is
7 incidental to the individual's service within the state; or

8 (3) some of the service is performed in the state; and

9 (a) the base of operations or, if there is no base of
10 operations, the place from which the service is directed or
11 controlled is in the state; or

12 (b) the base of operations or the place from which the
13 service is directed or controlled is not in any state in which
14 some part of the service is performed, but the individual's
15 residence is in this state.

16 15. The sales factor is a fraction, the numerator of which
17 is the total sales of the taxpayer in this state during the tax
18 period, and the denominator of which is the total sales of the
19 taxpayer everywhere during the tax period.

20 16. Sales of tangible personal property are in this state
21 if:

22 (1) the property is delivered or shipped to a purchaser,
23 other than the United States government, within this state
24 regardless of the f.o.b. point or other conditions of the sale;
25 or

26 (2) the property is shipped from an office, store,
27 warehouse, factory, or other place of storage in this state; and

28 (a) the purchaser is the United States government; or

1 any use tax due the state, and any unused portion of the credit
2 shall then be applied against the amount of any use tax due a
3 subdivision.

4 2. Whenever a vendor receives and accepts in good faith
5 from a purchaser a resale or other exemption certificate or other
6 written evidence of exemption authorized by the appropriate state
7 or subdivision taxing authority, the vendor shall be relieved of
8 liability for a sales or use tax with respect to the transaction.

9 Article VI

10 1. (a) The multistate tax commission is hereby
11 established. It shall be composed of one "member" from each party
12 state who shall be the head of the state agency charged with the
13 administration of the types of taxes to which this compact
14 applies. If there is more than one such agency the state shall
15 provide by law for the selection of the commission member from
16 the heads of the relevant agencies. State law may provide that a
17 member of the commission be represented by an alternate but only
18 if there is on file with the commission written notification of
19 the designation and identity of the alternate. The attorney
20 general of each party state or his designee, or other counsel if
21 the laws of the party state specifically provide, shall be
22 entitled to attend the meetings of the commission, but shall not
23 vote. Such attorneys general, designees, or other counsel shall
24 receive all notices of meetings required under paragraph 1 (e) of
25 this article.

26 (b) Each party state shall provide by law for the selection
27 of representatives from its subdivisions affected by this compact
28 to consult with the commission member from that state.

1 (c) Each member shall be entitled to one vote. The
2 commission shall not act unless a majority of the members are
3 present, and no action shall be binding unless approved by a
4 majority of the total number of members.

5 (d) The commission shall adopt an official seal to be used
6 as it may provide.

7 (e) The commission shall hold an annual meeting and such
8 other regular meetings as its bylaws may provide and such special
9 meetings as its executive committee may determine. The
10 commission bylaws shall specify the dates of the annual and any
11 other regular meetings, and shall provide for the giving of
12 notice of annual, regular and special meetings. Notices of
13 special meetings shall include the reasons therefor and an agenda
14 of the items to be considered.

15 (f) The commission shall elect annually, from among its
16 members, a chairman, a vice chairman and a treasurer. The
17 commission shall appoint an executive director who shall serve at
18 its pleasure, and it shall fix his duties and compensation. The
19 executive director shall be secretary of the commission. The
20 commission shall make provision for the bonding of such of its
21 officers and employees as it may deem appropriate.

22 (g) Irrespective of the civil service, personnel or other
23 merit system laws of any party state, the executive director
24 shall appoint or discharge such personnel as may be necessary for
25 the performance of the functions of the commission and shall fix
26 their duties and compensation. The commission bylaws shall
27 provide for personnel policies and programs.

28 (h) The commission may borrow, accept or contract for the

1 services of personnel from any state, the United States, or any
2 other governmental entity.

3 (i) The commission may accept for any of its purposes and
4 functions any and all donations and grants of money, equipment,
5 supplies, materials and services, conditional or otherwise, from
6 any governmental entity, and may utilize and dispose of the same.

7 (j) The commission may establish one or more offices for
8 the transacting of its business.

9 (k) The commission shall adopt bylaws for the conduct of
10 its business. The commission shall publish its bylaws in
11 convenient form, and shall file a copy of the bylaws and any
12 amendments thereto with the appropriate agency or officer in each
13 of the party states.

14 (l) The commission annually shall make to the governor and
15 legislature of each party state a report covering its activities
16 for the preceding year. Any donation or grant accepted by the
17 commission or services borrowed shall be reported in the annual
18 report of the commission, and shall include the nature, amount
19 and conditions, if any, of the donation, gift, grant or services
20 borrowed and the identity of the donor or lender. The commission
21 may make additional reports as it may deem desirable.

22 2. (a) To assist in the conduct of its business when the
23 full commission is not meeting, the commission shall have an
24 executive committee of seven members, including the chairman,
25 vice chairman, treasurer and four other members elected annually
26 by the commission. The executive committee, subject to the
27 provisions of this compact and consistent with the policies of
28 the commission, shall function as provided in the bylaws of the

1 commission.

2 (b) The commission may establish advisory and technical
3 committees, membership on which may include private persons and
4 public officials, in furthering any of its activities. Such
5 committees may consider any matter of concern to the commission,
6 including problems of special interest to any party state and
7 problems dealing with particular types of taxes.

8 (c) The commission may establish such additional committees
9 as its bylaws may provide.

10 3. In addition to powers conferred elsewhere in this
11 compact, the commission shall have power to:

12 (a) Study state and local tax systems and particular types
13 of state and local taxes.

14 (b) Develop and recommend proposals for an increase in
15 uniformity or compatibility of state and local tax laws with a
16 view toward encouraging the simplification and improvement of
17 state and local tax law and administration.

18 (c) Compile and publish information as in its judgment
19 would assist the party states in implementation of the compact
20 and taxpayers in complying with state and local tax laws.

21 (d) Do all things necessary and incidental to the
22 administration of its functions pursuant to this compact.

23 4. (a) The commission shall submit to the governor or
24 designated officer or officers of each party state a budget of
25 its estimated expenditures for such period as may be required by
26 the laws of that state for presentation to the legislature
27 thereof.

28 (b) Each of the commission's budgets of estimated

1 expenditures shall contain specific recommendations of the
2 amounts to be appropriated by each of the party states. The
3 total amount of appropriations requested under any such budget
4 shall be apportioned among the party states as follows: one-tenth
5 in equal shares; and the remainder in proportion to the amount of
6 revenue collected by each party state and its subdivisions from
7 income taxes, capital stock taxes, gross receipts taxes, sales
8 and use taxes. In determining such amounts, the commission shall
9 employ such available public sources of information as, in its
10 judgment, present the most equitable and accurate comparisons
11 among the party states. Each of the commission's budgets of
12 estimated expenditures and requests for appropriations shall
13 indicate the sources used in obtaining information employed in
14 applying the formula contained in this paragraph.

15 (c) The commission shall not pledge the credit of any party
16 state. The commission may meet any of its obligations in whole
17 or in part with funds available to it under paragraph 1 (i) of
18 this article; provided that the commission takes specific action
19 setting aside such funds prior to incurring any obligation to be
20 met in whole or in part in such manner. Except where the
21 commission makes use of funds available to it under paragraph 1
22 (i), the commission shall not incur any obligation prior to the
23 allotment of funds by the party states adequate to meet the same.

24 (d) The commission shall keep accurate accounts of all
25 receipts and disbursements. The receipts and disbursements of
26 the commission shall be subject to the audit and accounting
27 procedures established under its bylaws. All receipts and
28 disbursements of funds handled by the commission shall be audited

1 yearly by a certified or licensed public accountant and the
2 report of the audit shall be included in and become part of the
3 annual report of the commission.

4 (e) The accounts of the commission shall be open at any
5 reasonable time for inspection by duly constituted officers of
6 the party states and by any persons authorized by the commission.

7 (f) Nothing contained in this article shall be construed to
8 prevent commission compliance with laws relating to audit or
9 inspection of accounts by or on behalf of any government
10 contributing to the support of the commission.

11 Article VII

12 1. Whenever any two or more party states, or subdivisions
13 of party states, have uniform or similar provisions of law
14 relating to an income tax, capital stock tax, gross receipts tax,
15 sales or use tax, the commission may adopt uniform regulations
16 for any phase of the administration of such law, including
17 assertion of jurisdiction to tax, or prescribing uniform tax
18 forms. The commission may also act with respect to the
19 provisions of article IV of this compact.

20 2. Prior to the adoption of any regulation, the commission
21 shall:

22 (a) As provided in its bylaws, hold at least one public
23 hearing on due notice to all affected party states and
24 subdivisions thereof and to all taxpayers and other persons who
25 have made timely request of the commission for advance notice of
26 its regulation-making proceedings.

27 (b) Afford all affected party states and subdivisions and
28 interested persons an opportunity to submit relevant written data

1 and views, which shall be considered fully by the commission.

2 3. The commission shall submit any regulations adopted by
3 it to the appropriate officials of all party states and
4 subdivisions to which they might apply. Each such state and
5 subdivision shall consider any such regulation for adoption in
6 accordance with its own laws and procedures.

7 Article VIII

8 1. This article shall be in force only in those party
9 states that specifically provide therefor by statute.

10 2. Any party state or subdivision thereof desiring to make
11 or participate in an audit of any accounts, books, papers,
12 records or other documents may request the commission to perform
13 the audit on its behalf. In responding to the request, the
14 commission shall have access to and may examine, at any
15 reasonable time, such accounts, books, papers, records, and other
16 documents and any relevant property or stock of merchandise. The
17 commission may enter into agreements with party states or their
18 subdivisions for assistance in performance of the audit. The
19 commission shall make charges, to be paid by the state or local
20 government or governments for which it performs the service, for
21 any audits performed by it in order to reimburse itself for the
22 actual costs incurred in making the audit.

23 3. The commission may require the attendance of any person
24 within the state where it is conducting an audit or part thereof
25 at a time and place fixed by it within such state for the purpose
26 of giving testimony with respect to any account, book, paper,
27 document, other record, property or stock of merchandise being
28 examined in connection with the audit. If the person is not

1 within the jurisdiction, he may be required to attend for such
2 purpose at any time and place fixed by the commission within the
3 state of which he is a resident; provided that such state has
4 adopted this article.

5 4. The commission may apply to any court having power to
6 issue compulsory process for orders in aid of its powers and
7 responsibilities pursuant to this article and any and all such
8 courts shall have jurisdiction to issue such orders. Failure of
9 any person to obey any such order shall be punishable as contempt
10 of the issuing court. If the party or subject matter on account
11 of which the commission seeks an order is within the jurisdiction
12 of the court to which application is made, such application may
13 be to a court in the state or subdivision on behalf of which the
14 audit is being made or a court in the state in which the object
15 of the order being sought is situated. The provisions of this
16 paragraph apply only to courts in a state that has adopted this
17 article.

18 5. The commission may decline to perform any audit
19 requested if it finds that its available personnel or other
20 resources are insufficient for the purpose or that, in the terms
21 requested, the audit is impracticable of satisfactory
22 performance. If the commission, on the basis of its experience,
23 has reason to believe that an audit of a particular taxpayer,
24 either at a particular time or on a particular schedule, would be
25 of interest to a number of party states or their subdivisions, it
26 may offer to make the audit or audits, the offer to be contingent
27 on sufficient participation therein as determined by the
28 commission.

1 IV, or whenever the laws of the party state or subdivision
2 thereof are substantially identical with the relevant provisions
3 of article IV, the taxpayer, by written notice to the commission
4 and to each party state or subdivision thereof that would be
5 affected, may secure arbitration of an apportionment or
6 allocation, if he is dissatisfied with the final administrative
7 determination of the tax agency of the state or subdivision with
8 respect thereto on the ground that it would subject him to double
9 or multiple taxation by two or more party states or subdivisions
10 thereof. Each party state and subdivision thereof hereby
11 consents to the arbitration as provided herein, and agrees to be
12 bound thereby.

13 4. The arbitration board shall be composed of one person
14 selected by the taxpayer, one by the agency or agencies involved,
15 and one member of the commission's arbitration panel. If the
16 agencies involved are unable to agree on the person to be
17 selected by them, such person shall be selected by lot from the
18 total membership of the arbitration panel. The two persons
19 selected for the board in the manner provided by the foregoing
20 provisions of this paragraph shall jointly select the third
21 member of the board. If they are unable to agree on the
22 selection, the third member shall be selected by lot from among
23 the total membership of the arbitration panel. No member of a
24 board selected by lot shall be qualified to serve if he is an
25 officer or employee or is otherwise affiliated with any party to
26 the arbitration proceeding. Residence within the jurisdiction of
27 a party to the arbitration proceeding shall not constitute
28 affiliation within the meaning of this paragraph.

1 5. The board may sit in any state or subdivision party to
2 the proceeding, in the state of the taxpayer's incorporation,
3 residence or domicile, in any state where the taxpayer does
4 business, or in any place that it finds most appropriate for
5 gaining access to evidence relevant to the matter before it.

6 6. The board shall give due notice of the times and places
7 of its hearings. The parties shall be entitled to be heard, to
8 present evidence, and to examine and cross-examine witnesses.
9 The board shall act by majority vote.

10 7. The board shall have power to administer oaths, take
11 testimony, subpoena and require the attendance of witnesses and
12 the production of accounts, books, papers, records, and other
13 documents, and issue commissions to take testimony. Subpoenas
14 may be signed by any member of the board. In case of failure to
15 obey a subpoena, and upon application by the board, any judge of
16 a court of competent jurisdiction of the state in which the board
17 is sitting or in which the person to whom the subpoena is
18 directed may be found may make an order requiring compliance with
19 the subpoena, and the court may punish failure to obey the order
20 as a contempt. The provisions of this paragraph apply only in
21 states that have adopted this article.

22 8. Unless the parties otherwise agree the expenses and
23 other costs of the arbitration shall be assessed and allocated
24 among the parties by the board in such manner as it may
25 determine. The commission shall fix a schedule of compensation
26 for members of arbitration boards and of other allowable expenses
27 and costs. No officer or employee of a state or local government
28 who serves as a member of a board shall be entitled to

1 compensation therefor unless he is required on account of his
2 service to forego the regular compensation attaching to his
3 public employment, but any such board member shall be entitled to
4 expenses.

5 9. The board shall determine the disputed apportionment or
6 allocation and any matters necessary thereto. The determinations
7 of the board shall be final for purposes of making the
8 apportionment or allocation, but for no other purpose.

9 10. The board shall file with the commission and with each
10 tax agency represented in the proceeding: the determination of
11 the board; the board's written statement of its reasons therefor;
12 the record of the board's proceedings; and any other documents
13 required by the arbitration rules of the commission to be filed.

14 11. The commission shall publish the determinations of
15 boards together with the statements of the reasons therefor.

16 12. The commission shall adopt and publish rules of
17 procedure and practice and shall file a copy of such rules and of
18 any amendment thereto with the appropriate agency or officer in
19 each of the party states.

20 13. Nothing contained herein shall prevent at any time a
21 written compromise of any matter or matters in dispute, if
22 otherwise lawful, by the parties to the arbitration proceeding.

23 Article X

24 1. This compact shall enter into force when enacted into
25 law by any seven states. Thereafter, this compact shall become
26 effective as to any other state upon its enactment thereof. The
27 commission shall arrange for notification of all party states
28 whenever there is a new enactment of the compact.

1 Article XII

2 This compact shall be liberally construed so as to
3 effectuate the purposes thereof. The provisions of this compact
4 shall be severable and if any phrase, clause, sentence or
5 provision of this compact is declared to be contrary to the
6 constitution of any state or of the United States or the
7 applicability thereof to any government, agency, person or
8 circumstance is held invalid, the validity of the remainder of
9 this compact and the applicability thereof to any government,
10 agency, person or circumstance shall not be affected thereby. If
11 this compact shall be held contrary to the constitution of any
12 state participating therein, the compact shall remain in full
13 force and effect as to the remaining party states and in full
14 force and effect as to the state affected as to all severable
15 matters.

16 66.620. 1. All county sales taxes collected by the
17 director of revenue under sections 66.600 to 66.630 on behalf of
18 any county[, less one percent for cost of collection which shall
19 be deposited in the state's general revenue fund after payment of
20 premiums for surety bonds as provided in section 32.087,] shall
21 be deposited in a special trust fund, which is hereby created, to
22 be known as the "County Sales Tax Trust Fund". [The moneys in
23 the county sales tax trust fund shall not be deemed to be state
24 funds and shall not be commingled with any funds of the state.]
25 The director of revenue shall keep accurate records of the amount
26 of money in the trust fund which was collected in each county
27 imposing a county sales tax, and the records shall be open to the
28 inspection of officers of the county and the public. Not later

1 than the tenth day of each month, the director of revenue shall
2 distribute all moneys deposited in the trust fund during the
3 preceding month to the county which levied the tax; such funds
4 shall be deposited with the treasurer of the county and all
5 expenditures of funds arising from the county sales tax trust
6 fund shall be by an appropriation act to be enacted by the
7 legislative council of the county, and to the cities, towns and
8 villages located wholly or partly within the county which levied
9 the tax in the manner as set forth in sections 66.600 to 66.630.

10 2. In any county not adopting an additional sales tax and
11 alternate distribution system as provided in section 67.581, for
12 the purposes of distributing the county sales tax, the county
13 shall be divided into two groups, "Group A" and "Group B". Group
14 A shall consist of all cities, towns and villages which are
15 located wholly or partly within the county which levied the tax
16 and which had a city sales tax in effect under the provisions of
17 sections 94.500 to 94.550 on the day prior to the adoption of the
18 county sales tax ordinance, except that beginning January 1,
19 1980, group A shall consist of all cities, towns and villages
20 which are located wholly or partly within the county which levied
21 the tax and which had a city sales tax approved by the voters of
22 such city under the provisions of sections 94.500 to 94.550 on
23 the day prior to the effective date of the county sales tax. For
24 the purposes of determining the location of consummation of sales
25 for distribution of funds to cities, towns and villages in group
26 A, the boundaries of any such city, town or village shall be the
27 boundary of that city, town or village as it existed on March 19,
28 1984. Group B shall consist of all cities, towns and villages

1 which are located wholly or partly within the county which levied
2 the tax and which did not have a city sales tax in effect under
3 the provisions of sections 94.500 to 94.550 on the day prior to
4 the adoption of the county sales tax ordinance, and shall also
5 include all unincorporated areas of the county which levied the
6 tax; except that, beginning January 1, 1980, group B shall
7 consist of all cities, towns and villages which are located
8 wholly or partly within the county which levied the tax and which
9 did not have a city sales tax approved by the voters of such city
10 under the provisions of sections 94.500 to 94.550 on the day
11 prior to the effective date of the county sales tax and shall
12 also include all unincorporated areas of the county which levied
13 the tax.

14 3. Until January 1, 1994, the director of revenue shall
15 distribute to the cities, towns and villages in group A the taxes
16 based on the location in which the sales were deemed consummated
17 under section 66.630 and subsection 12 of section 32.087. Except
18 for distribution governed by section 66.630, after deducting the
19 distribution to the cities, towns and villages in group A, the
20 director of revenue shall distribute the remaining funds in the
21 county sales tax trust fund to the cities, towns and villages and
22 the county in group B as follows: to the county which levied the
23 tax, a percentage of the distributable revenue equal to the
24 percentage ratio that the population of the unincorporated areas
25 of the county bears to the total population of group B; and to
26 each city, town or village in group B located wholly within the
27 taxing county, a percentage of the distributable revenue equal to
28 the percentage ratio that the population of such city, town or

1 village bears to the total population of group B; and to each
2 city, town or village located partly within the taxing county, a
3 percentage of the distributable revenue equal to the percentage
4 ratio that the population of that part of the city, town or
5 village located within the taxing county bears to the total
6 population of group B.

7 4. From January 1, 1994, until December 31, 2016, the
8 director of revenue shall distribute to the cities, towns and
9 villages in group A a portion of the taxes based on the location
10 in which the sales were deemed consummated under section 66.630
11 and subsection 12 of section 32.087 in accordance with the
12 formula described in this subsection and in subsection 6. After
13 deducting the distribution to the cities, towns and villages in
14 group A, the director of revenue shall distribute funds in the
15 county sales tax trust fund to the cities, towns and villages and
16 the county in group B as follows: to the county which levied the
17 tax, ten percent multiplied by the percentage of the population
18 of unincorporated county which has been annexed or incorporated
19 since April 1, 1993, multiplied by the total of all sales tax
20 revenues countywide, and a percentage of the remaining
21 distributable revenue equal to the percentage ratio that the
22 population of unincorporated areas of the county bears to the
23 total population of group B; and to each city, town or village in
24 group B located wholly within the taxing county, a percentage of
25 the remaining distributable revenue equal to the percentage ratio
26 that the population of such city, town or village bears to the
27 total population of group B; and to each city, town or village
28 located partly within the taxing county, a percentage of the

1 remaining distributable revenue equal to the percentage ratio
2 that the population of that part of the city, town or village
3 located within the taxing county bears to the total population of
4 group B.

5 5. (1) From and after January 1, 2017, in each year in
6 which the total revenues from the county sales tax collected
7 under sections 66.600 to 66.630 in the previous calendar year are
8 less than or equal to the amount of such revenues which were
9 collected in the calendar year 2014, the director of revenue
10 shall distribute to the cities, towns, and villages in group A
11 and the cities, towns, and villages, and the county in group B,
12 the amounts required to be distributed under the formula
13 described in subsection 4 and in subsection 6 of this section.
14 From and after January 1, 2017, in each year in which the total
15 revenues from the county sales tax collected under sections
16 66.600 to 66.630 in the previous calendar year is greater than
17 the amount of such revenues which were collected in the calendar
18 year 2014, the director of revenue shall distribute to the
19 cities, towns, and villages in group A a portion of the taxes
20 based on the location in which the sales were deemed consummated
21 under section 66.630 and subsection 12 of section 32.087, in
22 accordance with the formula described in this subsection and in
23 subsection 6. After deducting the distribution to the cities,
24 towns, and villages in group A, the director of revenue shall,
25 subject to the limitation described in subdivision (2) of this
26 subsection, distribute funds in the county sales tax trust fund
27 to the cities, towns, and villages, and the county in group B as
28 follows: to the county which levied the tax, ten percent

1 multiplied by the percentage of the population of unincorporated
2 county which has been annexed or incorporated since April 1,
3 1993, multiplied by the total of all sales tax revenues
4 countywide, and a percentage of the remaining distributable
5 revenue equal to the percentage ratio that the population of
6 unincorporated areas of the county bears to the total population
7 of group B as adjusted such that no city, town, or village in
8 group B shall receive a distribution that is less than fifty
9 percent of the amount of taxes generated within such city, town,
10 or village based on the location in which the sales were deemed
11 consummated under section 66.630 and subsection 12 of section
12 32.087; and to each city, town, or village in group B located
13 wholly within the taxing county, a percentage of the remaining
14 distributable revenue equal to the percentage ratio that the
15 population of such city, town, or village bears to the total
16 population of group B, as adjusted such that no city, town, or
17 village in group B shall receive a distribution that is less than
18 fifty percent of the amount of taxes generated within such city,
19 town, or village based on the location in which the sales were
20 deemed consummated under section 66.630 and subsection 12 of
21 section 32.087; and to each city, town, or village located partly
22 within the taxing county, a percentage of the remaining
23 distributable revenue equal to the percentage ratio that the
24 population of that part of the city, town, or village located
25 within the taxing county bears to the total population of group
26 B, as adjusted such that no city, town, or village in group B
27 shall receive a distribution that is less than fifty percent of
28 the amount of taxes generated within such city, town, or village

1 based on the location in which the sales were deemed consummated
2 under section 66.630 and subsection 12 of section 32.087.

3 (2) For purposes of making any adjustment required by this
4 subsection, the director of revenue shall, prior to any
5 distribution to the county or to each city, town, or village in
6 group B located wholly or partly within the taxing county,
7 identify each city, town, or village in group B located wholly or
8 partly within the taxing county that would receive a distribution
9 that is less than fifty percent of the amount of taxes generated
10 within such city, town, or village based on the location in which
11 the sales were deemed consummated under section 66.630 and
12 subsection 12 of section 32.087 if no adjustments were made and
13 calculate the difference between the amount that the distribution
14 to each such city, town, or village would have been without any
15 adjustment and the amount that equals fifty percent of the amount
16 of taxes generated within such city, town, or village based on
17 the location in which the sales were deemed consummated under
18 section 66.630 and subsection 12 of section 32.087. Thereafter,
19 the director of revenue shall determine the amount of any
20 adjustment under this subsection as follows:

21 (a) If the aggregate amount of the difference calculated in
22 accordance with this subsection is less than or equal to the
23 aggregate increase in the remaining distributable revenue for the
24 applicable period in the current calendar year over the remaining
25 distributable revenue for the corresponding period in the
26 calendar year 2014, the director of revenue shall deduct the
27 amount of such difference from the remaining distributable
28 revenue and distribute an allocable portion of the amount of such

1 difference to each city, town, or village that would otherwise
2 have received a distribution that is less than fifty percent of
3 the amount of taxes generated within such city, town, or village
4 based on the location in which the sales were deemed consummated
5 under section 66.630 and subsection 12 of section 32.087 if no
6 adjustment were made, such that each such city, town, or village
7 receives a distribution that is equal to fifty percent of the
8 amount of taxes generated within such city, town, or village
9 based on the location in which the sales were deemed consummated
10 under section 66.630 and subsection 12 of section 32.087;

11 (b) If, however, the aggregate amount of the difference
12 calculated in accordance with this subsection is greater than the
13 aggregate increase in the remaining distributable revenue for the
14 applicable period in the current calendar year over the remaining
15 distributable revenue for the corresponding period in the
16 calendar year 2014, the director of revenue shall deduct from the
17 remaining distributable revenue an amount equal to the difference
18 between the remaining distributable revenue for the applicable
19 period in the current calendar year and the remaining
20 distributable revenue for the corresponding period in the
21 calendar year 2014 and distribute an allocable portion of the
22 amount of such difference to each city, town, or village that
23 would otherwise have received a distribution that is less than
24 fifty percent of the amount of taxes generated within such city,
25 town, or village based on the location in which the sales were
26 deemed consummated under section 66.630 and subsection 12 of
27 section 32.087 if no adjustment were made, such that each such
28 city, town, or village receives a distribution that includes an

1 adjustment that is proportionate to the amount of the adjustment
2 that would otherwise have been made if such adjustment were
3 calculated in accordance with paragraph (a) of this subdivision;

4 (c) After determining the amount of the adjustment and
5 making the allocation in accordance with paragraph (a) or (b) of
6 this subdivision, as applicable, the director of revenue shall
7 thereafter distribute the remaining distributable revenue, as
8 adjusted, to the county and to each city, town, or village in
9 group B located wholly or partly within the taxing county in the
10 manner provided in this subsection.

11 (3) For purposes of this subsection, if a city, town, or
12 village is partly in group A and partly in group B, the director
13 of revenue shall calculate fifty percent of the amount of taxes
14 generated within such city, town, or village based on the
15 location in which the sales were deemed consummated under section
16 66.630 and subsection 12 of section 32.087 by multiplying fifty
17 percent by the amount of all county sales taxes collected by the
18 director of revenue under sections 66.600 to 66.630, less one
19 percent for cost of collection, that are generated within such
20 city, town, or village based on the location in which the sales
21 were deemed consummated under section 66.630 and subsection 12 of
22 section 32.087, regardless of whether such taxes are deemed
23 consummated in group A or group B.

24 6. (1) For purposes of administering the distribution
25 formula of subsections 4 and 5 of this section, the revenues
26 arising each year from sales occurring within each group A city,
27 town or village shall be distributed as follows: until such
28 revenues reach the adjusted county average, as hereinafter

1 defined, there shall be distributed to the city, town or village
2 all of such revenues reduced by the percentage which is equal to
3 ten percent multiplied by the percentage of the population of
4 unincorporated county which has been annexed or incorporated
5 after April 1, 1993; and once revenues exceed the adjusted county
6 average, total revenues shall be shared in accordance with the
7 redistribution formula as defined in this subsection.

8 (2) For purposes of this subsection, the "adjusted county
9 average" is the per capita countywide average of all sales tax
10 distributions during the prior calendar year reduced by the
11 percentage which is equal to ten percent multiplied by the
12 percentage of the population of unincorporated county which has
13 been annexed or incorporated after April 1, 1993; the
14 redistribution formula is as follows: during 1994, each group A
15 city, town and village shall receive that portion of the revenues
16 arising from sales occurring within the municipality that remains
17 after deducting therefrom an amount equal to the cumulative sales
18 tax revenues arising from sales within the municipality
19 multiplied by the percentage which is the sum of ten percent
20 multiplied by the percentage of the population of unincorporated
21 county which has been annexed or incorporated after April 1,
22 1993, and the percentage, if greater than zero, equal to the
23 product of 8.5 multiplied by the logarithm (to base 10) of the
24 product of 0.035 multiplied by the total of cumulative per capita
25 sales taxes arising from sales within the municipality less the
26 adjusted county average. During 1995, each group A city, town
27 and village shall receive that portion of the revenues arising
28 from sales occurring within the municipality that remains after

1 deducting therefrom an amount equal to the cumulative sales tax
2 revenues arising from sales within the municipality multiplied by
3 the percentage which is the sum of ten percent multiplied by the
4 percentage of the population of unincorporated county which has
5 been annexed or incorporated after April 1, 1993, and the
6 percentage, if greater than zero, equal to the product of
7 seventeen multiplied by the logarithm (to base 10) of the product
8 of 0.035 multiplied by the total of cumulative per capita sales
9 taxes arising from sales within the municipality less the
10 adjusted county average. From January 1, 1996, until January 1,
11 2000, each group A city, town and village shall receive that
12 portion of the revenues arising from sales occurring within the
13 municipality that remains after deducting therefrom an amount
14 equal to the cumulative sales tax revenues arising from sales
15 within the municipality multiplied by the percentage which is the
16 sum of ten percent multiplied by the percentage of the population
17 of unincorporated county which has been annexed or incorporated
18 after April 1, 1993, and the percentage, if greater than zero,
19 equal to the product of 25.5 multiplied by the logarithm (to base
20 10) of the product of 0.035 multiplied by the total of cumulative
21 per capita sales taxes arising from sales within the municipality
22 less the adjusted county average. From and after January 1,
23 2000, the distribution formula covering the period from January
24 1, 1996, until January 1, 2000, shall continue to apply, except
25 that the percentage computed for sales arising within the
26 municipalities shall be not less than 7.5 percent for
27 municipalities within which sales tax revenues exceed the
28 adjusted county average, nor less than 12.5 percent for

1 municipalities within which sales tax revenues exceed the
2 adjusted county average by at least twenty-five percent.

3 (3) For purposes of applying the redistribution formula to
4 a municipality which is partly within the county levying the tax,
5 the distribution shall be calculated alternately for the
6 municipality as a whole, except that the factor for annexed
7 portion of the county shall not be applied to the portion of the
8 municipality which is not within the county levying the tax, and
9 for the portion of the municipality within the county levying the
10 tax. Whichever calculation results in the larger distribution to
11 the municipality shall be used.

12 (4) Notwithstanding any other provision of this section,
13 the fifty percent of additional sales taxes as described in
14 section 99.845 arising from economic activities within the area
15 of a redevelopment project established after July 12, 1990,
16 pursuant to sections 99.800 to 99.865, while tax increment
17 financing remains in effect shall be deducted from all
18 calculations of countywide sales taxes, shall be distributed
19 directly to the municipality involved, and shall be disregarded
20 in calculating the amounts distributed or distributable to the
21 municipality. Further, any agreement, contract or covenant
22 entered into prior to July 12, 1990, between a municipality and
23 any other political subdivision which provides for an
24 appropriation of incremental sales tax revenues to the special
25 allocation fund of a tax increment financing project while tax
26 increment financing remains in effect shall continue to be in
27 full force and effect and the sales taxes so appropriated shall
28 be deducted from all calculations of countywide sales taxes,

1 shall be distributed directly to the municipality involved, and
2 shall be disregarded in calculating the amounts distributed or
3 distributable to the municipality. In addition, and
4 notwithstanding any other provision of this chapter to the
5 contrary, economic development funds shall be distributed in full
6 to the municipality in which the sales producing them were deemed
7 consummated. Additionally, economic development funds shall be
8 deducted from all calculations of countywide sales taxes and
9 shall be disregarded in calculating the amounts distributed or
10 distributable to the municipality. As used in this subdivision,
11 the term "economic development funds" means the amount of sales
12 tax revenue generated in any fiscal year by projects authorized
13 pursuant to chapter 99 or chapter 100 in connection with which
14 such sales tax revenue was pledged as security for, or was
15 guaranteed by a developer to be sufficient to pay, outstanding
16 obligations under any agreement authorized by chapter 100,
17 entered into or adopted prior to September 1, 1993, between a
18 municipality and another public body. The cumulative amount of
19 economic development funds allowed under this provision shall not
20 exceed the total amount necessary to amortize the obligations
21 involved.

22 7. If the qualified voters of any city, town or village
23 vote to change or alter its boundaries by annexing any
24 unincorporated territory included in group B or if the qualified
25 voters of one or more city, town or village in group A and the
26 qualified voters of one or more city, town or village in group B
27 vote to consolidate, the area annexed or the area consolidated
28 which had been a part of group B shall remain a part of group B

1 after annexation or consolidation. After the effective date of
2 the annexation or consolidation, the annexing or consolidated
3 city, town or village shall receive a percentage of the group B
4 distributable revenue equal to the percentage ratio that the
5 population of the annexed or consolidated area bears to the total
6 population of group B and such annexed area shall not be
7 classified as unincorporated area for determination of the
8 percentage allocable to the county. If the qualified voters of
9 any two or more cities, towns or villages in group A each vote to
10 consolidate such cities, towns or villages, then such
11 consolidated cities, towns or villages shall remain a part of
12 group A. For the purpose of sections 66.600 to 66.630,
13 population shall be as determined by the last federal decennial
14 census or the latest census that determines the total population
15 of the county and all political subdivisions therein. For the
16 purpose of calculating the adjustment based on the percentage of
17 unincorporated county population which is annexed after April 1,
18 1993, the accumulated percentage immediately before each census
19 shall be used as the new percentage base after such census.
20 After any annexation, incorporation or other municipal boundary
21 change affecting the unincorporated area of the county, the chief
22 elected official of the county shall certify the new population
23 of the unincorporated area of the county and the percentage of
24 the population which has been annexed or incorporated since April
25 1, 1993, to the director of revenue. After the adoption of the
26 county sales tax ordinance, any city, town or village in group A
27 may by adoption of an ordinance by its governing body cease to be
28 a part of group A and become a part of group B. Within ten days

1 after the adoption of the ordinance transferring the city, town
2 or village from one group to the other, the clerk of the
3 transferring city, town or village shall forward to the director
4 of revenue, by registered mail, a certified copy of the
5 ordinance. Distribution to such city as a part of its former
6 group shall cease and as a part of its new group shall begin on
7 the first day of January of the year following notification to
8 the director of revenue, provided such notification is received
9 by the director of revenue on or before the first day of July of
10 the year in which the transferring ordinance is adopted. If such
11 notification is received by the director of revenue after the
12 first day of July of the year in which the transferring ordinance
13 is adopted, then distribution to such city as a part of its
14 former group shall cease and as a part of its new group shall
15 begin the first day of July of the year following such
16 notification to the director of revenue. Once a group A city,
17 town or village becomes a part of group B, such city may not
18 transfer back to group A.

19 8. If any city, town or village shall hereafter change or
20 alter its boundaries, the city clerk of the municipality shall
21 forward to the director of revenue, by registered mail, a
22 certified copy of the ordinance adding or detaching territory
23 from the municipality. The ordinance shall reflect the effective
24 date thereof, and shall be accompanied by a map of the
25 municipality clearly showing the territory added thereto or
26 detached therefrom. Upon receipt of the ordinance and map, the
27 tax imposed by sections 66.600 to 66.630 shall be redistributed
28 and allocated in accordance with the provisions of this section

1 on the effective date of the change of the municipal boundary so
2 that the proper percentage of group B distributable revenue is
3 allocated to the municipality in proportion to any annexed
4 territory. If any area of the unincorporated county elects to
5 incorporate subsequent to the effective date of the county sales
6 tax as set forth in sections 66.600 to 66.630, the newly
7 incorporated municipality shall remain a part of group B. The
8 city clerk of such newly incorporated municipality shall forward
9 to the director of revenue, by registered mail, a certified copy
10 of the incorporation election returns and a map of the
11 municipality clearly showing the boundaries thereof. The
12 certified copy of the incorporation election returns shall
13 reflect the effective date of the incorporation. Upon receipt of
14 the incorporation election returns and map, the tax imposed by
15 sections 66.600 to 66.630 shall be distributed and allocated in
16 accordance with the provisions of this section on the effective
17 date of the incorporation.

18 9. The director of revenue may authorize the state
19 treasurer to make refunds from the amounts in the trust fund and
20 credited to any county for erroneous payments and overpayments
21 made, and may redeem dishonored checks and drafts deposited to
22 the credit of such counties. If any county abolishes the tax,
23 the county shall notify the director of revenue of the action [at
24 least ninety days prior to the effective date of the repeal] and
25 the director of revenue may order retention in the trust fund,
26 for a period of one year, of two percent of the amount collected
27 after receipt of such notice to cover possible refunds or
28 overpayment of the tax and to redeem dishonored checks and drafts

1 deposited to the credit of such accounts. After one year has
2 elapsed after the effective date of abolition of the tax in such
3 county, the director of revenue shall remit the balance in the
4 account to the county and close the account of that county. The
5 director of revenue shall notify each county of each instance of
6 any amount refunded or any check redeemed from receipts due the
7 county.

8 10. Except as modified in sections 66.600 to 66.630, all
9 provisions of sections 32.085 [and] to 32.087 shall apply to the
10 tax imposed under sections 66.600 to 66.630.

11 67.395. 1. All sales taxes collected by the director of
12 revenue under sections 67.391 to 67.395 on behalf of any county[,
13 less one percent for cost of collection which shall be deposited
14 in the state's general revenue fund after payment of premiums for
15 surety bonds as provided in section 32.087] shall be deposited
16 with the state treasurer in a special trust fund, which is hereby
17 created, to be known as the "County Anti-Drug Sales Tax Trust
18 Fund". [The moneys in the county anti-drug sales tax trust fund
19 shall not be deemed to be state funds and shall not be commingled
20 with any funds of the state.] The director of revenue shall keep
21 accurate records of the amount of money in the trust fund which
22 was collected in each county imposing a sales tax under sections
23 67.391 to 67.395, and the records shall be open to the inspection
24 of officers of the county and the public. Not later than the
25 tenth day of each month, the director of revenue shall distribute
26 all moneys deposited in the trust fund during the preceding month
27 to the county which levied the tax. Such funds shall be
28 deposited with the county treasurer of each such county, and all

1 expenditures of funds arising from the county anti-drug sales tax
2 trust fund shall be by an appropriation act to be enacted by the
3 governing body of each such county.

4 2. The director of revenue may authorize the state
5 treasurer to make refunds from the amounts in the trust fund and
6 credited to any county for erroneous payments and overpayments
7 made, and may redeem dishonored checks and drafts deposited to
8 the credit of such counties. If any county abolishes the tax,
9 the county shall notify the director of revenue of the action [at
10 least ninety days prior to the effective date of the repeal] and
11 the director of revenue may order retention in the trust fund,
12 for a period of one year, of two percent of the amount collected
13 after receipt of such notice to cover possible refunds or
14 overpayment of the tax and to redeem dishonored checks and drafts
15 deposited to the credit of such accounts. After one year has
16 elapsed after the effective date of abolition of the tax in such
17 county, the director of revenue shall authorize the state
18 treasurer to remit the balance in the account to the county and
19 close the account of that county. The director of revenue shall
20 notify each county of each instance of any amount refunded or any
21 check redeemed from receipts due the county.

22 3. Except as modified in sections 67.391 to 67.395, all
23 provisions of sections 32.085 [and] to 32.087 shall apply to the
24 tax imposed under sections 67.391 to 67.395.

25 67.525. 1. All county sales taxes collected by the
26 director of revenue under sections 67.500 to 67.545 on behalf of
27 any county[, less one percent for cost of collection, which shall
28 be deposited in the state's general revenue fund after payment of

1 premiums for surety bonds as provided in section 32.087,] shall
2 be deposited with the state treasurer in a county sales tax trust
3 fund, which fund shall be separate and apart from the county
4 sales tax trust fund established by section 66.620. [The moneys
5 in such county sales tax trust fund shall not be deemed to be
6 state funds and shall not be commingled with any funds of the
7 state.] The director of revenue shall keep accurate records of
8 the amount of money in the trust fund which was collected in each
9 county imposing a county sales tax, and the records shall be open
10 to the inspection of officers of the county and to the public.
11 Not later than the tenth day of each month the director of
12 revenue shall distribute all moneys deposited in the trust fund
13 during the preceding month by distributing to the county
14 treasurer, or such other officer as may be designated by the
15 county ordinance or order, of each county imposing the tax
16 authorized by sections 67.500 to 67.545, the sum due the county
17 as certified by the director of revenue.

18 2. The director of revenue may authorize the state
19 treasurer to make refunds from the amounts in the trust fund and
20 credited to any county for erroneous payments and overpayments
21 made, and may redeem dishonored checks and drafts deposited to
22 the credit of such counties. If any county abolishes the tax,
23 the county shall notify the director of revenue of the action [at
24 least ninety days prior to the effective date of the repeal,] and
25 the director of revenue may order retention in the trust fund,
26 for a period of one year, of two percent of the amount collected
27 after receipt of such notice to cover possible refunds or
28 overpayment of the tax and to redeem dishonored checks and drafts

1 deposited to the credit of such accounts. After one year has
2 elapsed after the effective date of abolition of the tax in such
3 county, the director of revenue shall authorize the state
4 treasurer to remit the balance in the account to the county and
5 close the account of that county. The director of revenue shall
6 notify each county of each instance of any amount refunded or any
7 check redeemed from receipts due the county.

8 3. Except as modified in sections 67.500 to 67.545, all
9 provisions of sections 32.085 [and] to 32.087 shall apply to the
10 tax imposed under sections 67.500 to 67.545.

11 67.571. 1. The governing body of any county of the first
12 classification with a population of more than eighty-two thousand
13 inhabitants and less than ninety thousand inhabitants may, in
14 addition to any tourism sales tax imposed pursuant to sections
15 67.671 to 67.685, by a majority vote, impose a sales tax on all
16 retail sales made in the county which are subject to sales tax
17 under chapter 144 for the funding of museums and festivals. For
18 purposes of this section, the term "funding of museums and
19 festivals" shall mean:

20 (1) Funding of museums operating in the county, which are
21 registered with the United States Internal Revenue Service as a
22 501(C)(3) corporation and which are considered by the board to be
23 tourism attractions; and

24 (2) Funding of organizations that are registered as
25 501(C)(3) corporations which promote cultural heritage tourism
26 including festivals and the arts.

27 2. Any question submitted to the voters of such county to
28 establish a sales tax pursuant to this section shall be submitted

1 in substantially the following form:

2 Shall the county of _____ (insert the name of the county)
3 impose a sales tax of _____ (insert rate of percent) percent to
4 be used to fund (museums, cultural heritage, festivals) in
5 certain areas of the county?

6 YES NO

7 3. If a majority of the votes cast on the proposal by the
8 qualified voters voting thereon are in favor of the proposal, and
9 the tax takes effect pursuant to this section, the museums and
10 festivals board appointed pursuant to subsection 5 of this
11 section shall determine in what manner the tax revenue moneys
12 will be expended, and disbursements of these moneys shall be made
13 strictly in accordance with directions of the board which are
14 consistent with the provisions of sections 67.571 to 67.577.
15 Expenditures of these tax moneys may be made for the employment
16 of personnel selected by the board to assist in carrying out the
17 duties of the board, and the board is expressly authorized to
18 employ such personnel. Expenditures of these tax moneys may be
19 made directly to corporations pursuant to subsection 1 of this
20 section. No such tax revenue moneys shall be disbursed to or on
21 behalf of any corporation, organization or entity that is not
22 duly registered with the Internal Revenue Service as a 501(C)(3)
23 organization.

24 4. Any sales tax imposed pursuant to this section shall be
25 imposed at a rate not to exceed two-tenths of one percent on
26 receipts from the sale of certain tangible personal property or
27 taxable services within the county pursuant to sections 67.571 to
28 67.577.

1 5. The governing body of any county which imposes a sales
2 tax pursuant to this section may establish a museums and
3 festivals board for the purpose of expending funds collected from
4 any sales tax submitted and approved by the county's voters
5 pursuant to this section. The board shall be comprised of six
6 members who are appointed by the governing body of the county
7 from a list of candidates supplied by the chair of each of the
8 two major political parties of the county. The board shall be
9 comprised of three members from each of the two political
10 parties. Members shall serve for three-year terms, but of the
11 members first appointed, one shall be appointed for a term of one
12 year, two shall be appointed for a term of two years, and two
13 shall be appointed for a term of three years. Each member shall
14 be a resident of the county from which he or she is appointed.
15 The members of the board shall not receive compensation for
16 service on the board, but shall be reimbursed from the tax
17 revenue money for any reasonable and necessary expenses incurred
18 in service on the board.

19 6. In the area of each county in which a sales tax has been
20 imposed in the manner provided by sections 67.571 to 67.577,
21 every retailer within such area shall add the tax imposed by the
22 provisions of sections 67.571 to 67.577 to his sale price, and
23 this tax shall be a debt of the purchaser to the retailer until
24 paid, and shall be recoverable at law in the same manner as the
25 purchase price.

26 7. In counties imposing a tax under the provisions of
27 sections 67.571 to 67.577, in order to permit sellers required to
28 collect and report the sales tax to collect the amount required

1 to be reported and remitted, but not to change the requirements
2 of reporting or remitting the tax, or to serve as a levy of the
3 tax, and in order to avoid fractions of pennies, the [governing
4 body may authorize the use of a bracket system similar to that]
5 tax shall be calculated as authorized by the provisions of
6 section 144.285[, and notwithstanding the provisions of that
7 section, this new bracket system shall be used where this tax is
8 imposed and shall apply to all taxable transactions].

9 8. Except as modified in this section, all provisions of
10 sections 32.085 to 32.087 shall apply to the tax imposed under
11 this section.

12 67.576. 1. The following provisions shall govern the
13 collection of the tax imposed by the provisions of sections
14 67.571 to 67.577:

15 (1) All applicable provisions contained in sections 144.010
16 to 144.510 governing the state sales tax and section 32.057, the
17 uniform confidentiality provision, shall apply to the collection
18 of the tax imposed by the provisions of sections 67.571 to
19 67.577;

20 (2) All exemptions granted to agencies of government,
21 organizations, and persons under the provisions of sections
22 144.010 to 144.510 are hereby made applicable to the imposition
23 and collection of the tax imposed by sections 67.571 to 67.577.

24 2. The same sales tax permit, exemption certificate and
25 retail certificate required by sections 144.010 to 144.510 for
26 the administration and collection of the state sales tax shall
27 satisfy the requirements of sections 67.571 to 67.577, and no
28 additional permit or exemption certificate or retail certificate

1 shall be required; except that, the director of revenue may
2 prescribe a form of exemption certificate for an exemption from
3 the tax imposed by sections 67.571 to 67.577.

4 3. All discounts allowed the retailer pursuant to the
5 provisions of the state sales tax law for the collection of and
6 for payment of taxes pursuant to that act are hereby allowed and
7 made applicable to any taxes collected pursuant to the provisions
8 of sections 67.571 to 67.577.

9 4. The penalties provided in section 32.057 and sections
10 144.010 to 144.510 for a violation of those acts are hereby made
11 applicable to violations of the provisions of sections 67.571 to
12 67.577.

13 5. [For the purposes of the sales tax imposed by an order
14 pursuant to sections 67.571 to 67.577, all retail sales shall be
15 deemed to be consummated at the place of business of the
16 retailer] Except as provided in sections 67.571 to 67.577, all
17 provisions of sections 32.085 to 32.087 shall apply to the tax
18 imposed under sections 67.571 to 67.577.

19 67.578. 1. The governing authority of any county of the
20 third classification without a township form of government and
21 with more than sixteen thousand four hundred but less than
22 sixteen thousand five hundred inhabitants may impose a sales tax
23 in an amount not to exceed one-fifth of one percent on all retail
24 sales made in the county which are subject to taxation [pursuant
25 to sections 144.010 to 144.525] under chapter 144, to be used
26 solely for the funding of museums. For purposes of this section,
27 the term "museums" means museums operating in the county, which
28 are registered with the United States Internal Revenue Service as

1 a 501(c)(3) corporation and which are considered by the board to
2 be a tourism attraction. The tax authorized by this section
3 shall be in addition to any and all other sales taxes allowed by
4 law, except that no sales tax shall be imposed pursuant to this
5 section unless the governing authority submits to the voters of
6 the county, at a county or state general, primary, or special
7 election, a proposal to authorize the governing authority to
8 impose the tax.

9 2. The ballot of submission shall contain, but need not be
10 limited to, the following language:

11 Shall the county of _____ (insert the name of the county)
12 impose a sales tax of _____ (insert rate of percent) percent for
13 the funding of museums? "Museums" means museums operating in the
14 county, which are registered with the United States Internal
15 Revenue Service as a 501(c)(3) corporation and which are
16 considered by the museum board to be a tourism attraction.

17 YES NO

18
19 If you are in favor of the question, place an "X" in the box
20 opposite "YES". If you are opposed to the question, place an "X"
21 in the box opposite "NO".

22
23 If a majority of the votes cast on the proposal by the qualified
24 voters voting thereon are in favor of the proposal, then the
25 sales tax shall become effective [on the first day of the second
26 calendar quarter after the director of revenue receives notice of
27 the adoption of the tax] as provided by subsection 19 of section
28 32.087. If the proposal receives less than the required majority

1 of votes, then the governing authority shall have no power to
2 impose the tax unless and until the governing authority has again
3 submitted another proposal to authorize the governing authority
4 to impose the sales tax authorized by this section and such
5 proposal is approved by the required majority of the qualified
6 voters voting thereon.

7 3. On or after the effective date of the tax, the director
8 of revenue shall be responsible for the administration,
9 collection, enforcement, and operation of the tax, and sections
10 32.085 [and] to 32.087 shall apply. [The director may retain an
11 amount not to exceed one percent for deposit in the general
12 revenue fund to offset the costs of collection.] In order to
13 permit sellers required to collect and report the sales tax to
14 collect the amount required to be reported and remitted, but not
15 to change the requirements of reporting or remitting the tax, or
16 to serve as a levy of the tax, and in order to avoid fractions of
17 pennies, the [governing authority may authorize the use of a
18 bracket system similar to that] tax shall be calculated as
19 authorized [in] by section 144.285[, and notwithstanding the
20 provisions of that section, this new bracket system shall be used
21 where this tax is imposed and shall apply to all taxable
22 transactions]. Beginning with the effective date of the tax,
23 every retailer in the county shall add the sales tax to the sale
24 price, and this tax shall be a debt of the purchaser to the
25 retailer until paid, and shall be recoverable at law in the same
26 manner as the purchase price. For purposes of this section, all
27 retail sales shall be deemed to be consummated at the place of
28 business of the retailer.

1 4. All applicable provisions in [sections 144.010 to
2 144.525] chapter 144 governing the state sales tax, and section
3 32.057, the uniform confidentiality provision, shall apply to the
4 collection of the tax, and all exemptions granted to agencies of
5 government, organizations, and persons pursuant to sections
6 144.010 to 144.525 are hereby made applicable to the imposition
7 and collection of the tax. The same sales tax permit, exemption
8 certificate, and retail certificate required by sections 144.010
9 to 144.525 for the administration and collection of the state
10 sales tax shall satisfy the requirements of this section, and no
11 additional permit or exemption certificate or retail certificate
12 shall be required; except that, the director of revenue may
13 prescribe a form of exemption certificate for an exemption from
14 the tax. All discounts allowed the retailer pursuant to the
15 state sales tax law for the collection of and for payment of
16 taxes are hereby allowed and made applicable to the tax. The
17 penalties for violations provided in section 32.057 and [sections
18 144.010 to 144.525] chapter 144 are hereby made applicable to
19 violations of this section. If any person is delinquent in the
20 payment of the amount required to be paid pursuant to this
21 section, or in the event a determination has been made against
22 the person for taxes and penalty pursuant to this section, the
23 limitation for bringing suit for the collection of the delinquent
24 tax and penalty shall be the same as that provided in [sections
25 144.010 to 144.525] chapter 144.

26 5. The governing authority may authorize any museum board
27 already existing in the county, or may establish a museum board,
28 to expend revenue collected pursuant to this section. In the

1 event that no museum board already exists, the board established
2 pursuant to this section shall consist of six members who are
3 appointed by the governing authority from a list of candidates
4 supplied by the chair of each of the two major political parties
5 of the county, with three members from each of the two parties.
6 Members shall serve for three-year terms, but of the members
7 first appointed, [one] two shall be appointed for a term of one
8 year, two shall be appointed for a term of two years, and two
9 shall be appointed for a term of three years. Each member shall
10 be a resident of the county. The members shall not receive
11 compensation for service on the board, but shall be reimbursed
12 from the revenues collected pursuant to this section for any
13 reasonable and necessary expenses incurred in service on the
14 board. The board shall determine in what manner the revenues
15 will be expended, and disbursements of these moneys shall be made
16 strictly in accordance with this section. Expenditures may be
17 made for the employment of personnel selected by the board to
18 assist in carrying out the duties of the board, and the board is
19 expressly authorized to employ such personnel.

20 6. The governing authority may submit the question of
21 repeal of the tax to the voters at any county or state general,
22 primary, or special election. The ballot of submission shall
23 contain, but need not be limited to, the following language:

24 Shall the county of _____ (insert name of county) repeal
25 the sales tax of _____ (insert rate of percent) percent for the
26 funding of museums?

27 YES NO

28 If you are in favor of the question, place an "X" in the box

1 opposite "YES". If you are opposed to the question, place an "X"
2 in the box opposite "NO".

3
4 [If a majority of the votes cast on the proposal are in favor of
5 repeal, that repeal shall become effective on December
6 thirty-first of the calendar year in which the repeal was
7 approved.]

8 67.581. 1. In addition to the sales tax permitted by
9 sections 66.600 to 66.630, any county of the first class having a
10 charter form of government and having a population of nine
11 hundred thousand or more may impose an additional countywide
12 sales tax on all retail sales made in the county which are
13 subject to sales tax under chapter 144 upon approval by a vote of
14 the qualified voters of the county. The proposal may be
15 submitted to the voters by the governing body of the county and
16 shall be submitted to the voters at the next general election
17 upon petitions signed by a number of qualified voters residing in
18 the county equal to at least eight percent of the votes cast in
19 the county in the next preceding gubernatorial election filed
20 with the governing body of the county. The submission shall
21 include the levying of a sales tax at a rate of not to exceed two
22 hundred seventy-five one-thousandths of one percent on the
23 receipts from the sale at retail of all tangible personal
24 property or taxable services within the county which are also
25 taxable under the provisions of sections 66.600 to 66.630, and
26 shall provide for the distribution of the proceeds in the manner
27 provided in either subsection 4 or subsection 5 of this section.
28 If either of the alternative distribution systems as provided in

1 subsection 4 or subsection 5 of this section is approved by the
2 voters, then the alternative system of distribution may not be
3 submitted to the voters for at least three years from the date of
4 such voter approval.

5 2. The ballot of submission shall contain, but is not
6 limited to, the following language:

7 Shall the County of _____ levy an additional sales tax at
8 the rate of _____ (insert rate) and distribute the proceeds in
9 the manner provided in _____ (insert proper reference)
10 (subsection 4) (subsection 5) of section 67.581, RSMo?

11 YES NO

12
13 If a majority of the votes cast on the proposal by the qualified
14 voters voting thereon are in favor of the proposal, the
15 additional sales tax shall be levied and collected and the
16 proceeds from the additional tax shall be distributed as provided
17 in either subsection 4 or subsection 5 of this section. If a
18 majority of the votes cast by the qualified voters voting thereon
19 are opposed to the proposal, then the governing body of the
20 county shall have no power to impose the additional sales tax
21 authorized by this section unless and until a proposal for the
22 levy of such tax is submitted to and approved by the voters of
23 the county.

24 3. The provisions of sections 66.600 to 66.630 and
25 sections 32.085 [and] to 32.087, except to the extent otherwise
26 provided in this section, shall govern the levy, collection,
27 distribution and other procedures related to an additional sales
28 tax imposed pursuant to this section.

1 4. In any county adopting an additional sales tax pursuant
2 to the provisions of this section, and selecting the method of
3 distribution provided in this subsection, the proceeds from the
4 sales tax imposed pursuant to this section, less one percent
5 collection cost, shall be distributed first to those
6 municipalities that did not receive during the preceding calendar
7 year ninety-five percent of the amount the municipality would
8 have received by multiplying the population of the municipality
9 by the average per capita sales tax receipt for such county in an
10 amount which will bring each municipality receipt of sales tax
11 moneys up to ninety-five percent of the average per capita
12 receipts from the proceeds of the sales tax imposed pursuant to
13 sections 66.600 to 66.630. Any remainder of the money received
14 from the sales tax imposed pursuant to this section shall be
15 distributed to all municipalities on the ratio that the
16 population of each municipality bears to the total population of
17 the county. The average per capita sales tax distribution shall
18 be calculated by dividing the sum of the total sales tax revenue
19 derived from the tax imposed pursuant to sections 66.600 to
20 66.630 by the total population of the county. Population of each
21 municipality, of the unincorporated area of the county, and the
22 total population of the county shall be determined on the basis
23 of the most recent federal decennial census. For the purposes of
24 this subsection, any city, town, village or the unincorporated
25 area of the county shall be considered a municipality.

26 5. In any county adopting an additional sales tax pursuant
27 to the provisions of this section and selecting the method of
28 distribution provided in this subsection, the proceeds from the

1 sales tax imposed pursuant to this section, less one percent
2 collection cost, shall be distributed to all cities, towns and
3 villages, and the unincorporated areas of the county in group B
4 and to such cities, towns and villages in group A as necessary so
5 that no city, town, or village in group A receives from the
6 combined proceeds of both the sales tax imposed pursuant to this
7 section and the sales tax imposed pursuant to sections 66.600 to
8 66.630, less than the per capita amount received by the cities,
9 towns and villages and the unincorporated area of the county in
10 group B receives from the total proceeds from both sales taxes.

11 6. The governing body of any county which is imposing a
12 sales tax under the provisions of sections 66.600 to 66.630 may
13 on its own motion and shall, upon petitions filed with the
14 governing body of the county signed by a number of qualified
15 voters residing in the county equal to at least eight percent of
16 the votes cast in the county at the next preceding gubernatorial
17 election, submit to the qualified voters of the county a proposal
18 to change the method of distribution of sales tax proceeds from
19 the manner provided in subsection 2 of section 66.620 to the
20 method provided in this subsection. The ballot of submission
21 shall be in substantially the following form:

22 Shall the proceeds from the county sales tax be distributed
23 among the county of _____ and the various cities, towns and
24 villages therein in the manner provided in subdivisions (1) and
25 (2) of subsection 6 of section 67.581, RSMo, in lieu of the
26 present manner of distribution?

27 YES NO

1 If a majority of the votes cast on the proposal by the qualified
2 voters of the county voting thereon are in favor of the proposal,
3 the sales tax imposed by the county under the provisions of
4 sections 66.600 to 66.630 shall be distributed in the manner
5 provided in this subsection and not in the manner provided in
6 subsection 2 of section 66.620. If a majority of the votes cast
7 by the qualified voters of the county voting thereon are opposed
8 to the proposal, then the governing body of the county shall have
9 no power to order the proceeds from the sales tax imposed
10 pursuant to the provisions of sections 66.600 to 66.630 in the
11 manner provided in this subsection in lieu of the method provided
12 in subsection 2 of section 66.620, unless and until a proposal
13 authorizing such method of distribution is submitted to and
14 approved by the voters of the county. If the voters approve the
15 change in the method of distribution of the sales tax proceeds in
16 the manner provided in this subsection, the county clerk of the
17 county shall notify the director of revenue of the change in the
18 method of distribution within ten days after adoption of the
19 proposal and shall inform the director of the effective date of
20 the change in the method of distribution, which shall be on the
21 first day of the third calendar quarter after the director of
22 revenue receives notice. After the effective date of the change
23 in the manner of distribution, the director of revenue shall
24 distribute the proceeds of the sales tax imposed by such county
25 under the provisions of sections 66.600 to 66.630 in the manner
26 provided in this subsection in lieu of the manner of distribution
27 provided in subsection 2 of section 66.620. The proceeds of the
28 sales tax imposed under the provisions of sections 66.600 to

1 66.630 in any county which elects to have the proceeds
2 distributed in the manner provided in this subsection shall be
3 distributed in the following manner:

4 (1) The proceeds from the sales taxes shall be distributed
5 to the cities, towns and villages in group A and to the cities,
6 towns and villages, and the county in group B as defined in
7 section 66.620 in the manner provided in subsection 2 of section
8 66.620, until an amount equal to the total amount distributed
9 under section 66.620 for the twelve-month period immediately
10 preceding the effective date of the tax levied pursuant to the
11 provisions of this section has been distributed;

12 (2) All moneys received in excess of the total amount
13 distributed under section 66.620 for the twelve-month period
14 immediately preceding the effective date of the tax levied
15 pursuant to the provisions of this section shall be distributed
16 to all cities, towns and villages and to the county on the basis
17 that the population of each city, town or village, and in the
18 case of the county the basis that the population of the
19 unincorporated area of the county, bears to the total population
20 of the county. The average per capita sales tax distribution
21 shall be calculated by dividing the sum of the remaining amount
22 of the total sales tax revenues by the total population of the
23 county. Population of each city, town or village, of the
24 unincorporated area of the county, and the total population of
25 the county shall be determined on the basis of the most recent
26 federal decennial census.

27 7. No municipality incorporated after the adoption of the
28 tax authorized by this section shall be included as other than

1 part of the unincorporated area of the county nor receive any
2 share of either the proceeds from the tax levied pursuant to the
3 provisions of this section or the tax levied pursuant to the
4 provisions of sections 66.600 to 66.630 unless, at the time of
5 incorporation, such municipality had a population of ten thousand
6 or more.

7 8. The county sales tax imposed pursuant to this section on
8 the purchase and sale of motor vehicles shall not be collected
9 and remitted by the seller, but shall be collected by the
10 director of revenue at the time application is made for a
11 certificate of title, if the address of the applicant is within
12 the county imposing the additional sales tax. [The amounts so
13 collected, less one percent collection cost, shall be deposited
14 in the county sales tax trust fund to be distributed in
15 accordance with section 66.620. The purchase or sale of motor
16 vehicles shall be deemed to be consummated at the address of the
17 applicant for a certificate of title.]

18 9. No tax shall be imposed pursuant to this section for the
19 purpose of funding in whole or in part the construction,
20 operation or maintenance of a sports stadium, field house, indoor
21 or outdoor recreational facility, center, playing field, parking
22 facility or anything incidental or necessary to a complex
23 suitable for any type of professional sport, either upon, above
24 or below the ground.

25 10. The director of revenue may authorize the state
26 treasurer to make refunds from the amounts in the trust fund and
27 credited to any county for erroneous payments and overpayments
28 made, and may redeem dishonored checks and drafts deposited to

1 the credit of such counties. If any county abolishes the tax,
2 the county shall notify the director of revenue of the action [at
3 least ninety days prior to the effective date of the repeal] and
4 the director of revenue may order retention in the trust fund,
5 for a period of one year, of two percent of the amount collected
6 after receipt of such notice to cover possible refunds or
7 overpayment of the tax and to redeem dishonored checks and drafts
8 deposited to the credit of such accounts. After one year has
9 elapsed after the effective date of abolition of the tax in such
10 county, the director of revenue shall remit the balance in the
11 account to the county and close the account of that county. The
12 director of revenue shall notify each county of each instance of
13 any amount refunded or any check redeemed from receipts due the
14 county.

15 67.582. 1. The governing body of any county, except a
16 county of the first class with a charter form of government with
17 a population of greater than four hundred thousand inhabitants,
18 is hereby authorized to impose, by ordinance or order, a sales
19 tax in the amount of up to one-half of one percent on all retail
20 sales made in such county which are subject to taxation under
21 [the provisions of sections 144.010 to 144.525] chapter 144 for
22 the purpose of providing law enforcement services for such
23 county. The tax authorized by this section shall be in addition
24 to any and all other sales taxes allowed by law, except that no
25 ordinance or order imposing a sales tax under the provisions of
26 this section shall be effective unless the governing body of the
27 county submits to the voters of the county, at a county or state
28 general, primary or special election, a proposal to authorize the

1 governing body of the county to impose a tax.

2 2. The ballot of submission shall contain, but need not be
3 limited to, the following language:

4 (1) If the proposal submitted involves only authorization
5 to impose the tax authorized by this section the ballot shall
6 contain substantially the following:

7 Shall the county of _____ (county's name) impose a
8 countywide sales tax of _____ (insert amount) for the purpose of
9 providing law enforcement services for the county?

10 YES NO

11
12 If you are in favor of the question, place an "X" in the box
13 opposite "YES". If you are opposed to the question, place an "X"
14 in the box opposite "NO"; or

15 (2) If the proposal submitted involves authorization to
16 enter into agreements to form a regional jail district and
17 obligates the county to make payments from the tax authorized by
18 this section the ballot shall contain substantially the
19 following:

20 Shall the county of _____ (county's name) be authorized to
21 enter into agreements for the purpose of forming a regional jail
22 district and obligating the county to impose a countywide sales
23 tax of _____ (insert amount) to fund _____ dollars of the costs
24 to construct a regional jail and to fund the costs to operate a
25 regional jail, with any funds in excess of that necessary to
26 construct and operate such jail to be used for law enforcement
27 purposes?

28 YES NO

1 If you are in favor of the question, place an "X" in the box
2 opposite "YES". If you are opposed to the question, place an "X"
3 in the box opposite "NO".

4
5 If a majority of the votes cast on the proposal by the qualified
6 voters voting thereon are in favor of the proposal submitted
7 pursuant to subdivision (1) of this subsection, then the
8 ordinance or order and any amendments thereto shall be in effect
9 [on the first day of the second quarter immediately following the
10 election approving the proposal] as provided by subsection 19 of
11 section 32.087. If the constitutionally required percentage of
12 the voters voting thereon are in favor of the proposal submitted
13 pursuant to subdivision (2) of this subsection, then the
14 ordinance or order and any amendments thereto shall be in effect
15 [on the first day of the second quarter immediately following the
16 election approving the proposal] as provided by subsection 19 of
17 section 32.087. If a proposal receives less than the required
18 majority, then the governing body of the county shall have no
19 power to impose the sales tax herein authorized unless and until
20 the governing body of the county shall again have submitted
21 another proposal to authorize the governing body of the county to
22 impose the sales tax authorized by this section and such proposal
23 is approved by the required majority of the qualified voters
24 voting thereon. However, in no event shall a proposal pursuant
25 to this section be submitted to the voters sooner than twelve
26 months from the date of the last proposal pursuant to this
27 section.

28 3. All revenue received by a county from the tax authorized

1 under the provisions of this section shall be deposited in a
2 special trust fund and shall be used solely for providing law
3 enforcement services for such county for so long as the tax shall
4 remain in effect. Revenue placed in the special trust fund may
5 also be utilized for capital improvement projects for law
6 enforcement facilities and for the payment of any interest and
7 principal on bonds issued for said capital improvement projects.

8 4. Once the tax authorized by this section is abolished or
9 is terminated by any means, all funds remaining in the special
10 trust fund shall be used solely for providing law enforcement
11 services for the county. Any funds in such special trust fund
12 which are not needed for current expenditures may be invested by
13 the governing body in accordance with applicable laws relating to
14 the investment of other county funds.

15 5. All sales taxes collected by the director of revenue
16 under this section on behalf of any county[, less one percent for
17 cost of collection which shall be deposited in the state's
18 general revenue fund after payment of premiums for surety bonds
19 as provided in section 32.087,] shall be deposited in a special
20 trust fund, which is hereby created, to be known as the "County
21 Law Enforcement Sales Tax Trust Fund". [The moneys in the county
22 law enforcement sales tax trust fund shall not be deemed to be
23 state funds and shall not be commingled with any funds of the
24 state.] The director of revenue shall keep accurate records of
25 the amount of money in the trust and which was collected in each
26 county imposing a sales tax under this section, and the records
27 shall be open to the inspection of officers of the county and the
28 public. Not later than the tenth day of each month the director

1 of revenue shall distribute all moneys deposited in the trust
2 fund during the preceding month to the county which levied the
3 tax; such funds shall be deposited with the county treasurer of
4 each such county, and all expenditures of funds arising from the
5 county law enforcement sales tax trust fund shall be by an
6 appropriation act to be enacted by the governing body of each
7 such county. Expenditures may be made from the fund for any law
8 enforcement functions authorized in the ordinance or order
9 adopted by the governing body submitting the law enforcement tax
10 to the voters.

11 6. The director of revenue may authorize the state
12 treasurer to make refunds from the amounts in the trust fund and
13 credited to any county for erroneous payments and overpayments
14 made, and may redeem dishonored checks and drafts deposited to
15 the credit of such counties. If any county abolishes the tax,
16 the repeal of such tax shall become effective as provided in
17 subsection 19 of section 32.087. The county shall notify the
18 director of revenue of the action [at least ninety days prior to
19 the effective date of the repeal] and the director of revenue may
20 order retention in the trust fund, for a period of one year, of
21 two percent of the amount collected after receipt of such notice
22 to cover possible refunds or overpayment of the tax and to redeem
23 dishonored checks and drafts deposited to the credit of such
24 accounts. After one year has elapsed after the effective date of
25 abolition of the tax in such county, the director of revenue
26 shall remit the balance in the account to the county and close
27 the account of that county. The director of revenue shall notify
28 each county of each instance of any amount refunded or any check

1 redeemed from receipts due the county.

2 7. Except as modified in this section, all provisions of
3 sections 32.085 [and] to 32.087 shall apply to the tax imposed
4 under this section.

5 67.583. 1. The governing body of any county of the second
6 class with a population of more than forty thousand but less than
7 sixty thousand and which contains institutions operated by the
8 department of corrections and by the department of mental health
9 is hereby authorized to impose, by ordinance or order, a sales
10 tax in the amount of one-eighth of one percent on all retail
11 sales made in such county which are subject to taxation under
12 [the provisions of sections 144.010 to 144.525] chapter 144. The
13 tax authorized by this section shall be in addition to any and
14 all other sales taxes allowed by law; provided, however, that no
15 ordinance or order imposing a sales tax under the provisions of
16 this section shall be effective unless the governing body of the
17 county submits to the voters of the county, at a county or state
18 general, primary or special election, a proposal to authorize the
19 governing body of the county to impose a tax.

20 2. The ballot of submission shall contain, but need not be
21 limited to, the following language:

22 Shall the county of _____ (county's name) impose a
23 countywide sales tax of _____ (insert amount) for the purpose of
24 providing retirement and health care benefits for county
25 employees and their dependents?

26 YES NO

27 If you are in favor of the question, place an "X" in the box
28 opposite "YES". If you are opposed to the question, place an "X"

1 in the box opposite "NO".

2

3 If a majority of the votes cast on the proposal by the qualified
4 voters voting thereon are in favor of the proposal, then the
5 ordinance or order and any amendments thereto shall be in effect
6 as provided in subsection 19 of section 32.087. If a majority of
7 the votes cast by the qualified voters voting are opposed to the
8 proposal, then the governing body of the county shall have no
9 power to impose the sales tax herein authorized unless and until
10 the governing body of the county shall again have submitted
11 another proposal to authorize the governing body of the county to
12 impose the sales tax authorized by this section and such proposal
13 is approved by a majority of the qualified voters voting thereon.
14 However, in no event shall a proposal pursuant to this section be
15 submitted to the voters sooner than twelve months from the date
16 of the last proposal pursuant to this section.

17 3. All revenue received by a county from the tax authorized
18 under the provisions of this section shall be deposited in a
19 special trust fund and shall be used solely for providing
20 retirement and health care benefits for county employees and
21 their dependents.

22 4. All sales taxes collected by the director of revenue
23 under this section on behalf of any county[, less one percent for
24 cost of collection which shall be deposited in the state's
25 general revenue fund after payment of premiums for surety bonds
26 as provided in section 32.087,] shall be deposited in a special
27 trust fund, which is hereby created, to be known as the "County
28 Employee Benefit Sales Tax Trust Fund". [The moneys in the

1 county employee benefit sales tax trust fund shall not be deemed
2 to be state funds and shall not be commingled with any funds of
3 the state.] The director of revenue shall keep accurate records
4 of the amount of money in the trust and which was collected in
5 each county imposing a sales tax under this section, and the
6 records shall be open to the inspection of officers of the county
7 and the public. Not later than the tenth day of each month, the
8 director of revenue shall distribute all moneys deposited in the
9 trust fund during the preceding month to the county which levied
10 the tax. Such funds shall be deposited with the county treasurer
11 of each such county, and all expenditures of funds arising from
12 the county employee benefit sales tax trust fund shall be for the
13 provision of retirement benefits or health care benefits for
14 employees of the county and their dependents and for no other
15 purpose.

16 5. The director of revenue may authorize the state
17 treasurer to make refunds from the amounts in the trust fund and
18 credited to any county for erroneous payments and overpayments
19 made and may redeem dishonored checks and drafts deposited to the
20 credit of such counties. If any county abolishes the tax, the
21 county shall notify the director of revenue of the action [at
22 least ninety days prior to the effective date of the repeal] and
23 the director of revenue may order retention in the trust fund,
24 for a period of one year, of two percent of the amount collected
25 after receipt of such notice to cover possible refunds or
26 overpayment of the tax and to redeem dishonored checks and drafts
27 deposited to the credit of such accounts. After one year has
28 elapsed after the effective date of abolition of the tax in such

1 county, the director of revenue shall remit the balance in the
2 account to the county and close the account of that county. The
3 director of revenue shall notify each county of each instance of
4 any amount refunded or any check redeemed from receipts due the
5 county.

6 6. Except as modified in this section, all provisions of
7 sections 32.085 [and] to 32.087 shall apply to the tax imposed
8 under this section.

9 67.584. 1. The governing body of any county of the first
10 classification with more than one hundred ninety-eight thousand
11 but less than one hundred ninety-eight thousand two hundred
12 inhabitants is hereby authorized to impose, by ordinance or
13 order, a sales tax in the amount of up to one-half percent on all
14 retail sales made in such county which are subject to taxation
15 [pursuant to sections 144.010 to 144.525] under chapter 144 for
16 the purpose of providing law enforcement services for such
17 county. The tax authorized by this section shall be in addition
18 to any and all other sales taxes allowed by law, except that no
19 ordinance or order imposing a sales tax pursuant to this section
20 shall be effective unless the governing body of the county
21 submits to the voters of the county, at a county or state
22 general, primary, or special election, a proposal to authorize
23 the governing body of the county to impose a tax.

24 2. If the proposal submitted involves only authorization to
25 impose the tax authorized by this section, the ballot of
26 submission shall contain, but need not be limited to, the
27 following language:

28 Shall the county of _____ (county's name) impose a

1 countywide sales tax of _____ (insert amount) for the purpose of
2 providing law enforcement services for the county?

3 YES NO

4
5 If you are in favor of the question, place an "X" in the box
6 opposite "YES". If you are opposed to the question, place an "X"
7 in the box opposite "NO".

8
9 If a majority of the votes cast on the proposal by the qualified
10 voters voting thereon are in favor of the proposal submitted
11 pursuant to this subsection, then the ordinance or order and any
12 amendments thereto shall be in effect [on the first day of the
13 second quarter immediately following the election approving the
14 proposal] as provided by subsection 19 of section 32.087. If a
15 proposal receives less than the required majority, then the
16 governing body of the county shall have no power to impose the
17 sales tax herein authorized unless and until the governing body
18 of the county shall again have submitted another proposal to
19 authorize the governing body of the county to impose the sales
20 tax authorized by this section and such proposal is approved by
21 the required majority of the qualified voters voting thereon.
22 However, in no event shall a proposal pursuant to this section be
23 submitted to the voters sooner than twelve months from the date
24 of the last proposal pursuant to this section.

25 3. Twenty-five percent of the revenue received by a county
26 treasurer from the tax authorized pursuant to this section shall
27 be deposited in a special trust fund and shall be used solely by
28 a prosecuting attorney's office for such county for so long as

1 the tax shall remain in effect. The remainder of revenue shall
2 be deposited in the county law enforcement sales tax trust fund
3 established pursuant to section 67.582 of the county levying the
4 tax pursuant to this section. The revenue derived from the tax
5 imposed pursuant to this section shall be used for public law
6 enforcement services only. No revenue derived from the tax
7 imposed pursuant to this section shall be used for any private
8 contractor providing law enforcement services or for any private
9 jail.

10 4. Once the tax authorized by this section is abolished or
11 is terminated by any means, all funds remaining in the
12 prosecuting attorney's trust fund shall be used solely by a
13 prosecuting attorney's office for the county. Any funds in such
14 special trust fund which are not needed for current expenditures
15 may be invested by the governing body in accordance with
16 applicable laws relating to the investment of other county funds.

17 5. All sales taxes collected by the director of revenue
18 pursuant to this section on behalf of any county[, less one
19 percent for cost of collection which shall be deposited in the
20 state's general revenue fund after payment of premiums for surety
21 bonds as provided in section 32.087,] shall be deposited in a
22 special trust fund, which is hereby created, to be known as the
23 "County Prosecuting Attorney's Office Sales Tax Trust Fund" or in
24 the county law enforcement sales tax trust fund, pursuant to the
25 deposit ratio in subsection 3 of this section. [The moneys in
26 the trust funds shall not be deemed to be state funds and shall
27 not be commingled with any funds of the state.] The director of
28 revenue shall keep accurate records of the amount of money in the

1 trusts and which was collected in each county imposing a sales
2 tax pursuant to this section, and the records shall be open to
3 the inspection of officers of the county and the public. Not
4 later than the tenth day of each month the director of revenue
5 shall distribute all moneys deposited in the trust funds during
6 the preceding month to the county which levied the tax; such
7 funds shall be deposited with the county treasurer of each such
8 county, and all expenditures of funds arising from either trust
9 fund shall be by an appropriation act to be enacted by the
10 governing body of each such county. Expenditures may be made
11 from the funds for any functions authorized in the ordinance or
12 order adopted by the governing body submitting the tax to the
13 voters.

14 6. The director of revenue may authorize the state
15 treasurer to make refunds from the amounts in the trust funds and
16 credited to any county for erroneous payments and overpayments
17 made, and may redeem dishonored checks and drafts deposited to
18 the credit of such counties. If any county abolishes the tax,
19 the repeal of such tax shall become effective as provided in
20 subsection 19 of section 32.087. The county shall notify the
21 director of revenue of the action [at least ninety days before
22 the effective date of the repeal] and the director of revenue may
23 order retention in the appropriate trust fund, for a period of
24 one year, of two percent of the amount collected after receipt of
25 such notice to cover possible refunds or overpayments of the tax
26 and to redeem dishonored checks and drafts deposited to the
27 credit of such accounts. After one year has elapsed after the
28 effective date of abolition of the tax in such county, the

1 director of revenue shall remit the balance in the account to the
2 county and close the account of that county established pursuant
3 to this section. The director of revenue shall notify each
4 county of each instance of any amount refunded or any check
5 redeemed from receipts due the county.

6 7. Except as modified in this section, all provisions of
7 sections 32.085 [and] to 32.087 shall apply to the tax imposed
8 pursuant to this section.

9 67.712. 1. All sales taxes collected by the director of
10 revenue under sections 67.700 to 67.727 on behalf of any county[,
11 less one percent for the cost of collection, which shall be
12 deposited in the state's general revenue fund after payment of
13 premiums for surety bonds as provided in section 32.087,] shall
14 be deposited with the state treasurer in a special trust fund,
15 which is hereby created, to be known as the "County Alternate
16 Sales Tax Trust Fund". [The moneys in the county alternate sales
17 tax trust fund shall not be deemed to be state funds and shall
18 not be commingled with any funds of the state.] The director of
19 revenue shall keep accurate records of the amount of money in the
20 trust fund which was collected in each county imposing a sales
21 tax under sections 67.700 to 67.727, and the records shall be
22 open to the inspection of officers of each county and the general
23 public. Not later than the tenth day of each month the director
24 of revenue shall distribute all moneys deposited in the trust
25 fund during the preceding month by distributing to the county
26 treasurer, or such other officer as may be designated by the
27 county ordinance or order, of each county imposing the tax
28 authorized by sections 67.700 to 67.727, the sum, as certified by

1 the director of revenue, due the county.

2 2. The director of revenue may authorize the state
3 treasurer to make refunds from the amounts in the trust fund and
4 credited to any county for erroneous payments and overpayments
5 made, and may redeem dishonored checks and drafts deposited to
6 the credit of such counties. If any county repeals the tax
7 authorized by sections 67.700 to 67.727, the county shall notify
8 the director of revenue of the action [at least ninety days]
9 prior to the effective date of the repeal and the repeal shall be
10 effective as provided by subsection 19 of section 32.087. The
11 director of revenue may order retention in the trust fund, for a
12 period of one year, of two percent of the amount collected after
13 receipt of such notice to cover possible refunds or overpayment
14 of such tax and to redeem dishonored checks and drafts deposited
15 to the credit of such accounts. After one year has elapsed after
16 the effective date of repeal of the tax authorized by sections
17 67.700 to 67.727 in such county, the director of revenue shall
18 authorize the state treasurer to remit the balance in the account
19 to the county and close the account of that county. The director
20 of revenue shall notify each county of each instance of any
21 amount refunded or any check redeemed from receipts due the
22 county.

23 3. Except as modified in sections 67.700 to 67.727, all
24 provisions of sections 32.085 [and] to 32.087 shall apply to the
25 tax imposed under sections 67.700 to 67.727.

26 67.713. 1. Notwithstanding the provisions of section
27 67.712, as to the disposition of any other sales tax imposed
28 under the provisions of sections 67.700 to 67.727, one-fifth of

1 the sales taxes collected by the director of revenue from the tax
2 authorized by section 67.701 on behalf of any county of the first
3 class having a charter form of government and having a population
4 of nine hundred thousand or more[, less one percent for cost of
5 collection, which shall be deposited in the state's general
6 revenue fund after payment of premiums for surety bonds as
7 provided in sections 67.700 to 67.727,] shall be deposited in a
8 special trust fund, which is hereby created, to be known as the
9 "County-Municipal Storm Water and Public Works Sales Tax Trust
10 Fund". [The moneys in the county-municipal storm water and
11 public works sales tax trust fund shall not be deemed to be state
12 funds and shall not be commingled with any funds of the state.]
13 The director of revenue shall keep accurate records of the amount
14 of money in the trust fund which was collected in each county and
15 the records shall be open to the inspection of officers of the
16 county and of the municipalities within the county and the
17 public. Not later than the tenth day of each month, the director
18 of the department of revenue shall distribute all moneys
19 deposited in the county-municipal storm water and public works
20 sales tax trust fund during the preceding month to the county
21 which levied the tax, and the municipalities which are located
22 wholly or partially within such county as follows:

23 (1) The county which levied the sales tax shall receive a
24 percentage of the distributable revenue equal to the percentage
25 ratio that the population of the unincorporated areas of the
26 county bears to the total population of the county;

27 (2) Each municipality located wholly within the county
28 which levied the tax shall receive a percentage of the

1 distributable revenue equal to the percentage ratio that the
2 population of such municipality bears to the total population of
3 the county; and

4 (3) Each municipality located partially within the county
5 which levied the tax shall receive a percentage of the
6 distributable revenue equal to the percentage ratio that the
7 population of that part of the municipality located within the
8 county bears to the total population of the county.

9 2. The director of revenue may make refunds from the
10 amounts in the county-municipal storm water and public works
11 sales tax trust fund and credited to any county or municipality
12 for erroneous payments and overpayments made, and may redeem
13 dishonored checks and drafts deposited to the credit of such
14 county or municipality. If any county abolishes the tax, the
15 county shall notify the director of revenue of the action [at
16 least ninety days] prior to the effective date of the repeal and
17 the repeal shall be effective as provided by subsection 19 of
18 section 32.087. The director of revenue may order retention in
19 the county-municipal storm water and public works sales tax trust
20 fund, for a period of one year, of two percent of the amount
21 collected after receipt of such notice to cover possible refunds
22 or overpayment of the tax and to redeem dishonored checks and
23 drafts deposited to the credit of such accounts. After one year
24 has elapsed after the effective date of abolition of the tax in
25 such county, the director of revenue shall remit the balance in
26 the account to the county or municipality and close the account
27 of that county or municipality. The director of revenue shall
28 notify each county or municipality of each instance of any amount

1 refunded or any check redeemed from receipts due the county or
2 municipality.

3 3. If the governing body of any municipality located wholly
4 or partially within the county so requests by resolution, no
5 funds shall be expended from the proceeds of any tax imposed
6 under section 67.701 within the corporate boundaries of the
7 requesting municipality for the construction, reconstruction or
8 widening of any road established or to be established pursuant to
9 section 137.558, the total cost of which exceeds one hundred
10 thousand dollars unless: (a) a public hearing is first held at a
11 place near such proposed action; and (b) plans and specifications
12 of such proposed action are prepared and a cost-benefit analysis
13 prepared in accordance with accepted accounting principles of
14 such proposed action is presented to such public hearing. Such
15 cost-benefit analysis and its work papers shall be a public
16 document and subject to inspection as provided in chapter 610.
17 The provisions of this subsection shall not apply to proposed
18 projects in unincorporated areas of the county.

19 67.729. 1. Any county except any first class county having
20 a charter form of government and having a population of nine
21 hundred thousand or more may, in the same manner and by the same
22 procedure and subject to the same penalties as set out in
23 sections 67.700 to 67.727, impose a sales tax of not more than
24 one-tenth of one percent on all retail sales made in the county
25 which are subject to sales tax under chapter 144 for the purpose
26 of funding storm water control and public works projects other
27 than stadiums or other sports facilities. This sales tax shall
28 be in addition to any other sales tax authorized by law.

1 2. Notwithstanding the provisions of section 67.712 as to
2 the disposition of any other sales tax imposed under the
3 provisions of sections 67.700 to 67.727, all sales taxes
4 collected by the director of revenue from the tax authorized by
5 this section on behalf of any county[, less one percent for cost
6 of collection, which shall be deposited in the state's general
7 revenue fund after payment of premiums for surety bonds as
8 provided in section 32.087,] shall be deposited with the state
9 treasurer in a special trust fund, which is hereby created, to be
10 known as the "County Storm Water and Public Works Sales Tax Trust
11 Fund". [The moneys in the county storm water and public works
12 sales tax trust fund shall not be deemed to be state funds and
13 shall not be commingled with any funds of the state.] The
14 director of revenue shall keep accurate records of the amount of
15 money in the trust fund which was collected in each county
16 imposing a sales tax under this section and the records shall be
17 open to the inspection of officers of the county and the public.
18 Not later than the tenth day of each month the director of
19 revenue shall distribute all moneys deposited in the county storm
20 water and public works sales tax trust fund during the preceding
21 month to the county which levied the tax, and the municipalities
22 which are located wholly or partially within such county as
23 follows:

24 (1) The county which levied the sales tax shall receive a
25 percentage of the distributable revenue equal to the percentage
26 ratio that the population of the unincorporated areas of the
27 county bears to the total population of the county;

28 (2) Each municipality located wholly within the county

1 which levied the tax shall receive a percentage of the
2 distributable revenue equal to the percentage ratio that the
3 population of such municipality bears to the total population of
4 the county; and

5 (3) Each municipality located partially within the county
6 which levied the tax shall receive a percentage of the
7 distributable revenue equal to the percentage ratio that the
8 population of that part of the municipality located within the
9 county bears to the total population of the county.

10 3. The director of revenue may authorize the state
11 treasurer to make refunds from the amounts in the county storm
12 water and public works sales tax trust fund and credited to any
13 county for erroneous payments and overpayments made, and may
14 redeem dishonored checks and drafts deposited to the credit of
15 such counties. If any county abolishes the tax, the county shall
16 notify the director of revenue of the action [at least ninety
17 days] prior to the effective date of the repeal and the repeal
18 shall be effective as provided by subsection 19 of section
19 32.087. The director of revenue may order retention in the
20 county storm water and public works sales tax trust fund, for a
21 period of one year, of two percent of the amount collected after
22 receipt of such notice to cover possible refunds or overpayment
23 of the tax and to redeem dishonored checks and drafts deposited
24 to the credit of such accounts. After one year has elapsed after
25 the effective date of abolition of the tax in such county, the
26 director of revenue shall authorize the state treasurer to remit
27 the balance in the account to the county and close the account of
28 that county. The director of revenue shall notify each county of

1 each instance of any amount refunded or any check redeemed from
2 receipts due the county.

3 4. Except as modified in this section, all provisions of
4 sections 32.085 to 32.087 shall apply to the tax imposed under
5 this section.

6 67.737. Except as modified in sections 67.730 to 67.739,
7 all provisions of sections 32.085 [and] to 32.087 shall apply to
8 the tax imposed under sections 67.730 to 67.739.

9 67.738. 1. All sales taxes collected by the director of
10 revenue under sections 67.730 to 67.739 on behalf of any county[,
11 less one percent for the cost of collection, which shall be
12 deposited in the state's general revenue fund after payment of
13 premiums for surety bonds as provided in section 32.087,] shall
14 be deposited with the state treasurer in a special trust fund,
15 which is hereby created, to be known as the "County Capital
16 Improvement Bond Sales Tax Trust Fund". [The moneys in the
17 county capital improvement bond sales tax trust fund shall not be
18 deemed to be state funds and shall not be commingled with any
19 funds of the state.] The director of revenue shall keep accurate
20 records of the amount of money in the trust fund which was
21 collected in each county imposing a sales tax under sections
22 67.730 to 67.739, and the records shall be open to the inspection
23 of officers of each county and the general public. Not later
24 than the tenth day of each month the director of revenue shall
25 distribute all moneys deposited in the trust fund during the
26 preceding month by distributing to the county treasurer, or such
27 other officer as may be designated by the county ordinance or
28 order, of each county imposing the tax authorized by sections

1 67.730 to 67.739, the sum, as certified by the director of
2 revenue, due the county.

3 2. The director of revenue may authorize the state
4 treasurer to make refund from the amounts in the trust fund and
5 credited to any county for erroneous payments and overpayments
6 made, and may redeem dishonored checks and drafts deposited to
7 the credit of such counties. If any county repeals the tax
8 authorized by sections 67.730 to 67.739, the county shall notify
9 the director of revenue of the action [at least ninety days]
10 prior to the effective date of the repeal or expiration and the
11 repeal shall be effective as provided by subsection 19 of section
12 32.087. The director of revenue may order retention in the trust
13 fund, for a period of one year, of two percent of the amount
14 collected after receipt of such notice to cover possible refunds
15 or overpayment of such tax and to redeem dishonored checks and
16 drafts deposited to the credit of such accounts. After one year
17 has elapsed after the effective date of repeal or expiration of
18 the tax authorized by sections 67.730 to 67.739 in such county,
19 the director of revenue shall remit the balance in the account to
20 the county and close the account of that county. The director of
21 revenue shall notify each county of each instance of any amount
22 refunded or any check redeemed from receipts due the county.

23 67.745. 1. Any county of the third classification without
24 a township form of government and with more than eleven thousand
25 seven hundred fifty but fewer than eleven thousand eight hundred
26 fifty inhabitants may impose a sales tax throughout the county on
27 all retail sales made in the county which are subject to sales
28 tax under chapter 144 for public recreational projects and

1 programs, but the sales tax authorized by this section shall not
2 become effective unless the governing body of such county submits
3 to the qualified voters of the county a proposal to authorize the
4 county to impose the sales tax.

5 2. The ballot submission shall be in substantially the
6 following form:

7 Shall the County of _____ impose a sales tax of up to one
8 percent for the purpose of funding the financing, acquisition,
9 construction, operation, and maintenance of recreational projects
10 and programs, including the acquisition of land for such
11 purposes?

12 YES NO

13 3. If approved by a majority of qualified voters voting on
14 the issue in the county, the governing body of the county shall
15 appoint a board of directors consisting of nine members. Of the
16 initial members appointed to the board, three members shall be
17 appointed for a term of three years, three members shall be
18 appointed for a term of two years, and three members shall be
19 appointed for a term of one year. After the initial
20 appointments, board members shall be appointed to three-year
21 terms.

22 4. The sales tax may be imposed at a rate of up to one
23 percent on the receipts from the retail sale of all tangible
24 personal property or taxable service within the county[, if such
25 property and services are subject to taxation by the state of
26 Missouri under sections 144.010 to 144.525].

27 5. All revenue collected from the sales tax under this
28 section by the director of revenue on behalf of a county[, less

1 one percent for the cost of collection which shall be deposited
2 in the state's general revenue fund after payment of premiums for
3 surety bonds as provided in section 32.087,] shall be deposited
4 with the state treasurer in a special trust fund, which is hereby
5 created, to be known as the "County Recreation Sales Trust Fund".
6 [Moneys in the fund shall not be deemed to be state funds and
7 shall not be commingled with any funds of the state.] The
8 director of revenue shall keep accurate records of the amount of
9 money in the trust fund collected in each county imposing a sales
10 tax under this section, and the records shall be open to the
11 inspection of officers of such county and the general public.
12 Not later than the tenth day of each calendar month, the director
13 of revenue shall distribute all moneys deposited in the trust
14 fund during the preceding calendar month by distributing to the
15 county treasurer, or such officer as may be designated by county
16 ordinance or order, of each county imposing the tax under this
17 section the sum due the county as certified by the director of
18 revenue.

19 6. The director of revenue may authorize the state
20 treasurer to make refunds from the amounts in the trust fund and
21 credited to any county for erroneous payments and overpayments
22 made, and may redeem dishonored checks and drafts deposited to
23 the credit of such counties. Each county shall notify the
24 director of revenue [at least ninety days] prior to the effective
25 date of the expiration of the sales tax authorized by this
26 section and the repeal shall be effective as provided by
27 subsection 19 of section 32.087. The director of revenue may
28 order retention in the trust fund for a period of one year of two

1 percent of the amount collected after receipt of such notice to
2 cover possible refunds or overpayments of such tax and to redeem
3 dishonored checks and drafts deposited to the credit of such
4 accounts. After one year has elapsed after the date of
5 expiration of the tax authorized by this section in a county, the
6 director of revenue shall remit the balance in the account to the
7 county and close the account of such county. The director of
8 revenue shall notify each county of each instance of any amount
9 refunded or any check redeemed from receipts due such county.

10 7. The tax authorized under this section may be imposed in
11 accordance with this section by a county in addition to or in
12 lieu of the tax authorized in sections 67.750 to 67.780.

13 8. The sales tax imposed under this section shall expire
14 twenty years from the effective date thereof unless an extension
15 of the tax is submitted to and approved by the qualified voters
16 in the county in the manner provided in this section. Each
17 extension of the sales tax shall be for a period of ten years.

18 9. The provisions of this section shall not in any way
19 affect or limit the powers granted to any county to establish,
20 maintain, and conduct parks and other recreational grounds for
21 public recreation.

22 10. Except as modified in this section, the provisions of
23 sections 32.085 [and] to 32.087 shall apply to the tax imposed
24 under this section.

25 67.782. 1. Any county of the third class having a
26 population of more than ten thousand and less than fifteen
27 thousand and any county of the second class having a population
28 of more than fifty-eight thousand and less than seventy thousand

1 adjacent to such third class county, both counties making up the
2 same judicial circuit, may jointly impose a sales tax throughout
3 each of their respective counties on all retail sales made in the
4 county which are subject to sales tax under chapter 144 for
5 public recreational purposes including the financing,
6 acquisition, construction, operation and maintenance of
7 recreational projects and programs, but the sales taxes
8 authorized by this section shall not become effective unless the
9 governing body of each such county submits to the voters of their
10 respective counties a proposal to authorize the counties to
11 impose the sales tax.

12 2. The ballot of submission shall be in substantially the
13 following form:

14 Shall the County of _____ impose a sales tax of _____
15 percent in conjunction with the county of _____ for the purpose
16 of funding the financing, acquisition, construction, operation
17 and maintenance of recreational projects and programs, including
18 the acquisition of land for such purposes?

19 YES NO

20
21 If a separate majority of the votes cast on the proposal by the
22 qualified voters voting thereon in each county are in favor of
23 the proposal, then the tax shall be in effect in both counties.
24 If a majority of the votes cast by the qualified voters voting
25 thereon in either county are opposed to the proposal, then the
26 governing body of neither county shall have power to impose the
27 sales tax authorized by this section unless or until the
28 governing body of the county that has not approved the tax shall

1 again have submitted another proposal to authorize the governing
2 body to impose the tax, and the proposal is approved by a
3 majority of the qualified voters voting thereon in that county.

4 3. The sales tax may be imposed at a rate of one percent on
5 the receipts from the sale at retail of all tangible personal
6 property or taxable service at retail within the county adopting
7 such tax, if such property and services are subject to taxation
8 by the state of Missouri under [the provisions of sections
9 144.010 to 144.525] chapter 144.

10 4. All sales taxes collected by the director of revenue
11 under this section on behalf of any county[, less one percent for
12 the cost of collection, which shall be deposited in the state's
13 general revenue fund after payment of premiums for surety bonds
14 as provided in section 32.087,] shall be deposited with the state
15 treasurer in a special trust fund, which is hereby created, to be
16 known as the "County Recreation Sales Tax Trust Fund". [The
17 moneys in the county recreation sales tax trust fund shall not be
18 deemed to be state funds and shall not be commingled with any
19 funds of the state.] The director of revenue shall keep accurate
20 records of the amount of money in the trust fund which was
21 collected in each county imposing a sales tax under this section,
22 and the records shall be open to the inspection of officers of
23 each county and the general public. Not later than the tenth day
24 of each month, the director of revenue shall distribute all
25 moneys deposited in the trust fund during the preceding month by
26 distributing to the county treasurer, or such other officer as
27 may be designated by the county ordinance or order, of each
28 county imposing the tax authorized by this section, the sum, as

1 certified by the director of revenue, due the county.

2 5. The director of revenue may authorize the state
3 treasurer to make refunds from the amounts in the trust fund and
4 credited to any county for erroneous payments and overpayments
5 made, and may redeem dishonored checks and drafts deposited to
6 the credit of such counties. Each county shall notify the
7 director of revenue [at least ninety days] prior to the effective
8 date of the expiration of the sales tax authorized by this
9 section and the repeal shall be effective as provided by
10 subsection 19 of section 32.087. The director of revenue may
11 order retention in the trust fund, for a period of one year, of
12 two percent of the amount collected after receipt of such notice
13 to cover possible refunds or overpayment of such tax and to
14 redeem dishonored checks and drafts deposited to the credit of
15 such accounts. After one year has elapsed after the date of
16 expiration of the tax authorized by this section in such county,
17 the director of revenue shall remit the balance in the account to
18 the county and close the account of that county. The director of
19 revenue shall notify each county of each instance of any amount
20 refunded or any check redeemed from receipts due the county.

21 6. The tax authorized by this section may be imposed, in
22 accordance with this section, by a county in addition to or in
23 lieu of the tax authorized by sections 67.750 to 67.780.

24 7. Any county imposing a sales tax pursuant to the
25 provisions of this section may contract with the authority of any
26 other county or with any city or political subdivision for the
27 financing, acquisition, operation, construction, maintenance, or
28 utilization of any recreation facility or project or program

1 funded in whole or in part from revenues derived from the tax
2 levied pursuant to the provisions of this section.

3 8. The sales tax imposed pursuant to the provisions of this
4 section shall expire twenty-five years from the effective date
5 thereof unless an extension of the tax is submitted to and
6 approved by the voters in each county in the manner provided in
7 this section. Each extension of the sales tax shall be for a
8 period of ten years.

9 9. The governing body of each of the counties imposing a
10 sales tax under the provisions of this section may cooperate with
11 the governing body of any county or other political subdivision
12 of this state in carrying out the provisions of this section, and
13 may establish and conduct jointly a system of public recreation.
14 The respective governing bodies administering programs jointly
15 may provide by agreement among themselves for all matters
16 connected with the programs and determine what items of cost and
17 expense shall be paid by each.

18 10. The provisions of this section shall not in any way
19 repeal, affect or limit the powers granted to any county to
20 establish, maintain and conduct parks and other recreational
21 grounds for public recreation.

22 11. Except as modified in this section, all provisions of
23 sections 32.085 [and] to 32.087 shall apply to the tax imposed
24 under this section.

25 67.799. 1. A regional recreational district may, by a
26 majority vote of its board of directors, impose an annual
27 property tax for the establishment and maintenance of public
28 parks and recreational facilities and grounds within the

1 boundaries of the regional recreational district not to exceed
2 sixty cents per year on each one hundred dollars of assessed
3 valuation on all property within the district, except that no
4 such tax shall become effective unless the board of directors of
5 the district submits to the voters of the district, at a county
6 or state general, primary or special election, a proposal to
7 authorize the tax.

8 2. The question shall be submitted in substantially the
9 following form:

10 Shall a _____ cent tax per one hundred dollars assessed
11 valuation be levied for public parks and recreational facilities?
12 YES NO

13

14 If a majority of the votes cast on the proposal by the qualified
15 voters voting thereon are in favor of the proposal, then the tax
16 shall become effective as provided by subsection 19 of section
17 32.087. If a majority of the votes cast by the qualified voters
18 voting are opposed to the proposal, then the board of directors
19 shall have no power to impose the tax unless and until the board
20 of directors of the district submits another proposal to
21 authorize the tax and such proposal is approved by a majority of
22 the qualified voters voting thereon.

23 3. The property tax authorized in subsections 1 and 2 of
24 this section shall be levied and collected in the same manner as
25 other ad valorem property taxes are levied and collected.

26 4. (1) A regional recreational district may, by a majority
27 vote of its board of directors, impose a tax not to exceed
28 one-half of one cent on all retail sales subject to taxation

1 [pursuant to sections 144.010 to 144.525] under chapter 144 for
2 the purpose of funding the creation, operation and maintenance of
3 public parks, recreational facilities and grounds within the
4 boundaries of a regional recreational district. The tax
5 authorized by this subsection shall be in addition to all other
6 sales taxes allowed by law. No tax pursuant to this subsection
7 shall become effective unless the board of directors submits to
8 the voters of the district, at a county or state general, primary
9 or special election, a proposal to authorize the tax, and such
10 tax shall become effective only after the majority of the voters
11 voting on such tax approve such tax.

12 (2) In the event the district seeks to impose a sales tax
13 pursuant to this subsection, the question shall be submitted in
14 substantially the following form:

15 Shall a _____ cent sales tax be levied on all retail sales
16 within the district for public parks and recreational facilities?

17 YES NO

18
19 If a majority of the votes cast on the proposal by the qualified
20 voters voting thereon are in favor of the proposal, then the tax
21 shall become effective as provided by subsection 19 of section
22 32.087. If a majority of the votes cast by the qualified voters
23 voting are opposed to the proposal, then the board of directors
24 shall have no power to impose the tax unless and until another
25 proposal to authorize the tax is submitted to the voters of the
26 district and such proposal is approved by a majority of the
27 qualified voters voting thereon. The provisions of sections
28 32.085 [and] to 32.087 shall apply to any tax approved pursuant

1 to this subsection.

2 5. As used in this section, "qualified voters" or "voters"
3 means any individuals residing within the proposed district who
4 are eligible to be registered voters and who have registered to
5 vote under chapter 115 or, if no individuals eligible and
6 registered to vote reside within the proposed district, all of
7 the owners of real property located within the proposed district
8 who have unanimously petitioned for or consented to the adoption
9 of an ordinance by the governing body imposing a tax authorized
10 in this section. If the owner of the property within the
11 proposed district is a political subdivision or corporation of
12 the state, the governing body of such political subdivision or
13 corporation shall be considered the owner for purposes of this
14 section.

15 67.997. 1. The governing body of any county of the third
16 classification without a township form of government and with
17 more than eighteen thousand one hundred but fewer than eighteen
18 thousand two hundred inhabitants may impose, by order or
19 ordinance, a sales tax on all retail sales made within the county
20 which are subject to sales tax under chapter 144. The tax
21 authorized in this section shall not exceed one-fourth of one
22 percent, and shall be imposed solely for the purpose of funding
23 senior services and youth programs provided by the county.
24 One-half of all revenue collected under this section[, less
25 one-half the cost of collection,] shall be used solely to fund
26 any service or activity deemed necessary by the senior service
27 tax commission established in this section, and one-half of all
28 revenue collected under this section[, less one-half the cost of

1 collection,] shall be used solely to fund all youth programs
2 administered by an existing county community task force. The tax
3 authorized in this section shall be in addition to all other
4 sales taxes imposed by law, and shall be stated separately from
5 all other charges and taxes. The order or ordinance shall not
6 become effective unless the governing body of the county submits
7 to the voters residing within the county at a state general,
8 primary, or special election a proposal to authorize the
9 governing body of the county to impose a tax under this section.

10 2. The ballot of submission for the tax authorized in this
11 section shall be in substantially the following form:

12 Shall _____ (insert the name of the county) impose a sales
13 tax at a rate of _____ (insert rate of percent) percent, with
14 half of the revenue from the tax, less one-half the cost of
15 collection, to be used solely to fund senior services provided by
16 the county and half of the revenue from the tax, less one-half
17 the cost of collection, to be used solely to fund youth programs
18 provided by the county?

19 YES NO

20
21 If you are in favor of the question, place an "X" in the box
22 opposite "YES". If you are opposed to the question, place an "X"
23 in the box opposite "NO".

24
25 If a majority of the votes cast on the question by the qualified
26 voters voting thereon are in favor of the question, then the tax
27 shall become effective [on the first day of the second calendar
28 quarter immediately following the approval of the tax or

1 notification to the department of revenue if such tax will be
2 administered by the department of revenue] as provided by
3 subsection 19 of section 32.087. If a majority of the votes cast
4 on the question by the qualified voters voting thereon are
5 opposed to the question, then the tax shall not become effective
6 unless and until the question is resubmitted under this section
7 to the qualified voters and such question is approved by a
8 majority of the qualified voters voting on the question.

9 3. [On or after the effective date of any tax authorized
10 under this section, the county which imposed the tax shall enter
11 into an agreement with the director of the department of revenue
12 for the purpose of collecting the tax authorized in this section.
13 On or after the effective date of the tax the director of revenue
14 shall be responsible for the administration, collection,
15 enforcement, and operation of the tax, and] Sections 32.085 [and]
16 to 32.087 shall apply. All revenue collected under this section
17 by the director of the department of revenue on behalf of any
18 county[, except for one percent for the cost of collection which
19 shall be deposited in the state's general revenue fund,] shall be
20 deposited in a special trust fund, which is hereby created and
21 shall be known as the "Senior Services and Youth Programs Sales
22 Tax Trust Fund", and shall be used solely for the designated
23 purposes. [Moneys in the fund shall not be deemed to be state
24 funds, and shall not be commingled with any funds of the state.]
25 The director may make refunds from the amounts in the trust fund
26 and credited to the county for erroneous payments and
27 overpayments made, and may redeem dishonored checks and drafts
28 deposited to the credit of such county. Any funds in the special

1 trust fund which are not needed for current expenditures shall be
2 invested in the same manner as other funds are invested. Any
3 interest and moneys earned on such investments shall be credited
4 to the fund.

5 4. [In order to permit sellers required to collect and
6 report the sales tax to collect the amount required to be
7 reported and remitted, but not to change the requirements of
8 reporting or remitting the tax, or to serve as a levy of the tax,
9 and in order to avoid fractions of pennies, the governing body of
10 the county may authorize the use of a bracket system similar to
11 that authorized in section 144.285 and notwithstanding the
12 provisions of that section, this new bracket system shall be used
13 where this tax is imposed and shall apply to all taxable
14 transactions.] Beginning with the effective date of the tax,
15 every retailer in the county shall add the sales tax to the sale
16 price, and this tax shall be a debt of the purchaser to the
17 retailer until paid, and shall be recoverable at law in the same
18 manner as the purchase price. [For purposes of this section, all
19 retail sales shall be deemed to be consummated at the place of
20 business of the retailer.]

21 5. All applicable provisions in [sections 144.010 to
22 144.525] chapter 144 governing the state sales tax, and section
23 32.057, the uniform confidentiality provision, shall apply to the
24 collection of the tax[, and all exemptions granted to agencies of
25 government, organizations, and persons under sections 144.010 to
26 144.525 are hereby made applicable to the imposition and
27 collection of the tax. The same sales tax permit, exemption
28 certificate, and retail certificate required by sections 144.010

1 to 144.525 for the administration and collection of the state
2 sales tax shall satisfy the requirements of this section, and no
3 additional permit or exemption certificate or retail certificate
4 shall be required; except that, the director of revenue may
5 prescribe a form of exemption certificate for an exemption from
6 the tax. All discounts allowed the retailer under the state
7 sales tax for the collection of and for payment of taxes are
8 hereby allowed and made applicable to the tax. The penalties for
9 violations provided in section 32.057 and sections 144.010 to
10 144.525 are hereby made applicable to violations of this section.
11 If any person is delinquent in the payment of the amount required
12 to be paid under this section, or in the event a determination
13 has been made against the person for taxes and penalty under this
14 section, the limitation for bringing suit for the collection of
15 the delinquent tax and penalty shall be the same as that provided
16 in sections 144.010 to 144.525].

17 6. The governing body of any county that has adopted the
18 sales tax authorized in this section may submit the question of
19 repeal of the tax to the voters on any date available for
20 elections for the county. The ballot of submission shall be in
21 substantially the following form:

22 Shall _____ (insert the name of the county) repeal the
23 sales tax imposed at a rate of _____ (insert rate of percent)
24 percent for the purpose of funding senior services and youth
25 programs provided by the county?

26 YES NO

27
28 If you are in favor of the question, place an "X" in the box

1 opposite "YES". If you are opposed to the question, place an "X"
2 in the box opposite "NO".

3
4 If a majority of the votes cast on the question by the qualified
5 voters voting thereon are in favor of repeal, that repeal shall
6 become effective [on December thirty-first of the calendar year
7 in which such repeal was approved] as provided by subsection 19
8 of section 32.087. If a majority of the votes cast on the
9 question by the qualified voters voting thereon are opposed to
10 the repeal, then the sales tax authorized in this section shall
11 remain effective until the question is resubmitted under this
12 section to the qualified voters and the repeal is approved by a
13 majority of the qualified voters voting on the question.

14 7. Whenever the governing body of any county that has
15 adopted the sales tax authorized in this section receives a
16 petition, signed by ten percent of the registered voters of the
17 county voting in the last gubernatorial election, calling for an
18 election to repeal the sales tax imposed under this section, the
19 governing body shall submit to the voters of the county a
20 proposal to repeal the tax. If a majority of the votes cast on
21 the question by the qualified voters voting thereon are in favor
22 of the repeal, the repeal shall become effective [on December
23 thirty-first of the calendar year in which such repeal was
24 approved] as provided by subsection 19 of section 32.087. If a
25 majority of the votes cast on the question by the qualified
26 voters voting thereon are opposed to the repeal, then the sales
27 tax authorized in this section shall remain effective until the
28 question is resubmitted under this section to the qualified

1 voters and the repeal is approved by a majority of the qualified
2 voters voting on the question.

3 8. If the tax is repealed or terminated by any means, all
4 funds remaining in the special trust fund shall continue to be
5 used solely for the designated purposes, and the county shall
6 notify the director of the department of revenue of the action
7 [at least thirty days] before the effective date of the repeal
8 and the director may order retention in the trust fund, for a
9 period of one year, of two percent of the amount collected after
10 receipt of such notice to cover possible refunds or overpayment
11 of the tax and to redeem dishonored checks and drafts deposited
12 to the credit of such accounts. After one year has elapsed after
13 the effective date of abolition of the tax in such county, the
14 director shall remit the balance in the account to the county and
15 close the account of that county. The director shall notify each
16 county of each instance of any amount refunded or any check
17 redeemed from receipts due the county.

18 9. Each county imposing the tax authorized in this section
19 shall establish a senior services tax commission to administer
20 the portion of the sales tax revenue dedicated to providing
21 senior services. Such commission shall consist of seven members
22 appointed by the county commission. The county commission shall
23 determine the qualifications, terms of office, compensation,
24 powers, duties, restrictions, procedures, and all other necessary
25 functions of the commission.

26 67.1300. 1. The governing body of any of the contiguous
27 counties of the third classification without a township form of
28 government enumerated in subdivisions (1) to (5) of this

1 subsection or in any county of the fourth classification acting
2 as a county of the second classification, having a population of
3 at least forty thousand but less than forty-five thousand with a
4 state university, and adjoining a county of the first
5 classification with part of a city with a population of three
6 hundred fifty thousand or more inhabitants or a county of the
7 third classification with a township form of government and with
8 a population of at least eight thousand but less than eight
9 thousand four hundred inhabitants or a county of the third
10 classification with more than fifteen townships having a
11 population of at least twenty-one thousand inhabitants or a
12 county of the third classification without a township form of
13 government and with a population of at least seven thousand four
14 hundred but less than eight thousand inhabitants or any county of
15 the third classification with a population greater than three
16 thousand but less than four thousand or any county of the third
17 classification with a population greater than six thousand one
18 hundred but less than six thousand four hundred or any county of
19 the third classification with a population greater than six
20 thousand eight hundred but less than seven thousand or any county
21 of the third classification with a population greater than seven
22 thousand eight hundred but less than seven thousand nine hundred
23 or any county of the third classification with a population
24 greater than eight thousand four hundred sixty but less than
25 eight thousand five hundred or any county of the third
26 classification with a population greater than nine thousand but
27 less than nine thousand two hundred or any county of the third
28 classification with a population greater than ten thousand five

1 hundred but less than ten thousand six hundred or any county of
2 the third classification with a population greater than
3 twenty-three thousand five hundred but less than twenty-three
4 thousand seven hundred or a county of the third classification
5 with a population greater than thirty-three thousand but less
6 than thirty-four thousand or a county of the third classification
7 with a population greater than twenty thousand eight hundred but
8 less than twenty-one thousand or a county of the third
9 classification with a population greater than fourteen thousand
10 one hundred but less than fourteen thousand five hundred or a
11 county of the third classification with a population greater than
12 twenty thousand eight hundred fifty but less than twenty-two
13 thousand or a county of the third classification with a
14 population greater than thirty-nine thousand but less than forty
15 thousand or a county of the third classification with a township
16 form of organization and a population greater than twenty-eight
17 thousand but less than twenty-nine thousand or a county of the
18 third classification with a population greater than fifteen
19 thousand but less than fifteen thousand five hundred or a county
20 of the third classification with a population greater than
21 eighteen thousand but less than nineteen thousand seventy or a
22 county of the third classification with a population greater than
23 thirteen thousand nine hundred but less than fourteen thousand
24 four hundred or a county of the third classification with a
25 population greater than twenty-seven thousand but less than
26 twenty-seven thousand five hundred or a county of the first
27 classification without a charter form of government and a
28 population of at least eighty thousand but not greater than

1 eighty-three thousand or a county of the third classification
2 with a population greater than fifteen thousand but less than
3 fifteen thousand nine hundred without a township form of
4 government which does not adjoin any county of the first, second
5 or fourth classification or a county of the third classification
6 with a population greater than twenty-three thousand but less
7 than twenty-five thousand without a township form of government
8 which does not adjoin any county of the second or fourth
9 classification and does adjoin a county of the first
10 classification with a population greater than one hundred twenty
11 thousand but less than one hundred fifty thousand or in any
12 county of the fourth classification acting as a county of the
13 second classification, having a population of at least
14 forty-eight thousand or any governing body of a municipality
15 located in any of such counties may impose, by ordinance or
16 order, a sales tax on all retail sales made in such county or
17 municipality which are subject to taxation [pursuant to the
18 provisions of sections 144.010 to 144.525] under chapter 144:

19 (1) A county with a population of at least four thousand
20 two hundred inhabitants but not more than four thousand five
21 hundred inhabitants;

22 (2) A county with a population of at least four thousand
23 seven hundred inhabitants but not more than four thousand nine
24 hundred inhabitants;

25 (3) A county with a population of at least seven thousand
26 three hundred inhabitants but not more than seven thousand six
27 hundred inhabitants;

28 (4) A county with a population of at least ten thousand one

1 hundred inhabitants but not more than ten thousand three hundred
2 inhabitants; and

3 (5) A county with a population of at least four thousand
4 three hundred inhabitants but not more than four thousand five
5 hundred inhabitants.

6 2. The maximum rate for a sales tax pursuant to this
7 section shall be one percent for municipalities and one-half of
8 one percent for counties.

9 3. The tax authorized by this section shall be in addition
10 to any and all other sales taxes allowed by law, except that no
11 ordinance or order imposing a sales tax pursuant to the
12 provisions of this section shall be effective unless the
13 governing body of the county or municipality submits to the
14 voters of the county or municipality, at a regularly scheduled
15 county, municipal or state general or primary election, a
16 proposal to authorize the governing body of the county or
17 municipality to impose a tax. Any sales tax imposed pursuant to
18 this section shall not be authorized for a period of more than
19 five years.

20 4. Such proposal shall be submitted in substantially the
21 following form:

22 Shall the (city, town, village or county) of _____ impose a
23 sales tax of _____ (insert amount) for the purpose of economic
24 development in the (city, town, village or county)?

25 YES NO

26

27 If a majority of the votes cast on the proposal by the qualified
28 voters voting thereon are in favor of the proposal, then the

1 ordinance or order and any amendments thereto shall be in effect
2 [on the first day of the second quarter after the director of
3 revenue receives notice of adoption of the tax] as provided in
4 subsection 19 of section 32.087. If a majority of the votes cast
5 by the qualified voters voting are opposed to the proposal, then
6 the governing body of the county or municipality shall not impose
7 the sales tax authorized in this section until the governing body
8 of the county or municipality resubmits another proposal to
9 authorize the governing body of the county or municipality to
10 impose the sales tax authorized by this section and such proposal
11 is approved by a majority of the qualified voters voting thereon;
12 however no such proposal shall be resubmitted to the voters
13 sooner than twelve months from the date of the submission of the
14 last such proposal.

15 5. All revenue received by a county or municipality from
16 the tax authorized pursuant to the provisions of this section
17 shall be deposited in a special trust fund and shall be used
18 solely for economic development purposes within such county or
19 municipality for so long as the tax shall remain in effect.

20 6. Once the tax authorized by this section is abolished or
21 is terminated by any means, all funds remaining in the special
22 trust fund shall be used solely for economic development purposes
23 within the county or municipality. Any funds in such special
24 trust fund which are not needed for current expenditures may be
25 invested by the governing body in accordance with applicable laws
26 relating to the investment of other county or municipal funds.

27 7. All sales taxes collected by the director of revenue
28 pursuant to this section on behalf of any county or municipality,

1 [less one percent for cost of collection which shall be deposited
2 in the state's general revenue fund after payment of premiums for
3 surety bonds as provided in section 32.087,] shall be deposited
4 in a special trust fund, which is hereby created, to be known as
5 the "Local Economic Development Sales Tax Trust Fund".

6 8. [The moneys in the local economic development sales tax
7 trust fund shall not be deemed to be state funds and shall not be
8 commingled with any funds of the state.] The director of revenue
9 shall keep accurate records of the amount of money in the trust
10 fund and which was collected in each county or municipality
11 imposing a sales tax pursuant to this section, and the records
12 shall be open to the inspection of officers of the county or
13 municipality and the public.

14 9. Not later than the tenth day of each month the director
15 of revenue shall distribute all moneys deposited in the trust
16 fund during the preceding month to the county or municipality
17 which levied the tax. Such funds shall be deposited with the
18 county treasurer of each such county or the appropriate municipal
19 officer in the case of a municipal tax, and all expenditures of
20 funds arising from the local economic development sales tax trust
21 fund shall be by an appropriation act to be enacted by the
22 governing body of each such county or municipality. Expenditures
23 may be made from the fund for any economic development purposes
24 authorized in the ordinance or order adopted by the governing
25 body submitting the tax to the voters.

26 10. The director of revenue may authorize the state
27 treasurer to make refunds from the amounts in the trust fund and
28 credited to any county or municipality for erroneous payments and

1 overpayments made, and may redeem dishonored checks and drafts
2 deposited to the credit of such counties and municipalities.

3 11. If any county or municipality abolishes the tax, the
4 county or municipality shall notify the director of revenue of
5 the action [at least ninety days] prior to the effective date of
6 the repeal and the repeal shall be effective as provided by
7 subsection 19 of section 32.087. The director of revenue may
8 order retention in the trust fund, for a period of one year, of
9 two percent of the amount collected after receipt of such notice
10 to cover possible refunds or overpayment of the tax and to redeem
11 dishonored checks and drafts deposited to the credit of such
12 accounts. After one year has elapsed after the effective date of
13 abolition of the tax in such county or municipality, the director
14 of revenue shall remit the balance in the account to the county
15 or municipality and close the account of that county or
16 municipality. The director of revenue shall notify each county
17 or municipality of each instance of any amount refunded or any
18 check redeemed from receipts due the county or municipality.

19 12. Except as modified in this section, all provisions of
20 sections 32.085 [and] to 32.087 shall apply to the tax imposed
21 pursuant to this section.

22 13. For purposes of this section, the term "economic
23 development" is limited to the following:

- 24 (1) Operations of economic development or community
25 development offices, including the salaries of employees;
26 (2) Provision of training for job creation or retention;
27 (3) Provision of infrastructure and sites for industrial
28 development or for public infrastructure projects; and

1 (4) Refurbishing of existing structures and property
2 relating to community development.

3 67.1303. 1. The governing body of any home rule city with
4 more than one hundred fifty-one thousand five hundred but less
5 than one hundred fifty-one thousand six hundred inhabitants, any
6 home rule city with more than forty-five thousand five hundred
7 but less than forty-five thousand nine hundred inhabitants and
8 the governing body of any city within any county of the first
9 classification with more than one hundred four thousand six
10 hundred but less than one hundred four thousand seven hundred
11 inhabitants and the governing body of any county of the third
12 classification without a township form of government and with
13 more than forty thousand eight hundred but less than forty
14 thousand nine hundred inhabitants or any city within such county
15 may impose, by order or ordinance, a sales tax on all retail
16 sales made in the city or county which are subject to sales tax
17 under chapter 144. In addition, the governing body of any county
18 of the first classification with more than eighty-five thousand
19 nine hundred but less than eighty-six thousand inhabitants or the
20 governing body of any home rule city with more than seventy-three
21 thousand but less than seventy-five thousand inhabitants may
22 impose, by order or ordinance, a sales tax on all retail sales
23 made in the city or county which are subject to sales tax under
24 chapter 144. The tax authorized in this section shall not be
25 more than one-half of one percent. The order or ordinance
26 imposing the tax shall not become effective unless the governing
27 body of the city or county submits to the voters of the city or
28 county at a state general or primary election a proposal to

1 authorize the governing body to impose a tax under this section.
2 The tax authorized in this section shall be in addition to all
3 other sales taxes imposed by law, and shall be stated separately
4 from all other charges and taxes.

5 2. The ballot of submission for the tax authorized in this
6 section shall be in substantially the following form:

7 Shall _____ (insert the name of the city or county) impose
8 a sales tax at a rate of _____ (insert rate of percent) percent
9 for economic development purposes?

10 YES NO

11
12 If a majority of the votes cast on the question by the qualified
13 voters voting thereon are in favor of the question, then the tax
14 shall become effective [on the first day of the second calendar
15 quarter following the calendar quarter in which the election was
16 held] as provided by subsection 19 of section 32.087. If a
17 majority of the votes cast on the question by the qualified
18 voters voting thereon are opposed to the question, then the tax
19 shall not become effective unless and until the question is
20 resubmitted under this section to the qualified voters and such
21 question is approved by a majority of the qualified voters voting
22 on the question, provided that no proposal shall be resubmitted
23 to the voters sooner than twelve months from the date of the
24 submission of the last proposal.

25 3. No revenue generated by the tax authorized in this
26 section shall be used for any retail development project. At
27 least twenty percent of the revenue generated by the tax
28 authorized in this section shall be used solely for projects

1 directly related to long-term economic development preparation,
2 including, but not limited to, the following:

- 3 (1) Acquisition of land;
- 4 (2) Installation of infrastructure for industrial or
5 business parks;
- 6 (3) Improvement of water and wastewater treatment capacity;
- 7 (4) Extension of streets;
- 8 (5) Providing matching dollars for state or federal grants;
- 9 (6) Marketing;
- 10 (7) Construction and operation of job training and
11 educational facilities; and
- 12 (8) Providing grants and low-interest loans to companies
13 for job training, equipment acquisition, site development, and
14 infrastructure. Not more than twenty-five percent of the revenue
15 generated may be used annually for administrative purposes,
16 including staff and facility costs.

17 4. All revenue generated by the tax shall be deposited in a
18 special trust fund and shall be used solely for the designated
19 purposes. If the tax is repealed, all funds remaining in the
20 special trust fund shall continue to be used solely for the
21 designated purposes. Any funds in the special trust fund which
22 are not needed for current expenditures may be invested by the
23 governing body in accordance with applicable laws relating to the
24 investment of other city or county funds.

25 5. The director of revenue may authorize the state
26 treasurer to make refunds from the amounts in the trust fund and
27 credited to any city or county for erroneous payments in the
28 trust fund and credited to any city or county for erroneous

1 payments and overpayments made, and may redeem dishonored checks
2 and drafts deposited to the credit of such counties. If any city
3 or county abolishes the tax authorized under this section, the
4 repeal of such tax shall become effective as provided by
5 subsection 19 of section 32.087. Each city or county shall
6 notify the director of revenue prior to the effective date of the
7 expiration of the sales tax authorized by this section and the
8 repeal shall be effective as provided by subsection 19 of section
9 32.087. The director of revenue may order retention in the trust
10 fund, for a period of one year, of two percent of the amount
11 collected after receipt of such notice to cover possible refunds
12 or overpayment of such tax and to redeem dishonored checks and
13 drafts deposited to the credit of such accounts. After one year
14 has elapsed after the date of expiration of the tax authorized by
15 this section in such city or county, the director of revenue
16 shall remit the balance in the account to the city or county and
17 close the account of that city or county. The director of
18 revenue shall notify each city or county of each instance of any
19 amount refunded or any check redeemed from receipts due the city
20 or county.

21 6. Any city or county imposing the tax authorized in this
22 section shall establish an economic development tax board. The
23 board shall consist of eleven members, to be appointed as
24 follows:

25 (1) Two members shall be appointed by the school boards
26 whose districts are included within any economic development plan
27 or area funded by the sales tax authorized in this section. Such
28 members shall be appointed in any manner agreed upon by the

1 affected districts;

2 (2) One member shall be appointed, in any manner agreed
3 upon by the affected districts, to represent all other districts
4 levying ad valorem taxes within the area selected for an economic
5 development project or area funded by the sales tax authorized in
6 this section, excluding representatives of the governing body of
7 the city or county;

8 (3) One member shall be appointed by the largest public
9 school district in the city or county;

10 (4) In each city or county, five members shall be appointed
11 by the chief elected officer of the city or county with the
12 consent of the majority of the governing body of the city or
13 county;

14 (5) In each city, two members shall be appointed by the
15 governing body of the county in which the city is located. In
16 each county, two members shall be appointed by the governing body
17 of the county. At the option of the members appointed by a city
18 or county the members who are appointed by the school boards and
19 other taxing districts may serve on the board for a term to
20 coincide with the length of time an economic development project,
21 plan, or designation of an economic development area is
22 considered for approval by the board, or for the definite terms
23 as provided in this subsection. If the members representing
24 school districts and other taxing districts are appointed for a
25 term coinciding with the length of time an economic development
26 project, plan, or area is approved, such term shall terminate
27 upon final approval of the project, plan, or designation of the
28 area by the governing body of the city or county. If any school

1 district or other taxing jurisdiction fails to appoint members of
2 the board within thirty days of receipt of written notice of a
3 proposed economic development plan, economic development project,
4 or designation of an economic development area, the remaining
5 members may proceed to exercise the power of the board. Of the
6 members first appointed by the city or county, three shall be
7 designated to serve for terms of two years, three shall be
8 designated to serve for a term of three years, and the remaining
9 members shall be designated to serve for a term of four years
10 from the date of such initial appointments. Thereafter, the
11 members appointed by the city or county shall serve for a term of
12 four years, except that all vacancies shall be filled for
13 unexpired terms in the same manner as were the original
14 appointments.

15 [6.] 7. The board, subject to approval of the governing
16 body of the city or county, shall develop economic development
17 plans, economic development projects, or designations of an
18 economic development area, and shall hold public hearings and
19 provide notice of any such hearings. The board shall vote on all
20 proposed economic development plans, economic development
21 projects, or designations of an economic development area, and
22 amendments thereto, within thirty days following completion of
23 the hearing on any such plan, project, or designation, and shall
24 make recommendations to the governing body within ninety days of
25 the hearing concerning the adoption of or amendment to economic
26 development plans, economic development projects, or designations
27 of an economic development area.

28 [7.] 8. The board shall report at least annually to the

1 governing body of the city or county on the use of the funds
2 provided under this section and on the progress of any plan,
3 project, or designation adopted under this section.

4 [8.] 9. The governing body of any city or county that has
5 adopted the sales tax authorized in this section may submit the
6 question of repeal of the tax to the voters on any date available
7 for elections for the city or county. The ballot of submission
8 shall be in substantially the following form:

9 Shall _____ (insert the name of the city or county) repeal
10 the sales tax imposed at a rate of _____ (insert rate of
11 percent) percent for economic development purposes?

12 YES NO

13
14 If a majority of the votes cast on the proposal are in favor of
15 repeal, that repeal shall become effective [on December
16 thirty-first of the calendar year in which such repeal was
17 approved] as provided by subsection 19 of section 32.087. If a
18 majority of the votes cast on the question by the qualified
19 voters voting thereon are opposed to the repeal, then the sales
20 tax authorized in this section shall remain effective until the
21 question is resubmitted under this section to the qualified
22 voters of the city or county, and the repeal is approved by a
23 majority of the qualified voters voting on the question.

24 [9.] 10. Whenever the governing body of any city or county
25 that has adopted the sales tax authorized in this section
26 receives a petition, signed by ten percent of the registered
27 voters of the city or county voting in the last gubernatorial
28 election, calling for an election to repeal the sales tax imposed

1 under this section, the governing body shall submit to the voters
2 a proposal to repeal the tax. If a majority of the votes cast on
3 the question by the qualified voters voting thereon are in favor
4 of the repeal, that repeal shall become effective on December
5 thirty-first of the calendar year in which such repeal was
6 approved. If a majority of the votes cast on the question by the
7 qualified voters voting thereon are opposed to the repeal, then
8 the tax shall remain effective until the question is resubmitted
9 under this section to the qualified voters and the repeal is
10 approved by a majority of the qualified voters voting on the
11 question. If the city or county abolishes the tax, the city or
12 county shall notify the director of revenue of the action at
13 least one hundred twenty days prior to the effective date of the
14 repeal.

15 11. After the effective date of any tax imposed under the
16 provisions of this section, the director of revenue shall perform
17 all functions incident to the administration, collection,
18 enforcement, and operation of the tax and collect, in addition to
19 the sales tax for the state of Missouri, the additional tax
20 authorized under this section. The tax imposed under this
21 section and the tax imposed under the sales tax law of the state
22 of Missouri shall be collected together and reported upon such
23 forms and under such administrative rules and regulations as may
24 be prescribed by the director of revenue.

25 12. Except as provided in this section, all provisions of
26 sections 32.085 to 32.087 shall apply to the tax imposed under
27 this section.

28 67.1305. 1. As used in this section, the term "city" shall

1 mean any incorporated city, town, or village.

2 2. In lieu of the sales taxes authorized under sections
3 67.1300 and 67.1303, the governing body of any city or county may
4 impose, by order or ordinance, a sales tax on all retail sales
5 made in the city or county which are subject to sales tax under
6 chapter 144. The tax authorized in this section shall not be
7 more than one-half of one percent. The order or ordinance
8 imposing the tax shall not become effective unless the governing
9 body of the city or county submits to the voters of the city or
10 county at any citywide, county or state general, primary or
11 special election a proposal to authorize the governing body to
12 impose a tax under this section. The tax authorized in this
13 section shall be in addition to all other sales taxes imposed by
14 law, and shall be stated separately from all other charges and
15 taxes. The tax authorized in this section shall not be imposed
16 by any city or county that has imposed a tax under section
17 67.1300 or 67.1303 unless the tax imposed under those sections
18 has expired or been repealed.

19 3. The ballot of submission for the tax authorized in this
20 section shall be in substantially the following form:

21 Shall _____ (insert the name of the city or county) impose
22 a sales tax at a rate of _____ (insert rate of percent) percent
23 for economic development purposes?

24 YES NO

25
26 If a majority of the votes cast on the question by the qualified
27 voters voting thereon are in favor of the question, then the tax
28 shall become effective [on the first day of the second calendar

1 quarter following the calendar quarter in which the election was
2 held] as provided by subsection 19 of section 32.087. If a
3 majority of the votes cast on the question by the qualified
4 voters voting thereon are opposed to the question, then the tax
5 shall not become effective unless and until the question is
6 resubmitted under this section to the qualified voters and such
7 question is approved by a majority of the qualified voters voting
8 on the question, provided that no proposal shall be resubmitted
9 to the voters sooner than twelve months from the date of the
10 submission of the last proposal.

11 4. All sales taxes collected by the director of revenue
12 under this section on behalf of any county or municipality, less
13 one percent for cost of collection which shall be deposited in
14 the state's general revenue fund after payment of premiums for
15 surety bonds as provided in section 32.087, shall be deposited in
16 a special trust fund, which is hereby created, to be known as the
17 "Local Option Economic Development Sales Tax Trust Fund".

18 5. [The moneys in the local option economic development
19 sales tax trust fund shall not be deemed to be state funds and
20 shall not be commingled with any funds of the state.] The
21 director of revenue shall keep accurate records of the amount of
22 money in the trust fund and which was collected in each city or
23 county imposing a sales tax pursuant to this section, and the
24 records shall be open to the inspection of officers of the city
25 or county and the public.

26 6. Not later than the tenth day of each month the director
27 of revenue shall distribute all moneys deposited in the trust
28 fund during the preceding month to the city or county which

1 levied the tax. Such funds shall be deposited with the county
2 treasurer of each such county or the appropriate municipal
3 officer in the case of a municipal tax, and all expenditures of
4 funds arising from the local economic development sales tax trust
5 fund shall be in accordance with this section.

6 7. The director of revenue may authorize the state
7 treasurer to make refunds from the amounts in the trust fund and
8 credited to any city or county for erroneous payments and
9 overpayments made, and may redeem dishonored checks and drafts
10 deposited to the credit of such cities and counties.

11 8. If any county or municipality abolishes the tax, the
12 city or county shall notify the director of revenue of the action
13 [at least ninety days] prior to the effective date of the repeal
14 and the repeal shall be effective as provided by subsection 19 of
15 section 32.087. The director of revenue may order retention in
16 the trust fund, for a period of one year, of two percent of the
17 amount collected after receipt of such notice to cover possible
18 refunds or overpayment of the tax and to redeem dishonored checks
19 and drafts deposited to the credit of such accounts. After one
20 year has elapsed after the effective date of abolition of the tax
21 in such city or county, the director of revenue shall remit the
22 balance in the account to the city or county and close the
23 account of that city or county. The director of revenue shall
24 notify each city or county of each instance of any amount
25 refunded or any check redeemed from receipts due the city or
26 county.

27 9. Except as modified in this section, all provisions of
28 sections 32.085 [and] to 32.087 shall apply to the tax imposed

1 pursuant to this section.

2 10. (1) No revenue generated by the tax authorized in this
3 section shall be used for any retail development project, except
4 for the redevelopment of downtown areas and historic districts.
5 Not more than twenty-five percent of the revenue generated shall
6 be used annually for administrative purposes, including staff and
7 facility costs.

8 (2) At least twenty percent of the revenue generated by
9 the tax authorized in this section shall be used solely for
10 projects directly related to long-term economic development
11 preparation, including, but not limited to, the following:

12 (a) Acquisition of land;

13 (b) Installation of infrastructure for industrial or
14 business parks;

15 (c) Improvement of water and wastewater treatment capacity;

16 (d) Extension of streets;

17 (e) Public facilities directly related to economic
18 development and job creation; and

19 (f) Providing matching dollars for state or federal grants
20 relating to such long-term projects.

21 (3) The remaining revenue generated by the tax authorized
22 in this section may be used for, but shall not be limited to, the
23 following:

24 (a) Marketing;

25 (b) Providing grants and loans to companies for job
26 training, equipment acquisition, site development, and
27 infrastructures;

28 (c) Training programs to prepare workers for advanced

1 technologies and high skill jobs;

2 (d) Legal and accounting expenses directly associated with
3 the economic development planning and preparation process;

4 (e) Developing value-added and export opportunities for
5 Missouri agricultural products.

6 11. All revenue generated by the tax shall be deposited in
7 a special trust fund and shall be used solely for the designated
8 purposes. If the tax is repealed, all funds remaining in the
9 special trust fund shall continue to be used solely for the
10 designated purposes. Any funds in the special trust fund which
11 are not needed for current expenditures may be invested by the
12 governing body in accordance with applicable laws relating to the
13 investment of other city or county funds.

14 12. (1) Any city or county imposing the tax authorized in
15 this section shall establish an economic development tax board.
16 The volunteer board shall receive no compensation or operating
17 budget.

18 (2) The economic development tax board established by a
19 city shall consist of at least five members, but may be increased
20 to nine members. Either a five-member or nine-member board shall
21 be designated in the order or ordinance imposing the sales tax
22 authorized by this section, and the members are to be appointed
23 as follows:

24 (a) One member of a five-member board, or two members of a
25 nine-member board, shall be appointed by the school districts
26 included within any economic development plan or area funded by
27 the sales tax authorized in this section. Such member or members
28 shall be appointed in any manner agreed upon by the affected

1 districts;

2 (b) Three members of a five-member board, or five members
3 of a nine-member board, shall be appointed by the chief elected
4 officer of the city with the consent of the majority of the
5 governing body of the city;

6 (c) One member of a five-member board, or two members of a
7 nine-member board, shall be appointed by the governing body of
8 the county in which the city is located.

9 (3) The economic development tax board established by a
10 county shall consist of seven members, to be appointed as
11 follows:

12 (a) One member shall be appointed by the school districts
13 included within any economic development plan or area funded by
14 the sales tax authorized in this section. Such member shall be
15 appointed in any manner agreed upon by the affected districts;

16 (b) Four members shall be appointed by the governing body
17 of the county; and

18 (c) Two members from the cities, towns, or villages within
19 the county appointed in any manner agreed upon by the chief
20 elected officers of the cities or villages.

21
22 Of the members initially appointed, three shall be designated to
23 serve for terms of two years, except that when a nine-member
24 board is designated, seven of the members initially appointed
25 shall be designated to serve for terms of two years, and the
26 remaining members shall be designated to serve for a term of four
27 years from the date of such initial appointments. Thereafter,
28 the members appointed shall serve for a term of four years,

1 except that all vacancies shall be filled for unexpired terms in
2 the same manner as were the original appointments.

3 (4) If an economic development tax board established by a
4 city is already in existence on August 28, 2012, any increase in
5 the number of members of the board shall be designated in an
6 order or ordinance. The four board members added to the board
7 shall be appointed to a term with an expiration coinciding with
8 the expiration of the terms of the three board member positions
9 that were originally appointed to terms of two years.

10 Thereafter, the additional members appointed shall serve for a
11 term of four years, except that all vacancies shall be filled for
12 unexpired terms in the same manner as were the additional
13 appointments.

14 13. The board, subject to approval of the governing body of
15 the city or county, shall consider economic development plans,
16 economic development projects, or designations of an economic
17 development area, and shall hold public hearings and provide
18 notice of any such hearings. The board shall vote on all
19 proposed economic development plans, economic development
20 projects, or designations of an economic development area, and
21 amendments thereto, within thirty days following completion of
22 the hearing on any such plan, project, or designation, and shall
23 make recommendations to the governing body within ninety days of
24 the hearing concerning the adoption of or amendment to economic
25 development plans, economic development projects, or designations
26 of an economic development area. The governing body of the city
27 or county shall have the final determination on use and
28 expenditure of any funds received from the tax imposed under this

1 section.

2 14. The board may consider and recommend using funds
3 received from the tax imposed under this section for plans,
4 projects or area designations outside the boundaries of the city
5 or county imposing the tax if, and only if:

6 (1) The city or county imposing the tax or the state
7 receives significant economic benefit from the plan, project or
8 area designation; and

9 (2) The board establishes an agreement with the governing
10 bodies of all cities and counties in which the plan, project or
11 area designation is located detailing the authority and
12 responsibilities of each governing body with regard to the plan,
13 project or area designation.

14 15. Notwithstanding any other provision of law to the
15 contrary, the economic development sales tax imposed under this
16 section when imposed within a special taxing district, including
17 but not limited to a tax increment financing district,
18 neighborhood improvement district, or community improvement
19 district, shall be excluded from the calculation of revenues
20 available to such districts, and no revenues from any sales tax
21 imposed under this section shall be used for the purposes of any
22 such district unless recommended by the economic development tax
23 board established under this section and approved by the
24 governing body imposing the tax.

25 16. The board and the governing body of the city or county
26 imposing the tax shall report at least annually to the governing
27 body of the city or county on the use of the funds provided under
28 this section and on the progress of any plan, project, or

1 designation adopted under this section and shall make such report
2 available to the public.

3 17. Not later than the first day of March each year the
4 board shall submit to the joint committee on economic development
5 a report, not exceeding one page in length, which must include
6 the following information for each project using the tax
7 authorized under this section:

8 (1) A statement of its primary economic development goals;

9 (2) A statement of the total economic development sales tax
10 revenues received during the immediately preceding calendar year;

11 (3) A statement of total expenditures during the preceding
12 calendar year in each of the following categories:

13 (a) Infrastructure improvements;

14 (b) Land and/or buildings;

15 (c) Machinery and equipment;

16 (d) Job training investments;

17 (e) Direct business incentives;

18 (f) Marketing;

19 (g) Administration and legal expenses; and

20 (h) Other expenditures.

21 18. The governing body of any city or county that has
22 adopted the sales tax authorized in this section may submit the
23 question of repeal of the tax to the voters on any date available
24 for elections for the city or county. The ballot of submission
25 shall be in substantially the following form:

26 Shall _____ (insert the name of the city or county) repeal
27 the sales tax imposed at a rate of _____ (insert rate of
28 percent) percent for economic development purposes?

1 YES NO

2

3 If a majority of the votes cast on the proposal are in favor of
4 the repeal, that repeal shall become effective [on December
5 thirty-first of the calendar year in which such repeal was
6 approved] as provided by subsection 19 of section 32.087. If a
7 majority of the votes cast on the question by the qualified
8 voters voting thereon are opposed to the repeal, then the sales
9 tax authorized in this section shall remain effective until the
10 question is resubmitted under this section to the qualified
11 voters of the city or county, and the repeal is approved by a
12 majority of the qualified voters voting on the question.

13 19. Whenever the governing body of any city or county that
14 has adopted the sales tax authorized in this section receives a
15 petition, signed by ten percent of the registered voters of the
16 city or county voting in the last gubernatorial election, calling
17 for an election to repeal the sales tax imposed under this
18 section, the governing body shall submit to the voters a proposal
19 to repeal the tax. If a majority of the votes cast on the
20 question by the qualified voters voting thereon are in favor of
21 the repeal, that repeal shall become effective [on December
22 thirty-first of the calendar year in which such repeal was
23 approved] as provided by subsection 19 of section 32.087. If a
24 majority of the votes cast on the question by the qualified
25 voters voting thereon are opposed to the repeal, then the tax
26 shall remain effective until the question is resubmitted under
27 this section to the qualified voters and the repeal is approved
28 by a majority of the qualified voters voting on the question.

1 20. If any provision of this section or section 67.1303 or
2 the application thereof to any person or circumstance is held
3 invalid, the invalidity shall not affect other provisions or
4 application of this section or section 67.1303 which can be given
5 effect without the invalid provision or application, and to this
6 end the provisions of this section and section 67.1303 are
7 declared severable.

8 67.1545. 1. Any district formed as a political subdivision
9 may impose by resolution a district sales and use tax on all
10 retail sales made in such district which are subject to taxation
11 [pursuant to sections 144.010 to 144.525] under chapter 144,
12 except sales of motor vehicles, trailers, boats [or], outboard
13 motors [and sales to or by public utilities and providers of
14 communications, cable, or video services], electricity, piped
15 natural or artificial gas, or other fuels delivered by the
16 seller. Any sales and use tax imposed pursuant to this section
17 may be imposed in increments of one-eighth of one percent, up to
18 a maximum of one percent. Such district sales and use tax may be
19 imposed for any district purpose designated by the district in
20 its ballot of submission to its qualified voters; except that, no
21 resolution adopted pursuant to this section shall become
22 effective unless the board of directors of the district submits
23 to the qualified voters of the district, by mail-in ballot, a
24 proposal to authorize a sales and use tax pursuant to this
25 section. If a majority of the votes cast by the qualified voters
26 on the proposed sales tax are in favor of the sales tax, then the
27 resolution is adopted. If a majority of the votes cast by the
28 qualified voters are opposed to the sales tax, then the

1 resolution is void.

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

3 Shall the _____ (insert name of district) Community
4 Improvement District impose a community improvement districtwide
5 sales and use tax at the maximum rate of _____ (insert amount)
6 for a period of _____ (insert number) years from the date on
7 which such tax is first imposed for the purpose of providing
8 revenue for _____ (insert general description of the purpose)?

9 YES NO

10

11 If you are in favor of the question, place an "X" in the box
12 opposite "YES". If you are opposed to the question, place an "X"
13 in the box opposite "NO".

14 3. Within ten days after the qualified voters have approved
15 the imposition of the sales and use tax, the district shall, in
16 accordance with section 32.087, notify the director of the
17 department of revenue. The sales and use tax authorized by this
18 section shall become effective [on the first day of the second
19 calendar quarter after the director of the department of revenue
20 receives notice of the adoption of such tax] as provided by
21 subsection 19 of section 32.087.

22 4. [The director of the department of revenue shall collect
23 any tax adopted pursuant to this section pursuant to section
24 32.087] After the effective date of any tax imposed under the
25 provisions of this section, the director of revenue shall perform
26 all functions incident to the administration, collection,
27 enforcement, and operation of the tax and collect, in addition to
28 the sales tax for the state of Missouri, the additional tax

1 authorized under the authority of this section. The tax imposed
2 under this section and the tax imposed under the sales tax law of
3 the state of Missouri shall be collected together and reported
4 upon such forms and under such administrative rules and
5 regulations as may be prescribed by the director of revenue.

6 5. In each district in which a sales and use tax is imposed
7 pursuant to this section, every retailer shall add such
8 additional tax imposed by the district to such retailer's sale
9 price, and when so added such tax shall constitute a part of the
10 purchase price, shall be a debt of the purchaser to the retailer
11 until paid and shall be recoverable at law in the same manner as
12 the purchase price.

13 6. [In order to allow retailers to collect and report the
14 sales and use tax authorized by this section as well as all other
15 sales and use taxes required by law in the simplest and most
16 efficient manner possible, a district may establish appropriate
17 brackets to be used in the district imposing a tax pursuant to
18 this section in lieu of the brackets provided in section 144.285.

19 7.] The penalties provided in sections 144.010 to 144.525
20 shall apply to violations of this section.

21 [8.] 7. All revenue received by the district from a sales
22 and use tax imposed pursuant to this section which is designated
23 for a specific purpose shall be deposited into a special trust
24 fund and expended solely for such purpose. Upon the expiration
25 of any sales and use tax adopted pursuant to this section, all
26 funds remaining in the special trust fund shall continue to be
27 used solely for the specific purpose designated in the resolution
28 adopted by the qualified voters. Any funds in such special trust

1 fund which are not needed for current expenditures may be
2 invested by the board of directors pursuant to applicable laws
3 relating to the investment of other district funds.

4 [9.] 8. A district may repeal by resolution any sales and
5 use tax imposed pursuant to this section before the expiration
6 date of such sales and use tax unless the repeal of such sales
7 and use tax will impair the district's ability to repay any
8 liabilities the district has incurred, moneys the district has
9 borrowed or obligation the district has issued to finance any
10 improvements or services rendered for the district.

11 [10.] 9. Notwithstanding the provisions of chapter 115, an
12 election for a district sales and use tax under this section
13 shall be conducted in accordance with the provisions of this
14 section.

15 10. Except as provided in this section, all provisions of
16 sections 32.085 to 32.087 shall apply to the tax imposed under
17 this section.

18 67.1712. 1. The governing body of any county located
19 within the proposed metropolitan district is hereby authorized to
20 impose by ordinance a one-tenth of one cent sales tax on all
21 retail sales subject to taxation [pursuant to sections 144.010 to
22 144.525] under chapter 144 for the purpose of funding the
23 creation, operation and maintenance of a metropolitan park and
24 recreation district.

25 2. In addition to the tax authorized in subsection 1 of
26 this section, the governing body of any county located within the
27 metropolitan district as of January 1, 2012, is authorized to
28 impose by ordinance an incremental sales tax of up to

1 three-sixteenths of one cent on all retail sales subject to
2 taxation under [sections 144.010 to 144.525] chapter 144 for the
3 purpose of funding the operation and maintenance of the
4 metropolitan park and recreation district. Such incremental
5 sales tax shall not be implemented unless approved by the voters
6 of the county with the largest population within the district and
7 at least one other such county under subsection 2 of section
8 67.1715.

9 3. The taxes authorized by sections 67.1700 to 67.1769
10 shall be in addition to all other sales taxes allowed by law.
11 The governing body of any county within the metropolitan district
12 enacting such an ordinance shall submit to the voters of such
13 county a proposal to approve its ordinance imposing or increasing
14 the tax. Such ordinance shall become effective only after the
15 majority of the voters voting on such ordinance approve such
16 ordinance. The provisions of sections 32.085 [and] to 32.087
17 shall apply to any tax and increase in tax approved pursuant to
18 this section and sections 67.1715 to 67.1721.

19 4. After the effective date of any tax imposed under the
20 provisions of this section, the director of revenue shall perform
21 all functions incident to the administration, collection,
22 enforcement, and operation of the tax and the director of revenue
23 shall collect in addition to the sales tax for the state of
24 Missouri the additional tax authorized under the authority of
25 this section. The tax imposed under this section and the tax
26 imposed under the sales tax law of the state of Missouri shall be
27 collected together and reported upon such forms and under such
28 administrative rules and regulations as may be prescribed by the

1 director of revenue.

2 67.1775. 1. The governing body of a city not within a
3 county, or any county of this state may, after voter approval
4 under this section, levy a sales tax not to exceed one-quarter of
5 a cent in the county or city, or city not within a county, on all
6 retail sales made in the city or county which are subject to
7 sales tax under chapter 144 for the purpose of providing services
8 described in section 210.861, including counseling, family
9 support, and temporary residential services to persons nineteen
10 years of age or less. The question shall be submitted to the
11 qualified voters of the county or city, or city not within a
12 county, at a county or city or state general, primary or special
13 election upon the motion of the governing body of the county or
14 city, or city not within a county or upon the petition of eight
15 percent of the qualified voters of the county or city, or city
16 not within a county, determined on the basis of the number of
17 votes cast for governor in such county at the last gubernatorial
18 election held prior to the filing of the petition. The election
19 officials of the county or city, or city not within a county,
20 shall give legal notice as provided in chapter 115. The question
21 shall be submitted in substantially the following form:

22 Shall _____ County or City, solely for the purpose of
23 establishing a community children's services fund for the purpose
24 of providing services to protect the well-being and safety of
25 children and youth nineteen years of age or less and to
26 strengthen families, be authorized to levy a sales tax of _____
27 (not to exceed one-quarter of a cent) in the city or county?

28 YES NO

1 If a majority of the votes cast on the question by the qualified
2 voters voting thereon are in favor of the question, then the
3 ordinance or order and any amendments thereto shall be in effect
4 [on the first day of the second calendar quarter after the
5 director receives notification of the local sales tax] as
6 provided by subsection 19 of section 32.087. If a question
7 receives less than the required majority, then the governing
8 authority of the city or county, or city not within a county,
9 shall have no power to impose the sales tax unless and until the
10 governing authority of the city or county, or city not within a
11 county, has submitted another question to authorize the
12 imposition of the sales tax authorized by this section and such
13 question is approved by the required majority of the qualified
14 voters voting thereon. However, in no event shall a question
15 under this section be submitted to the voters sooner than twelve
16 months from the date of the last question under this section.

17 2. After the effective date of any tax imposed under the
18 provisions of this section, the director of revenue shall perform
19 all functions incident to the administration, collection,
20 enforcement, and operation of the tax and the director of revenue
21 shall collect in addition to the sales tax for the state of
22 Missouri the additional tax authorized under the authority of
23 this section. The tax imposed under this section and the tax
24 imposed under the sales tax law of the state of Missouri shall be
25 collected together and reported upon such forms and under such
26 administrative rules and regulations as may be prescribed by the
27 director of revenue.

28 3. All sales taxes collected by the director of revenue

1 under this section on behalf of any city or county, or city not
2 within a county[, less one percent for the cost of collection,
3 which shall be deposited in the state's general revenue fund
4 after payment of premiums for surety bonds as provided in section
5 32.087,] shall be deposited with the state treasurer in a special
6 fund, which is hereby created, to be known as the "Community
7 Children's Services Fund". [The moneys in the city or county, or
8 city not within a county, community children's services fund
9 shall not be deemed to be state funds and shall not be commingled
10 with any funds of the state.] The director of revenue shall keep
11 accurate records of the amount of money in the fund which was
12 collected in each city or county, or city not within a county,
13 imposing a sales tax under this section, and the records shall be
14 open to the inspection of officers of each city or county, or
15 city not within a county, and the general public. Not later than
16 the tenth day of each month, the director of revenue shall
17 distribute all moneys deposited in the fund during the preceding
18 month by distributing to the city or county treasurer, or the
19 treasurer of a city not within a county, or such other officer as
20 may be designated by a city or county ordinance or order, or
21 ordinance or order of a city not within a county, of each city or
22 county, or city not within a county, imposing the tax authorized
23 by this section, the sum, as certified by the director of
24 revenue, due the city or county.

25 4. The director of revenue may authorize the state
26 treasurer to make refunds from the amounts in the fund and
27 credited to any city or county, or city not within a county, for
28 erroneous payments and overpayments made, and may redeem

1 dishonored checks and drafts deposited to the credit of such
2 counties. Each city or county, or city not within a county,
3 shall notify the director of revenue [at least ninety days] prior
4 to the effective date of the expiration of the sales tax
5 authorized by this section and the repeal shall be effective as
6 provided by subsection 19 of section 32.087. The director of
7 revenue may order retention in the fund, for a period of one
8 year, of two percent of the amount collected after receipt of
9 such notice to cover possible refunds or overpayment of such tax
10 and to redeem dishonored checks and drafts deposited to the
11 credit of such accounts. After one year has elapsed after the
12 date of expiration of the tax authorized by this section in such
13 city not within a county or such city or county, the director of
14 revenue shall remit the balance in the account to the city or
15 county, or city not within a county, and close the account of
16 that city or county, or city not within a county. The director
17 of revenue shall notify each city or county, or city not within a
18 county, of each instance of any amount refunded or any check
19 redeemed from receipts due the city or county.

20 5. Except as modified in this section, all provisions of
21 sections 32.085 [and] to 32.087 shall apply to the tax imposed
22 under this section.

23 6. All revenues generated by the tax prescribed in this
24 section shall be deposited in the county treasury or, in a city
25 not within a county, to the board established by law to
26 administer such fund to the credit of a special community
27 children's services fund to accomplish the purposes set out
28 herein and in section 210.861, and shall be used for no other

1 purpose. Such fund shall be administered by a board of
2 directors, established under section 210.861.

3 67.1959. 1. The board, by a majority vote, may submit to
4 the residents of such district a tax of not more than one percent
5 on all retail sales, except sales of [food as defined in section
6 144.014, sales of] new or used motor vehicles, trailers, boats,
7 or other outboard motors[, all utilities, telephone and wireless
8 services, and sales of funeral services,] made on or after
9 January 1, 2019, within the district which are subject to
10 taxation [pursuant to the provisions of sections 144.010 to
11 144.525] under chapter 144. Upon the written request of the
12 board to the election authority of the county in which a majority
13 of the area of the district is situated, such election authority
14 shall submit a proposition to the residents of such district at a
15 municipal or statewide primary or general election, or at a
16 special election called for that purpose. Such election
17 authority shall give legal notice as provided in chapter 115.

18 2. Such proposition shall be submitted to the voters of the
19 district in substantially the following form at such election:

20 Shall the Tourism Community Enhancement District impose a
21 sales tax of _____ (insert amount) for the purpose of promoting
22 tourism in the district?

23 YES NO

24 If you are in favor of the question, place an "X" in the box
25 opposite "YES". If you are opposed to the question, place an "X"
26 in the box opposite "NO".

27
28 If a majority of the votes cast on the proposal by the qualified

1 voters of the proposed district voting thereon are in favor of
2 the proposal, then the order shall become effective [on the first
3 day of the second calendar quarter after the director of revenue
4 receives notice of adoption of the tax] as provided in subsection
5 19 of section 32.087. If the proposal receives less than the
6 required majority, then the board shall have no power to impose
7 the sales tax authorized pursuant to this section unless and
8 until the board shall again have submitted another proposal to
9 authorize the board to impose the sales tax authorized by this
10 section and such proposal is approved by the required majority of
11 the qualified voters of the district.

12 3. Except as modified by this section, all provisions of
13 sections 32.085 to 32.087 shall apply to the tax imposed under
14 this section.

15 67.2000. 1. This section shall be known as the "Exhibition
16 Center and Recreational Facility District Act".

17 2. An exhibition center and recreational facility district
18 may be created under this section in the following counties:

19 (1) Any county of the first classification with more than
20 seventy-one thousand three hundred but less than seventy-one
21 thousand four hundred inhabitants;

22 (2) Any county of the first classification with more than
23 one hundred ninety-eight thousand but less than one hundred
24 ninety-nine thousand two hundred inhabitants;

25 (3) Any county of the first classification with more than
26 eighty-five thousand nine hundred but less than eighty-six
27 thousand inhabitants;

28 (4) Any county of the second classification with more than

1 fifty-two thousand six hundred but less than fifty-two thousand
2 seven hundred inhabitants;

3 (5) Any county of the first classification with more than
4 one hundred four thousand six hundred but less than one hundred
5 four thousand seven hundred inhabitants;

6 (6) Any county of the third classification without a
7 township form of government and with more than seventeen thousand
8 nine hundred but less than eighteen thousand inhabitants;

9 (7) Any county of the first classification with more than
10 thirty-seven thousand but less than thirty-seven thousand one
11 hundred inhabitants;

12 (8) Any county of the third classification without a
13 township form of government and with more than twenty-three
14 thousand five hundred but less than twenty-three thousand six
15 hundred inhabitants;

16 (9) Any county of the third classification without a
17 township form of government and with more than nineteen thousand
18 three hundred but less than nineteen thousand four hundred
19 inhabitants;

20 (10) Any county of the first classification with more than
21 two hundred forty thousand three hundred but less than two
22 hundred forty thousand four hundred inhabitants;

23 (11) Any county of the third classification with a township
24 form of government and with more than eight thousand nine hundred
25 but fewer than nine thousand inhabitants;

26 (12) Any county of the third classification without a
27 township form of government and with more than eighteen thousand
28 nine hundred but fewer than nineteen thousand inhabitants;

1 (13) Any county of the third classification with a township
2 form of government and with more than eight thousand but fewer
3 than eight thousand one hundred inhabitants;

4 (14) Any county of the third classification with a township
5 form of government and with more than eleven thousand five
6 hundred but fewer than eleven thousand six hundred inhabitants.

7 3. Whenever not less than fifty owners of real property
8 located within any county listed in subsection 2 of this section
9 desire to create an exhibition center and recreational facility
10 district, the property owners shall file a petition with the
11 governing body of each county located within the boundaries of
12 the proposed district requesting the creation of the district.
13 The district boundaries may include all or part of the counties
14 described in this section. The petition shall contain the
15 following information:

16 (1) The name and residence of each petitioner and the
17 location of the real property owned by the petitioner;

18 (2) A specific description of the proposed district
19 boundaries, including a map illustrating the boundaries; and

20 (3) The name of the proposed district.

21 4. Upon the filing of a petition pursuant to this section,
22 the governing body of any county described in this section may,
23 by resolution, approve the creation of a district. Any
24 resolution to establish such a district shall be adopted by the
25 governing body of each county located within the proposed
26 district, and shall contain the following information:

27 (1) A description of the boundaries of the proposed
28 district;

1 (2) The time and place of a hearing to be held to consider
2 establishment of the proposed district;

3 (3) The proposed sales tax rate to be voted on within the
4 proposed district; and

5 (4) The proposed uses for the revenue generated by the new
6 sales tax.

7 5. Whenever a hearing is held as provided by this section,
8 the governing body of each county located within the proposed
9 district shall:

10 (1) Publish notice of the hearing on two separate occasions
11 in at least one newspaper of general circulation in each county
12 located within the proposed district, with the first publication
13 to occur not more than thirty days before the hearing, and the
14 second publication to occur not more than fifteen days or less
15 than ten days before the hearing;

16 (2) Hear all protests and receive evidence for or against
17 the establishment of the proposed district; and

18 (3) Rule upon all protests, which determinations shall be
19 final.

20 6. Following the hearing, if the governing body of each
21 county located within the proposed district decides to establish
22 the proposed district, it shall adopt an order to that effect; if
23 the governing body of any county located within the proposed
24 district decides to not establish the proposed district, the
25 boundaries of the proposed district shall not include that
26 county. The order shall contain the following:

27 (1) The description of the boundaries of the district;

28 (2) A statement that an exhibition center and recreational

1 facility district has been established;

2 (3) The name of the district;

3 (4) The uses for any revenue generated by a sales tax
4 imposed pursuant to this section; and

5 (5) A declaration that the district is a political
6 subdivision of the state.

7 7. A district established pursuant to this section may, at
8 a general, primary, or special election, submit to the qualified
9 voters within the district boundaries a sales tax of one-fourth
10 of one percent, for a period not to exceed twenty-five years, on
11 all retail sales within the district, which are subject to
12 taxation [pursuant to sections 144.010 to 144.525] under chapter
13 144, to fund the acquisition, construction, maintenance,
14 operation, improvement, and promotion of an exhibition center and
15 recreational facilities. The ballot of submission shall be in
16 substantially the following form:

17 Shall the _____ (name of district) impose a sales tax of
18 one-fourth of one percent to fund the acquisition, construction,
19 maintenance, operation, improvement, and promotion of an
20 exhibition center and recreational facilities, for a period of
21 _____ (insert number of years)?

22 YES NO

23 If you are in favor of the question, place an "X" in the box
24 opposite "YES". If you are opposed to the question, place an "X"
25 in the box opposite "NO".

26
27 If a majority of the votes cast in the portion of any county that
28 is part of the proposed district favor the proposal, then the

1 sales tax shall become effective in that portion of the county
2 [that is part of the proposed district on the first day of the
3 first calendar quarter immediately following the election] as
4 provided by subsection 19 of section 32.087. If a majority of
5 the votes cast in the portion of a county that is a part of the
6 proposed district oppose the proposal, then that portion of such
7 county shall not impose the sales tax authorized in this section
8 until after the county governing body has submitted another such
9 sales tax proposal and the proposal is approved by a majority of
10 the qualified voters voting thereon. However, if a sales tax
11 proposal is not approved, the governing body of the county shall
12 not resubmit a proposal to the voters pursuant to this section
13 sooner than twelve months from the date of the last proposal
14 submitted pursuant to this section. If the qualified voters in
15 two or more counties that have contiguous districts approve the
16 sales tax proposal, the districts shall combine to become one
17 district.

18 8. There is hereby created a board of trustees to
19 administer any district created and the expenditure of revenue
20 generated pursuant to this section consisting of four individuals
21 to represent each county approving the district, as provided in
22 this subsection. The governing body of each county located
23 within the district, upon approval of that county's sales tax
24 proposal, shall appoint four members to the board of trustees; at
25 least one shall be an owner of a nonlodging business located
26 within the taxing district, or their designee, at least one shall
27 be an owner of a lodging facility located within the district, or
28 their designee, and all members shall reside in the district

1 except that one nonlodging business owner, or their designee, and
2 one lodging facility owner, or their designee, may reside outside
3 the district. Each trustee shall be at least twenty-five years
4 of age and a resident of this state. Of the initial trustees
5 appointed from each county, two shall hold office for two years,
6 and two shall hold office for four years. Trustees appointed
7 after expiration of the initial terms shall be appointed to a
8 four-year term by the governing body of the county the trustee
9 represents, with the initially appointed trustee to remain in
10 office until a successor is appointed, and shall take office upon
11 being appointed. Each trustee may be reappointed. Vacancies
12 shall be filled in the same manner in which the trustee vacating
13 the office was originally appointed. The trustees shall not
14 receive compensation for their services, but may be reimbursed
15 for their actual and necessary expenses. The board shall elect a
16 chair and other officers necessary for its membership. Trustees
17 may be removed if:

18 (1) By a two-thirds vote, the board moves for the member's
19 removal and submits such motion to the governing body of the
20 county from which the trustee was appointed; and

21 (2) The governing body of the county from which the trustee
22 was appointed, by a majority vote, adopts the motion for removal.

23 9. The board of trustees shall have the following powers,
24 authority, and privileges:

25 (1) To have and use a corporate seal;

26 (2) To sue and be sued, and be a party to suits, actions,
27 and proceedings;

28 (3) To enter into contracts, franchises, and agreements

1 with any person or entity, public or private, affecting the
2 affairs of the district, including contracts with any
3 municipality, district, or state, or the United States, and any
4 of their agencies, political subdivisions, or instrumentalities,
5 for the funding, including without limitation interest rate
6 exchange or swap agreements, planning, development, construction,
7 acquisition, maintenance, or operation of a single exhibition
8 center and recreational facilities or to assist in such activity.
9 "Recreational facilities" means locations explicitly designated
10 for public use where the primary use of the facility involves
11 participation in hobbies or athletic activities;

12 (4) To borrow money and incur indebtedness and evidence the
13 same by certificates, notes, or debentures, to issue bonds and
14 use any one or more lawful funding methods the district may
15 obtain for its purposes at such rates of interest as the district
16 may determine. Any bonds, notes, and other obligations issued or
17 delivered by the district may be secured by mortgage, pledge, or
18 deed of trust of any or all of the property and income of the
19 district. Every issue of such bonds, notes, or other obligations
20 shall be payable out of property and revenues of the district and
21 may be further secured by other property of the district, which
22 may be pledged, assigned, mortgaged, or a security interest
23 granted for such payment, without preference or priority of the
24 first bonds issued, subject to any agreement with the holders of
25 any other bonds pledging any specified property or revenues.
26 Such bonds, notes, or other obligations shall be authorized by
27 resolution of the district board, and shall bear such date or
28 dates, and shall mature at such time or times, but not in excess

1 of thirty years, as the resolution shall specify. Such bonds,
2 notes, or other obligations shall be in such denomination, bear
3 interest at such rate or rates, be in such form, either coupon or
4 registered, be issued as current interest bonds, compound
5 interest bonds, variable rate bonds, convertible bonds, or zero
6 coupon bonds, be issued in such manner, be payable in such place
7 or places, and be subject to redemption as such resolution may
8 provide, notwithstanding section 108.170. The bonds, notes, or
9 other obligations may be sold at either public or private sale,
10 at such interest rates, and at such price or prices as the
11 district shall determine;

12 (5) To acquire, transfer, donate, lease, exchange,
13 mortgage, and encumber real and personal property in furtherance
14 of district purposes;

15 (6) To refund any bonds, notes, or other obligations of the
16 district without an election. The terms and conditions of
17 refunding obligations shall be substantially the same as those of
18 the original issue, and the board shall provide for the payment
19 of interest at not to exceed the legal rate, and the principal of
20 such refunding obligations in the same manner as is provided for
21 the payment of interest and principal of obligations refunded;

22 (7) To have the management, control, and supervision of all
23 the business and affairs of the district, and the construction,
24 installation, operation, and maintenance of district improvements
25 therein; to collect rentals, fees, and other charges in
26 connection with its services or for the use of any of its
27 facilities;

28 (8) To hire and retain agents, employees, engineers, and

1 attorneys;

2 (9) To receive and accept by bequest, gift, or donation any
3 kind of property;

4 (10) To adopt and amend bylaws and any other rules and
5 regulations not in conflict with the constitution and laws of
6 this state, necessary for the carrying on of the business,
7 objects, and affairs of the board and of the district; and

8 (11) To have and exercise all rights and powers necessary
9 or incidental to or implied from the specific powers granted by
10 this section.

11 10. There is hereby created the "Exhibition Center and
12 Recreational Facility District Sales Tax Trust Fund", which shall
13 consist of all sales tax revenue collected pursuant to this
14 section. The director of revenue shall be custodian of the trust
15 fund, and moneys in the trust fund shall be used solely for the
16 purposes authorized in this section. Moneys in the trust fund
17 shall be considered nonstate funds pursuant to Section 15,
18 Article IV, Constitution of Missouri. The director of revenue
19 shall invest moneys in the trust fund in the same manner as other
20 funds are invested. Any interest and moneys earned on such
21 investments shall be credited to the trust fund. All sales taxes
22 collected by the director of revenue pursuant to this section on
23 behalf of the district[, less one percent for the cost of
24 collection which shall be deposited in the state's general
25 revenue fund after payment of premiums for surety bonds as
26 provided in section 32.087,] shall be deposited in the trust
27 fund. The director of revenue shall keep accurate records of the
28 amount of moneys in the trust fund which was collected in the

1 district imposing a sales tax pursuant to this section, and the
2 records shall be open to the inspection of the officers of each
3 district and the general public. Not later than the tenth day of
4 each month, the director of revenue shall distribute all moneys
5 deposited in the trust fund during the preceding month to the
6 district. The director of revenue may authorize refunds from the
7 amounts in the trust fund and credited to the district for
8 erroneous payments and overpayments made, and may redeem
9 dishonored checks and drafts deposited to the credit of the
10 district.

11 11. The sales tax authorized by this section is in addition
12 to all other sales taxes allowed by law. After the effective
13 date of any tax imposed under the provisions of this section, the
14 director of revenue shall perform all functions incident to the
15 administration, collection, enforcement, and operation of the tax
16 and collect, in addition to the sales tax for the state of
17 Missouri, the additional tax authorized under the authority of
18 this section. The tax imposed under this section and the tax
19 imposed under the sales tax law of the state of Missouri shall be
20 collected together and reported upon such forms and under such
21 administrative rules and regulations as may be prescribed by the
22 director of revenue.

23 12. Except as modified in this section, all provisions of
24 sections 32.085 [and] to 32.087 apply to the sales tax imposed
25 pursuant to this section.

26 [12.] 13. Any sales tax imposed pursuant to this section
27 shall not extend past the initial term approved by the voters
28 unless an extension of the sales tax is submitted to and approved

1 by the qualified voters in each county in the manner provided in
2 this section. Each extension of the sales tax shall be for a
3 period not to exceed twenty years. The ballot of submission for
4 the extension shall be in substantially the following form:

5 Shall the _____ (name of district) extend the sales tax of
6 one-fourth of one percent for a period of _____ (insert number
7 of years) years to fund the acquisition, construction,
8 maintenance, operation, improvement, and promotion of an
9 exhibition center and recreational facilities?

10 YES NO

11

12 If you are in favor of the question, place an "X" in the box
13 opposite "YES". If you are opposed to the question, place an "X"
14 in the box opposite "NO".

15

16 If a majority of the votes cast favor the extension, then the
17 sales tax shall remain in effect at the rate and for the time
18 period approved by the voters. If a sales tax extension is not
19 approved, the district may submit another sales tax proposal as
20 authorized in this section, but the district shall not submit
21 such a proposal to the voters sooner than twelve months from the
22 date of the last extension submitted.

23 [13.] 14. Once the sales tax authorized by this section is
24 abolished or terminated by any means, all funds remaining in the
25 trust fund shall be used solely for the purposes approved in the
26 ballot question authorizing the sales tax. The sales tax shall
27 not be abolished or terminated while the district has any
28 financing or other obligations outstanding; provided that any new

1 financing, debt, or other obligation or any restructuring or
2 refinancing of an existing debt or obligation incurred more than
3 ten years after voter approval of the sales tax provided in this
4 section or more than ten years after any voter-approved extension
5 thereof shall not cause the extension of the sales tax provided
6 in this section or cause the final maturity of any financing or
7 other obligations outstanding to be extended. Any funds in the
8 trust fund which are not needed for current expenditures may be
9 invested by the district in the securities described in
10 subdivisions (1) to (12) of subsection 1 of section 30.270 or
11 repurchase agreements secured by such securities. If the
12 district abolishes the sales tax, the district shall notify the
13 director of revenue of the action [at least ninety days before
14 the effective date of the repeal,] and the director of revenue
15 may order retention in the trust fund, for a period of one year,
16 of two percent of the amount collected after receipt of such
17 notice to cover possible refunds or overpayment of the sales tax
18 and to redeem dishonored checks and drafts deposited to the
19 credit of such accounts. After one year has elapsed after the
20 effective date of abolition of the sales tax in the district, the
21 director of revenue shall remit the balance in the account to the
22 district and close the account of the district. The director of
23 revenue shall notify the district of each instance of any amount
24 refunded or any check redeemed from receipts due the district.

25 [14.] 15. In the event that the district is dissolved or
26 terminated by any means, the governing bodies of the counties in
27 the district shall appoint a person to act as trustee for the
28 district so dissolved or terminated. Before beginning the

1 discharge of duties, the trustee shall take and subscribe an oath
2 to faithfully discharge the duties of the office, and shall give
3 bond with sufficient security, approved by the governing bodies
4 of the counties, to the use of the dissolved or terminated
5 district, for the faithful discharge of duties. The trustee
6 shall have and exercise all powers necessary to liquidate the
7 district, and upon satisfaction of all remaining obligations of
8 the district, shall pay over to the county treasurer of each
9 county in the district and take receipt for all remaining moneys
10 in amounts based on the ratio the levy of each county bears to
11 the total levy for the district in the previous three years or
12 since the establishment of the district, whichever time period is
13 shorter. Upon payment to the county treasurers, the trustee
14 shall deliver to the clerk of the governing body of any county in
15 the district all books, papers, records, and deeds belonging to
16 the dissolved district.

17 67.2030. 1. The governing authority of any city of the
18 fourth classification with more than one thousand six hundred but
19 less than one thousand seven hundred inhabitants and located in
20 any county of the first classification with more than
21 seventy-three thousand seven hundred but less than seventy-three
22 thousand eight hundred inhabitants is hereby authorized to
23 impose, by ordinance or order, a sales tax in the amount not to
24 exceed one-half of one percent on all retail sales made in such
25 city which are subject to taxation [pursuant to sections 144.010
26 to 144.525] under chapter 144 for the promotion of tourism in
27 such city. The tax authorized by this section shall be in
28 addition to any and all other sales taxes allowed by law, except

1 that no ordinance or order imposing a sales tax pursuant to this
2 section shall be effective unless the governing authority of the
3 city submits to the qualified voters of the city, at any
4 municipal or state general, primary, or special election, a
5 proposal to authorize the governing authority of the city to
6 impose a tax.

7 2. The ballot of submission shall be in substantially the
8 following form:

9 Shall the city of _____ (city's name) impose a citywide
10 sales tax of _____ (insert amount) for the purpose of promoting
11 tourism in the city?

12 YES NO

13

14 If you are in favor of the question, place an "X" in the box
15 opposite "YES". If you are opposed to the question, place an "X"
16 in the box opposite "NO".

17

18 If a majority of the votes cast on the proposal by the qualified
19 voters voting thereon are in favor of the proposal, then the
20 ordinance or order and any amendments thereto shall be in effect
21 [on the first day of the first calendar quarter immediately
22 following notification to the director of the department of
23 revenue of the election approving the proposal] as provided by
24 subsection 19 of section 32.087. If a proposal receives less
25 than the required majority, then the governing authority of the
26 city shall have no power to impose the sales tax unless and until
27 the governing authority of the city has submitted another
28 proposal to authorize the imposition of the sales tax authorized

1 by this section and such proposal is approved by the required
2 majority of the qualified voters voting thereon. However, in no
3 event shall a proposal pursuant to this section be submitted to
4 the voters sooner than twelve months from the date of the last
5 proposal pursuant to this section.

6 3. [On and after the effective date of any tax authorized
7 in this section, the city may adopt one of the two following
8 provisions for the collection and administration of the tax:

9 (1) The city may adopt rules and regulations for the
10 internal collection of such tax by the city officers usually
11 responsible for collection and administration of city taxes; or

12 (2) The city may enter into an agreement with the director
13 of revenue of the state of Missouri for the purpose of collecting
14 the tax authorized in this section. In the event any city enters
15 into an agreement with the director of revenue of the state of
16 Missouri for the collection of the tax authorized in this
17 section, the director of revenue shall perform all functions
18 incident to the administration, collection, enforcement, and
19 operation of such tax, and the director of revenue shall collect
20 the additional tax authorized in this section. The tax
21 authorized in this section shall be collected and reported upon
22 such forms and under such administrative rules and regulations as
23 may be prescribed by the director of revenue, and the director of
24 revenue shall retain an amount not to exceed one percent for cost
25 of collection.

26 4. If a tax is imposed by a city pursuant to this section,
27 the city may collect a penalty of one percent and interest not to
28 exceed two percent per month on unpaid taxes which shall be

1 considered delinquent thirty days after the last day of each
2 quarter] After the effective date of any tax imposed under the
3 provisions of this section, the director of revenue shall perform
4 all functions incident to the administration, collection,
5 enforcement, and operation of the tax and collect, in addition to
6 the sales tax for the state of Missouri, the additional tax
7 authorized under the authority of this section. The tax imposed
8 under this section and the tax imposed under the sales tax law of
9 the state of Missouri shall be collected together and reported
10 upon such forms and under such administrative rules and
11 regulations as may be prescribed by the director of revenue.

12 [5.] 4. (1) The governing authority of any city that has
13 adopted any sales tax pursuant to this section shall, upon filing
14 of a petition calling for the repeal of such sales tax signed by
15 at least ten percent of the qualified voters in the city, submit
16 the question of repeal of the sales tax to the qualified voters
17 at any primary or general election. The ballot of submission
18 shall be in substantially the following form:

19 Shall _____ (insert name of city) repeal the sales tax of
20 _____ (insert rate of percent) percent for tourism purposes now
21 in effect in _____ (insert name of city)?

22 YES NO

23
24 If you are in favor of the question, place an "X" in the box
25 opposite "YES". If you are opposed to the question, place an "X"
26 in the box opposite "NO".

27
28 If a majority of the votes cast on the proposal are in favor of

1 repeal, that repeal shall become effective [on December
2 thirty-first of the calendar year in which such repeal was
3 approved] as provided by subsection 19 of section 32.087. If the
4 city or county abolishes the tax, the city or county shall notify
5 the director of revenue of the action prior to the effective date
6 of the repeal.

7 (2) Once the tax is repealed as provided in this section,
8 all funds remaining in any trust fund or account established to
9 receive revenues generated by the tax shall be used solely for
10 the original stated purpose of the tax. Any funds which are not
11 needed for current expenditures may be invested by the governing
12 authority in accordance with applicable laws relating to the
13 investment of other city funds.

14 (3) The governing authority of a city repealing a tax
15 pursuant to this section shall notify the director of revenue of
16 the action [at least forty-five days before] prior to the
17 effective date of the repeal and the director of revenue may
18 order retention in any trust fund created in the state treasury
19 associated with the tax, for a period of one year, of two percent
20 of the amount collected after receipt of such notice to cover
21 refunds or overpayment of the tax and to redeem dishonored checks
22 and drafts deposited to the credit of such accounts. After one
23 year has elapsed after the effective date of repeal of the tax in
24 the city, the director of revenue shall remit the balance in the
25 trust fund to the city and close the account of that city. The
26 director of revenue shall notify each city of each instance of
27 any amount refunded or any check redeemed from receipts due the
28 city.

1 (4) In the event that the repeal of a sales tax pursuant to
2 this section dissolves or terminates a taxing district, the
3 governing authority of the city shall appoint a person to act as
4 trustee for the district so dissolved or terminated. Before
5 beginning the discharge of duties, the trustee shall take and
6 subscribe an oath to faithfully discharge the duties of the
7 office, and shall give bond with sufficient security, approved by
8 the governing authority of the city, to the use of the dissolved
9 or terminated district, for the faithful discharge of duties.
10 The trustee shall have and exercise all powers necessary to
11 liquidate the district, and upon satisfaction of all remaining
12 obligations of the district, shall pay over to the city treasurer
13 or the equivalent official and take receipt for all remaining
14 moneys. Upon payment to the city treasurer, the trustee shall
15 deliver to the clerk of the governing authority of the city all
16 books, papers, records, and deeds belonging to the dissolved
17 district.

18 [6.] 5. Except as modified in this section, all provisions
19 of sections 32.085 [and] to 32.087 shall apply to the tax imposed
20 pursuant to this section.

21 67.2525. 1. Each member of the board of directors shall
22 have the following qualifications:

23 (1) As to those subdistricts in which there are registered
24 voters, a resident registered voter in the subdistrict that he or
25 she represents, or be a property owner or, as to those
26 subdistricts in which there are not registered voters who are
27 residents, a property owner or representative of a property owner
28 in the subdistrict he or she represents;

1 (2) Be at least twenty-one years of age and a registered
2 voter in the district.

3 2. The district shall be subdivided into at least five but
4 not more than fifteen subdistricts, which shall be represented by
5 one representative on the district board of directors. All board
6 members shall have terms of four years, including the initial
7 board of directors. All members shall take office upon being
8 appointed and shall remain in office until a successor is
9 appointed by the mayor or chairman of the municipality in which
10 the district is located, or elected by the property owners in
11 those subdistricts without registered voters.

12 3. For those subdistricts which contain one or more
13 registered voters, the mayor or chairman of the city, town, or
14 village shall, with the consent of the governing body, appoint a
15 registered voter residing in the subdistrict to the board of
16 directors.

17 4. For those subdistricts which contain no registered
18 voters, the property owners who collectively own one or more
19 parcels of real estate comprising more than half of the land
20 situated in each subdistrict shall meet and shall elect a
21 representative to serve upon the board of directors. The clerk
22 of the city, town, or village in which the petition was filed
23 shall, unless waived in writing by all property owners in the
24 subdistrict, give notice by causing publication to be made once a
25 week for two consecutive weeks in a newspaper of general
26 circulation in the county, the last publication of which shall be
27 at least ten days before the day of the meeting required by this
28 section, to call a meeting of the owners of real property within

1 the subdistrict at a day and hour specified in a public place in
2 the city, town, or village in which the petition was filed for
3 the purpose of electing members of the board of directors.

4 5. The property owners, when assembled, shall organize by
5 the election of a temporary chairman and secretary of the meeting
6 who shall conduct the election. An election shall be conducted
7 for each subdistrict, with the eligible property owners voting in
8 that subdistrict. At the election, each acre of real property
9 within the subdistrict shall represent one share, and each owner,
10 including corporations and other entities, may have one vote in
11 person or for every acre of real property owned by such person
12 within the subdistrict. Each voter which is not an individual
13 shall determine how to cast its vote as provided for in its
14 articles of incorporation, articles of organization, articles of
15 partnership, bylaws, or other document which sets forth an
16 appropriate mechanism for the determination of the entity's vote.
17 If a voter has no such mechanism, then its vote shall be cast as
18 determined by a majority of the persons who run the day-to-day
19 affairs of the voter. The results of the meeting shall be
20 certified by the temporary chairman and secretary to the
21 municipal clerk if the district is established by a municipality
22 described in this section, or to the circuit clerk if the
23 district is established by a circuit court.

24 6. Successor boards shall be appointed or elected,
25 depending upon the presence or absence of resident registered
26 voters, by the mayor or chairman of a city, town, or village
27 described in this section, or the property owners as set forth
28 above; provided, however, that elections held by the property

1 owners after the initial board is elected shall be certified to
2 the municipal clerk of the city, town, or village where the
3 district is located and the board of directors of the district.

4 7. Should a vacancy occur on the board of directors, the
5 mayor or chairman of the city, town, or village if there are
6 registered voters within the subdistrict, or a majority of the
7 owners of real property in a subdistrict if there are not
8 registered voters in the subdistrict, shall have the authority to
9 appoint or elect, as set forth in this section, an interim
10 director to complete any unexpired term of a director caused by
11 resignation or disqualification.

12 8. The board shall possess and exercise all of the
13 district's legislative and executive powers, including:

14 (1) The power to fund, promote and provide educational,
15 civic, musical, theatrical, cultural, concerts, lecture series,
16 and related or similar entertainment events or activities, and
17 fund, promote, plan, design, construct, improve, maintain, and
18 operate public improvements, transportation projects, and related
19 facilities within the district;

20 (2) The power to accept and disburse tax or other revenue
21 collected in the district; and

22 (3) The power to receive property by gift or otherwise.

23 9. Within thirty days after the selection of the initial
24 directors, the board shall meet. At its first meeting and
25 annually thereafter the board shall elect a chairman from its
26 members.

27 10. The board shall appoint an executive director, district
28 secretary, treasurer, and such other officers or employees as it

1 deems necessary.

2 11. At the first meeting, the board, by resolution, shall
3 define the first and subsequent fiscal years of the district, and
4 shall adopt a corporate seal.

5 12. A simple majority of the board shall constitute a
6 quorum. If a quorum exists, a majority of those voting shall
7 have the authority to act in the name of the board, and approve
8 any board resolution.

9 13. At the first meeting, the board, by resolution, shall
10 receive the certification of the election regarding the sales
11 tax, and may impose the sales tax in all subdistricts approving
12 the imposing sales tax. In those subdistricts that approve the
13 sales tax, the sales tax shall become effective [on the first day
14 of the first calendar quarter immediately following the action by
15 the district board of directors imposing the tax] as provided by
16 section 32.087.

17 14. Each director shall devote such time to the duties of
18 the office as the faithful discharge thereof may require and be
19 reimbursed for his or her actual expenditures in the performance
20 of his or her duties on behalf of the district. Directors may be
21 compensated, but such compensation shall not exceed one hundred
22 dollars per month.

23 15. In addition to all other powers granted by sections
24 67.2500 to 67.2530, the district shall have the following general
25 powers:

26 (1) To sue and be sued in its own name, and to receive
27 service of process, which shall be served upon the district
28 secretary;

- 1 (2) To fix compensation of its employees and contractors;
- 2 (3) To enter into contracts, franchises, and agreements
3 with any person or entity, public or private, affecting the
4 affairs of the district, including contracts with any
5 municipality, district, or state, or the United States, and any
6 of their agencies, political subdivisions, or instrumentalities,
7 for the funding, including without limitation, interest rate
8 exchange or swap agreements, planning, development, construction,
9 acquisition, maintenance, or operation of a district facility or
10 to assist in such activity;
- 11 (4) To acquire, develop, construct, equip, transfer,
12 donate, lease, exchange, mortgage, and encumber real and personal
13 property in furtherance of district purposes;
- 14 (5) To collect and disburse funds for its activities;
- 15 (6) To collect taxes and other revenues;
- 16 (7) To borrow money and incur indebtedness and evidence the
17 same by certificates, notes, bonds, debentures, or refunding of
18 any such obligations for the purpose of paying all or any part of
19 the cost of land, construction, development, or equipping of any
20 facilities or operations of the district;
- 21 (8) To own or lease real or personal property for use in
22 connection with the exercise of powers pursuant to this
23 subsection;
- 24 (9) To provide for the election or appointment of officers,
25 including a chairman, treasurer, and secretary. Officers shall
26 not be required to be residents of the district, and one officer
27 may hold more than one office;
- 28 (10) To hire and retain agents, employees, engineers, and

1 attorneys;

2 (11) To enter into entertainment contracts binding the
3 district and artists, agencies, or performers, management
4 contracts, contracts relating to the booking of entertainment and
5 the sale of tickets, and all other contracts which relate to the
6 purposes of the district;

7 (12) To contract with a local government, a corporation,
8 partnership, or individual regarding funding, promotion,
9 planning, designing, constructing, improving, maintaining, or
10 operating a project or to assist in such activity;

11 (13) To contract for transfer to a city, town, or village
12 such district facilities and improvements free of cost or
13 encumbrance on such terms set forth by contract;

14 (14) To exercise such other powers necessary or convenient
15 for the district to accomplish its purposes which are not
16 inconsistent with its express powers.

17 16. A district may at any time authorize or issue notes,
18 bonds, or other obligations for any of its powers or purposes.
19 Such notes, bonds, or other obligations:

20 (1) Shall be in such amounts as deemed necessary by the
21 district, including costs of issuance thereof;

22 (2) Shall be payable out of all or any portion of the
23 revenues or other assets of the district;

24 (3) May be secured by any property of the district which
25 may be pledged, assigned, mortgaged, or otherwise encumbered for
26 payment;

27 (4) Shall be authorized by resolution of the district, and
28 if issued by the district, shall bear such date or dates, and

1 shall mature at such time or times, but not in excess of forty
2 years, as the resolution shall specify;

3 (5) Shall be in such denomination, bear interest at such
4 rates, be in such form, be issued as current interest bonds,
5 compound interest bonds, variable rate bonds, convertible bonds,
6 or zero coupon bonds, be issued in such manner, be payable in
7 such place or places and subject to redemption as such resolution
8 may provide; and

9 (6) May be sold at either public or private sale, at such
10 interest rates, and at such price or prices as the district shall
11 determine.

12
13 The provisions of this subsection are applicable to the district
14 notwithstanding the provisions of section 108.170.

15 67.2530. 1. Any note, bond, or other indebtedness of the
16 district may be refunded at any time by the district by issuing
17 refunding bonds in such amount as the district may deem
18 necessary. Such bonds shall be subject to and shall have the
19 benefit of the foregoing provisions regarding notes, bonds, and
20 other obligations. Without limiting the generality of the
21 foregoing, refunding bonds may include amounts necessary to
22 finance any premium, unpaid interest, and costs of issuance in
23 connection with the refunding bonds. Any such refunding may be
24 effected whether the bonds to be refunded then shall have matured
25 or thereafter shall mature, either by sale of the refunding bonds
26 and the application of the proceeds thereof to the payment of the
27 obligations being refunded or the exchange of the refunding bonds
28 for the obligations being refunded with the consent of the

1 holders of the obligations being refunded.

2 2. Notes, bonds, or other indebtedness of the district
3 shall be exclusively the responsibility of the district payable
4 solely out of the district funds and property and shall not
5 constitute a debt or liability of the state of Missouri or any
6 agency or political subdivision of the state. Any notes, bonds,
7 or other indebtedness of the district shall state on their face
8 that they are not obligations of the state of Missouri or any
9 agency or political subdivision thereof other than the district.

10 3. Any district may by resolution impose a district sales
11 tax of up to one-half of one percent on all retail sales made in
12 such district that are subject to taxation [pursuant to the
13 provisions of sections 144.010 to 144.525] under chapter 144.

14 Upon voter approval, and receiving the necessary certifications
15 from the governing body of the municipality in which the district
16 is located, or from the circuit court if the district was formed
17 by the circuit court, the board of directors shall have the power
18 to impose a sales tax at its first meeting, or any meeting
19 thereafter. Voter approval of the question of the imposing sales
20 tax shall be in accordance with section 67.2520. [The sales tax
21 shall become effective in those subdistricts that approve the
22 sales tax on the first day of the first calendar quarter
23 immediately following the passage of a resolution by the board of
24 directors imposing the sales tax.

25 4. In each district in which a sales tax has been imposed
26 in the manner provided by this section, every retailer shall add
27 the tax imposed by the district pursuant to this section to the
28 retailer's sale price, and when so added, such tax shall

1 constitute a part of the price, shall be a debt of the purchaser
2 to the retailer until paid, and shall be recoverable at law in
3 the same manner as the purchase price.

4 5. In order to permit sellers required to collect and
5 report the sales tax authorized by this section to collect the
6 amount required to be reported and remitted, but not to change
7 the requirements of reporting or remitting tax or to serve as a
8 levy of the tax, and in order to avoid fractions of pennies, the
9 district may establish appropriate brackets which shall be used
10 in the district imposing a tax pursuant to this section in lieu
11 of those brackets provided in section 144.285.

12 [6.] 4. All revenue received by a district from the sales
13 tax authorized by this section shall be deposited in a special
14 trust fund and shall be used solely for the purposes of the
15 district. Any funds in such special trust fund which are not
16 needed for the district's current expenditures may be invested by
17 the district board of directors in accordance with applicable
18 laws relating to the investment of other district funds.

19 [7.] 5. The sales tax may be imposed at a rate of up to
20 one-half of one percent on the receipts from the sale at retail
21 of all [tangible personal property or taxable services] sales at
22 retail within the district adopting such tax, if such property
23 and services are subject to taxation by the state of Missouri
24 [pursuant to the provisions of sections 144.010 to 144.525] under
25 chapter 144. Any district sales tax imposed pursuant to this
26 section shall be imposed at a rate that shall be uniform
27 throughout the subdistricts approving the sales tax.

28 [8. The resolution imposing the sales tax pursuant to this

1 section shall impose upon all sellers a tax for the privilege of
2 engaging in the business of selling tangible personal property or
3 rendering taxable services at retail to the extent and in the
4 manner provided in sections 144.010 to 144.525 and the rules and
5 regulations of the director of revenue issued pursuant thereto;
6 except that the rate of the tax shall be the rate imposed by the
7 resolution as the sales tax and the tax shall be reported and
8 returned to and collected by the district.

9 9. (1) On and after the effective date of any sales tax
10 imposed pursuant to this section, the district shall perform all
11 functions incident to the administration, collection,
12 enforcement, and operation of the tax. The sales tax imposed
13 pursuant to this section shall be collected and reported upon
14 such forms and under such administrative rules and regulations as
15 may be prescribed by the district.

16 (2)]

17 6. After the effective date of any tax imposed under the
18 provisions of this section, the director of revenue shall perform
19 all functions incident to the administration, collection,
20 enforcement, and operation of the tax and collect, in addition to
21 the sales tax for the state of Missouri, the additional tax
22 authorized under the authority of this section. The tax imposed
23 under this section and the tax imposed under the sales tax law of
24 the state of Missouri shall be collected together and reported
25 upon such forms and under such administrative rules and
26 regulations as may be prescribed by the director of revenue.

27 7. All [such] sales taxes [collected by the district] shall
28 be deposited by the district in a special fund to be expended for

1 the purposes authorized in this section. The district shall keep
2 accurate records of the amount of money which was collected
3 pursuant to this section, and the records shall be open to the
4 inspection of officers of each district and the general public.

5 [(3) The district may contract with the municipality that
6 the district is within for the municipality to collect any
7 revenue received by the district and, after deducting the cost of
8 such collection, but not to exceed one percent of the total
9 amount collected, deposit such revenue in a special trust
10 account. Such revenue and interest may be applied by the
11 municipality to expenses, costs, or debt service of the district
12 at the direction of the district as set forth in a contract
13 between the municipality and the district.

14 10. (1) All applicable provisions contained in sections
15 144.010 to 144.525 governing the state sales tax, sections 32.085
16 and 32.087, and section 32.057, the uniform confidentiality
17 provision, shall apply to the collection of the tax imposed by
18 this section, except as modified in this section.

19 (2) All exemptions granted to agencies of government,
20 organizations, persons, and to the sale of certain articles and
21 items of tangible personal property and taxable services pursuant
22 to the provisions of sections 144.010 to 144.525 are hereby made
23 applicable to the imposition and collection of the tax imposed by
24 this section.

25 (3) The same sales tax permit, exemption certificate, and
26 retail certificate required by sections 144.010 to 144.525 for
27 the administration and collection of the state sales tax shall
28 satisfy the requirements of this section, and no additional

1 permit or exemption certificate or retail certificate shall be
2 required; except that the district may prescribe a form of
3 exemption certificate for an exemption from the tax imposed by
4 this section.

5 (4) All discounts allowed the retailer pursuant to the
6 provisions of the state sales tax laws for the collection of and
7 for payment of taxes pursuant to such laws are hereby allowed and
8 made applicable to any taxes collected pursuant to the provisions
9 of this section.

10 (5) The penalties provided in section 32.057 and sections
11 144.010 to 144.525 for violation of those sections are hereby
12 made applicable to violations of this section.

13 (6) For the purpose of a sales tax imposed by a resolution
14 pursuant to this section, all retail sales shall be deemed to be
15 consummated at the place of business of the retailer unless the
16 tangible personal property sold is delivered by the retailer or
17 the retailer's agent to an out-of-state destination or to a
18 common carrier for delivery to an out-of-state destination. In
19 the event a retailer has more than one place of business in this
20 state which participates in the sale, the sale shall be deemed to
21 be consummated at the place of business of the retailer where the
22 initial order for the tangible personal property is taken, even
23 though the order must be forwarded elsewhere for acceptance,
24 approval of credit, shipment, or billing. A sale by a retailer's
25 employee shall be deemed to be consummated at the place of
26 business from which the employee works.

27 (7) 8. Subsequent to the initial approval by the voters
28 and implementation of a sales tax in the district, the rate of

1 the sales tax may be increased, but not to exceed a rate of
2 one-half of one percent on retail sales made in the district
3 which are subject to sales tax under chapter 144 as provided in
4 this subsection. The election shall be conducted in accordance
5 with section 67.2520; provided, however, that the district board
6 of directors may place the question of the increase of the sales
7 tax before the voters of the district by resolution, and the
8 municipal clerk of the city, town, or village which originally
9 conducted the incorporation of the district, or the circuit clerk
10 of the court which originally conducted the incorporation of the
11 district, shall conduct the subsequent election. In subsequent
12 elections, the election judges shall certify the election results
13 to the district board of directors. The ballot of submission
14 shall be in substantially the following form:

15 Shall _____ (name of district) increase the _____ (insert
16 amount) percent district sales tax now in effect to _____
17 (insert amount) in the _____ (name of district)?

18 YES NO

19
20 If you are in favor of the question, place an "X" in the box
21 opposite "YES". If you are opposed to the question, place an "X"
22 in the box opposite "NO".

23
24 If a majority of the votes cast on the proposal by the qualified
25 voters of the district voting thereon are in favor of the
26 increase, the increase shall become effective [December
27 thirty-first of the calendar year in which such increase was
28 approved] as provided by subsection 19 of section 32.087.

1 [11.] 9. (1) There shall not be any election as provided
2 for in this section while the district has any financing or other
3 obligations outstanding.

4 (2) The board, when presented with a petition signed by at
5 least one-third of the registered voters in a district that voted
6 in the last gubernatorial election, or signed by at least
7 two-thirds of property owners of the district, calling for an
8 election to dissolve and repeal the tax shall submit the question
9 to the voters using the same procedure by which the imposing tax
10 was voted. The ballot of submission shall be in substantially
11 the following form:

12 Shall _____ (name of district) dissolve and repeal the
13 _____ (insert amount) percent district sales tax now in effect
14 in the _____ (name of district)?

15 YES NO

16
17 If you are in favor of the question, place an "X" in the box
18 opposite "YES". If you are opposed to the question, place an "X"
19 in the box opposite "NO".

20
21 Such subsequent elections for the repeal of the sales tax shall
22 be conducted in accordance with section 67.2520; provided,
23 however, that the district board of directors may place the
24 question of the repeal of the sales tax before the voters of the
25 district, and the municipal clerk of the city, town, or village
26 which originally conducted the incorporation of the district, or
27 the circuit clerk of the court which originally conducted the
28 incorporation of the district, shall conduct the subsequent

1 election. In subsequent elections the election judges shall
2 certify the election results to the district board of directors.

3 (3) If a majority of the votes cast on the proposal by the
4 qualified voters of the district voting thereon are in favor of
5 repeal, that repeal shall become effective [December thirty-first
6 of the calendar year in which such repeal was approved or after
7 the repayment of the district's indebtedness, whichever occurs
8 later] as provided by subsection 19 of section 32.087. If the
9 district abolishes the tax, the district shall notify the
10 director of revenue of the action prior to the effective date of
11 the repeal.

12 [12.] 10. (1) At such time as the board of directors of
13 the district determines that further operation of the district is
14 not in the best interests of the inhabitants of the district, and
15 that the district should dissolve, the board shall submit for a
16 vote in an election held throughout the district the question of
17 whether the district should be abolished. The question shall be
18 submitted in substantially the following form:

19 Shall the _____ theater, cultural arts, and entertainment
20 district be abolished?

21 YES NO

22
23 If you are in favor of the question, place an "X" in the box
24 opposite "YES". If you are opposed to the question, place an "X"
25 in the box opposite "NO".

26 (2) The district board shall not propose the question to
27 abolish the district while there are outstanding claims or causes
28 of action pending against the district, while the district

1 liabilities exceed its assets, while indebtedness of the district
2 is outstanding, or while the district is insolvent, in
3 receivership or under the jurisdiction of the bankruptcy court.
4 Prior to submitting the question to abolish the district to a
5 vote of the entire district, the state auditor shall audit the
6 district to determine the financial status of the district, and
7 whether the district may be abolished pursuant to law. The vote
8 on the abolition of the district shall be conducted by the
9 municipal clerk of the city, town, or village in which the
10 district is located. The procedure shall be the same as in
11 section 67.2520, except that the question shall be determined by
12 the qualified voters of the entire district. No individual
13 subdistrict may be abolished, except at such time as the district
14 is abolished.

15 (3) While the district still exists, it shall continue to
16 accrue all revenues to which it is entitled at law.

17 (4) Upon receipt by the board of directors of the district
18 of the certification by the city, town, or village in which the
19 district is located that the majority of those voting within the
20 entire district have voted to abolish the district, and if the
21 state auditor has determined that the district's financial
22 condition is such that it may be abolished pursuant to law, then
23 the board of directors of the district shall:

24 (a) Sell any remaining district real or personal property
25 it wishes, and then transfer the proceeds and any other real or
26 personal property owned by the district to the city, town, or
27 village in which the district is located, including revenues due
28 and owing the district, for its further use and disposition;

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

3 (c) At a public meeting of the district, declare by a
4 resolution of the board of directors passed by a majority vote
5 that the district has been abolished effective that date;

6 (d) Cause copies of that resolution under seal to be filed
7 with the secretary of state and the city, town, or village in
8 which the district is located.

9
10 Upon the completion of the final act specified in this
11 subsection, the legal existence of the district shall cease.

12 (5) The legal existence of the district shall not cease for
13 a period of two years after voter approval of the abolition.

14 11. Except as provided in this section, all provisions of
15 sections 32.085 to 32.087 shall apply to the tax imposed under
16 this section.

17 94.578. 1. In addition to the sales tax authorized in
18 section 94.577, the governing body of any home rule city with
19 more than one hundred fifty-one thousand five hundred but less
20 than one hundred fifty-one thousand six hundred inhabitants is
21 hereby authorized to impose, by order or ordinance, a sales tax
22 on all retail sales made within the city which are subject to
23 sales tax under chapter 144. The tax authorized in this section
24 may be imposed at a rate of one-eighth, one-fourth,
25 three-eighths, or one-half of one percent, but shall not exceed
26 one-half of one percent, shall not be imposed for longer than
27 three years, and shall be imposed solely for the purpose of
28 funding the construction, operation, and maintenance of capital

1 improvements in the city's center city. The governing body may
2 issue bonds for the funding of such capital improvements, which
3 will be retired by the revenues received from the sales tax
4 authorized by this section. The order or ordinance shall not
5 become effective unless the governing body of the city submits to
6 the voters residing within the city at a state or municipal
7 general, primary, or special election a proposal to authorize the
8 governing body of the city to impose a tax under this section.
9 The tax authorized in this section shall be in addition to all
10 other sales taxes imposed by law, and shall be stated separately
11 from all other charges and taxes.

12 2. The ballot submission for the tax authorized in this
13 section shall be in substantially the following form:

14 Shall _____ (insert the name of the city) impose a sales
15 tax at a rate of _____ (insert rate of percent) percent for [a]
16 capital improvements purposes in the city's center city for a
17 period of _____ (insert number of years, not to exceed three)
18 years?

19 YES NO

20

21 If a majority of the votes cast on the question by the qualified
22 voters voting thereon are in favor of the question, then the tax
23 shall become effective [on the first day of the second calendar
24 quarter after the director of revenue receives notice of the
25 adoption of the sales tax] as provided by subsection 19 of
26 section 32.087. If a majority of the votes cast on the question
27 by the qualified voters voting thereon are opposed to the
28 question, then the tax shall not become effective unless and

1 until the question is resubmitted under this section to the
2 qualified voters and such question is approved by a majority of
3 the qualified voters voting on the question. In no case shall a
4 tax be resubmitted to the qualified voters of the city sooner
5 than twelve months from the date of the proposal under this
6 section.

7 3. Any sales tax imposed under this section shall be
8 administered, collected, enforced, and operated as required in
9 [section] sections 32.085 to 32.087. All revenue generated by
10 the tax shall be deposited in a special trust fund and shall be
11 used solely for the designated purposes. If the tax is repealed,
12 all funds remaining in the special trust fund shall continue to
13 be used solely for the designated purposes. Any funds in the
14 special trust fund which are not needed for current expenditures
15 shall be invested in the same manner as other funds are invested.
16 Any interest and moneys earned on such investments shall be
17 credited to the fund.

18 4. The director of revenue may authorize the state
19 treasurer to make refunds from the amounts in the trust fund and
20 credited to any city for erroneous payments and overpayments
21 made, and may redeem dishonored checks and drafts deposited to
22 the credit of such cities. If any city abolishes the tax, the
23 city shall notify the director of revenue of the action [at least
24 ninety days before] prior to the effective date of the repeal,
25 and the director of revenue may order retention in the trust
26 fund, for a period of one year, of two percent of the amount
27 collected after receipt of such notice to cover possible refunds
28 or overpayment of the tax and to redeem dishonored checks and

1 drafts deposited to the credit of such accounts. After one year
2 has elapsed after the effective date of abolition of the tax in
3 such city, the director of revenue shall remit the balance in the
4 account to the city and close the account of that city. The
5 director of revenue shall notify each city of each instance of
6 any amount refunded.

7 5. The governing body of any city that has adopted the
8 sales tax authorized in this section may submit the question of
9 repeal of the tax to the voters on any date available for
10 elections for the city. The ballot of submission shall be in
11 substantially the following form:

12 Shall _____ (insert the name of the city) repeal the sales
13 tax imposed at a rate of _____ (insert rate of percent) percent
14 for capital improvements purposes in the city's center city?

15 YES NO

16
17 If a majority of the votes cast on the proposal are in favor of
18 repeal, that repeal shall become effective [on December
19 thirty-first of the calendar year in which such repeal was
20 approved] as provided by subsection 19 of section 32.087. If a
21 majority of the votes cast on the question by the qualified
22 voters voting thereon are opposed to the repeal, then the sales
23 tax authorized in this section shall remain effective until the
24 question is resubmitted under this section to the qualified
25 voters, and the repeal is approved by a majority of the qualified
26 voters voting on the question. If the city or county abolishes
27 the tax, the city or county shall notify the director of revenue
28 of the action prior to the effective date of the repeal.

1 6. Whenever the governing body of any city that has adopted
2 the sales tax authorized in this section receives a petition,
3 signed by ten percent of the registered voters of the city voting
4 in the last gubernatorial election, calling for an election to
5 repeal the sales tax imposed under this section, the governing
6 body shall submit to the voters of the city a proposal to repeal
7 the tax. If a majority of the votes cast on the question by the
8 qualified voters voting thereon are in favor of the repeal, that
9 repeal shall become effective [on December thirty-first of the
10 calendar year in which such repeal was approved] as provided by
11 subsection 19 of section 32.087. If a majority of the votes cast
12 on the question by the qualified voters voting thereon are
13 opposed to the repeal, then the tax shall remain effective until
14 the question is resubmitted under this section to the qualified
15 voters and the repeal is approved by a majority of the qualified
16 voters voting on the question.

17 7. Except as provided in this section, all provisions of
18 sections 32.085 to 32.087 apply to the sales tax imposed under
19 this section.

20 94.605. 1. Any city as defined in section 94.600 may by a
21 majority vote of its governing body impose a sales tax for
22 transportation purposes enumerated in sections 94.600 to 94.655.

23 2. The sales tax may be imposed at a rate not to exceed
24 one-half of one percent on [the receipts from the sale at] all
25 retail [of all tangible personal property or taxable services at
26 retail] sales within any city adopting such tax, if such property
27 and services are subject to taxation by the state of Missouri
28 under [the provisions of sections 144.010 to 144.525] chapter

1 144.

2 3. With respect to any tax increment financing plan
3 originally approved by ordinance of the city council after March
4 31, 2009, in any home rule city with more than four hundred
5 thousand inhabitants and located in more than one county, any
6 three-eighths of one cent sales tax imposed under sections 94.600
7 to 94.655 shall not be considered economic activity taxes as such
8 term is defined under sections 99.805 and 99.918, and tax
9 revenues derived from such taxes shall not be subject to
10 allocation under the provisions of subsection 3 of section 99.845
11 or subsection 4 of section 99.957. Any one-eighth of one cent
12 sales tax imposed in such city under sections 94.600 to 94.655
13 for constructing and operating a light-rail transit system shall
14 not be considered economic activity taxes as such term is defined
15 under sections 99.805 and 99.918, and tax revenues derived from
16 such tax shall not be subject to allocation under the provisions
17 of subsection 3 of section 99.845 or subsection 4 of section
18 99.957.

19 4. [If the boundaries of a city in which such sales tax has
20 been imposed shall thereafter be changed or altered, the city or
21 county clerk shall forward to the director of revenue by United
22 States registered mail or certified mail a certified copy of the
23 ordinance adding or detaching territory from the city. The
24 ordinance shall reflect the effective date thereof, and shall be
25 accompanied by a map of the city clearly showing the territory
26 added thereto or detached therefrom. Upon receipt of the
27 ordinance and map, the tax imposed by sections 94.600 to 94.655
28 shall be effective in the added territory or abolished in the

1 detached territory on the effective date of the change of the
2 city boundary] Except as modified by this section, all provisions
3 of sections 32.085 to 32.087 shall apply to the tax imposed under
4 this section.

5 94.660. 1. The governing body of any city not within a
6 county and any county of the first classification having a
7 charter form of government with a population of over nine hundred
8 thousand inhabitants may propose, by ordinance or order, a
9 transportation sales tax of up to one percent for submission to
10 the voters of that city or county at an authorized election date
11 selected by the governing body.

12 2. Any sales tax approved under this section shall be
13 imposed on [the receipts from the sale at] all retail [of all
14 tangible personal property or taxable services] sales within the
15 city or county adopting the tax, if such property and services
16 are subject to taxation by the state of Missouri under [sections
17 144.010 to 144.525] chapter 144.

18 3. The ballot of submission shall contain, but need not be
19 limited to, the following language:

20 Shall the county/city of _____ (county's or city's name)
21 impose a county/city-wide sales tax of _____ percent for the
22 purpose of providing a source of funds for public transportation
23 purposes?

24 YES NO

25
26 Except as provided in subsection 4 of this section, if a majority
27 of the votes cast in that county or city not within a county on
28 the proposal by the qualified voters voting thereon are in favor

1 of the proposal, then the tax shall go into effect [on the first
2 day of the next calendar quarter beginning after its adoption and
3 notice to the director of revenue, but no sooner than thirty days
4 after such adoption and notice] as provided by subsection 19 of
5 section 32.087. If a majority of the votes cast in that county
6 or city not within a county by the qualified voters voting are
7 opposed to the proposal, then the additional sales tax shall not
8 be imposed in that county or city not within a county unless and
9 until the governing body of that county or city not within a
10 county shall have submitted another proposal to authorize the
11 local option transportation sales tax authorized in this section,
12 and such proposal is approved by a majority of the qualified
13 voters voting on it. In no event shall a proposal pursuant to
14 this section be submitted to the voters sooner than twelve months
15 from the date of the last proposal.

16 4. No tax shall go into effect under this section in any
17 city not within a county or any county of the first
18 classification having a charter form of government with a
19 population over nine hundred thousand inhabitants unless and
20 until both such city and such county approve the tax.

21 5. The provisions of subsection 4 of this section requiring
22 both the city and county to approve a transportation sales tax
23 before a transportation sales tax may go into effect in either
24 jurisdiction shall not apply to any transportation sales tax
25 submitted to and approved by the voters in such city or such
26 county on or after August 28, 2007.

27 6. All sales taxes collected by the director of revenue
28 under this section on behalf of any city or county[, less one

1 percent for cost of collection which shall be deposited in the
2 state's general revenue fund after payment of premiums for surety
3 bonds,] shall be deposited with the state treasurer in a special
4 trust fund, which is hereby created, to be known as the "County
5 Public Transit Sales Tax Trust Fund". [The sales taxes shall be
6 collected as provided in section 32.087. The moneys in the trust
7 fund shall not be deemed to be state funds and shall not be
8 commingled with any funds of the state.] The director of revenue
9 shall keep accurate records of the amount of money in the trust
10 fund which was collected in each city or county approving a sales
11 tax under this section, and the records shall be open to
12 inspection by officers of the city or county and the public. Not
13 later than the tenth day of each month the director of revenue
14 shall distribute all moneys deposited in the trust fund during
15 the preceding month to the city or county which levied the tax,
16 and such funds shall be deposited with the treasurer of each such
17 city or county and all expenditures of funds arising from the
18 county public transit sales tax trust fund shall be by an
19 appropriation act to be enacted by the governing body of each
20 such county or city not within a county.

21 7. The revenues derived from any transportation sales tax
22 under this section shall be used only for the planning,
23 development, acquisition, construction, maintenance and operation
24 of public transit facilities and systems other than highways.

25 8. The director of revenue may authorize the state
26 treasurer to make refunds from the amount in the trust fund and
27 credited to any city or county for erroneous payments and
28 overpayments made, and may redeem dishonored checks and drafts

1 deposited to the credit of such cities or counties. If any city
2 or county abolishes the tax, the city or county shall notify the
3 director of revenue of the action [at least ninety days prior to
4 the effective date of the repeal] and the director of revenue may
5 order retention in the trust fund, for a period of one year, of
6 two percent of the amount collected after receipt of such notice
7 to cover possible refunds or overpayment of the tax and to redeem
8 dishonored checks and drafts deposited to the credit of such
9 accounts. After one year has elapsed after the effective date of
10 abolition of the tax in such city or county, the director of
11 revenue shall authorize the state treasurer to remit the balance
12 in the account to the city or county and close the account of
13 that city or county. The director of revenue shall notify each
14 city or county of each instance of any amount refunded or any
15 check redeemed from receipts due the city or county.

16 9. Except as modified by this section, all provisions of
17 sections 32.085 to 32.087 shall apply to the tax imposed under
18 this section.

19 94.705. 1. Any city may by a majority vote of its
20 governing body impose a sales tax on all retail sales made in the
21 city which are subject to sales tax under chapter 144 for
22 transportation purposes enumerated in sections 94.700 to 94.755,
23 and issue bonds for transportation purposes which shall be
24 retired by the revenues received from the sales tax authorized by
25 this section. The tax authorized by this section shall be in
26 addition to any and all other sales taxes allowed by law. No
27 ordinance imposing a sales tax pursuant to the provisions of this
28 section shall become effective unless the council or other

1 governing body submits to the voters of the city, at a city or
2 state general, primary, or special election, a proposal to
3 authorize the council or other governing body of the city to
4 impose such a sales tax and, if such tax is to be used to retire
5 bonds authorized pursuant to this section, to authorize such
6 bonds and their retirement by such tax; except that no vote shall
7 be required in any city that imposed and collected such tax under
8 sections 94.600 to 94.655, before January 5, 1984. The ballot of
9 the submission shall contain, but is not limited to, the
10 following language:

11 (1) If the proposal submitted involves only authorization
12 to impose the tax authorized by this section, the following
13 language:

14 Shall the city of _____ (city's name) impose a sales tax of
15 _____ (insert amount) for transportation purposes?

16 YES NO

17 If you are in favor of the question, place an "X" in the box
18 opposite "YES". If you are opposed to the question, place an "X"
19 in the box opposite "NO";

20 (2) If the proposal submitted involves authorization to
21 issue bonds and repay such bonds with revenues from the tax
22 authorized by this section, the following language:

23 Shall the city of _____ (city's name) issue bonds in the
24 amount of _____ (insert amount) for transportation purposes and
25 impose a sales tax of _____ (insert amount) to repay such bonds?

26 YES NO

27 If you are in favor of the question, place an "X" in the box
28 opposite "YES". If you are opposed to the question, place an "X"

1 in the box opposite "NO".

2

3 If a majority of the votes cast on the proposal, provided in
4 subdivision (1) of this subsection, by the qualified voters
5 voting thereon are in favor of the proposal, then the ordinance
6 and any amendments thereto shall be in effect as provided by
7 subsection 19 of section 32.087. If the four-sevenths majority
8 of the votes, as required by the Missouri Constitution, Article
9 VI, Section 26, cast on the proposal, provided in subdivision (2)
10 of this subsection to issue bonds and impose a sales tax to
11 retire such bonds, by the qualified voters voting thereon are in
12 favor of the proposal, then the ordinance and any amendments
13 thereto shall be in effect as provided by subsection 19 of
14 section 32.087. If a majority of the votes cast on the proposal,
15 as provided in subdivision (1) of this subsection, by the
16 qualified voters voting thereon are opposed to the proposal, then
17 the council or other governing body of the city shall have no
18 power to impose the tax authorized in subdivision (1) of this
19 subsection unless and until the council or other governing body
20 of the city submits another proposal to authorize the council or
21 other governing body of the city to impose the tax and such
22 proposal is approved by a majority of the qualified voters voting
23 thereon. If more than three-sevenths of the votes cast by the
24 qualified voters voting thereon are opposed to the proposal, as
25 provided in subdivision (2) of this subsection to issue bonds and
26 impose a sales tax to retire such bonds, then the council or
27 other governing body of the city shall have no power to issue any
28 bonds or to impose the tax authorized in subdivision (2) of this

1 subsection unless and until the council or other governing body
2 of the city submits another proposal to authorize the council or
3 other governing body of the city to issue such bonds or impose
4 the tax to retire such bonds and such proposal is approved by
5 four-sevenths of the qualified voters voting thereon.

6 2. No incorporated municipality located wholly or partially
7 within any first class county operating under a charter form of
8 government and having a population of over nine hundred thousand
9 inhabitants shall impose such a sales tax for that part of the
10 city, town or village that is located within such first class
11 county, in the event such a first class county imposes a sales
12 tax under the provisions of sections 94.600 to 94.655.

13 3. The sales tax may be imposed at a rate not to exceed
14 one-half of one percent on the receipts from the sale at retail
15 of all tangible personal property or taxable services at retail
16 within any city adopting such tax, if such property and services
17 are subject to taxation by the state of Missouri under the
18 provisions of [sections 144.010 to 144.525] chapter 144.

19 4. [If the boundaries of a city in which such sales tax has
20 been imposed shall thereafter be changed or altered, the city
21 clerk shall forward to the director of revenue by United States
22 registered mail or certified mail a certified copy of the
23 ordinance adding or detaching territory from the city. The
24 ordinance shall reflect the effective date thereof, and shall be
25 accompanied by a map of the city clearly showing the territory
26 added thereto or detached therefrom. Upon receipt of the
27 ordinance and map, the tax imposed by sections 94.700 to 94.755
28 shall be effective in the added territory or abolished in the

1 detached territory on the effective date of the change of the
2 city boundary.

3 5.] No tax imposed pursuant to this section for the purpose
4 of retiring bonds issued pursuant to this section may be
5 terminated until all of such bonds have been retired.

6 5. Except as modified by this section, all provisions of
7 sections 32.085 to 32.087 shall apply to the tax imposed under
8 this section.

9 142.803. 1. A tax is levied and imposed on all motor fuel
10 used or consumed in this state as follows:

11 (1) (a) Motor fuel, seventeen cents per gallon until June
12 30, 2019. For the fiscal year beginning on or after July 1,
13 2019, and ending on or before June 30, 2020, such tax shall be
14 eighteen cents per gallon. For the fiscal year beginning on or
15 after July 1, 2020, and ending on or before June 30, 2021, such
16 tax shall be twenty cents per gallon. For all fiscal years
17 beginning on or after July 1, 2021, such tax shall be twenty-
18 three cents per gallon;

19 (b) Beginning on January first of the year in which an
20 income tax rate reduction occurs under subsection 3 of section
21 143.011, there shall be added to the rate of tax under paragraph
22 (a) of this subdivision four cents per gallon, provided that the
23 rate of tax under this subdivision shall not exceed twenty-five
24 cents per gallon prior to any adjustments under paragraph (c) of
25 this subdivision;

26 (c) Beginning on the first day of the fiscal year following
27 the fiscal year in which all adjustments under paragraphs (a) and
28 (b) of this subdivision are made, the rate of tax under this

1 subdivision shall annually be adjusted by the percent increase in
2 the Consumer Price Index for All Urban Consumers for the United
3 States, or its successor index, as defined and officially
4 recorded by the United States Department of Labor or its
5 successor agency, provided that such adjustment shall not exceed
6 three and one-half percent in any given fiscal year;

7 (2) Alternative fuels, not subject to the decal fees as
8 provided in section 142.869, with a power potential equivalent of
9 motor fuel. In the event alternative fuel, which is not commonly
10 sold or measured by the gallon, is used in motor vehicles on the
11 highways of this state, the director is authorized to assess and
12 collect a tax upon such alternative fuel measured by the nearest
13 power potential equivalent to that of one gallon of regular grade
14 gasoline. The determination by the director of the power
15 potential equivalent of such alternative fuel shall be prima
16 facie correct;

17 (3) Aviation fuel used in propelling aircraft with
18 reciprocating engines, nine cents per gallon as levied and
19 imposed by section 155.080 to be collected as required under this
20 chapter;

21 (4) Compressed natural gas fuel, five cents per gasoline
22 gallon equivalent until December 31, 2019, eleven cents per
23 gasoline gallon equivalent from January 1, 2020, until December
24 31, 2024, [and then] seventeen cents per gasoline gallon
25 equivalent from January 1, 2025, until December 31, 2025, and
26 then twenty-three cents per gasoline gallon equivalent
27 thereafter. The gasoline gallon equivalent and method of sale
28 for compressed natural gas shall be as published by the National

1 Institute of Standards and Technology in Handbooks 44 and 130,
2 and supplements thereto or revisions thereof. In the absence of
3 such standard or agreement, the gasoline gallon equivalent and
4 method of sale for compressed natural gas shall be equal to five
5 and sixty-six-hundredths pounds of compressed natural gas. All
6 applicable provisions contained in this chapter governing
7 administration, collections, and enforcement of the state motor
8 fuel tax shall apply to the tax imposed on compressed natural
9 gas, including but not limited to licensing, reporting,
10 penalties, and interest;

11 (5) Liquefied natural gas fuel, five cents per diesel
12 gallon equivalent until December 31, 2019, eleven cents per
13 diesel gallon equivalent from January 1, 2020, until December 31,
14 2024, [and then] seventeen cents per diesel gallon equivalent
15 from January 1, 2025, until December 31, 2025, and then twenty-
16 three cents per diesel gallon equivalent thereafter. The diesel
17 gallon equivalent and method of sale for liquefied natural gas
18 shall be as published by the National Institute of Standards and
19 Technology in Handbooks 44 and 130, and supplements thereto or
20 revisions thereof. In the absence of such standard or agreement,
21 the diesel gallon equivalent and method of sale for liquefied
22 natural gas shall be equal to six and six-hundredths pounds of
23 liquefied natural gas. All applicable provisions contained in
24 this chapter governing administration, collections, and
25 enforcement of the state motor fuel tax shall apply to the tax
26 imposed on liquefied natural gas, including but not limited to
27 licensing, reporting, penalties, and interest;

28 (6) Propane gas fuel, five cents per gallon until December

1 31, 2019, eleven cents per gallon from January 1, 2020, until
2 December 31, 2024, [and then] seventeen cents per gallon from
3 January 1, 2025, until December 31, 2025, and then twenty-three
4 cents per gallon thereafter. All applicable provisions contained
5 in this chapter governing administration, collection, and
6 enforcement of the state motor fuel tax shall apply to the tax
7 imposed on propane gas including, but not limited to, licensing,
8 reporting, penalties, and interest;

9 (7) If a natural gas, compressed natural gas, liquefied
10 natural gas, electric, or propane connection is used for fueling
11 motor vehicles and for another use, such as heating, the tax
12 imposed by this section shall apply to the entire amount of
13 natural gas, compressed natural gas, liquefied natural gas,
14 electricity, or propane used unless an approved separate metering
15 and accounting system is in place.

16 2. Notwithstanding any provision of law to the contrary,
17 beginning on January 1, 2026, all motor fuels and alternative
18 fuels, including, but not limited to, gasoline, diesel fuel,
19 electricity, hydrogen, propane, compressed natural gas, and
20 liquified natural gas, shall be taxed at the same rate. The
21 department of agriculture, in cooperation with the department of
22 revenue, shall where necessary promulgate a rule on or before
23 December 31, 2023, to implement the provisions of this
24 subsection. Any rule or portion of a rule, as that term is
25 defined in section 536.010 that is created under the authority
26 delegated in this section shall become effective only if it
27 complies with and is subject to all of the provisions of chapter
28 536, and, if applicable, section 536.028. This section and

1 chapter 536 are nonseverable and if any of the powers vested with
2 the general assembly pursuant to chapter 536, to review, to delay
3 the effective date, or to disapprove and annul a rule are
4 subsequently held unconstitutional, then the grant of rulemaking
5 authority and any rule proposed or adopted after August 28, 2018,
6 shall be invalid and void.

7 3. All taxes, surcharges and fees are imposed upon the
8 ultimate consumer, but are to be precollected as described in
9 this chapter, for the facility and convenience of the consumer.
10 The levy and assessment on other persons as specified in this
11 chapter shall be as agents of this state for the precollection of
12 the tax.

13 143.011. 1. A tax is hereby imposed for every taxable year
14 on the Missouri taxable income of every resident. The tax shall
15 be determined by applying the tax table or the rate provided in
16 section 143.021, which is based upon the following rates:

17 If the Missouri taxable income is:	The tax is:
18 Not over \$1,000.00	1 ½% of the Missouri 19 taxable income
20 Over \$1,000 but not over \$2,000	\$15 plus 2% of excess 21 over \$1,000
22 Over \$2,000 but not over \$3,000	\$35 plus 2 ½% of excess 23 over \$2,000
24 Over \$3,000 but not over \$4,000	\$60 plus 3% of excess 25 over \$3,000
26 Over \$4,000 but not over \$5,000	\$90 plus 3 ½% of excess 27 over \$4,000
28 Over \$5,000 but not over \$6,000	\$125 plus 4% of excess

1		over \$5,000
2	Over \$6,000 but not over \$7,000	\$165 plus 4 ½% of
3		excess over \$6,000
4	Over \$7,000 but not over \$8,000	\$210 plus 5% of excess
5		over \$7,000
6	Over \$8,000 but not over \$9,000	\$260 plus 5 ½% of
7		excess over \$8,000
8	Over \$9,000	\$315 plus 6% of excess
9		over \$9,000

10 2. (1) Beginning with the ~~2017~~ 2019 calendar year, the
11 top rate of tax under subsection 1 of this section ~~may~~ shall be
12 ~~reduced over a period of years~~ eliminated, and the top
13 remaining tax rate shall be reduced to five and one-quarter
14 percent for all Missouri taxable income over eight thousand
15 dollars, as adjusted under subsection 3 of this section.

16 (2) Beginning with the 2020 calendar year, the top rate of
17 tax under subsection 1 of this section may be reduced over a
18 period of years, provided that no more than four such reductions
19 shall be made under this subdivision. Each reduction in the top
20 rate of tax shall be by one-tenth of a percent and no more than
21 one reduction shall occur in a calendar year. **[The top rate of**
22 **tax shall not be reduced below five and one-half percent.]**

23 Reductions in the rate of tax shall take effect on January first
24 of a calendar year and such reduced rates shall continue in
25 effect until the next reduction occurs.

26 ~~[(2)]~~ (3) A reduction in the rate of tax shall only occur
27 if the amount of net general revenue collected in the previous
28 fiscal year exceeds the highest amount of net general revenue

1 collected in any of the three fiscal years prior to such fiscal
2 year by at least one hundred fifty million dollars.

3 ~~[(3)]~~ (4) Any modification of tax rates under this
4 subsection shall only apply to tax years that begin on or after a
5 modification takes effect.

6 ~~[(4)]~~ (5) The director of the department of revenue shall,
7 by rule, adjust the tax tables under subsection 1 of this section
8 to effectuate the provisions of this subsection. ~~[The bracket~~
9 ~~for income subject to the top rate of tax shall be eliminated~~
10 ~~once the top rate of tax has been reduced to five and one-half of~~
11 ~~a percent]~~ An income bracket shall be eliminated once the top
12 rate of tax is reduced below the rate that is applicable to such
13 income bracket. The top remaining rate of tax shall apply to all
14 income in excess of the income in the second highest remaining
15 income bracket.

16 3. (1) In addition to the rate reductions under subsection
17 2 of this section, beginning with the 2019 calendar year, the top
18 rate of tax under subsection 1 of this section may be reduced by
19 three-tenths of one percent. Such reduction in the rate of tax
20 shall take effect on January first of a calendar year.

21 (2) The reduction in the top rate of tax under this
22 subsection shall only occur if the Supreme Court of the United
23 States renders a decision, a law is passed by the federal
24 government, or the constitution of the United States is amended
25 which enables the state of Missouri to require out-of-state
26 sellers with no physical presence in the state to collect and
27 remit state and local sales taxes and the director of the
28 department of revenue notifies the general assembly that the

1 department is prepared to enforce such collection of taxes,
2 provided that the tax reduction under this subsection shall
3 become effective if such notification has not been made within
4 nine months of the issuance of a Supreme Court decision or the
5 passage of a federal law or constitutional amendment under this
6 subdivision.

7 (3) The modification of tax rates under this subsection
8 shall only apply to tax years that begin on or after the date the
9 modification takes effect.

10 (4) The director of the department of revenue shall, by
11 rule, adjust the tax tables under subsection 1 of this section to
12 effectuate the provisions of this subsection.

13 4. Beginning with the 2017 calendar year, the brackets of
14 Missouri taxable income identified in subsection 1 of this
15 section shall be adjusted annually by the percent increase in
16 inflation. The director shall publish such brackets annually
17 beginning on or after October 1, 2016. Modifications to the
18 brackets shall take effect on January first of each calendar year
19 and shall apply to tax years beginning on or after the effective
20 date of the new brackets.

21 [4.] 5. As used in this section, the following terms mean:

22 (1) "CPI", the Consumer Price Index for All Urban Consumers
23 for the United States as reported by the Bureau of Labor
24 Statistics, or its successor index;

25 (2) "CPI for the preceding calendar year", the average of
26 the CPI as of the close of the twelve month period ending on
27 August thirty-first of such calendar year;

28 (3) "Net general revenue collected", all revenue deposited

1 into the general revenue fund, less refunds and revenues
2 originally deposited into the general revenue fund but designated
3 by law for a specific distribution or transfer to another state
4 fund;

5 (4) "Percent increase in inflation", the percentage, if
6 any, by which the CPI for the preceding calendar year exceeds the
7 CPI for the year beginning September 1, 2014, and ending August
8 31, 2015.

9 143.071. 1. For all tax years beginning before September
10 1, 1993, a tax is hereby imposed upon the Missouri taxable income
11 of corporations in an amount equal to five percent of Missouri
12 taxable income.

13 2. For all tax years beginning on or after September 1,
14 1993, a tax is hereby imposed upon the Missouri taxable income of
15 corporations in an amount equal to six and one-fourth percent of
16 Missouri taxable income.

17 3. For all tax years beginning on or after January 1, 2019,
18 a tax is hereby imposed upon the Missouri taxable income of
19 corporations in an amount equal to five and one-fourth percent of
20 Missouri taxable income.

21 4. The provisions of this section shall not apply to
22 out-of-state businesses operating under sections 190.270 to
23 190.285.

24 143.151. For all taxable years beginning before January 1,
25 1999, a resident shall be allowed a deduction of one thousand two
26 hundred dollars for himself or herself and one thousand two
27 hundred dollars for his or her spouse if he or she is entitled to
28 a deduction for such personal exemptions for federal income tax

1 purposes. For all taxable years beginning on or after January 1,
2 1999, a resident shall be allowed a deduction of two thousand one
3 hundred dollars for himself or herself and two thousand one
4 hundred dollars for his or her spouse if he or she is entitled to
5 a deduction for such personal exemptions for federal income tax
6 purposes, provided that the exemption amount as defined under 26
7 U.S.C. 151 is not zero. For all tax years beginning on or after
8 January 1, 2017, a resident with a Missouri adjusted gross income
9 of less than twenty thousand dollars shall be allowed an
10 additional deduction of five hundred dollars for himself or
11 herself and an additional five hundred dollars for his or her
12 spouse if he or she is entitled to a deduction for such personal
13 exemptions for federal income tax purposes, provided that the
14 exemption amount as defined under 26 U.S.C. 151 is not zero, and
15 his or her spouse's Missouri adjusted gross income is less than
16 twenty thousand dollars.

17 143.161. 1. For all taxable years beginning after December
18 31, 1997, a resident may deduct one thousand two hundred dollars
19 for each dependent for whom such resident is entitled to a
20 dependency exemption deduction for federal income tax purposes,
21 provided that the exemption amount as defined under 26 U.S.C. 151
22 is not zero. In the case of a dependent who has attained
23 sixty-five years of age on or before the last day of the taxable
24 year, if such dependent resides in the taxpayer's home or the
25 dependent's own home or if such dependent does not receive
26 Medicaid or state funding while residing in a facility licensed
27 pursuant to chapter 198, the taxpayer may deduct an additional
28 one thousand dollars.

1 2. For all taxable years beginning on or after January 1,
2 1999, a resident who qualifies as an unmarried head of household
3 or as a surviving spouse for federal income tax purposes may
4 deduct an additional one thousand four hundred dollars.

5 3. For all taxable years beginning on or after January 1,
6 2015, for each birth for which a certificate of birth resulting
7 in stillbirth has been issued under section 193.165, a taxpayer
8 may claim the exemption under subsection 1 of this section only
9 in the taxable year in which the stillbirth occurred, if the
10 child otherwise would have been a member of the taxpayer's
11 household.

12 143.171. 1. For all tax years beginning on or after
13 January 1, 1994, an individual taxpayer shall be allowed a
14 deduction for his or her federal income tax liability under
15 Chapter 1 of the Internal Revenue Code for the same taxable year
16 for which the Missouri return is being filed, not to exceed five
17 thousand dollars on a single taxpayer's return or ten thousand
18 dollars on a combined return, after reduction for all credits
19 thereon, except the credit for payments of federal estimated tax,
20 the credit for the overpayment of any federal tax, and the
21 credits allowed by the Internal Revenue Code by 26 U.S.C. Section
22 31 [(tax withheld on wages)], 26 U.S.C. Section 27 [(tax of
23 foreign country and United States possessions)], and 26 U.S.C.
24 Section 34 [(tax on certain uses of gasoline, special fuels, and
25 lubricating oils)].

26 2. Notwithstanding any other provision of law to the
27 contrary, for all tax years beginning on or after January 1,
28 2019, an individual taxpayer shall be allowed a deduction equal

1 to a percentage of his or her federal income tax liability under
2 Chapter 1 of the Internal Revenue Code for the same taxable year
3 for which the Missouri return is being filed, not to exceed five
4 thousand dollars on a single taxpayer's return or ten thousand
5 dollars on a combined return, after reduction for all credits
6 thereon, except the credit for payments of federal estimated tax,
7 the credit for the overpayment of any federal tax, and the
8 credits allowed by the Internal Revenue Code by 26 U.S.C. Section
9 31, 26 U.S.C. Section 27, and 26 U.S.C. Section 34. The
10 deduction percentage is determined according to the following
11 table:

<u>If the Missouri adjusted gross</u>	<u>The deduction percentage is:</u>
<u>income on the return is:</u>	
<u>\$25,000 or less</u>	<u>100 percent</u>
<u>From \$25,001 to \$50,000</u>	<u>75 percent</u>
<u>From \$50,001 to \$100,000</u>	<u>30 percent</u>
<u>From \$100,001 to \$150,000</u>	<u>10 percent</u>
<u>\$150,001 or more</u>	<u>0 percent</u>

19 3. For all tax years beginning on or after September 1,
20 1993, a corporate taxpayer shall be allowed a deduction for fifty
21 percent of its federal income tax liability under Chapter 1 of
22 the Internal Revenue Code for the same taxable year for which the
23 Missouri return is being filed after reduction for all credits
24 thereon, except the credit for payments of federal estimated tax,
25 the credit for the overpayment of any federal tax, and the
26 credits allowed by the Internal Revenue Code by 26 U.S.C. Section
27 31 [(tax withheld on wages)], 26 U.S.C. Section 27 [(tax of
28 foreign country and United States possessions)], and 26 U.S.C.

1 Section 34 [(tax on certain uses of gasoline, special fuels and
2 lubricating oils)].

3 [3. If a federal income tax liability for a tax year prior
4 to the applicability of sections 143.011 to 143.996 for which he
5 was not previously entitled to a Missouri deduction is later paid
6 or accrued, he may deduct the federal tax in the later year to
7 the extent it would have been deductible if paid or accrued in
8 the prior year.]

9 4. Notwithstanding any other provision of law to the
10 contrary, for all tax years beginning on or after January 1,
11 2019, no deduction for any federal income tax liability under
12 Chapter 1 of the Internal Revenue Code shall be allowed to any
13 corporate taxpayer.

14 143.177. 1. This section shall be known and may be cited
15 as the "Missouri Working Family Tax Credit Act."

16 2. For purposes of this section, the following terms mean:

17 (1) "Department," the department of revenue;

18 (2) "Eligible taxpayer", a resident individual with a
19 filing status of single, head of household, widowed, or married
20 filing combined who is subject to the tax imposed under chapter
21 143, excluding withholding tax imposed under sections 143.191 to
22 143.265, and who is allowed a federal earned income tax credit
23 under Section 32 of the Internal Revenue Code of 1986, as
24 amended;

25 (3) "Tax credit," a credit against the tax otherwise due
26 under chapter 143, excluding withholding tax imposed under
27 sections 143.191 to 143.265.

28 3. (1) For all tax years beginning on or after January 1,

1 2019, an eligible taxpayer shall be allowed a tax credit in the
2 amount provided in subdivision (2) of this subsection. The tax
3 credit allowed by this section shall be claimed by such taxpayer
4 at the time such taxpayer files a return and shall be applied
5 against the income tax liability imposed by chapter 143 after
6 reduction for all other credits allowed thereon. If the amount
7 of the credit exceeds the tax liability, the difference shall not
8 be refunded to the taxpayer and shall not be carried forward to
9 any subsequent tax year.

10 (2) (a) For the tax year beginning on or after January 1,
11 2019, the tax credit provided under this section shall be equal
12 to ten percent of the amount such taxpayer would receive under
13 the federal earned income tax credit;

14 (b) For all tax years beginning on or after January 1,
15 2020, the tax credit provided under this section shall be equal
16 to twenty percent of the amount such taxpayer would receive under
17 the federal earned income tax credit.

18 4. Notwithstanding the provisions of section 32.057 to the
19 contrary, the department shall determine whether any taxpayer
20 filing a report or return with the department who did not apply
21 for the credit authorized under this section may qualify for the
22 credit and, if so determines a taxpayer may qualify for the
23 credit, shall notify such taxpayer of his or her potential
24 eligibility. In making a determination of eligibility under this
25 section, the department shall use any appropriate and available
26 data including, but not limited to, data available from the
27 Internal Revenue Service, the U.S. Department of Treasury, and
28 state income tax returns from previous tax years.

1 5. The department shall prepare an annual report containing
2 statistical information regarding the tax credits issued under
3 this section for the previous tax year, including the total
4 amount of revenue expended, the number of credits claimed, and
5 the average value of the credits issued to taxpayers whose earned
6 income falls within various income ranges determined by the
7 department.

8 6. The director of the department may promulgate rules and
9 regulations to administer the provisions of this section. Any
10 rule or portion of a rule, as that term is defined in section
11 536.010, that is created under the authority delegated in this
12 section shall become effective only if it complies with and is
13 subject to all of the provisions of chapter 536 and, if
14 applicable, section 536.028. This section and chapter 536 are
15 nonseverable, and if any of the powers vested with the general
16 assembly pursuant to chapter 536 to review, to delay the
17 effective date, or to disapprove and annul a rule are
18 subsequently held unconstitutional, then the grant of rulemaking
19 authority and any rule proposed or adopted after August 28, 2018,
20 shall be invalid and void.

21 7. Tax credits authorized under this section are not
22 subject to the requirements of sections 135.800 to 135.830.

23 8. Under section 23.253 of the Missouri sunset act:

24 (1) The program authorized under this section shall
25 automatically sunset on December thirty-first six years after the
26 effective date of this section unless reauthorized by an act of
27 the general assembly;

28 (2) If such program is reauthorized, the program authorized

1 under this section shall automatically sunset on December
2 thirty-first twelve years after the effective date of the
3 reauthorization of this section; and

4 (3) This section shall terminate on September first of the
5 calendar year immediately following the calendar year in which
6 the program authorized under this section is sunset.

7 143.183. 1. As used in this section, the following terms
8 mean:

9 (1) "Nonresident entertainer", a person residing or
10 registered as a corporation outside this state who, for
11 compensation, performs any vocal, instrumental, musical, comedy,
12 dramatic, dance or other performance in this state before a live
13 audience and any other person traveling with and performing
14 services on behalf of a nonresident entertainer, including a
15 nonresident entertainer who is paid compensation for providing
16 entertainment as an independent contractor, a partnership that is
17 paid compensation for entertainment provided by nonresident
18 entertainers, a corporation that is paid compensation for
19 entertainment provided by nonresident entertainers, or any other
20 entity that is paid compensation for entertainment provided by
21 nonresident entertainers;

22 (2) "Nonresident member of a professional athletic team", a
23 professional athletic team member who resides outside this state,
24 including any active player, any player on the disabled list if
25 such player is in uniform on the day of the game at the site of
26 the game, and any other person traveling with and performing
27 services on behalf of a professional athletic team;

28 (3) "Personal service income" includes exhibition and

1 regular season salaries and wages, guaranteed payments, strike
2 benefits, deferred payments, severance pay, bonuses, and any
3 other type of compensation paid to the nonresident entertainer or
4 nonresident member of a professional athletic team, but does not
5 include prizes, bonuses or incentive money received from
6 competition in a livestock, equine or rodeo performance,
7 exhibition or show;

8 (4) "Professional athletic team" includes, but is not
9 limited to, any professional baseball, basketball, football,
10 soccer and hockey team.

11 2. Any person, venue, or entity who pays compensation to a
12 nonresident entertainer shall deduct and withhold from such
13 compensation as a prepayment of tax an amount equal to two
14 percent of the total compensation if the amount of compensation
15 is in excess of three hundred dollars paid to the nonresident
16 entertainer. For purposes of this section, the term "person,
17 venue, or entity who pays compensation" shall not be construed to
18 include any person, venue, or entity that is exempt from taxation
19 under 26 U.S.C. Section 501(c)(3), as amended, and that pays an
20 amount to the nonresident entertainer for the entertainer's
21 appearance but receives no benefit from the entertainer's
22 appearance other than the entertainer's performance.

23 3. Any person, venue, or entity required to deduct and
24 withhold tax pursuant to subsection 2 of this section shall, for
25 each calendar quarter, on or before the last day of the month
26 following the close of such calendar quarter, remit the taxes
27 withheld in such form or return as prescribed by the director of
28 revenue and pay over to the director of revenue or to a

1 depository designated by the director of revenue the taxes so
2 required to be deducted and withheld.

3 4. Any person, venue, or entity subject to this section
4 shall be considered an employer for purposes of section 143.191,
5 and shall be subject to all penalties, interest, and additions to
6 tax provided in this chapter for failure to comply with this
7 section.

8 5. Notwithstanding other provisions of this chapter to the
9 contrary, the commissioner of administration, for all taxable
10 years beginning on or after January 1, 1999, but none after
11 December 31, ~~[2020]~~ 2030, shall annually estimate the amount of
12 state income tax revenues collected pursuant to this chapter
13 which are received from nonresident members of professional
14 athletic teams and nonresident entertainers. For fiscal year
15 2000, and for each subsequent fiscal year for a period of
16 ~~[twenty-one]~~ thirty-one years, sixty percent of the annual
17 estimate of taxes generated from the nonresident entertainer and
18 professional athletic team income tax shall be allocated annually
19 to the Missouri arts council trust fund, and shall be
20 transferred, subject to appropriations, from the general revenue
21 fund to the Missouri arts council trust fund established in
22 section 185.100 and any amount transferred shall be in addition
23 to such agency's budget base for each fiscal year. The director
24 shall by rule establish the method of determining the portion of
25 personal service income of such persons that is allocable to
26 Missouri.

27 6. Notwithstanding the provisions of sections 186.050 to
28 186.067 to the contrary, the commissioner of administration, for

1 all taxable years beginning on or after January 1, 1999, but for
2 none after December 31, [2020] 2030, shall estimate annually the
3 amount of state income tax revenues collected pursuant to this
4 chapter which are received from nonresident members of
5 professional athletic teams and nonresident entertainers. For
6 fiscal year 2000, and for each subsequent fiscal year for a
7 period of [twenty-one] thirty-one years, ten percent of the
8 annual estimate of taxes generated from the nonresident
9 entertainer and professional athletic team income tax shall be
10 allocated annually to the Missouri humanities council trust fund,
11 and shall be transferred, subject to appropriations, from the
12 general revenue fund to the Missouri humanities council trust
13 fund established in section 186.055 and any amount transferred
14 shall be in addition to such agency's budget base for each fiscal
15 year.

16 7. Notwithstanding other provisions of section 182.812 to
17 the contrary, the commissioner of administration, for all taxable
18 years beginning on or after January 1, 1999, but for none after
19 December 31, [2020] 2030, shall estimate annually the amount of
20 state income tax revenues collected pursuant to this chapter
21 which are received from nonresident members of professional
22 athletic teams and nonresident entertainers. For fiscal year
23 2000, and for each subsequent fiscal year for a period of
24 [twenty-one] thirty-one years, ten percent of the annual estimate
25 of taxes generated from the nonresident entertainer and
26 professional athletic team income tax shall be allocated annually
27 to the Missouri state library networking fund, and shall be
28 transferred, subject to appropriations, from the general revenue

1 fund to the secretary of state for distribution to public
2 libraries for acquisition of library materials as established in
3 section 182.812 and any amount transferred shall be in addition
4 to such agency's budget base for each fiscal year.

5 8. Notwithstanding other provisions of section 185.200 to
6 the contrary, the commissioner of administration, for all taxable
7 years beginning on or after January 1, 1999, but for none after
8 December 31, ~~[2020]~~ 2030, shall estimate annually the amount of
9 state income tax revenues collected pursuant to this chapter
10 which are received from nonresident members of professional
11 athletic teams and nonresident entertainers. For fiscal year
12 2000, and for each subsequent fiscal year for a period of
13 ~~[twenty-one]~~ thirty-one years, ten percent of the annual estimate
14 of taxes generated from the nonresident entertainer and
15 professional athletic team income tax shall be allocated annually
16 to the Missouri public television broadcasting corporation
17 special fund, and shall be transferred, subject to
18 appropriations, from the general revenue fund to the Missouri
19 public television broadcasting corporation special fund, and any
20 amount transferred shall be in addition to such agency's budget
21 base for each fiscal year; provided, however, that twenty-five
22 percent of such allocation shall be used for grants to public
23 radio stations which were qualified by the corporation for public
24 broadcasting as of November 1, 1996. Such grants shall be
25 distributed to each of such public radio stations in this state
26 after receipt of the station's certification of operating and
27 programming expenses for the prior fiscal year. Certification
28 shall consist of the most recent fiscal year financial statement

1 submitted by a station to the corporation for public
2 broadcasting. The grants shall be divided into two categories,
3 an annual basic service grant and an operating grant. The basic
4 service grant shall be equal to thirty-five percent of the total
5 amount and shall be divided equally among the public radio
6 stations receiving grants. The remaining amount shall be
7 distributed as an operating grant to the stations on the basis of
8 the proportion that the total operating expenses of the
9 individual station in the prior fiscal year bears to the
10 aggregate total of operating expenses for the same fiscal year
11 for all Missouri public radio stations which are receiving
12 grants.

13 9. Notwithstanding other provisions of section 253.402 to
14 the contrary, the commissioner of administration, for all taxable
15 years beginning on or after January 1, 1999, but for none after
16 December 31, ~~[2020]~~ 2030, shall estimate annually the amount of
17 state income tax revenues collected pursuant to this chapter
18 which are received from nonresident members of professional
19 athletic teams and nonresident entertainers. For fiscal year
20 2000, and for each subsequent fiscal year for a period of
21 ~~[twenty-one]~~ thirty-one years, ten percent of the annual estimate
22 of taxes generated from the nonresident entertainer and
23 professional athletic team income tax shall be allocated annually
24 to the Missouri department of natural resources Missouri historic
25 preservation revolving fund, and shall be transferred, subject to
26 appropriations, from the general revenue fund to the Missouri
27 department of natural resources Missouri historic preservation
28 revolving fund established in section 253.402 and any amount

1 transferred shall be in addition to such agency's budget base for
2 each fiscal year.

3 10. For all fiscal years beginning on or after July 1,
4 2019, in addition to the amount withheld under subsection 2 of
5 this section, there shall be an additional two percent of the
6 compensation to nonresident entertainers and nonresident members
7 of a professional athletic team deducted and withheld as a
8 prepayment of tax, and shall be deposited directly into the
9 Missouri senior services protection fund created under section
10 208.2050 and shall be allocated according to the provisions of
11 such section.

12 11. This section shall not be construed to apply to any
13 person who makes a presentation for professional or technical
14 education purposes or to apply to any presentation that is part
15 of a seminar, conference, convention, school, or similar program
16 format designed to provide professional or technical education.

17 143.431. 1. The Missouri taxable income of a corporation
18 taxable under sections 143.011 to 143.996 shall be so much of its
19 federal taxable income for the taxable year, with the
20 modifications specified in subsections 2 to 4 of this section, as
21 is derived from sources within Missouri as provided in section
22 143.451. The tax of a corporation shall be computed on its
23 Missouri taxable income at the rates provided in section 143.071.

24 2. There shall be added to or subtracted from federal
25 taxable income the modifications to adjusted gross income
26 provided in section 143.121, with the exception of subdivision
27 (5) of subsection 2 of section 143.121, and the applicable
28 modifications to itemized deductions provided in section 143.141.

1 There shall be subtracted the federal income tax deduction
2 provided in section 143.171. There shall be subtracted, to the
3 extent included in federal taxable income, corporate dividends
4 from sources within Missouri.

5 3. (1) If an affiliated group of corporations files a
6 consolidated income tax return for the taxable year for federal
7 income tax purposes [and fifty percent or more of its income is
8 derived from sources within this state as determined in
9 accordance with section 143.451], then it may elect to file a
10 Missouri consolidated income tax return. The federal
11 consolidated taxable income of the electing affiliated group for
12 the taxable year shall be its federal taxable income. All
13 transactions between affiliated members of the affiliated group
14 shall be eliminated on the Missouri consolidated income tax
15 return.

16 (2) So long as a federal consolidated income tax return is
17 filed, an election made by an affiliated group of corporations to
18 file a Missouri consolidated income tax return may be withdrawn
19 or revoked only upon substantial change in the law or regulations
20 adversely changing tax liability under this chapter, or with
21 permission of the director of revenue upon the showing of good
22 cause for such action. After such a withdrawal or revocation
23 with respect to an affiliated group, it may not file a Missouri
24 consolidated income tax return for five years thereafter, except
25 with the approval of the director of revenue, and subject to such
26 terms and conditions as he may prescribe.

27 (3) No corporation which is part of an affiliated group of
28 corporations filing a Missouri consolidated income tax return

1 shall be required to file a separate Missouri corporate income
2 tax return for the taxable year.

3 (4) For each taxable year an affiliated group of
4 corporations filing a federal consolidated income tax return does
5 not file a Missouri consolidated income tax return, for purposes
6 of computing the Missouri income tax, the federal taxable income
7 of each member of the affiliated group shall be determined as if
8 a separate federal income tax return had been filed by each such
9 member.

10 (5) The director of revenue may prescribe such regulations
11 not inconsistent with the provisions of this chapter as he may
12 deem necessary in order that the tax liability of any affiliated
13 group of corporations making a Missouri consolidated income tax
14 return, and of each corporation in the group, before, during, and
15 after the period of affiliation, may be returned, determined,
16 computed, assessed, collected, and adjusted, in such manner as
17 clearly to reflect the Missouri taxable income derived from
18 sources within this state and in order to prevent avoidance of
19 such tax liability.

20 4. If a net operating loss deduction is allowed for the
21 taxable year, there shall be added to federal taxable income the
22 amount of the net operating loss modification for each loss year
23 as to which a portion of the net operating loss deduction is
24 attributable. As used in this subsection, the following terms
25 mean:

26 (1) "Loss year", the taxable year in which there occurs a
27 federal net operating loss that is carried back or carried
28 forward in whole or in part to another taxable year;

1 (2) "Net addition modification", for any taxable year, the
2 amount by which the sum of all required additions to federal
3 taxable income provided in this chapter, except for the net
4 operating loss modification, exceeds the combined sum of the
5 amount of all required subtractions from federal taxable income
6 provided in this chapter;

7 (3) "Net operating loss deduction", a net operating loss
8 deduction allowed for federal income tax purposes under Section
9 172 of the Internal Revenue Code of 1986, as amended, or a net
10 operating loss deduction allowed for Missouri income tax purposes
11 under paragraph (d) of subsection 2 of section 143.121, but not
12 including any net operating loss deduction that is allowed for
13 federal income tax purposes but disallowed for Missouri income
14 tax purposes under paragraph (d) of subsection 2 of section
15 143.121;

16 (4) "Net operating loss modification", an amount equal to
17 the lesser of the amount of the net operating loss deduction
18 attributable to that loss year or the amount by which the total
19 net operating loss in the loss year is less than the sum of:

20 (a) The net addition modification for that loss year; and

21 (b) The cumulative net operating loss deductions
22 attributable to that loss year allowed for the taxable year and
23 all prior taxable years.

24 5. For all tax years ending on or after July 1, 2002,
25 federal taxable income may be a positive or negative amount.
26 Subsection 4 of this section shall be effective for all tax years
27 with a net operating loss deduction attributable to a loss year
28 ending on or after July 1, 2002, and the net operating loss

1 modification shall only apply to loss years ending on or after
2 July 1, 2002.

3 143.451. 1. Missouri taxable income of a corporation shall
4 include all income derived from sources within this state.

5 2. For all tax years beginning before January 1, 2019, a
6 corporation described in subdivision (1) of subsection 1 of
7 section 143.441 shall include in its Missouri taxable income all
8 income from sources within this state, including that from the
9 transaction of business in this state and that from the
10 transaction of business partly done in this state and partly done
11 in another state or states. However:

12 (1) Where income results from a transaction partially in
13 this state and partially in another state or states, and income
14 and deductions of the portion in the state cannot be segregated,
15 then such portions of income and deductions shall be allocated in
16 this state and the other state or states as will distribute to
17 this state a portion based upon the portion of the transaction in
18 this state and the portion in such other state or states.

19 (2) The taxpayer may elect to compute the portion of income
20 from all sources in this state in the following manner, or the
21 manner set forth in subdivision (3) of this subsection:

22 (a) The income from all sources shall be determined as
23 provided, excluding therefrom the figures for the operation of
24 any bridge connecting this state with another state.

25 (b) The amount of sales which are transactions wholly in
26 this state shall be added to one-half of the amount of sales
27 which are transactions partly within this state and partly
28 without this state, and the amount thus obtained shall be divided

1 by the total sales or in cases where sales do not express the
2 volume of business, the amount of business transacted wholly in
3 this state shall be added to one-half of the amount of business
4 transacted partly in this state and partly outside this state and
5 the amount thus obtained shall be divided by the total amount of
6 business transacted, and the net income shall be multiplied by
7 the fraction thus obtained, to determine the proportion of income
8 to be used to arrive at the amount of Missouri taxable income.
9 The investment or reinvestment of its own funds, or sale of any
10 such investment or reinvestment, shall not be considered as sales
11 or other business transacted for the determination of said
12 fraction.

13 (c) For the purposes of this subdivision, a transaction
14 involving the sale of tangible property is:

15 a. "Wholly in this state" if both the seller's shipping
16 point and the purchaser's destination point are in this state;

17 b. "Partly within this state and partly without this state"
18 if the seller's shipping point is in this state and the
19 purchaser's destination point is outside this state, or the
20 seller's shipping point is outside this state and the purchaser's
21 destination point is in this state;

22 c. Not "wholly in this state" or not "partly within this
23 state and partly without this state" only if both the seller's
24 shipping point and the purchaser's destination point are outside
25 this state.

26 (d) For purposes of this subdivision:

27 a. The purchaser's destination point shall be determined
28 without regard to the FOB point or other conditions of the sale;

1 and

2 b. The seller's shipping point is determined without regard
3 to the location of the seller's principle office or place of
4 business.

5 (3) The taxpayer may elect to compute the portion of income
6 from all sources in this state in the following manner:

7 (a) The income from all sources shall be determined as
8 provided, excluding therefrom the figures for the operation of
9 any bridge connecting this state with another state;

10 (b) The amount of sales which are transactions in this
11 state shall be divided by the total sales, and the net income
12 shall be multiplied by the fraction thus obtained, to determine
13 the proportion of income to be used to arrive at the amount of
14 Missouri taxable income. The investment or reinvestment of its
15 own funds, or sale of any such investment or reinvestment, shall
16 not be considered as sales or other business transacted for the
17 determination of said fraction;

18 (c) For the purposes of this subdivision, a transaction
19 involving the sale of tangible property is:

20 a. "In this state" if the purchaser's destination point is
21 in this state;

22 b. Not "in this state" if the purchaser's destination point
23 is outside this state;

24 (d) For purposes of this subdivision, the purchaser's
25 destination point shall be determined without regard to the FOB
26 point or other conditions of the sale and shall not be in this
27 state if the purchaser received the tangible personal property
28 from the seller in this state for delivery to the purchaser's

1 location outside this state;

2 (e) For the purposes of this subdivision, a transaction
3 involving the sale other than the sale of tangible property is
4 "in this state" if the taxpayer's market for the sales is in this
5 state. The taxpayer's market for sales is in this state:

6 a. In the case of sale, rental, lease, or license of real
7 property, if and to the extent the property is located in this
8 state;

9 b. In the case of rental, lease, or license of tangible
10 personal property, if and to the extent the property is located
11 in this state;

12 c. In the case of sale of a service, if and to the extent
13 the ultimate beneficiary of the service is located in this state
14 and shall not be in this state if the ultimate beneficiary of the
15 service rendered by the taxpayer or the taxpayer's designee is
16 located outside this state; and

17 d. In the case of intangible property:

18 (i) That is rented, leased, or licensed, if and to the
19 extent the property is used in this state by the rentee, lessee,
20 or licensee, provided that intangible property utilized in
21 marketing a good or service to a consumer is "used in this state"
22 if that good or service is purchased by a consumer who is in this
23 state. Franchise fees or royalties received for the rent, lease,
24 license, or use of a trade name, trademark, service mark, or
25 franchise system or provides a right to conduct business activity
26 in a specific geographic area are "used in this state" to the
27 extent the franchise location is in this state; and

28 (ii) That is sold, if and to the extent the property is

1 used in this state, provided that:

2 i. A contract right, government license, or similar
3 intangible property that authorizes the holder to conduct a
4 business activity in a specific geographic area is "used in this
5 state" if the geographic area includes all or part of this state;

6 ii. Receipts from intangible property sales that are
7 contingent on the productivity, use, or disposition of the
8 intangible property shall be treated as receipts from the rental,
9 lease, or licensing of such intangible property under item (i) of
10 this subparagraph; and

11 iii. All other receipts from a sales of intangible
12 property shall be excluded from the numerator and denominator of
13 the sales factor;

14 (f) If the state or states of assignment under paragraph
15 (e) of this subdivision cannot be determined, the state or states
16 of assignment shall be reasonably approximated;

17 (g) If the state of assignment cannot be determined under
18 paragraph (e) of this subdivision or reasonably approximated
19 under paragraph (f) of this subdivision, such sales shall be
20 excluded from the denominator of the sales factor;

21 (h) The director may prescribe such rules and regulations
22 as necessary or appropriate to carry out the purposes of this
23 section.

24 (4) For purposes of this subsection, the following words
25 shall, unless the context otherwise requires, have the following
26 meaning:

27 (a) "Administration services" include, but are not limited
28 to, clerical, fund or shareholder accounting, participant record

1 keeping, transfer agency, bookkeeping, data processing,
2 custodial, internal auditing, legal and tax services performed
3 for an investment company;

4 (b) "Affiliate", the meaning as set forth in 15 U.S.C.
5 Section 80a-2(a)(3)(C), as may be amended from time to time;

6 (c) "Distribution services" include, but are not limited
7 to, the services of advertising, servicing, marketing,
8 underwriting or selling shares of an investment company, but, in
9 the case of advertising, servicing or marketing shares, only
10 where such service is performed by a person who is, or in the
11 case of a closed end company, was, either engaged in the services
12 of underwriting or selling investment company shares or
13 affiliated with a person that is engaged in the service of
14 underwriting or selling investment company shares. In the case
15 of an open end company, such service of underwriting or selling
16 shares must be performed pursuant to a contract entered into
17 pursuant to 15 U.S.C. Section 80a-15(b), as from time to time
18 amended;

19 (d) "Investment company", any person registered under the
20 federal Investment Company Act of 1940, as amended from time to
21 time, (the act) or a company which would be required to register
22 as an investment company under the act except that such person is
23 exempt to such registration pursuant to Section 80a-3(c)(1) of
24 the act;

25 (e) "Investment funds service corporation" includes any
26 corporation or S corporation doing business in the state which
27 derives more than fifty percent of its gross income in the
28 ordinary course of business from the provision directly or

1 indirectly of management, distribution or administration services
2 to or on behalf of an investment company or from trustees,
3 sponsors and participants of employee benefit plans which have
4 accounts in an investment company. An investment funds service
5 corporation shall include any corporation or S corporation
6 providing management services as an investment advisory firm
7 registered under Section 203 of the Investment Advisors Act of
8 1940, as amended from time to time, regardless of the percentage
9 of gross revenues consisting of fees from management services
10 provided to or on behalf of an investment company;

11 (f) "Management services" include but are not limited to,
12 the rendering of investment advice directly or indirectly to an
13 investment company making determinations as to when sales and
14 purchases of securities are to be made on behalf of the
15 investment company, or the selling or purchasing of securities
16 constituting assets of an investment company, and related
17 activities, but only where such activity or activities are
18 performed:

19 a. Pursuant to a contract with the investment company
20 entered into pursuant to 15 U.S.C. Section 80a-15(a), as from
21 time to time amended;

22 b. For a person that has entered into such contract with
23 the investment company; or

24 c. For a person that is affiliated with a person that has
25 entered into such contract with an investment company;

26 (g) "Qualifying sales", gross income derived from the
27 provision directly or indirectly of management, distribution or
28 administration services to or on behalf of an investment company

1 or from trustees, sponsors and participants of employee benefit
2 plans which have accounts in an investment company. For purposes
3 of this section, "gross income" is defined as that amount of
4 income earned from qualifying sources without deduction of
5 expenses related to the generation of such income;

6 (h) "Residence", presumptively the fund shareholder's
7 mailing address on the records of the investment company. If,
8 however, the investment company or the investment funds service
9 corporation has actual knowledge that the fund shareholder's
10 primary residence or principal place of business is different
11 than the fund shareholder's mailing address such presumption
12 shall not control. To the extent an investment funds service
13 corporation does not have access to the records of the investment
14 company, the investment funds service corporation may employ
15 reasonable methods to determine the investment company fund
16 shareholder's residence.

17 (5) Notwithstanding other provisions of law to the
18 contrary, qualifying sales of an investment funds service
19 corporation, or S corporation, shall be considered wholly in this
20 state only to the extent that the fund shareholders of the
21 investment companies, to which the investment funds service
22 corporation, or S corporation, provide services, are resided
23 in this state. Wholly in this state qualifying sales of an
24 investment funds service corporation, or S corporation, shall be
25 determined as follows:

26 (a) By multiplying the investment funds service
27 corporation's total dollar amount of qualifying sales from
28 services provided to each investment company by a fraction, the

1 numerator of which shall be the average of the number of shares
2 owned by the investment company's fund shareholders resided in
3 this state at the beginning of and at the end of the investment
4 company's taxable year that ends with or within the investment
5 funds service corporation's taxable year, and the denominator of
6 which shall be the average of the number of shares owned by the
7 investment company's fund shareholders everywhere at the
8 beginning of and at the end of the investment company's taxable
9 year that ends with or within the investment funds service
10 corporation's taxable year;

11 (b) A separate computation shall be made to determine the
12 wholly in this state qualifying sales from each investment
13 company. The qualifying sales for each investment company shall
14 be multiplied by the respective percentage of each fund, as
15 calculated pursuant to paragraph (a) of this subdivision. The
16 product of this equation shall result in the wholly in this state
17 qualifying sales. The qualifying sales for each investment
18 company which are not wholly in this state will be considered
19 wholly without this state;

20 (c) To the extent an investment funds service corporation
21 has sales which are not qualifying sales, those nonqualified
22 sales shall be apportioned to this state based on the methodology
23 utilized by the investment funds service corporation without
24 regard to this subdivision.

25 3. Any corporation described in subdivision (1) of
26 subsection 1 of section 143.441 organized in this state or
27 granted a permit to operate in this state for the transportation
28 or care of passengers shall report its gross earnings within the

1 state on intrastate business and shall also report its gross
2 earnings on all interstate business done in this state which
3 report shall be subject to inquiry for the purpose of determining
4 the amount of income to be included in Missouri taxable income.
5 The previous sentence shall not apply to a railroad.

6 4. A corporation described in subdivision (2) of subsection
7 1 of section 143.441 shall include in its Missouri taxable income
8 all income arising from all sources in this state and all income
9 from each transportation service wholly within this state, from
10 each service where the only lines of such corporation used are
11 those in this state, and such proportion of revenue from each
12 service where the facilities of such corporation in this state
13 and in another state or states are used, as the mileage used over
14 the lines of such corporation in the state shall bear to the
15 total mileage used over the lines of such corporation. The
16 taxpayer may elect to compute the portion of income from all
17 sources within this state in the following manner:

18 (1) The income from all sources shall be determined as
19 provided;

20 (2) The amount of investment of such corporation on
21 December thirty-first of each year in this state in fixed
22 transportation facilities, real estate and improvements, plus the
23 value on December thirty-first of each year of any fixed
24 transportation facilities, real estate and improvements in this
25 state leased from any other railroad shall be divided by the sum
26 of the total amount of investment of such corporation on December
27 thirty-first of each year in fixed transportation facilities,
28 real estate and improvements, plus the value on December

1 thirty-first of each year, of any fixed transportation
2 facilities, real estate and improvements leased from any other
3 railroad. Where any fixed transportation facilities, real estate
4 or improvements are leased by more than one railroad, such
5 portion of the value shall be used by each railroad as the rental
6 paid by each shall bear to the rental paid by all lessees. The
7 income shall be multiplied by the fraction thus obtained to
8 determine the proportion to be used to arrive at the amount of
9 Missouri taxable income.

10 5. A corporation described in subdivision (3) of subsection
11 1 of section 143.441 shall include in its Missouri taxable income
12 one-half of the net income from the operation of a bridge between
13 this and another state. If any such bridge is owned or operated
14 by a railroad corporation or corporations, or by a corporation
15 owning a railroad corporation using such bridge, then the figures
16 for operation of such bridge may be included in the return of
17 such railroad or railroads; or if such bridge is owned or
18 operated by any other corporation which may now or hereafter be
19 required to file an income tax return, one-half of the income or
20 loss to such corporation from such bridge may be included in such
21 return by adding or subtracting same to or from another net
22 income or loss shown by the return.

23 6. A corporation described in subdivision (4) of subsection
24 1 of section 143.441 shall include in its Missouri taxable income
25 all income arising from all sources within this state. Income
26 shall include revenue from each telephonic or telegraphic service
27 rendered wholly within this state; from each service rendered for
28 which the only facilities of such corporation used are those in

1 this state; and from each service rendered over the facilities of
2 such corporation in this state and in other state or states, such
3 proportion of such revenue as the mileage involved in this state
4 shall bear to the total mileage involved over the lines of said
5 company in all states. The taxpayer may elect to compute the
6 portion of income from all sources within this state in the
7 following manner:

8 (1) The income from all sources shall be determined as
9 provided;

10 (2) The amount of investment of such corporation on
11 December thirty-first of each year in this state in telephonic or
12 telegraphic facilities, real estate and improvements thereon,
13 shall be divided by the amount of the total investment of such
14 corporation on December thirty-first of each year in telephonic
15 or telegraphic facilities, real estate and improvements. The
16 income of the taxpayer shall be multiplied by fraction thus
17 obtained to determine the proportion to be used to arrive at the
18 amount of Missouri taxable income.

19 7. From the income determined in subsections 2, 3, 4, 5 and
20 6 of this section to be from all sources within this state shall
21 be deducted such of the deductions for expenses in determining
22 Missouri taxable income as were incurred in this state to produce
23 such income and all losses actually sustained in this state in
24 the business of the corporation.

25 8. If a corporation derives only part of its income from
26 sources within Missouri, its Missouri taxable income shall only
27 reflect the effect of the following listed deductions to the
28 extent applicable to Missouri. The deductions are: (a) its

1 deduction for federal income taxes pursuant to section 143.171,
2 and (b) the effect on Missouri taxable income of the deduction
3 for net operating loss allowed by Section 172 of the Internal
4 Revenue Code. The extent applicable to Missouri shall be
5 determined by multiplying the amount that would otherwise affect
6 Missouri taxable income by the ratio for the year of the Missouri
7 taxable income of the corporation for the year divided by the
8 Missouri taxable income for the year as though the corporation
9 had derived all of its income from sources within Missouri. For
10 the purpose of the preceding sentence, Missouri taxable income
11 shall not reflect the listed deductions.

12 9. Any investment funds service corporation organized as a
13 corporation or S corporation which has any shareholders
14 resided in this state shall be subject to Missouri income tax
15 as provided in this chapter.

16 10. The provisions of this section do not impact any other
17 apportionment election available to a taxpayer under Missouri
18 statutes.

19 143.455. 1. Missouri taxable income of a corporation shall
20 include all income derived from sources within this state.

21 2. For all tax years beginning on or after January 1, 2019,
22 a corporation described in subdivision (1) of subsection 1 of
23 section 143.441 shall determine its income derived from sources
24 within this state by allocating and apportioning its net income
25 as provided in this section.

26 3. As used in this section, unless the context otherwise
27 requires, the following terms mean:

28 (1) "Apportionable income":

1 (a) All income that is apportionable under the Constitution
2 of the United States and is not allocated under the laws of this
3 state, including:

4 a. Income arising from transactions and activity in the
5 regular course of the corporation's trade or business; and

6 b. Income arising from tangible and intangible property if
7 the acquisition, management, employment, development, or
8 disposition of the property is or was related to the operation of
9 the corporation's trade or business; and

10 (b) Any income that would be allocable to this state under
11 the Constitution of the United States, but that is apportioned
12 rather than allocated pursuant to the laws of this state;

13 (2) "Commercial domicile", the principal place from which
14 the trade or business of the corporation is directed or managed;

15 (3) "Financial organization", any bank, trust company,
16 savings bank, industrial bank, land bank, safe deposit company,
17 private banker, savings and loan association, credit union,
18 cooperative bank, small loan company, sales finance company,
19 investment company, or any type of insurance company;

20 (4) "Non-apportionable income", all income other than
21 apportionable income;

22 (5) "Public utility", any business entity:

23 (a) Which owns or operates any plant, equipment, property,
24 franchise, or license for the transmission of communications,
25 transportation of goods or persons, except by pipeline, or the
26 production, transmission, sale, delivery, or furnishing of
27 electricity, water or steam; and

28 (b) Whose rates of charges for goods or services have been

1 established or approved by a federal, state, or local government
2 or governmental agency;

3 (6) "Receipts", all gross receipts of the corporation that
4 are not allocated under the provisions of this section, and that
5 are received from transactions and activity in the regular course
6 of the corporation's trade or business; except that receipts of a
7 corporation from hedging transactions and from the maturity,
8 redemption, sale, exchange, loan or other disposition of cash or
9 securities, shall be excluded.

10 4. For purposes of allocation and apportionment of income
11 under this section, a corporation is taxable in another state if:

12 (1) In that state it is subject to a net income tax, a
13 franchise tax measured by net income, a franchise tax for the
14 privilege of doing business, or a corporate stock tax; or

15 (2) That state has jurisdiction to subject the corporation
16 to a net income tax regardless of whether, in fact, the state
17 does or does not do so.

18 5. Rents and royalties from real or tangible personal
19 property, capital gains, interest, dividends or patent or
20 copyright royalties, to the extent that they constitute
21 nonapportionable income, shall be allocated as provided in
22 subsections 6 to 9 of this section.

23 6. (1) Net rents and royalties from real property located
24 in this state are allocable to this state.

25 (2) Net rents and royalties from tangible personal property
26 are allocable to this state:

27 (a) If and to the extent the property is utilized in this
28 state; or

1 (b) In their entirety if the corporation's commercial
2 domicile is in this state and the corporation is not organized
3 under the laws of or taxable in the state in which the property
4 is utilized.

5 (3) The extent of utilization of tangible personal property
6 in a state is determined by multiplying the rents and royalties
7 by a fraction, the numerator of which is the number of days of
8 physical location of the property in the state during the rental
9 or royalty period in the taxable year and the denominator of
10 which is the number of days of physical location of the property
11 everywhere during all rental or royalty periods in the taxable
12 year. If the physical location of the property during the rental
13 or royalty period is unknown or unascertainable by the
14 corporation, tangible personal property is utilized in the state
15 in which the property was located at the time the rental or
16 royalty payer obtained possession.

17 7. (1) Capital gains and losses from sales of real
18 property located in this state are allocable to this state.

19 (2) Capital gains and losses from sales of tangible
20 personal property are allocable to this state if:

21 (a) The property had a situs in this state at the time of
22 the sale; or

23 (b) The corporation's commercial domicile is in this state
24 and the corporation is not taxable in the state in which the
25 property had a situs.

26 (3) Capital gains and losses from sales of intangible
27 personal property are allocable to this state if the
28 corporation's commercial domicile is in this state.

1 8. Interest and dividends are allocable to this state if
2 the corporation's commercial domicile is in this state.

3 9. (1) Patent and copyright royalties are allocable to
4 this state:

5 (a) If and to the extent that the patent or copyright is
6 utilized by the payer in this state; or

7 (b) If and to the extent that the patent or copyright is
8 utilized by the payer in a state in which the corporation is not
9 taxable and the corporation's commercial domicile is in this
10 state.

11 (2) A patent is utilized in a state to the extent that it
12 is employed in production, fabrication, manufacturing, or other
13 processing in the state or to the extent that a patented product
14 is produced in the state. If the basis of receipts from patent
15 royalties does not permit allocation to states or if the
16 accounting procedures do not reflect states of utilization, the
17 patent is utilized in the state in which the corporation's
18 commercial domicile is located.

19 (3) A copyright is utilized in a state to the extent that
20 printing or other publication originates in the state. If the
21 basis of receipts from copyright royalties does not permit
22 allocation to states or if the accounting procedures do not
23 reflect states of utilization, the copyright is utilized in the
24 state in which the corporation's commercial domicile is located.

25 10. All apportionable income shall be apportioned to this
26 state by multiplying the net income by a fraction, the numerator
27 of which is the total receipts of the corporation in this state
28 during the tax period and the denominator of which is the total

1 receipts of the corporation everywhere during the tax period.

2 11. Receipts from the sale of tangible personal property
3 are in this state if the property is received in this state by
4 the purchaser. In the case of the delivery of goods by common
5 carrier or by other means of transportation, including
6 transportation by the purchaser, the place at which the goods are
7 ultimately received after all transportation has been completed
8 shall be considered as the place at which the goods are received
9 by the purchaser. Direct delivery into this state by the
10 taxpayer to a person or firm designated by a purchaser from
11 within or without the state shall constitute delivery to the
12 purchaser in this state.

13 12. (1) Receipts, other than receipts described in
14 subsection 11 of this section, are in this state if the
15 corporation's market for the sales is in this state. The
16 corporation's market for sales is in this state:

17 (a) In the case of sale, rental, lease, or license of real
18 property, if and to the extent the property is located in this
19 state;

20 (b) In the case of rental, lease, or license of tangible
21 personal property, if and to the extent the property is located
22 in this state;

23 (c) In the case of sale of a service, if and to the extent
24 the ultimate beneficiary of the service is located in this state
25 and shall not be in this state if the ultimate beneficiary of
26 the service rendered by the corporation or the corporation's
27 designee is located outside this state; and

28 (d) In the case of intangible property:

1 a. That is rented, leased, or licensed, if and to the
2 extent the property is used in this state, provided that
3 intangible property utilized in marketing a good or service to a
4 consumer is "used in this state" if that good or service is
5 purchased by a consumer who is in this state. Franchise fees or
6 royalties received for the rent, lease, license, or use of a
7 trade name, trademark, service mark, or franchise system or
8 provides a right to conduct business activity in a specific
9 geographic area "are used in this state" to the extent the
10 franchise is located in this state; and

11 b. That is sold, if and to the extent the property is used
12 in this state, provided that:

13 (i) A contract right, government license, or similar
14 intangible property that authorizes the holder to conduct a
15 business activity in a specific geographic area is "used in this
16 state" if the geographic area includes all or part of this state;

17 (ii) Receipts from intangible property sales that are
18 contingent on the productivity, use, or disposition of the
19 intangible property shall be treated as receipts from the rental,
20 lease, or licensing of such intangible property under
21 subparagraph a. of this paragraph; and

22 (iii) All other receipts from a sale of intangible property
23 shall be excluded from the numerator and denominator of the
24 receipts factor.

25 (2) If the state or states of assignment under subdivision
26 (1) of this subsection cannot be determined, the state or states
27 of assignment shall be reasonably approximated.

28 (3) The director may prescribe regulations as necessary or

1 appropriate to carry out the purposes of this section.

2 13. (1) In the case of certain industries where unusual
3 factual situations produce inequitable results under the
4 apportionment and allocation provisions of this section, the
5 director shall promulgate rules for determining the apportionment
6 and allocation factors for each such industry, but such rules
7 shall be applied uniformly.

8 (2) If the allocation and apportionment provisions of this
9 section do not fairly represent the extent of the corporation's
10 income applicable to this state, the corporation may petition for
11 or the director may require:

12 (a) Separate accounting;

13 (b) The inclusion of one or more additional factors which
14 will fairly represent the corporation's income applicable to this
15 state; or

16 (c) The employment of any other method to effectuate an
17 equitable allocation and apportionment of the corporation's
18 income.

19 (3) The party petitioning for, or the director requiring,
20 the use of any method to effectuate an equitable allocation and
21 apportionment of the corporation's income pursuant to subdivision
22 (2) of this subsection shall prove by a preponderance of
23 evidence:

24 (a) That the allocation and apportionment provisions of
25 this section do not fairly represent the extent of the
26 corporation's income applicable to this state; and

27 (b) That the alternative to such provisions is reasonable.

1 The same burden of proof shall apply whether the corporation is
2 petitioning for, or the director is requiring, the use of any
3 reasonable method to effectuate an equitable allocation and
4 apportionment of the corporation's income. Notwithstanding the
5 previous sentence, if the director can show that in any two of
6 the prior five tax years, the corporation had used an allocation
7 or apportionment method at variance with its allocation or
8 apportionment method or methods used for such other tax years,
9 then the director shall not bear the burden of proof in imposing
10 a different method pursuant to subdivision (2) of this
11 subsection.

12 (4) If the director requires any method to effectuate an
13 equitable allocation and apportionment of the corporation's
14 income, the director cannot impose any civil or criminal penalty
15 with reference to the tax due that is attributable to the
16 corporation's reasonable reliance solely on the allocation and
17 apportionment provisions of this section.

18 (5) A corporation that has received written permission from
19 the director to use a reasonable method to effectuate an
20 equitable allocation and apportionment of the corporation's
21 income shall not have that permission revoked with respect to
22 transactions and activities that have already occurred unless
23 there has been a material change in, or a material
24 misrepresentation of, the facts provided by the corporation upon
25 which the director reasonably relied.

26 14. Any corporation described in subdivision (1) of
27 subsection 1 of section 143.441 organized in this state or
28 granted a permit to operate in this state for the transportation

1 or care of passengers shall report its gross earnings within the
2 state on intrastate business and shall also report its gross
3 earnings on all interstate business done in this state. Such
4 report shall be subject to inquiry for the purpose of determining
5 the amount of income to be included in Missouri taxable income.
6 This subsection shall not apply to a railroad.

7 15. A corporation described in subdivision (2) of
8 subsection 1 of section 143.441 shall include in its Missouri
9 taxable income all income arising from all sources in this state
10 and all income from each transportation service wholly within
11 this state, from each service where the only rails and lines of
12 such corporation used are those in this state, and such
13 proportion of revenue from each service where the facilities of
14 such corporation in this state and in another state or states are
15 used, as the mileage used over the rails and lines of such
16 corporation in the state shall bear to the total mileage used
17 over the rails and lines of such corporation. The corporation
18 may elect to compute the portion of income from all sources
19 within this state in the following manner:

20 (1) The income from all sources shall be determined as
21 provided;

22 (2) The amount of investment of such corporation on
23 December thirty-first of each year in this state in fixed
24 transportation facilities, real estate and improvements, plus the
25 value on December thirty-first of each year of any fixed
26 transportation facilities, real estate and improvements in this
27 state leased from any other railroad shall be divided by the sum
28 of the total amount of investment of such corporation on December

1 thirty-first of each year in fixed transportation facilities,
2 real estate and improvements, plus the value on December
3 thirty-first of each year, of any fixed transportation
4 facilities, real estate and improvements leased from any other
5 railroad. Where any fixed transportation facilities, real estate
6 or improvements are leased by more than one railroad, such
7 portion of the value shall be used by each railroad as the rental
8 paid by each shall bear to the rental paid by all lessees. The
9 income shall be multiplied by the fraction thus obtained to
10 determine the proportion to be used to arrive at the amount of
11 Missouri taxable income.

12 16. A corporation described in subdivision (3) of
13 subsection 1 of section 143.441 shall include in its Missouri
14 taxable income one-half of the net income from the operation of a
15 bridge between this and another state. If any such bridge is
16 owned or operated by a railroad corporation or corporations, or
17 by a corporation owning a railroad corporation using such bridge,
18 then the figures for operation of such bridge may be included in
19 the return of such railroad or railroads; or if such bridge is
20 owned or operated by any other corporation which may now or
21 hereafter be required to file an income tax return, one-half of
22 the income or loss to such corporation from such bridge may be
23 included in such return by adding or subtracting the same to or
24 from another net income or loss shown by the return.

25 17. A corporation described in subdivision (4) of
26 subsection 1 of section 143.441 shall include in its Missouri
27 taxable income all income arising from all sources within this
28 state. Income shall include revenue from each telephonic or

1 telegraphic service rendered wholly within this state; from each
2 service rendered for which the only facilities of such
3 corporation used are those in this state; and from each service
4 rendered over the facilities of such corporation in this state
5 and in other state or states, such proportion of such revenue as
6 the mileage involved in this state shall bear to the total
7 mileage involved over the lines of said company in all states.
8 The corporation may elect to compute the portion of income from
9 all sources within this state in the following manner:

10 (1) The income from all sources shall be determined as
11 provided;

12 (2) The amount of investment of such corporation on
13 December thirty-first of each year in this state in telephonic or
14 telegraphic facilities, real estate and improvements thereon,
15 shall be divided by the amount of the total investment of such
16 corporation on December thirty-first of each year in telephonic
17 or telegraphic facilities, real estate and improvements. The
18 income of the corporation shall be multiplied by the fraction
19 thus obtained to determine the proportion to be used to arrive at
20 the amount of Missouri taxable income.

21 18. From the income determined in this section to be from
22 all sources within this state shall be deducted such of the
23 deductions for expenses in determining Missouri taxable income as
24 were incurred in this state to produce such income and all losses
25 actually sustained in this state in the business of the
26 corporation.

27 19. If a corporation derives only part of its income from
28 sources within Missouri, its Missouri taxable income shall only

1 reflect the effect on Missouri taxable income of the deduction
2 for net operating loss allowed by Section 172 of the Internal
3 Revenue Code. The extent applicable to Missouri shall be
4 determined by multiplying the amount that would otherwise affect
5 Missouri taxable income by the ratio for the year of the Missouri
6 taxable income of the corporation for the year divided by the
7 Missouri taxable income for the year as though the corporation
8 had derived all of its income from sources within Missouri. For
9 the purpose of the preceding sentence, Missouri taxable income
10 shall not reflect the deduction.

11 20. Any investment funds service corporation organized as a
12 corporation or S corporation which has any shareholders
13 resided in this state shall be subject to Missouri income tax
14 as provided in this chapter.

15 143.461. 1. A corporation shall elect to determine income
16 applicable to this state by multiplying the total income from all
17 sources by the fraction determined in the manner in section
18 [143.451] 143.455; first, by filing written notice with the
19 director of revenue on or before the due date of the return
20 (including extensions of time) of the taxpayer's election, or,
21 second, by failing to keep its books and records in such manner
22 as to show the income applicable to this state, including gross
23 income and deductions applicable thereto.

24 2. If the corporation shall keep its books and records so
25 as to show the income applicable to this state by any other
26 method of allocation between this state and other states
27 [involved of income from transactions partially within and
28 partially without this state], including gross income and

1 deductions applicable thereto, and such method shows the income
2 applicable to this state, including gross income and deductions
3 applicable thereto, then it may, on or before sixty days before
4 the end of any taxable year, petition the director of revenue, in
5 writing, to be permitted in its return required to be filed to
6 apportion to this state according to the method shown by such
7 books or records. If the director of revenue finds that such
8 method does show the income applicable to this state including
9 gross income and the deductions applicable thereto, he or she
10 shall notify the corporation, at least thirty days prior to the
11 last day on which such corporation's return for that taxable year
12 is to be filed, that it may use that method for the shorter of
13 five years or as long as such method shows the income applicable
14 to this state, including gross income and deductions applicable
15 thereto.

16 3. The corporation shall cease using such method after the
17 shorter of five years or whenever the director of revenue finds
18 and notifies such corporation on or before ninety days before the
19 end of the taxable year, that such method does not so show. Upon
20 and after such expiration or revocation the corporation shall be
21 permitted to petition to use the same or another method of
22 allocation that will show such income including gross income and
23 deductions applicable thereto as though no petition had ever been
24 filed.

25 4. Failure, after a method has expired or been revoked by
26 the director of revenue, to submit a method which the director of
27 revenue finds will show such income applicable to this state
28 including gross income and deductions applicable thereto, on or

1 before sixty days before the end of any taxable year, or failure
2 to make a return on the basis, which has been approved by the
3 director of revenue on petition of the corporation and which
4 stands unrevoked or unexpired, shall constitute an election to
5 accept the determination of income applicable to this state by
6 multiplying the total income from all sources by the fraction
7 determined in the manner set forth in section 143.451 or, for a
8 tax year beginning on or after January 1, 2019, in the manner set
9 forth in section 143.455.

10 143.471. 1. An S corporation, as defined by Section 1361
11 (a)(1) of the Internal Revenue Code, shall not be subject to the
12 taxes imposed by section 143.071, or other sections imposing
13 income tax on corporations.

14 2. A shareholder of an S corporation shall determine such
15 shareholder's S corporation modification and pro rata share,
16 including its character, by applying the following:

17 (1) Any modification described in sections 143.121 and
18 143.141 which relates to an item of S corporation income, gain,
19 loss, or deduction shall be made in accordance with the
20 shareholder's pro rata share, for federal income tax purposes, of
21 the item to which the modification relates. Where a
22 shareholder's pro rata share of any such item is not required to
23 be taken into account separately for federal income tax purposes,
24 the shareholder's pro rata share of such item shall be determined
25 in accordance with his pro rata share, for federal income tax
26 purposes, of S corporation taxable income or loss generally;

27 (2) Each item of S corporation income, gain, loss, or
28 deduction shall have the same character for a shareholder

1 pursuant to sections 143.005 to 143.998 as it has for federal
2 income tax purposes. Where an item is not characterized for
3 federal income tax purposes, it shall have the same character for
4 a shareholder as if realized directly from the source from which
5 realized by the S corporation or incurred in the same manner as
6 incurred by the S corporation.

7 3. A nonresident shareholder of an S corporation shall
8 determine such shareholder's Missouri nonresident adjusted gross
9 income and his or her nonresident shareholder modification by
10 applying the provisions of this subsection. Items shall be
11 determined to be from sources within this state pursuant to
12 regulations of the director of revenue in a manner consistent
13 with the division of income provisions of section 143.451,
14 section 143.461, or section 32.200 (Multistate Tax Compact). In
15 determining the adjusted gross income of a nonresident
16 shareholder of any S corporation, there shall be included only
17 that part derived from or connected with sources in this state of
18 the shareholder's pro rata share of items of S corporation
19 income, gain, loss or deduction entering into shareholder's
20 federal adjusted gross income, as such part is determined
21 pursuant to regulations prescribed by the director of revenue in
22 accordance with the general rules in section 143.181. Any
23 modification described in subsections 2 and 3 of section 143.121
24 and in section 143.141, which relates to an item of S corporation
25 income, gain, loss, or deduction shall be made in accordance with
26 the shareholder's pro rata share, for federal income tax
27 purposes, of the item to which the modification relates, but
28 limited to the portion of such item derived from or connected

1 with sources in this state.

2 4. Notwithstanding subsection 3 of this section to the
3 contrary, for all tax years beginning on or after January 1,
4 2019, the items referred to in that subsection shall be
5 determined to be from sources within this state pursuant to
6 regulations of the director of revenue in a manner consistent
7 with the division of income provisions of section 143.455 and
8 section 143.461.

9 5. The director of revenue shall permit S corporations to
10 file composite returns and to make composite payments of tax on
11 behalf of its nonresident shareholders not otherwise required to
12 file a return. If the nonresident shareholder's filing
13 requirements result solely from one or more interests in any
14 other partnerships or subchapter S corporations, that nonresident
15 shareholder may be included in the composite return.

16 [5.] 6. If an S corporation pays or credits amounts to any
17 of its nonresident individual shareholders as dividends or as
18 their share of the S corporation's undistributed taxable income
19 for the taxable year, the S corporation shall either timely file
20 with the department of revenue an agreement as provided in
21 subsection [6] 7 of this section or withhold Missouri income tax
22 as provided in subsection [7] 8 of this section. An S
23 corporation that timely files an agreement as provided in
24 subsection [6] 7 of this section with respect to a nonresident
25 shareholder for a taxable year shall be considered to have timely
26 filed such an agreement for each subsequent taxable year. An S
27 corporation that does not timely file such an agreement for a
28 taxable year shall not be precluded from timely filing such an

1 agreement for subsequent taxable years. An S corporation is not
2 required to deduct and withhold Missouri income tax for a
3 nonresident shareholder if:

4 (1) The nonresident shareholder not otherwise required to
5 file a return agrees to have the Missouri income tax due paid as
6 part of the S corporation's composite return;

7 (2) The nonresident shareholder not otherwise required to
8 file a return had Missouri assignable federal adjusted gross
9 income from the S corporation of less than twelve hundred
10 dollars;

11 (3) The S corporation is liquidated or terminated;

12 (4) Income was generated by a transaction related to
13 termination or liquidation; or

14 (5) No cash or other property was distributed in the
15 current and prior taxable year.

16 [6.] 7. The agreement referred to in subdivision (1) of
17 subsection [5] 6 of this section is an agreement of a nonresident
18 shareholder of the S corporation to:

19 (1) File a return in accordance with the provisions of
20 section 143.481 and to make timely payment of all taxes imposed
21 on the shareholder by this state with respect to income of the S
22 corporation; and

23 (2) Be subject to personal jurisdiction in this state for
24 purposes of the collection of income taxes, together with related
25 interest and penalties, imposed on the shareholder by this state
26 with respect to the income of the S corporation.

27
28 The agreement will be considered timely filed for a taxable year,

1 and for all subsequent taxable years, if it is filed at or before
2 the time the annual return for such taxable year is required to
3 be filed pursuant to section 143.511.

4 [7.] 8. The amount of Missouri income tax to be withheld is
5 determined by multiplying the amount of dividends or
6 undistributed income allocable to Missouri that is paid or
7 credited to a nonresident shareholder during the taxable year by
8 the highest rate used to determine a Missouri income tax
9 liability for an individual, except that the amount of the tax
10 withheld may be determined based on withholding tables provided
11 by the director of revenue if the shareholder submits a Missouri
12 withholding allowance certificate.

13 [8.] 9. An S corporation shall be entitled to recover for a
14 shareholder on whose behalf a tax payment was made pursuant to
15 this section, if such shareholder has no tax liability.

16 [9.] 10. With respect to S corporations that are banks or
17 bank holding companies, a pro rata share of the tax credit for
18 the tax payable pursuant to chapter 148 shall be allowed against
19 each S corporation shareholders' state income tax as follows,
20 provided the bank otherwise complies with section 148.112:

21 (1) The credit allowed by this subsection shall be equal to
22 the bank tax calculated pursuant to chapter 148 based on bank
23 income in 1999 and after, on a bank that makes an election
24 pursuant to 26 U.S.C. Section 1362, and such credit shall be
25 allocated to the qualifying shareholder according to stock
26 ownership, determined by multiplying a fraction, where the
27 numerator is the shareholder's stock, and the denominator is the
28 total stock issued by such bank or bank holding company;

1 (2) The tax credit authorized in this subsection shall be
2 permitted only to the shareholders that qualify as S corporation
3 shareholders, provided the stock at all times during the taxable
4 period qualifies as S corporation stock as defined in 26 U.S.C.
5 Section 1361, and such stock is held by the shareholder during
6 the taxable period. The credit created by this section on a
7 yearly basis is available to each qualifying shareholder,
8 including shareholders filing joint returns. A bank holding
9 company is not allowed this credit, except that, such credit
10 shall flow through to such bank holding company's qualified
11 shareholders, and be allocated to such shareholders under the
12 same conditions; and

13 (3) In the event such shareholder cannot use all or part of
14 the tax credit in the taxable period of receipt, such shareholder
15 may carry forward such tax credit for a period of the lesser of
16 five years or until used, provided such credits are used as soon
17 as the taxpayer has Missouri taxable income.

18 [10.] 11. With respect to S corporations that are
19 associations, a pro rata share of the tax credit for the tax
20 payable under chapter 148 shall be allowed against each S
21 corporation shareholders' state income tax as follows, provided
22 the association otherwise complies with section 148.655:

23 (1) The credit allowed by this subsection shall be equal to
24 the savings and loan association tax calculated under chapter 148
25 based on the computations provided in section 148.630 on an
26 association that makes an election under 26 U.S.C. Section 1362,
27 and such credit shall be allocated to the qualifying shareholder
28 according to stock ownership, determined by multiplying a

1 fraction, where the numerator is the shareholder's stock, and the
2 denominator is the total stock issued by the association;

3 (2) The tax credit authorized in this subsection shall be
4 permitted only to the shareholders that qualify as S corporation
5 shareholders, provided the stock at all times during the taxable
6 period qualifies as S corporation stock as defined in 26 U.S.C.
7 Section 1361, and such stock is held by the shareholder during
8 the taxable period. The credit created by this section on a
9 yearly basis is available to each qualifying shareholder,
10 including shareholders filing joint returns. A savings and loan
11 association holding company is not allowed this credit, except
12 that, such credit shall flow through to such savings and loan
13 association holding company's qualified shareholders, and be
14 allocated to such shareholders under the same conditions; and

15 (3) In the event such shareholder cannot use all or part of
16 the tax credit in the taxable period of receipt, such shareholder
17 may carry forward such tax credit for a period of the lesser of
18 five years or until used, provided such credits are used as soon
19 as the taxpayer has Missouri taxable income.

20 [11.] 12. With respect to S corporations that are credit
21 institutions, a pro rata share of the tax credit for the tax
22 payable under chapter 148 shall be allowed against each S
23 corporation shareholders' state income tax as follows, provided
24 the credit institution otherwise complies with section 148.657:

25 (1) The credit allowed by this subsection shall be equal to
26 the credit institution tax calculated under chapter 148 based on
27 the computations provided in section 148.150 on a credit
28 institution that makes an election under 26 U.S.C. Section 1362,

1 and such credit shall be allocated to the qualifying shareholder
2 according to stock ownership, determined by multiplying a
3 fraction, where the numerator is the shareholder's stock, and the
4 denominator is the total stock issued by such credit institution;

5 (2) The tax credit authorized in this subsection shall be
6 permitted only to the shareholders that qualify as S corporation
7 shareholders, provided the stock at all times during the taxable
8 period qualifies as S corporation stock as defined in 26 U.S.C.
9 Section 1361, and such stock is held by the shareholder during
10 the taxable period. The credit created by this section on a
11 yearly basis is available to each qualifying shareholder,
12 including shareholders filing joint returns. A credit
13 institution holding company is not allowed this credit, except
14 that, such credit shall flow through to such credit institution
15 holding company's qualified shareholders, and be allocated to
16 such shareholders under the same conditions; and

17 (3) In the event such shareholder cannot use all or part of
18 the tax credit in the taxable period of receipt, such shareholder
19 may carry forward such tax credit for a period of the lesser of
20 five years or until used, provided such credits are used as soon
21 as the taxpayer has Missouri taxable income.

22 144.010. 1. The following words, terms, and phrases when
23 used in [sections 144.010 to 144.525] this chapter shall have the
24 meanings ascribed to them in this section, except when the
25 context indicates a different meaning:

26 (1) "Admission" includes seats and tables, reserved or
27 otherwise, and other similar accommodations and charges made
28 therefor and amount paid for admission, exclusive of any

1 admission tax imposed by the federal government or by sections
2 144.010 to 144.525;

3 (2) "Advertising and promotional direct mail", printed
4 material that meets the definition of direct mail, the primary
5 purpose of which is to attract public attention to a product,
6 person, business, or organization, or to attempt to sell,
7 popularize, or secure financial support for a product, person,
8 business, or organization. As used in this subdivision, the word
9 "product" means tangible personal property, a product transferred
10 electronically or a service;

11 (3) "Agreement", the streamlined sales and use tax
12 agreement, as amended from time to time;

13 (4) "Air-to-ground radiotelephone service", a radio
14 service, as that term is defined in 47 CFR 22.99, in which common
15 carriers are authorized to offer and provide radio
16 telecommunications service for hire to subscribers in aircraft;

17 (5) "Alcoholic beverages", beverages that are suitable for
18 human consumption and contain one-half of one percent or more of
19 alcohol by volume;

20 (6) "Ancillary services", services that are associated with
21 or incidental to the provisions of telecommunications services,
22 including but not limited to, detailed telecommunications
23 billing, directory assistance, vertical service, and voice mail
24 services. Ancillary services shall not include specified digital
25 products, digital audio-visual works, digital audio works, or
26 digital books;

27 (7) "Appliance", clothes washers and dryers, water heaters,
28 trash compactors, dishwashers, conventional ovens, ranges,

1 stoves, air conditioners, furnaces, refrigerators, and freezers;

2 (8) "Bottled water", water that is placed in a safety
3 sealed container or package for human consumption. Bottled water
4 is calorie free and does not contain sweeteners or other
5 additives except that it may contain:

6 (a) Antimicrobial agents;

7 (b) Fluoride;

8 (c) Carbonation;

9 (d) Vitamins, minerals, and electrolytes;

10 (e) Oxygen;

11 (f) Preservatives; and

12 (g) Only those flavors, extracts, or essences derived from
13 a spice or fruit.

14
15 Bottled water includes water that is delivered to the buyer in a
16 reusable container that is not sold with the water;

17 (9) "Bundled transaction":

18 (a) The retail sale of two or more products, except real
19 property and services to real property, where the products are
20 otherwise distinct and identifiable, and the products are sold
21 for one nonitemized price. A bundled transaction shall not
22 include the sale of any products in which the sales price varies,
23 or is negotiable, based on the selection by the purchaser of the
24 products included in the transaction;

25 (b) As used in this subdivision, the term "distinct and
26 identifiable products" shall not include:

27 a. Packaging, such as containers, boxes, sacks, bags, and
28 bottles, or other materials, such as wrapping, labels, tags, and

1 instruction guides, that accompany the retail sale of the
2 products and are incidental or immaterial to the retail sale
3 thereof;

4 b. A product provided free of charge with the required
5 purchase of another product. A product is provided free of
6 charge if the sales price of the product purchased does not vary
7 depending on the inclusion of the product provided free of
8 charge;

9 c. Items included in the definition of the term sales
10 price;

11 (c) As used in this subdivision, the term "one nonitemized
12 price" shall not include a price that is separately identified by
13 product on binding sales or other supporting sales-related
14 documentation made available to the customer in paper or
15 electronic form, including but not limited to an invoice, bill of
16 sale, receipt, contract, service agreement, lease agreement,
17 periodic notice of rates and services, rate card, or price list;

18 (d) a. A transaction that otherwise meets the definition
19 of a bundled transaction as defined in this subdivision shall not
20 constitute a bundled transaction if it is:

21 (i) A retail sale of tangible personal property and a
22 service where the tangible personal property is essential to the
23 use of the service, and is provided exclusively in connection
24 with the service, and the true object of the transaction is the
25 service; or

26 (ii) A retail sale of services where one service is
27 provided that is essential to the use of receipt of a second
28 service and the first service is provided exclusively in

1 connection with the second service and the true object of the
2 transaction is the second service; or

3 (iii) A transaction that includes taxable products and
4 nontaxable products and the sales price of the taxable products
5 is de minimis.

6 b. "De minimis" means the sales price of the taxable
7 product is ten percent or less of the total sales price of the
8 bundled products.

9 c. Sellers shall use the sales price of the products to
10 determine if the taxable products are de minimis.

11 d. (i) Sellers shall use the full term of a service
12 contract to determine if the taxable products are de minimis; or

13 (ii) A retail sale of exempt tangible personal property and
14 taxable tangible personal property where:

15 i. The transaction included food and food ingredients,
16 drugs, durable medical equipment, mobility enhancing equipment,
17 over-the-counter drugs, prosthetic devices, or medical supplies;
18 and

19 ii. The seller's purchase price or sales price of the
20 taxable tangible personal property is fifty percent or less of
21 the total sales price of the bundled tangible personal property.
22 Sellers shall not use a combination of the purchase price and
23 sales price of the tangible personal property when making the
24 fifty percent determination for a transaction;

25 (10) "Business" includes any activity engaged in by any
26 person, or caused to be engaged in by him, with the object of
27 gain, benefit or advantage, either direct or indirect, and the
28 classification of which business is of such character as to be

1 subject to the terms of sections 144.010 to 144.525. A person is
2 "engaging in business" in this state for purposes of sections
3 144.010 to 144.525 if such person engages in business in this
4 state or maintains a place of business in this state under
5 section ~~[144.605]~~ 144.612. The isolated or occasional sale of
6 tangible personal property, service, substance, or thing, by a
7 person not engaged in such business, does not constitute engaging
8 in business within the meaning of sections 144.010 to 144.525
9 unless the total amount of the gross receipts from such sales,
10 exclusive of receipts from the sale of tangible personal property
11 by persons which property is sold in the course of the partial or
12 complete liquidation of a household, farm or nonbusiness
13 enterprise, exceeds three thousand dollars in any calendar year.
14 The provisions of this subdivision shall not be construed to make
15 any sale of property which is exempt from sales tax or use tax on
16 June 1, 1977, subject to that tax thereafter;

17 (11) "Calendar quarter", the period of three consecutive
18 calendar months ending on March thirty-first, June thirtieth,
19 September thirtieth or December thirty-first;

20 (12) "Call-by-call basis", any method of charging for
21 telecommunications services where the price is measured by
22 individual calls;

23 (13) "Candy", a preparation of sugar, honey, or other
24 natural or artificial sweeteners in combination with chocolate,
25 fruits, nuts, or other ingredients or flavorings in the form of
26 bars, drops, or pieces. Candy shall not include any preparation
27 containing flour and shall require no refrigeration;

28 ~~[(3)]~~ (14) "Captive wildlife", includes but is not limited

1 to exotic partridges, gray partridge, northern bobwhite quail,
2 ring-necked pheasant, captive waterfowl, captive white-tailed
3 deer, captive elk, and captive furbearers held under permit
4 issued by the Missouri department of conservation for hunting
5 purposes. The provisions of this subdivision shall not apply to
6 sales tax on a harvested animal;

7 (15) "Certified automated system" or "CAS", software
8 certified under the streamlined sales and use tax agreement to
9 calculate the tax imposed by each jurisdiction on a transaction,
10 determine the amount of tax to remit to the appropriate state,
11 and maintain a record of the transaction;

12 (16) "Certified service provider" or "CSP", an agent
13 certified under the streamlined sales and use tax agreement to
14 perform all the seller's sales and use tax functions, other than
15 the seller's obligation to remit tax on its own purchases;

16 (17) "Clothing":

17 (a) All human wearing apparel suitable for general use;

18 (b) Clothing shall include:

19 a. Aprons, household and shop;

20 b. Athletic supporters;

21 c. Baby receiving blankets;

22 d. Bathing suits and caps;

23 e. Beach capes and coats;

24 f. Belts and suspenders;

25 g. Boots;

26 h. Coats and jackets;

27 i. Costumes;

28 j. Diapers, children and adult, including disposable

1 diapers;
2 k. Ear muffs;
3 l. Footlets;
4 m. Formal wear;
5 n. Garters and garter belts;
6 o. Girdles;
7 p. Gloves and mittens for general use;
8 q. Hats and caps;
9 r. Hosiery;
10 s. Insoles for shoes;
11 t. Lab coats;
12 u. Neckties;
13 v. Overshoes;
14 w. Pantyhose;
15 x. Rainwear;
16 y. Rubber pants;
17 z. Sandals;
18 aa. Scarves;
19 bb. Shoes and shoe laces;
20 cc. Slippers;
21 dd. Sneakers;
22 ee. Socks and stockings;
23 ff. Steel toed shoes;
24 gg. Underwear;
25 hh. Uniforms, athletic and nonathletic; and
26 ii. Wedding apparel;
27 (c) Clothing shall not include:
28 a. Belt buckles sold separately;

1 b. Costume masks sold separately;

2 c. Patches and emblems sold separately;

3 d. Sewing equipment and supplies, including but not limited
4 to, knitting needles, patterns, pins, scissors, sewing machines,
5 sewing needles, tape measures, and thimbles; and

6 e. Sewing materials that become part of clothing, including
7 but not limited to buttons, fabric, lace, thread, yarn, and
8 zippers;

9 (18) "Clothing accessories and equipment", incidental items
10 worn on the person or in conjunction with clothing. Clothing
11 accessories or equipment are mutually exclusive of clothing,
12 sport or recreational equipment, and protective equipment;

13 (19) "Coin-operated telephone service", a
14 telecommunications service paid for by inserting money into a
15 telephone accepting direct deposits of money to operate;

16 (20) "Communications channel", a physical or virtual path
17 of communications over which signals are transmitted between or
18 among customer channel termination points;

19 (21) "Computer", an electronic device that accepts
20 information in digital or similar form and manipulates it for a
21 result based on a sequence of instructions;

22 (22) "Computer software", a set of coded instructions
23 designed to cause a computer or automatic data processing
24 equipment to perform a task. Computer software shall not include
25 specified digital products, digital audio-visual works, digital
26 audio works, or digital books;

27 (23) "Conference bridging service", an ancillary service
28 that links two or more participants of an audio or video

1 conference call and may include the provision of a telephone
2 number. Conference bridging service does not include the
3 telecommunications services used to reach the conference bridge;

4 (24) "Customer", the person or entity that contracts with
5 the seller of telecommunications services. If the end user of
6 telecommunications services is not the contracting party, the end
7 user of the telecommunications service is the customer of the
8 telecommunication service, but this definition only applies to
9 the purpose of sourcing sales of telecommunications services
10 under section 144.114. Customer shall not include a reseller of
11 telecommunications service or for mobile telecommunications
12 service of a serving carrier under an agreement to serve the
13 customer outside the home service provider's licensed service
14 area;

15 (25) "Customer channel termination point", the location
16 where the customer either inputs or receives the communication;

17 (26) "Delivered electronically", delivered to the purchaser
18 by means other than tangible storage media;

19 (27) "Delivery charges", charges by the seller of personal
20 property or services for preparation and delivery to a location
21 designated by the purchaser of personal property or services,
22 including but not limited to transportation, shipping, postage,
23 handling, crating, and packing;

24 (28) "Detailed telecommunications billing service", an
25 ancillary service of separately stating information pertaining to
26 individual calls on a customer's billing statement;

27 (29) "Dietary supplement", any product, other than tobacco,
28 intended to supplement the diet that contains one or more of the

1 following dietary ingredients: a vitamin; a mineral; an herb or
2 other botanical; an amino acid; a dietary substance for use by
3 humans to supplement the diet by increasing the total dietary
4 intake; or a concentrate, metabolite, constituent, extract, or
5 combination of any ingredient described above; and that is
6 intended for ingestion in tablet, capsule, powder, softgel,
7 gelcap, or liquid form, or if not intended for ingestion in such
8 a form, is not represented as a conventional food and is not
9 represented for use as a sole item of a meal or of the diet; and
10 that is required to be labeled as a dietary supplement,
11 identifiable by the supplemental facts box found on the label and
12 as required under 21 CFR Section 101.36;

13 (30) "Digital audio works", works that result from the
14 fixation of a series of musical, spoken, or other sounds,
15 including ringtones;

16 (31) "Digital audio-visual works", a series of related
17 images which, when shown in succession, impart an impression of
18 motion, together with accompanying sounds, if any;

19 (32) "Digital books", works that are generally recognized
20 in the ordinary and usual sense as books;

21 (33) "Direct mail", printed material delivered or
22 distributed by United States mail or other delivery service to a
23 mass audience or to addressees on a mailing list provided by the
24 purchaser or at the direction of the purchaser when the cost of
25 the items are not billed directly to the recipients. Direct mail
26 shall include tangible personal property supplied directly or
27 indirectly by the purchaser to the direct mail seller for
28 inclusion in the package containing the printed material. Direct

1 mail shall not include multiple items of printed material
2 delivered to a single address;

3 (34) "Directory assistance", an ancillary service of
4 providing telephone number information, and/or address
5 information;

6 (35) "Drug":

7 (a) A compound, substance, or preparation, and any
8 component of a compound, substance, or preparation, other than
9 food and food ingredients, dietary supplements, alcoholic
10 beverages, or grooming and hygiene products:

11 a. Recognized in the official United States Pharmacopoeia,
12 official Homeopathic Pharmacopoeia of the United States, or
13 official National Formulary, and supplement to any of them;

14 b. Intended for use in the diagnosis, cure, mitigation,
15 treatment, or prevention of disease; or

16 c. Intended to affect the structure or any function of the
17 body;

18 (b) Drug shall include insulin and medical oxygen;

19 (36) "Durable medical equipment", equipment including
20 repair and replacement parts for same, excluding mobility
21 enhancing equipment. Durable medical equipment:

22 (a) Can withstand repeated use;

23 (b) Is primarily and customarily used to serve a medical
24 purpose;

25 (c) Generally is not useful to a person in the absence of
26 illness or injury;

27 (d) Is not worn in or on the body;

28 (e) Is for home use;

1 (f) Is within the classification of devices eligible for MO
2 HealthNet and Medicare reimbursement;

3 (g) Shall not include:

4 a. Kidney dialysis equipment not worn in or on the body,
5 including repair and replacement parts; and

6 b. Enteral feeding systems not worn in or on the body,
7 including repair and replacement parts.

8
9 As used in this subdivision, repair and replacement parts shall
10 include all components or attachments used in conjunction with
11 the durable medical equipment;

12 (37) "Electronic", relating to technology having
13 electrical, digital, magnetic, wireless, optical,
14 electromagnetic, or similar capabilities;

15 (38) "End user", the person who utilizes the
16 telecommunication service. In case of an entity, "end user"
17 means the individual who utilizes the service on behalf of the
18 entity;

19 (39) "Energy star qualified product", a product that meets
20 the energy efficient guidelines set by the United States
21 Environmental Protection Agency and the United States Department
22 of Energy that are authorized to carry the Energy Star label.
23 Covered products are those listed at www.energystar.gov or
24 successor address;

25 (40) "Engages in business activities within this state"
26 includes:

27 (a) Maintaining or having a franchisee or licensee
28 operating under the seller's trade name in this state if the

1 franchisee or licensee is required to collect sales tax pursuant
2 to sections 144.010 to 144.525;

3 (b) Soliciting sales or taking orders by sales agents or
4 traveling representatives;

5 (c) A vendor is presumed to engage in business activities
6 within this state if any person, other than a common carrier
7 acting in its capacity as such, that has substantial nexus with
8 this state:

9 a. Sells a similar line of products as the vendor and does
10 so under the same or a similar business name;

11 b. Maintains an office, distribution facility, warehouse,
12 or storage place, or similar place of business in the state to
13 facilitate the delivery of property or services sold by the
14 vendor to the vendor's customers;

15 c. Delivers, installs, assembles, or performs maintenance
16 services for the vendor's customers within the state;

17 d. Facilitates the vendor's delivery of property to
18 customers in the state by allowing the vendor's customers to pick
19 up property sold by the vendor at an office, distribution
20 facility, warehouse, storage place, or similar place of business
21 maintained by the person in the state; or

22 e. Conducts any other activities in the state that are
23 significantly associated with the vendor's ability to establish
24 and maintain a market in the state for the sales;

25 (d) The presumption in paragraph (c) may be rebutted by
26 demonstrating that the person's activities in the state are not
27 significantly associated with the vendor's ability to establish
28 or maintain a market in this state for the vendor's sales;

1 (e) Notwithstanding paragraph (c), a vendor shall be
2 presumed to engage in business activities within this state if
3 the vendor enters into an agreement with one or more residents of
4 this state under which the resident, for a commission or other
5 consideration, directly or indirectly refers potential customers,
6 whether by a link on an internet website, an in-person oral
7 presentation, telemarketing, or otherwise, to the vendor, if the
8 cumulative gross receipts from sales by the vendor to customers
9 in the state who are referred to the vendor by all residents with
10 this type of an agreement with the vendor is in excess of ten
11 thousand dollars during the preceding twelve months;

12 (f) The presumption in paragraph (e) may be rebutted by
13 submitting proof that the residents with whom the vendor has an
14 agreement did not engage in any activity within the state that
15 was significantly associated with the vendor's ability to
16 establish or maintain the vendor's market in the state during the
17 preceding twelve months. Such proof may consist of sworn written
18 statements from all of the residents with whom the vendor has an
19 agreement stating that they did not engage in any solicitation in
20 the state on behalf of the vendor during the preceding year
21 provided that such statements were provided and obtained in good
22 faith;

23 (41) "Food and food ingredients", substances, whether in
24 liquid, concentrated, solid, frozen, dried, or dehydrated form,
25 that are sold for ingestion or chewing by humans and are consumed
26 for their taste or nutritional value. Food and food ingredients
27 shall not include alcoholic beverages, tobacco, or dietary
28 supplements;

1 (42) "Food sold through vending machines", food, food
2 ingredients, prepared food, bottled water, candy, and soft drinks
3 dispensed from a machine or other mechanical device that accepts
4 payment;

5 (43) "Grooming and hygiene products", soaps and cleaning
6 solutions, shampoo, toothpaste, mouthwash, antiperspirants, and
7 suntan lotions and screens, regardless of whether the items meet
8 the definition of over-the-counter-drugs;

9 [(4)] (44) "Gross receipts" [,] or "sales price":

10 (a) Except as provided in section 144.012, [means the total
11 amount of the sale price of the sales at retail including any
12 services other than charges incident to the extension of credit
13 that are a part of such sales made by the businesses herein
14 referred to, capable of being valued in money, whether received
15 in money or otherwise; except that, the term gross receipts shall
16 not include the sale price of property returned by customers when
17 the full sale price thereof is refunded either in cash or by
18 credit. In determining any tax due under sections 144.010 to
19 144.525 on the gross receipts, charges incident to the extension
20 of credit shall be specifically exempted. For the purposes of
21 sections 144.010 to 144.525 the total amount of the sale price
22 above mentioned shall be deemed to be the amount received. It
23 shall also include the lease or rental consideration where the
24 right to continuous possession or use of any article of tangible
25 personal property is granted under a lease or contract and such
26 transfer of possession would be taxable if outright sale were
27 made and, in such cases, the same shall be taxable as if outright
28 sale were made and considered as a sale of such article, and the

1 tax shall be computed and paid by the lessee upon the rentals
2 paid. The term "gross receipts" shall not include usual and
3 customary delivery charges that are stated separately from the
4 sale price] applies to the measure subject to sales tax and means
5 the total amount of consideration, including cash, credit,
6 property, and services, for which personal property or services
7 are sold, leased, or rented, valued in money, whether received in
8 money or otherwise, without any deduction for the following:

9 a. The seller's cost of the property sold;

10 b. The cost of materials used, labor or service cost,
11 interest, losses, all costs of transportation to the seller, all
12 taxes imposed on the seller, and any other expense of the seller;

13 c. Charges by the seller for any services necessary to
14 complete the sale, other than delivery and installation charges;

15 d. Delivery charges; and

16 e. Credit for any trade-in;

17 (b) Shall not include:

18 a. Discounts, including cash, term, or coupons that are not
19 reimbursed by a third party that are allowed by a seller and
20 taken by a purchaser on a sale;

21 b. Interest, financing, and carrying charges from credit
22 extended on the sale of personal property or services, if the
23 amount is separately stated on the invoice, bill of sale, or
24 similar document given to the purchaser; and

25 c. Any taxes legally imposed directly on the consumer that
26 are separately stated on the invoice, bill of sale, or similar
27 document given to the purchaser;

28 (c) Shall include consideration received by the seller from

1 third parties if:

2 a. The seller actually receives consideration from a party
3 other than the purchaser and the consideration is directly
4 related to a price reduction or discount on the sale;

5 b. The seller has an obligation to pass the price reduction
6 or discount through to the purchaser;

7 c. The amount of the consideration attributable to the sale
8 is fixed and determinable by the seller at the time of the sale
9 of the item to the purchaser; and

10 d. One of the following criteria is met:

11 (i) The purchaser presents a coupon, certificate or other
12 documentation to the seller to claim a price reduction or
13 discount where the coupon, certificate or documentation is
14 authorized, distributed, or granted by a third party with the
15 understanding that the third party will reimburse any seller to
16 whom the coupon, certificate, or documentation is presented;

17 (ii) The purchaser identifies himself or herself to the
18 seller as a member of a group or organization entitled to a price
19 reduction or discount (a preferred customer card that is
20 available to any patron does not constitute membership in such a
21 group); or

22 (iii) The price reduction or discount is identified as a
23 third-party price reduction or discount on the invoice received
24 by the purchaser or on a coupon, certificate, or other
25 documentation presented by the purchaser;

26 (45) "Home service provider", the same as such term is
27 defined in Section 124(5) of Public Law 106-252, Mobile
28 Telecommunications Sourcing Act;

1 (46) "Lease or rental":

2 (a) Any transfer of possession or control of tangible
3 personal property for a fixed or indeterminate term for
4 consideration. A lease or rental may include future options to
5 purchase or extend;

6 (b) Lease or rental shall not include:

7 a. A transfer of possession or control of property under a
8 security agreement or deferred payment plan that requires the
9 transfer of title upon completion of the required payments;

10 b. A transfer of possession or control of property under an
11 agreement that requires the transfer of title upon completion of
12 required payments and where any payment of an option price does
13 not exceed the greater of one hundred dollars or one percent of
14 the total required payments;

15 c. Providing tangible personal property along with an
16 operator for a fixed or indeterminate period of time provided
17 that the operator is necessary for the equipment to perform as
18 designed and the operator does more than maintain, inspect, or
19 set up the tangible personal property;

20 (c) Lease or rental includes agreements covering motor
21 vehicles and trailers where the amount of consideration may be
22 increased or decreased by reference to the amount realized upon
23 sale or disposition of the property as defined in 26 U.S.C.
24 Section 7701(h) (1), as amended;

25 (47) "Light aircraft", a light airplane that seats no more
26 than four persons, with a gross weight of three thousand pounds
27 or less, which is primarily used for recreational flying or
28 flight training;

1 (48) "Light aircraft kit", factory manufactured light
2 aircraft parts and components, including engine, propeller,
3 instruments, wheels, brakes, and air frame parts which make up a
4 complete aircraft kit or partial kit designed to be assembled
5 into a light aircraft and then operated by a qualified light
6 aircraft purchaser for recreational and educational purposes;

7 (49) "Light aircraft parts and components", manufactured
8 light aircraft parts, including air frame and engine parts, that
9 are required by the qualified light aircraft purchaser to
10 complete a light aircraft kit, or spare or replacement parts for
11 an already completed light aircraft;

12 [(5)] (50) "Instructional class", includes any class,
13 lesson, or instruction intended or used for teaching;

14 [(6)] (51) "Livestock", cattle, calves, sheep, swine,
15 ratite birds, including but not limited to, ostrich and emu,
16 aquatic products as defined in section 277.024, llamas, alpaca,
17 buffalo, elk documented as obtained from a legal source and not
18 from the wild, goats, horses, other equine, or rabbits raised in
19 confinement for human consumption;

20 (52) "Load and leave", delivery to the purchaser by use of
21 a tangible storage media where the tangible storage media is not
22 physically transferred to the purchaser;

23 (53) "Maintains a place of business in this state",
24 includes maintaining, occupying, or using, permanently or
25 temporarily, directly or indirectly, or through a subsidiary, or
26 agent, by whatever name called, an office, place of distribution,
27 sales or sample room or place, warehouse or storage place, or
28 other place of business;

1 (54) "Mobile telecommunications service", the same as such
2 term is defined in Section 124(7) of Public Law 106-252, Mobile
3 Telecommunications Sourcing Act;

4 (55) "Mobility enhancing equipment", equipment, including
5 repair and replacement parts to same, which:

6 (a) Is primarily and customarily used to provide or
7 increase the ability to move from one place to another and which
8 is appropriate for use either in a home or a motor vehicle; and

9 (b) Is not generally used by persons with normal mobility;
10 and

11 (c) Is within the classification of devices eligible for MO
12 HealthNet and Medicare reimbursement.

13
14 Mobility enhancement equipment shall not include durable medical
15 equipment or any motor vehicle or equipment on a motor vehicle
16 normally provided by a motor vehicle manufacturer;

17 (56) "Model 1 seller", a seller registered under the
18 agreement that has selected a certified service provider as its
19 agent to perform all the seller's sales and use tax functions,
20 other than the seller's obligation to remit tax on its own
21 purchases;

22 (57) "Model 2 seller", a seller that has selected a
23 certified automated system (CAS) to perform part of its sales and
24 use tax functions, but retains responsibility for remitting the
25 tax;

26 (58) "Model 3 seller", a seller registered under the
27 agreement that has sales in at least five member states, has
28 total annual sales revenue of at least five hundred million

1 dollars, has a proprietary system that calculates the amount of
2 tax due each jurisdiction, and has entered into a performance
3 agreement with the member states that establishes a tax
4 performance standard for the seller. As used in this
5 subdivision, a seller shall include an affiliated group of
6 sellers using the same proprietary system;

7 (59) "Model 4 seller", a seller that is registered under
8 the agreement and is not a Model 1 Seller, a Model 2 Seller, or a
9 Model 3 Seller;

10 ~~[(7)]~~ (60) "Motor vehicle leasing company" [shall be], a
11 company obtaining a permit from the director of revenue to
12 operate as a motor vehicle leasing company. Not all persons
13 renting or leasing trailers or motor vehicles need to obtain such
14 a permit; however, no person failing to obtain such a permit may
15 avail itself of the optional tax provisions of subsection 5 of
16 section 144.070, as hereinafter provided;

17 (61) "Optional computer software maintenance contract", a
18 computer software maintenance contract that a customer is not
19 obligated to purchase as a condition to the retail sale of
20 computer software;

21 (62) "Other direct mail", any direct mail that is not
22 advertising and promotional direct mail regardless of whether
23 advertising and promotional direct mail is included in the same
24 mailing. Other direct mail includes, but is not limited to:

25 (a) Transactional direct mail that contains personal
26 information specific to the one addressee including, but not
27 limited to, invoices, bills, statements of account, and payroll
28 advices;

1 (b) Any legally required mailings including, but not
2 limited to, privacy notices, tax reports, and stockholder
3 reports; and

4 (c) Other nonpromotional direct mail delivered to existing
5 or former shareholders, customers, employees, or agents
6 including, but not limited to, newsletters and informational
7 pieces.

8
9 Other direct mail shall not include the development of billing
10 information or the provision or any data processing service that
11 is more than incidental;

12 (63) "Over-the-counter-drug", a drug, excluding grooming
13 and hygiene products, that contains a label that identifies the
14 product as a drug as required by 21 CFR Section 201.66 and
15 includes:

16 (a) A drug facts panel; or

17 (b) A statement of the active ingredients with a list of
18 those ingredients contained in the compound, substance, or
19 preparation;

20 [(8)] (64) "Person" includes any individual, firm,
21 copartnership, joint adventure, association, corporation,
22 municipal or private, and whether organized for profit or not,
23 state, county, political subdivision, state department,
24 commission, board, bureau or agency, [except the state
25 transportation department,] estate, trust, business trust,
26 receiver or trustee appointed by the state or federal court,
27 syndicate, or any other group or combination acting as a unit,
28 and the plural as well as the singular number, or any other legal

1 entity;

2 (65) "Place of primary use", the street address
3 representative of where the customer's use of the
4 telecommunications service primarily occurs, which must be the
5 residential street address or the primary business street address
6 of the customer. In the case of mobile telecommunications
7 services, place of primary use must be within the licensed
8 service area of the home service provider;

9 (66) "Post-paid calling service", the telecommunications
10 service obtained by making a payment on a call-by-call basis
11 either through the use of a credit card or payment mechanism such
12 as a bank card, travel card, credit card, or debit card, or by
13 charge made to a telephone number which is not associated with
14 the origination or termination of the telecommunications service.
15 A post-paid calling service includes a telecommunications
16 service, except a prepaid wireless calling service, that would be
17 a prepaid calling service except it is not exclusively a
18 telecommunications service;

19 (67) "Prepaid calling service", the right to access
20 exclusively telecommunications services, which must be paid for
21 in advance and which enables the origination of calls using an
22 access number or authorization code, whether manually or
23 electronically dialed, and that is sold in predetermined units or
24 dollars of which the number declines with use in a known amount;

25 (68) "Prepaid wireless calling service", a
26 telecommunications service that provides the right to utilize
27 mobile wireless services as well as other nontelecommunications
28 services, including the download of digital products delivered

1 electronically, content and ancillary services, which must be
2 paid for in advance and that is sold in predetermined units or
3 dollars of which the number declines with use in a known amount;

4 (69) "Prepared food", food sold in a heated state or heated
5 by the seller; two or more food ingredients mixed or combined by
6 the seller for sale as a single item; or food sold with eating
7 utensils provided by the seller, including plates, knives, forks,
8 spoons, glasses, cups, napkins, or straws. A plate shall not
9 include a container or packaging used to transport the food.

10 Prepared food shall not include food that is only cut,
11 repackaged, or pasteurized by the seller and eggs, fish, meat,
12 poultry, and foods containing these raw animal foods requiring
13 cooking by the consumer as recommended by the Food and Drug
14 Administration in Chapter 3, Part 401.11 of the Food Code so as
15 to prevent food borne illnesses;

16 (70) "Prescription", an order, formula, or recipe issued in
17 any form of oral, written, electronic, or other means of
18 transmission by a duly licensed practitioner authorized by the
19 laws of the state;

20 (71) "Prewritten computer software", computer software,
21 including prewritten upgrades, which is not designed and
22 developed by the author or other creator to the specifications of
23 a specific purchaser. The combining of two or more prewritten
24 computer software programs or prewritten portions thereof shall
25 not cause the combination to be other than prewritten computer
26 software. Prewritten computer software shall include software
27 designed and developed by the author or other creator to the
28 specifications of a specific purchaser when it is sold to a

1 person other than the specific purchaser. Where a person
2 modifies or enhances computer software of which the person is not
3 the author or creator, the person shall be deemed to be the
4 author or creator only of such person's modifications or
5 enhancements. Prewritten computer software or a prewritten
6 portion thereof that is modified or enhanced to any degree, where
7 such modification or enhancement is designed and developed to the
8 specifications of a specific purchaser, remains prewritten
9 computer software; provided, however, that where there is a
10 reasonable, separately stated charge or an invoice or other
11 statement of the price given to the purchaser for such
12 modification or enhancement, such modification or enhancement
13 shall not constitute prewritten computer software;

14 (72) "Private communication service", a telecommunications
15 service that entitles the customer to exclusive or priority use
16 of a communications channel or group of channels between or among
17 termination points, regardless of the manner in which such
18 channel or channels are connected, and includes switching
19 capacity, extension lines, stations, and any other associated
20 services that are provided in connection with the use of such
21 channel or channels;

22 (73) "Product-based exemption", an exemption based on the
23 description of the product and not based on who purchases the
24 product or how the purchaser intends to use the product;

25 [(9)] (74) "Product which is intended to be sold ultimately
26 for final use or consumption" [means], tangible personal
27 property, or any service that is subject to state or local sales
28 or use taxes, or any tax that is substantially equivalent

1 thereto, in this state or any other state;

2 (75) "Prosthetic device", a replacement, corrective, or
3 supportive device including repair and replacement parts for same
4 worn on or in the body to artificially replace a missing portion
5 of the body, prevent or correct physical deformity or
6 malfunction, or support a weak or deformed portion of the body.
7 The term "prosthetic device" shall not include corrective
8 eyeglasses or contact lenses;

9 (76) "Protective equipment", items for human wear and
10 designed as protection of the wearer against injury or disease or
11 as protections against damage or injury of other persons or
12 property but not suitable for general use. Protective equipment
13 are mutually exclusive of clothing, clothing accessories or
14 equipment, and sport or recreational equipment;

15 (77) "Purchase", the acquisition of the ownership of, or
16 title to, tangible personal property, through a sale, as defined
17 herein, for the purpose of storage, use, or consumption in this
18 state;

19 (78) "Purchase price", applies to the measure subject to
20 use tax and has the same meaning as sales price;

21 [(10)] (79) "Purchaser" [means], a person who purchases
22 tangible personal property or to whom are rendered services,
23 receipts from which are taxable under sections 144.010 to
24 144.525;

25 (80) "Qualified light aircraft purchaser", a purchaser of a
26 light aircraft, light aircraft kit, light aircraft parts, or
27 components who is a nonresident of this state, who will transport
28 the light aircraft, light aircraft kit, light aircraft parts, or

1 components outside this state within ten days after the date of
2 purchase, and who will register any light aircraft so purchased
3 in another state or country. Such purchaser shall not base such
4 aircraft in this state and such purchaser shall not be a resident
5 of the state unless such purchaser has paid sales or use tax on
6 such aircraft in another state;

7 (81) "Receive" or "receipt", taking possession of tangible
8 personal property; making first use of services; or taking
9 possession or making first use of digital goods, whichever comes
10 first. Receive and receipt shall not include possession by a
11 shipping company on behalf of the purchaser;

12 (82) "Registered under the agreement", registration by a
13 seller with the member states under the central registration
14 system provided in Article IV of the agreement;

15 [(11)] (83) "Research or experimentation activities" [are],
16 the development of an experimental or pilot model, plant process,
17 formula, invention or similar property, and the improvement of
18 existing property of such type. Research or experimentation
19 activities do not include activities such as ordinary testing or
20 inspection of materials or products for quality control,
21 efficiency surveys, advertising promotions or research in
22 connection with literary, historical or similar projects;

23 [(12) "Sale" or "sales" includes installment and credit
24 sales, and the exchange of properties as well as the sale thereof
25 for money, every closed transaction constituting a sale, and
26 means any transfer, exchange or barter, conditional or otherwise,
27 in any manner or by any means whatsoever, of tangible personal
28 property for valuable consideration and the rendering, furnishing

1 or selling for a valuable consideration any of the substances,
2 things and services herein designated and defined as taxable
3 under the terms of sections 144.010 to 144.525;

4 (13)] (84) "Sale at retail" [means any transfer made by any
5 person engaged in business as defined herein of the ownership of,
6 or title to, tangible personal property to the purchaser, for use
7 or consumption and not for resale in any form as tangible
8 personal property, for a valuable consideration; except that, for
9 the purposes of sections 144.010 to 144.525 and the tax imposed
10 thereby: (i) purchases of tangible personal property made by
11 duly licensed physicians, dentists, optometrists and
12 veterinarians and used in the practice of their professions shall
13 be deemed to be purchases for use or consumption and not for
14 resale; and (ii) the selling of computer printouts, computer
15 output or microfilm or microfiche and computer-assisted photo
16 compositions to a purchaser to enable the purchaser to obtain for
17 his or her own use the desired information contained in such
18 computer printouts, computer output on microfilm or microfiche
19 and computer-assisted photo compositions shall be considered as
20 the sale of a service and not as the sale of tangible personal
21 property] or "retail sale", any sale, lease, or rental for any
22 purpose other than for resale, sublease, or subrent. Purchases
23 of tangible personal property made by duly licensed physicians,
24 dentists, optometrists, and veterinarians and used in the
25 practice of their professions shall be deemed to be purchases for
26 use or consumption and not for resale. Where necessary to
27 conform to the context of sections 144.010 to 144.525 and the tax
28 imposed thereby, the term sale at retail shall be construed to

1 embrace:

2 (a) Sales of admission tickets, cash admissions, charges
3 and fees to or in places of amusement, entertainment and
4 recreation, games and athletic events, except amounts paid for
5 any instructional class;

6 (b) Sales of electricity, electrical current, water and
7 gas, natural or artificial, to domestic, commercial or industrial
8 consumers;

9 (c) Sales of [local and long distance] telecommunications
10 [service to telecommunications subscribers] services and [to
11 others through equipment of telecommunications subscribers for
12 the transmission of messages and conversations,] ancillary
13 services and the sale, rental or leasing of all equipment or
14 services pertaining or incidental thereto;

15 (d) Sales of service for transmission of messages by
16 telegraph companies;

17 (e) Sales or charges for all rooms, meals and drinks
18 furnished at any hotel, motel, tavern, inn, restaurant, eating
19 house, drugstore, dining car, tourist camp, tourist cabin, or
20 other place in which rooms, meals or drinks are regularly served
21 to the public;

22 (f) Sales of tickets by every person operating a railroad,
23 sleeping car, dining car, express car, boat, airplane, and such
24 buses and trucks as are licensed by the division of motor carrier
25 and railroad safety of the department of economic development of
26 Missouri, engaged in the transportation of persons for hire;

27 (85) "School art supply":

28 (a) An item commonly used by a student in a course of study

1 for artwork. The term is mutually exclusive of the terms school
2 supply, school instructional material, and school computer
3 supply;

4 (b) The following is an all-inclusive list:

- 5 a. Clay and glazes;
- 6 b. Paints, acrylic, tempera, and oil;
- 7 c. Paintbrushes for artwork;
- 8 d. Sketch and drawing pads; and
- 9 e. Watercolors;

10 (86) "School computer supply":

11 (a) An item commonly used by a student in a course of study
12 in which a computer is used. The term is mutually exclusive of
13 the terms school supply, school art supply, and school
14 instructional material;

15 (b) The following is an all-inclusive list:

- 16 a. Computer storage media, diskettes, and compact disks;
- 17 b. Handheld electronic schedulers, except devices that are
18 cellular phones;
- 19 c. Personal digital assistants, except devices that are
20 cellular phones; and
- 21 d. Computer printers and printer supplies for computers,
22 printer paper, and printer ink;

23 (87) "School instructional material":

24 (a) Written material commonly used by a student in a course
25 of study as a reference and to learn the subject being taught.
26 The term is mutually exclusive of the terms school supply, school
27 art supply, and school computer supply;

28 (b) The following is an all-inclusive list:

- 1 a. Reference books;
- 2 b. Reference maps and globes;
- 3 c. Textbooks; and
- 4 d. Workbooks;
- 5 (88) "School supply":
- 6 (a) An item commonly used by a student in a course of
- 7 study. The term is mutually exclusive of the terms school art
- 8 supply, school instructional material, and school computer
- 9 supply;
- 10 (b) The following is an all-inclusive list:
- 11 a. Binders;
- 12 b. Book bags;
- 13 c. Calculators;
- 14 d. Cellophane tape;
- 15 e. Blackboard chalk;
- 16 f. Compasses;
- 17 g. Composition books;
- 18 h. Crayons;
- 19 i. Erasers;
- 20 j. Folders, expandable, pocket, plastic, and manila;
- 21 k. Glue, paste, and paste sticks;
- 22 l. Highlighters;
- 23 m. Index cards;
- 24 n. Index card boxes;
- 25 o. Legal pads;
- 26 p. Lunch boxes;
- 27 q. Markers;
- 28 r. Notebooks;

1 s. Paper, loose leaf notebook paper, copy paper, graph
2 paper, tracing paper, manila paper, colored paper, poster board,
3 and construction paper;

4 t. Pencil boxes and other school supply boxes;

5 u. Pencil sharpeners;

6 v. Pencils;

7 w. Pens;

8 x. Protractors;

9 y. Rulers;

10 z. Scissors; and

11 aa. Writing tablets;

12 [(14)] (89) "Seller" [means], a person [selling or
13 furnishing tangible] making sales, leases, or rentals of personal
14 property or [rendering services, on the receipts from which a tax
15 is imposed pursuant to section 144.020] service;

16 (90) "Selling agent", every person acting as a
17 representative of a principal, when such principal is not
18 registered with the director of revenue of the state of Missouri
19 for the collection of the taxes imposed under this chapter and
20 who receives compensation by reason of the sale of tangible
21 personal property of the principal, if such property is to be
22 stored, used, or consumed in this state;

23 (91) "Service address":

24 (a) The location of the telecommunications equipment to
25 which a customer's call is charged and from which the call
26 originates or terminates, regardless of where the call is billed
27 or paid;

28 (b) If the location in paragraph (a) of this subdivision is

1 not known, "service address" means the origination point of the
2 signal of the telecommunications services first identified by
3 either the seller's telecommunications system or in information
4 received by the seller from its service provider, where the
5 system used to transport such signals is not that of the seller;

6 (c) If the location in paragraphs (a) and (b) of this
7 subdivision are not known, the service address shall be the
8 location of the customer's place of primary use;

9 (92) "Specified digital products", electronically
10 transferred digital audio-visual works, digital audio works, and
11 digital books;

12 (93) "Sport or recreational equipment", items designed for
13 human use and worn in conjunction with an athletic or
14 recreational activity that are not suitable for general use.
15 Sport or recreational equipment are mutually exclusive of
16 clothing, clothing accessories or equipment, and protective
17 equipment;

18 (94) "State", any state of the United States, the District
19 of Columbia, and the Commonwealth of Puerto Rico;

20 (95) "Storage", any keeping or retention in this state of
21 tangible personal property purchased from a vendor, except
22 property for sale or property that is temporarily kept or
23 retained in this state for subsequent use outside the state;

24 (96) "Tangible personal property", personal property that
25 can be seen, weighed, measured, felt, or touched, or that is in
26 any other manner perceptible to the senses. Tangible personal
27 property shall include electricity, water, gas, steam, and
28 prewritten computer software. Tangible personal property shall

1 not include specified digital products, digital audio-visual
2 works, digital audio works, or digital books;

3 [(15) The noun "tax" means]

4 (97) "Tax", either the tax payable by the purchaser of a
5 commodity or service subject to tax, or the aggregate amount of
6 taxes due from the vendor of such commodities or services during
7 the period for which he or she is required to report his or her
8 collections, as the context may require; [and]

9 (98) "Taxpayer", any person remitting the tax or who should
10 remit the tax levied by this chapter;

11 (99) "Telecommunications nonrecurring charges", an amount
12 billed for the installation, connection, change, or initiation of
13 telecommunications service received by the customer;

14 [(16)] (100) "Telecommunications service"[, for the purpose
15 of this chapter, the transmission of information by wire, radio,
16 optical cable, coaxial cable, electronic impulses, or other
17 similar means. As used in this definition, "information" means
18 knowledge or intelligence represented by any form of writing,
19 signs, signals, pictures, sounds, or any other symbols.

20 Telecommunications service does not include the following if such
21 services are separately stated on the customer's bill or on
22 records of the seller maintained in the ordinary course of
23 business:

24 (a) Access to the internet, access to interactive computer
25 services or electronic publishing services, except the amount
26 paid for the telecommunications service used to provide such
27 access;

28 (b) Answering services and one-way paging services;

1 (c) Private mobile radio services which are not two-way
2 commercial mobile radio services such as wireless telephone,
3 personal communications services or enhanced specialized mobile
4 radio services as defined pursuant to federal law; or

5 (d) Cable or satellite television or music services];

6 (a) The electronic transmission, conveyance, or routing of
7 voice, data, audio, video, or any other information or signals to
8 a point, or between or among points;

9 (b) Telecommunications service shall include such
10 transmission, conveyance, or routing in which computer processing
11 applications are used to act on the form, code, or protocol of
12 the content for purposes of transmission, conveyance, or routing
13 without regard to whether such service is referred to as voice
14 over internet protocol services or is classified by the Federal
15 Communications Commission as enhanced or value added;

16 (c) Telecommunications service shall include air-to-ground
17 radiotelephone service, mobile telecommunications service,
18 post-paid calling service, prepaid calling service, prepaid
19 wireless calling service, and private communication service;

20 (d) Telecommunications service shall not include:

21 a. Data processing and information services that allow data
22 to be generated, acquired, stored, processed, or retrieved and
23 delivered by an electronic transmission to a purchaser where such
24 purchaser's primary purpose for the underlying transaction is the
25 processed data or information;

26 b. Installation or maintenance of wiring or equipment on a
27 customer's premises;

28 c. Tangible personal property;

1 d. Advertising, including but not limited to directory
2 advertising;

3 e. Billing and collection services provided to third
4 parties;

5 f. Internet access service;

6 g. Radio and television audio and video programming
7 services, regardless of the medium, including the furnishing of
8 transmission, conveyance, and routing of such services by the
9 programming service provider. Radio and television audio and
10 video programming services shall include, but not be limited to,
11 cable service, as defined in 47 U.S.C. Section 522(6), and audio
12 and video programming services delivered by commercial mobile
13 radio service providers, as defined in 47 CFR 20.3;

14 h. Ancillary services; or

15 i. Digital products delivered electronically, including,
16 but not limited to, software, music, video, reading materials, or
17 ring tones;

18 (101) "Transportation equipment", any of the following:

19 (a) Locomotives and railcars that are utilized for the
20 carriage of persons or property in interstate commerce;

21 (b) Trucks and truck-tractors with a gross vehicle weight
22 rating (GVWR) of ten thousand one pounds or greater, trailers,
23 semi-trailers, or passenger buses that are:

24 a. Registered through the International Registration Plan;
25 and

26 b. Operated under authority of a carrier authorized and
27 certificated by the United States Department of Transportation or
28 another federal authority to engage in the carriage of persons or

1 property in interstate commerce;

2 (c) Aircraft that are operated by air carriers authorized
3 and certificated by the United States Department of
4 Transportation or another federal or a foreign authority to
5 engage in the carriage of persons or property in interstate or
6 foreign commerce;

7 (d) Containers designed for use on and component parts
8 attached or secured on the items set forth in paragraphs (a) to
9 (c) of this subdivision;

10 (102) "Tobacco", cigarettes, cigars, chewing or pipe
11 tobacco, or any other item that contains tobacco;

12 (103) "Use", the exercise of any right or power over
13 tangible personal property incident to the ownership or control
14 of that property, except that it does not include the temporary
15 storage of property in this state for subsequent use outside the
16 state, or the sale of the property in the regular course of
17 business;

18 (104) "Use-based exemption", an exemption based on a
19 specified use of the product by the purchaser;

20 (105) "Vendor", every person engaged in making sales of
21 tangible personal property by mail order, by advertising, by
22 agent or peddling tangible personal property, soliciting or
23 taking orders for sales of tangible personal property, for
24 storage, use or consumption in this state, all salesmen,
25 solicitors, hawkers, representatives, consignees, peddlers or
26 canvassers, as agents of the dealers, distributors, consignors,
27 supervisors, principals or employers under whom they operate or
28 from whom they obtain the tangible personal property sold by

1 them, and every person who maintains a place of business in this
2 state, maintains a stock of goods in this state, or engages in
3 business activities within this state and every person who
4 engages in this state in the business of acting as a selling
5 agent for persons not otherwise vendors as defined in this
6 subdivision. Irrespective of whether they are making sales on
7 their own behalf or on behalf of the dealers, distributors,
8 consignors, supervisors, principals, or employers, they must be
9 regarded as vendors and the dealers, distributors, consignors,
10 supervisors, principals, or employers must be regarded as vendors
11 for the purposes of sections 144.600 to 144.745.

12 2. For purposes of the taxes imposed under sections 144.010
13 to 144.525, and any other provisions of law pertaining to sales
14 or use taxes which incorporate the provisions of sections 144.010
15 to 144.525 by reference, the term manufactured homes shall have
16 the same meaning given it in section 700.010.

17 [3. Sections 144.010 to 144.525 may be known and quoted as
18 the "Sales Tax Law".]

19 144.011. 1. For purposes of sections 144.010 to 144.525
20 and 144.600 to 144.748, and the taxes imposed thereby, the
21 definition of "retail sale" or "sale at retail" shall not be
22 construed to include any of the following:

23 (1) The transfer by one corporation of substantially all of
24 its tangible personal property to another corporation pursuant to
25 a merger or consolidation effected under the laws of the state of
26 Missouri or any other jurisdiction;

27 (2) The transfer of tangible personal property incident to
28 the liquidation or cessation of a taxpayer's trade or business,

1 conducted in proprietorship, partnership or corporate form,
2 except to the extent any transfer is made in the ordinary course
3 of the taxpayer's trade or business;

4 (3) The transfer of tangible personal property to a
5 corporation solely in exchange for its stock or securities;

6 (4) The transfer of tangible personal property to a
7 corporation by a shareholder as a contribution to the capital of
8 the transferee corporation;

9 (5) The transfer of tangible personal property to a
10 partnership solely in exchange for a partnership interest
11 therein;

12 (6) The transfer of tangible personal property by a partner
13 as a contribution to the capital of the transferee partnership;

14 (7) The transfer of tangible personal property by a
15 corporation to one or more of its shareholders as a dividend,
16 return of capital, distribution in the partial or complete
17 liquidation of the corporation or distribution in redemption of
18 the shareholder's interest therein;

19 (8) The transfer of tangible personal property by a
20 partnership to one or more of its partners as a current
21 distribution, return of capital or distribution in the partial or
22 complete liquidation of the partnership or of the partner's
23 interest therein;

24 (9) The transfer of reusable containers used in connection
25 with the sale of tangible personal property contained therein for
26 which a deposit is required and refunded on return;

27 (10) The purchase by persons operating eating or food
28 service establishments, of items of a nonreusable nature which

1 are furnished to the customers of such establishments with or in
2 conjunction with the retail sales of their food or beverage.
3 Such items shall include, but not be limited to, wrapping or
4 packaging materials and nonreusable paper, wood, plastic and
5 aluminum articles such as containers, trays, napkins, dishes,
6 silverware, cups, bags, boxes, straws, sticks and toothpicks;

7 (11) The purchase by persons operating hotels, motels or
8 other transient accommodation establishments, of items of a
9 nonreusable nature which are furnished to the guests in the
10 guests' rooms of such establishments and such items are included
11 in the charge made for such accommodations. Such items shall
12 include, but not be limited to, soap, shampoo, tissue and other
13 toiletries and food or confectionery items offered to the guests
14 without charge;

15 (12) The transfer of a manufactured home other than:

16 (a) A transfer which involves the delivery of the document
17 known as the "Manufacturer's Statement of Origin" to a person
18 other than a manufactured home dealer, as defined in section
19 700.010, for purposes of allowing such person to obtain a title
20 to the manufactured home from the department of revenue of this
21 state or the appropriate agency or officer of any other state;

22 (b) A transfer which involves the delivery of a
23 "Repossessed Title" to a resident of this state if the tax
24 imposed by sections 144.010 to 144.525 was not paid on the
25 transfer of the manufactured home described in paragraph (a) of
26 this subdivision;

27 (c) The first transfer which occurs after December 31,
28 1985, if the tax imposed by sections 144.010 to 144.525 was not

1 paid on any transfer of the same manufactured home which occurred
2 before December 31, 1985; or

3 (13) Charges for initiation fees or dues to:

4 (a) Fraternal beneficiaries societies, or domestic
5 fraternal societies, orders or associations operating under the
6 lodge system a substantial part of the activities of which are
7 devoted to religious, charitable, scientific, literary,
8 educational or fraternal purposes; [or]

9 (b) Posts or organizations of past or present members of
10 the Armed Forces of the United States or an auxiliary unit or
11 society of, or a trust or foundation for, any such post or
12 organization substantially all of the members of which are past
13 or present members of the Armed Forces of the United States or
14 who are cadets, spouses, widows, or widowers of past or present
15 members of the Armed Forces of the United States, no part of the
16 net earnings of which inures to the benefit of any private
17 shareholder or individual; or

18 (c) Nonprofit organizations exempt from taxation under
19 Section 501(c) (7) of the Internal Revenue Code of 1986, as
20 amended.

21 2. The assumption of liabilities of the transferor by the
22 transferee incident to any of the transactions enumerated in the
23 above subdivisions (1) to (8) of subsection 1 of this section
24 shall not disqualify the transfer from the exclusion described in
25 this section, where such liability assumption is related to the
26 property transferred and where the assumption does not have as
27 its principal purpose the avoidance of Missouri sales or use tax.

28 144.014. 1. Notwithstanding other provisions of law to the

1 contrary, beginning October 1, 1997, the tax levied and imposed
2 pursuant to sections 144.010 to 144.525 and sections 144.600 to
3 144.746 on all retail sales of food, food sold through vending
4 machines, and food ingredients shall be at the rate of one
5 percent. The revenue derived from the one percent rate pursuant
6 to this section shall be deposited by the state treasurer in the
7 school district trust fund and shall be distributed as provided
8 in section 144.701.

9 2. [For the purposes of this section, the term "food" shall
10 include only those products and types of food for which food
11 stamps may be redeemed pursuant to the provisions of the Federal
12 Food Stamp Program as contained in 7 U.S.C. Section 2012, as that
13 section now reads or as it may be amended hereafter, and shall
14 include food dispensed by or through vending machines. For the
15 purpose of this section,] Except for food sold through vending
16 [machine sales, the term "food"] machines, subsection 1 of this
17 section shall not [include] apply to food or drink sold by any
18 establishment where the gross receipts derived from the sale of
19 food prepared by such establishment for immediate consumption on
20 or off the premises of the establishment constitutes more than
21 eighty percent of the total gross receipts of that establishment,
22 regardless of whether such prepared food is consumed on the
23 premises of that establishment, including, but not limited to,
24 sales of food by any restaurant, fast food restaurant,
25 delicatessen, eating house, or café.

26 144.020. 1. A tax is hereby levied and imposed for the
27 privilege of titling new and used motor vehicles, trailers,
28 boats, and outboard motors purchased or acquired for use on the

1 highways or waters of this state which are required to be titled
2 under the laws of the state of Missouri and, except as provided
3 in subdivision (9) of this subsection, upon all sellers for the
4 privilege of engaging in the business of selling tangible
5 personal property or rendering taxable service at retail in this
6 state. The rate of tax shall be as follows:

7 (1) Upon every retail sale in this state of tangible
8 personal property, excluding motor vehicles, trailers,
9 motorcycles, mopeds, motortricycles, boats and outboard motors
10 required to be titled under the laws of the state of Missouri and
11 subject to tax under subdivision (9) of this subsection, a tax
12 equivalent to four percent of the purchase price paid or charged,
13 or in case such sale involves the exchange of property, a tax
14 equivalent to four percent of the consideration paid or charged,
15 including the fair market value of the property exchanged at the
16 time and place of the exchange, except as otherwise provided in
17 section 144.025;

18 (2) A tax equivalent to four percent of the amount paid for
19 admission and seating accommodations, or fees paid to, or in any
20 place of amusement, entertainment or recreation, games and
21 athletic events, except amounts paid for any instructional class;

22 (3) A tax equivalent to four percent of the basic rate paid
23 or charged on all sales of electricity or electrical current,
24 water and gas, natural or artificial, to domestic, commercial or
25 industrial consumers;

26 (4) A tax equivalent to four percent on the basic rate paid
27 or charged on all sales of [local and long distance]
28 telecommunications service to telecommunications subscribers and

1 to others through equipment of telecommunications subscribers for
2 the transmission of messages and conversations, upon ancillary
3 services and upon the sale, rental or leasing of all equipment or
4 services pertaining or incidental thereto; except that, the
5 payment made by telecommunications subscribers or others,
6 pursuant to section 144.060, and any amounts paid for access to
7 the internet or interactive computer services shall not be
8 considered as amounts paid for telecommunications services;

9 (5) A tax equivalent to four percent of the basic rate paid
10 or charged for all sales of services for transmission of messages
11 of telegraph companies;

12 (6) A tax equivalent to four percent on the amount of sales
13 or charges for all rooms, meals and drinks furnished at any
14 hotel, motel, tavern, inn, restaurant, eating house, drugstore,
15 dining car, tourist cabin, tourist camp or other place in which
16 rooms, meals or drinks are regularly served to the public. The
17 tax imposed under this subdivision shall not apply to any
18 automatic mandatory gratuity for a large group imposed by a
19 restaurant when such gratuity is reported as employee tip income
20 and the restaurant withholds income tax under section 143.191 on
21 such gratuity;

22 (7) A tax equivalent to four percent of the amount paid or
23 charged for intrastate tickets by every person operating a
24 railroad, sleeping car, dining car, express car, boat, airplane
25 and such buses and trucks as are licensed by the division of
26 motor carrier and railroad safety of the department of economic
27 development of Missouri, engaged in the transportation of persons
28 for hire;

1 (8) A tax equivalent to four percent of the amount paid or
2 charged for rental or lease of tangible personal property,
3 provided that if the lessor or renter of any tangible personal
4 property had previously purchased the property under the
5 conditions of sale at retail or leased or rented the property and
6 the tax was paid at the time of purchase, lease or rental, the
7 lessor, sublessor, renter or subrenter shall not apply or collect
8 the tax on the subsequent lease, sublease, rental or subrental
9 receipts from that property. The purchase, rental or lease of
10 motor vehicles, trailers, motorcycles, mopeds, motortricycles,
11 boats, and outboard motors shall be taxed and the tax paid as
12 provided in this section and section 144.070. In no event shall
13 the rental or lease of boats and outboard motors be considered a
14 sale, charge, or fee to, for or in places of amusement,
15 entertainment or recreation nor shall any such rental or lease be
16 subject to any tax imposed to, for, or in such places of
17 amusement, entertainment or recreation. Rental and leased boats
18 or outboard motors shall be taxed under the provisions of the
19 sales tax laws as provided under such laws for motor vehicles and
20 trailers. Tangible personal property which is exempt from the
21 sales or use tax under section 144.030 upon a sale thereof is
22 likewise exempt from the sales or use tax upon the lease or
23 rental thereof;

24 (9) A tax equivalent to four percent of the purchase price,
25 as defined in section 144.070, of new and used motor vehicles,
26 trailers, boats, and outboard motors purchased or acquired for
27 use on the highways or waters of this state which are required to
28 be registered under the laws of the state of Missouri. This tax

1 is imposed on the person titling such property, and shall be paid
2 according to the procedures in section 144.440.

3 2. All tickets sold which are sold under the provisions of
4 sections 144.010 to 144.525 which are subject to the sales tax
5 shall have printed, stamped or otherwise endorsed thereon, the
6 words "This ticket is subject to a sales tax."

7 144.022. 1. In the case of a bundled transaction that
8 includes any of the following: telecommunication service,
9 ancillary service, internet access, or audio or video programming
10 service:

11 (1) If the price is attributable to products that are
12 taxable and products that are nontaxable, the portion of the
13 price attributable to the nontaxable products may be subject to
14 tax unless the provider can identify by reasonable and verifiable
15 standards such portion from its books and records that are kept
16 in the regular course of business for other purposes, including,
17 but not limited to, nontax purposes;

18 (2) If the price is attributable to products that are
19 subject to tax at different tax rates, the total price shall be
20 treated as attributable to the products subject to tax at the
21 highest tax rate unless the provider can identify by reasonable
22 and verifiable standards the portion of the price attributable to
23 the products subject to tax at the lower rate from its books and
24 records that are kept in the regular course of business for other
25 purposes, including, but not limited to, nontax purposes;

26 (3) The provisions of this section shall apply unless
27 otherwise provided by federal law.

28 2. In the case of a transaction that includes an optional

1 computer software maintenance contract for prewritten computer
2 software, the following provisions apply:

3 (1) If an optional computer software maintenance contract
4 only obligates the vendor to provide upgrades and updates, it
5 shall be characterized as a sale of prewritten computer software;

6 (2) If an optional computer software maintenance contract
7 only obligates the vendor to provide support services, it shall
8 be characterized as a sale of services and not a sale of tangible
9 personal property;

10 (3) If an optional computer software maintenance contract
11 is a bundled transaction in which both taxable and nontaxable or
12 exempt products that are not separately itemized on the invoice
13 or similar billing document, the purchase price under the
14 contract shall be taxable.

15 144.030. 1. There is hereby specifically exempted from the
16 provisions of sections 144.010 to 144.525 and from the
17 computation of the tax levied, assessed or payable pursuant to
18 sections 144.010 to 144.525 such retail sales as may be made in
19 commerce between this state and any other state of the United
20 States, or between this state and any foreign country, and any
21 retail sale which the state of Missouri is prohibited from taxing
22 pursuant to the Constitution or laws of the United States of
23 America, and such retail sales of tangible personal property
24 which the general assembly of the state of Missouri is prohibited
25 from taxing or further taxing by the constitution of this state.

26 2. There are also specifically exempted from the provisions
27 of the local sales tax law as defined in section 32.085, section
28 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761

1 and from the computation of the tax levied, assessed or payable
2 pursuant to the local sales tax law as defined in section 32.085,
3 section 238.235, and sections 144.010 to 144.525 and 144.600 to
4 144.745:

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

23 (2) Materials, manufactured goods, machinery and parts
24 which when used in manufacturing, processing, compounding,
25 mining, producing or fabricating become a component part or
26 ingredient of the new personal property resulting from such
27 manufacturing, processing, compounding, mining, producing or
28 fabricating and which new personal property is intended to be

1 sold ultimately for final use or consumption; and materials,
2 including without limitation, gases and manufactured goods,
3 including without limitation slagging materials and firebrick,
4 which are ultimately consumed in the manufacturing process by
5 blending, reacting or interacting with or by becoming, in whole
6 or in part, component parts or ingredients of steel products
7 intended to be sold ultimately for final use or consumption;

8 (3) Materials, replacement parts and equipment purchased
9 for use directly upon, and for the repair and maintenance or
10 manufacture of, motor vehicles, watercraft, railroad rolling
11 stock or aircraft engaged as common carriers of persons or
12 property;

13 (4) Motor vehicles registered in excess of fifty-four
14 thousand pounds, and the trailers pulled by such motor vehicles,
15 that are actually used in the normal course of business to haul
16 property on the public highways of the state, and that are
17 capable of hauling loads commensurate with the motor vehicle's
18 registered weight; and the materials, replacement parts, and
19 equipment purchased for use directly upon, and for the repair and
20 maintenance or manufacture of such vehicles. For purposes of
21 this subdivision, motor vehicle and public highway shall have the
22 meaning as ascribed in section 390.020;

23 (5) Replacement machinery, equipment, and parts and the
24 materials and supplies solely required for the installation or
25 construction of such replacement machinery, equipment, and parts,
26 used directly in manufacturing, mining, fabricating or producing
27 a product which is intended to be sold ultimately for final use
28 or consumption; and machinery and equipment, and the materials

1 and supplies required solely for the operation, installation or
2 construction of such machinery and equipment, purchased and used
3 to establish new, or to replace or expand existing, material
4 recovery processing plants in this state. For the purposes of
5 this subdivision, a "material recovery processing plant" means a
6 facility that has as its primary purpose the recovery of
7 materials into a usable product or a different form which is used
8 in producing a new product and shall include a facility or
9 equipment which are used exclusively for the collection of
10 recovered materials for delivery to a material recovery
11 processing plant but shall not include motor vehicles used on
12 highways. For purposes of this section, the terms motor vehicle
13 and highway shall have the same meaning pursuant to section
14 301.010. Material recovery is not the reuse of materials within
15 a manufacturing process or the use of a product previously
16 recovered. The material recovery processing plant shall qualify
17 under the provisions of this section regardless of ownership of
18 the material being recovered;

19 (6) Machinery and equipment, and parts and the materials
20 and supplies solely required for the installation or construction
21 of such machinery and equipment, purchased and used to establish
22 new or to expand existing manufacturing, mining or fabricating
23 plants in the state if such machinery and equipment is used
24 directly in manufacturing, mining or fabricating a product which
25 is intended to be sold ultimately for final use or consumption;

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

1 the United States government;

2 (8) Animals or poultry used for breeding or feeding
3 purposes, or captive wildlife;

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

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

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

12 (12) Railroad rolling stock for use in transporting persons
13 or property in interstate commerce and motor vehicles licensed
14 for a gross weight of twenty-four thousand pounds or more or
15 trailers used by common carriers, as defined in section 390.020,
16 in the transportation of persons or property;

17 (13) Electrical energy used in the actual primary
18 manufacture, processing, compounding, mining or producing of a
19 product, or electrical energy used in the actual secondary
20 processing or fabricating of the product, or a material recovery
21 processing plant as defined in subdivision (5) of this
22 subsection, in facilities owned or leased by the taxpayer, if the
23 total cost of electrical energy so used exceeds ten percent of
24 the total cost of production, either primary or secondary,
25 exclusive of the cost of electrical energy so used or if the raw
26 materials used in such processing contain at least twenty-five
27 percent recovered materials as defined in section 260.200. There
28 shall be a rebuttable presumption that the raw materials used in

1 the primary manufacture of automobiles contain at least
2 twenty-five percent recovered materials. For purposes of this
3 subdivision, "processing" means any mode of treatment, act or
4 series of acts performed upon materials to transform and reduce
5 them to a different state or thing, including treatment necessary
6 to maintain or preserve such processing by the producer at the
7 production facility;

8 (14) Anodes which are used or consumed in manufacturing,
9 processing, compounding, mining, producing or fabricating and
10 which have a useful life of less than one year;

11 (15) Machinery, equipment, appliances and devices purchased
12 or leased and used solely for the purpose of preventing, abating
13 or monitoring air pollution, and materials and supplies solely
14 required for the installation, construction or reconstruction of
15 such machinery, equipment, appliances and devices;

16 (16) Machinery, equipment, appliances and devices purchased
17 or leased and used solely for the purpose of preventing, abating
18 or monitoring water pollution, and materials and supplies solely
19 required for the installation, construction or reconstruction of
20 such machinery, equipment, appliances and devices;

21 (17) Tangible personal property purchased by a rural water
22 district;

23 (18) All amounts paid or charged for admission or
24 participation or other fees paid by or other charges to
25 individuals in or for any place of amusement, entertainment or
26 recreation, games or athletic events, including museums, fairs,
27 zoos and planetariums, owned or operated by a municipality or
28 other political subdivision where all the proceeds derived

1 therefrom benefit the municipality or other political subdivision
2 and do not inure to any private person, firm, or corporation,
3 provided, however, that a municipality or other political
4 subdivision may enter into revenue-sharing agreements with
5 private persons, firms, or corporations providing goods or
6 services, including management services, in or for the place of
7 amusement, entertainment or recreation, games or athletic events,
8 and provided further that nothing in this subdivision shall
9 exempt from tax any amounts retained by any private person, firm,
10 or corporation under such revenue-sharing agreement;

11 (19) All sales of [insulin, and all sales, rentals,
12 repairs, and parts of durable medical equipment, prosthetic
13 devices, and orthopedic devices as defined on January 1, 1980, by
14 the federal Medicare program pursuant to Title XVIII of the
15 Social Security Act of 1965, including the items specified in
16 Section 1862(a)(12) of that act, and also specifically including
17 hearing aids and hearing aid supplies and all sales of drugs
18 which may be legally dispensed by a licensed pharmacist only upon
19 a lawful prescription of a practitioner licensed to administer
20 those items, including samples and materials used to manufacture
21 samples which may be dispensed by a practitioner authorized to
22 dispense such samples and all sales or rental of medical oxygen,
23 home respiratory equipment and accessories including parts, and
24 hospital beds and accessories and ambulatory aids including
25 parts, and all sales or rental of manual and powered wheelchairs
26 including parts, and stairway lifts, Braille writers, electronic
27 Braille equipment and, if purchased or rented by or on behalf of
28 a person with one or more physical or mental disabilities to

1 enable them to function more independently, all sales or rental
2 of scooters including parts, and reading machines, electronic
3 print enlargers and magnifiers, electronic alternative and
4 augmentative communication devices, and items used solely to
5 modify motor vehicles to permit the use of such motor vehicles by
6 individuals with disabilities or sales of] over-the-counter [or
7 nonprescription] drugs to individuals with disabilities, and all
8 sales of drugs, including prescriptions, durable medical
9 equipment, prosthetic devices, mobility enhancing equipment,
10 kidney dialysis equipment, and enteral feeding systems, and drugs
11 required by the Food and Drug Administration to meet the
12 over-the-counter drug product labeling requirements in 21 CFR
13 201.66, or its successor, as prescribed by a health care
14 practitioner licensed to prescribe;

15 (20) All sales made by or to religious and charitable
16 organizations and institutions in their religious, charitable or
17 educational functions and activities and all sales made by or to
18 all elementary and secondary schools operated at public expense
19 in their educational functions and activities;

20 (21) All sales of aircraft to common carriers for storage
21 or for use in interstate commerce and all sales made by or to
22 not-for-profit civic, social, service or fraternal organizations,
23 including fraternal organizations which have been declared
24 tax-exempt organizations pursuant to Section 501(c)(8) or (10) of
25 the 1986 Internal Revenue Code, as amended, in their civic or
26 charitable functions and activities and all sales made to
27 eleemosynary and penal institutions and industries of the state,
28 and all sales made to any private not-for-profit institution of

1 higher education not otherwise excluded pursuant to subdivision
2 (20) of this subsection or any institution of higher education
3 supported by public funds, and all sales made to a state relief
4 agency in the exercise of relief functions and activities;

5 (22) All ticket sales made by benevolent, scientific and
6 educational associations which are formed to foster, encourage,
7 and promote progress and improvement in the science of
8 agriculture and in the raising and breeding of animals, and by
9 nonprofit summer theater organizations if such organizations are
10 exempt from federal tax pursuant to the provisions of the
11 Internal Revenue Code and all admission charges and entry fees to
12 the Missouri state fair or any fair conducted by a county
13 agricultural and mechanical society organized and operated
14 pursuant to sections 262.290 to 262.530;

15 (23) All sales made to any private not-for-profit
16 elementary or secondary school, all sales of feed additives,
17 medications or vaccines administered to livestock or poultry in
18 the production of food or fiber, all sales of pesticides used in
19 the production of crops, livestock or poultry for food or fiber,
20 all sales of bedding used in the production of livestock or
21 poultry for food or fiber, all sales of propane or natural gas,
22 electricity or diesel fuel used exclusively for drying
23 agricultural crops, natural gas used in the primary manufacture
24 or processing of fuel ethanol as defined in section 142.028,
25 natural gas, propane, and electricity used by an eligible new
26 generation cooperative or an eligible new generation processing
27 entity as defined in section 348.432, and all sales of farm
28 machinery and equipment, other than airplanes, motor vehicles and

1 trailers, and any freight charges on any exempt item. As used in
2 this subdivision, the term "feed additives" means tangible
3 personal property which, when mixed with feed for livestock or
4 poultry, is to be used in the feeding of livestock or poultry.
5 As used in this subdivision, the term "pesticides" includes
6 adjuvants such as crop oils, surfactants, wetting agents and
7 other assorted pesticide carriers used to improve or enhance the
8 effect of a pesticide and the foam used to mark the application
9 of pesticides and herbicides for the production of crops,
10 livestock or poultry. As used in this subdivision, the term
11 "farm machinery and equipment" means new or used farm tractors
12 and such other new or used farm machinery and equipment and
13 repair or replacement parts thereon and any accessories for and
14 upgrades to such farm machinery and equipment, rotary mowers used
15 exclusively for agricultural purposes, and supplies and
16 lubricants used exclusively, solely, and directly for producing
17 crops, raising and feeding livestock, fish, poultry, pheasants,
18 chukar, quail, or for producing milk for ultimate sale at retail,
19 including field drain tile, and one-half of each purchaser's
20 purchase of diesel fuel therefor which is:

21 (a) Used exclusively for agricultural purposes;

22 (b) Used on land owned or leased for the purpose of
23 producing farm products; and

24 (c) Used directly in producing farm products to be sold
25 ultimately in processed form or otherwise at retail or in
26 producing farm products to be fed to livestock or poultry to be
27 sold ultimately in processed form at retail;

28 (24) Except as otherwise provided in section 144.032, all

1 sales of metered water service, electricity, [electrical current,
2 natural, artificial or propane gas, wood, coal or home heating
3 oil] piped natural or artificial gas, or other fuels delivered by
4 the seller for domestic use and in any city not within a county,
5 all sales of metered or unmetered water service for domestic use:

6 (a) "Domestic use" means that portion of metered water
7 service, electricity, [electrical current, natural, artificial or
8 propane gas, wood, coal or home heating oil,] piped natural or
9 artificial gas, or other fuels delivered by the seller and in any
10 city not within a county, metered or unmetered water service,
11 which an individual occupant of a residential premises uses for
12 nonbusiness, noncommercial or nonindustrial purposes. Utility
13 service through a single or master meter for residential
14 apartments or condominiums, including service for common areas
15 and facilities and vacant units, shall be deemed to be for
16 domestic use. Each seller shall establish and maintain a system
17 whereby individual purchases are determined as exempt or
18 nonexempt;

19 (b) Regulated utility sellers shall determine whether
20 individual purchases are exempt or nonexempt based upon the
21 seller's utility service rate classifications as contained in
22 tariffs on file with and approved by the Missouri public service
23 commission. Sales and purchases made pursuant to the rate
24 classification "residential" and sales to and purchases made by
25 or on behalf of the occupants of residential apartments or
26 condominiums through a single or master meter, including service
27 for common areas and facilities and vacant units, shall be
28 considered as sales made for domestic use and such sales shall be

1 exempt from sales tax. Sellers shall charge sales tax upon the
2 entire amount of purchases classified as nondomestic use. The
3 seller's utility service rate classification and the provision of
4 service thereunder shall be conclusive as to whether or not the
5 utility must charge sales tax;

6 (c) Each person making domestic use purchases of [services
7 or property] electricity, piped natural or artificial gas, or
8 other fuels delivered by the seller and who uses any portion of
9 the services or property so purchased for a nondomestic use
10 shall, by the fifteenth day of the fourth month following the
11 year of purchase, and without assessment, notice or demand, file
12 a return and pay sales tax on that portion of nondomestic
13 purchases. Each person making nondomestic purchases of [services
14 or property] electricity, piped natural or artificial gas, or
15 other fuels delivered by the seller and who uses any portion of
16 the [services or property] electricity, piped natural or
17 artificial gas, or other fuels delivered by the seller so
18 purchased for domestic use, and each person making domestic
19 purchases on behalf of occupants of residential apartments or
20 condominiums through a single or master meter, including service
21 for common areas and facilities and vacant units, under a
22 nonresidential utility service rate classification may, between
23 the first day of the first month and the fifteenth day of the
24 fourth month following the year of purchase, apply for credit or
25 refund to the director of revenue and the director shall give
26 credit or make refund for taxes paid on the domestic use portion
27 of the purchase. The person making such purchases on behalf of
28 occupants of residential apartments or condominiums shall have

1 standing to apply to the director of revenue for such credit or
2 refund;

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

8 (26) Excise taxes, collected on sales at retail, imposed by
9 Sections 4041, [4061,] 4071, 4081, [4091,] 4161, 4181, 4251, 4261
10 and 4271 of Title 26, United States Code. The director of
11 revenue shall promulgate rules pursuant to chapter 536 to
12 eliminate all state and local sales taxes on such excise taxes;

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

20 (28) All sales made to an interstate compact agency created
21 pursuant to sections 70.370 to 70.441 or sections 238.010 to
22 238.100 in the exercise of the functions and activities of such
23 agency as provided pursuant to the compact;

24 (29) Computers, computer software and computer security
25 systems purchased for use by architectural or engineering firms
26 headquartered in this state. For the purposes of this
27 subdivision, "headquartered in this state" means the office for
28 the administrative management of at least four integrated

1 facilities operated by the taxpayer is located in the state of
2 Missouri;

3 (30) All livestock sales when either the seller is engaged
4 in the growing, producing or feeding of such livestock, or the
5 seller is engaged in the business of buying and selling,
6 bartering or leasing of such livestock;

7 (31) All sales of barges which are to be used primarily in
8 the transportation of property or cargo on interstate waterways;

9 (32) Electrical energy or gas, whether natural, artificial
10 or propane, water, or other utilities which are ultimately
11 consumed in connection with the manufacturing of cellular glass
12 products or in any material recovery processing plant as defined
13 in subdivision (5) of this subsection;

14 (33) Notwithstanding other provisions of law to the
15 contrary, all sales of pesticides or herbicides used in the
16 production of crops, aquaculture, livestock or poultry;

17 (34) Tangible personal property and utilities purchased for
18 use or consumption directly or exclusively in the research and
19 development of agricultural/biotechnology and plant genomics
20 products and prescription pharmaceuticals consumed by humans or
21 animals;

22 (35) All sales of grain bins for storage of grain for
23 resale;

24 (36) All sales of feed which are developed for and used in
25 the feeding of pets owned by a commercial breeder when such sales
26 are made to a commercial breeder, as defined in section 273.325,
27 and licensed pursuant to sections 273.325 to 273.357;

28 (37) All purchases by a contractor on behalf of an entity

1 located in another state, provided that the entity is authorized
2 to issue a certificate of exemption for purchases to a contractor
3 under the provisions of that state's laws. For purposes of this
4 subdivision, the term "certificate of exemption" shall mean any
5 document evidencing that the entity is exempt from sales and use
6 taxes on purchases pursuant to the laws of the state in which the
7 entity is located. Any contractor making purchases on behalf of
8 such entity shall maintain a copy of the entity's exemption
9 certificate as evidence of the exemption. If the exemption
10 certificate issued by the exempt entity to the contractor is
11 later determined by the director of revenue to be invalid for any
12 reason [and the contractor has accepted the certificate in good
13 faith], neither the contractor or the exempt entity shall be
14 liable for the payment of any taxes, interest and penalty due as
15 the result of use of the invalid exemption certificate unless the
16 contractor fraudulently accepted the certificate. Materials
17 shall be exempt from all state and local sales and use taxes when
18 purchased by a contractor for the purpose of fabricating tangible
19 personal property which is used in fulfilling a contract for the
20 purpose of constructing, repairing or remodeling facilities for
21 the following:

22 (a) An exempt entity located in this state, if the entity
23 is one of those entities able to issue project exemption
24 certificates in accordance with the provisions of section
25 144.062; or

26 (b) An exempt entity located outside the state if the
27 exempt entity is authorized to issue an exemption certificate to
28 contractors in accordance with the provisions of that state's law

1 and the applicable provisions of this section;

2 (38) All sales or other transfers of tangible personal
3 property to a lessor who leases the property under a lease of one
4 year or longer executed or in effect at the time of the sale or
5 other transfer to an interstate compact agency created pursuant
6 to sections 70.370 to 70.441 or sections 238.010 to 238.100;

7 (39) Sales of tickets to any collegiate athletic
8 championship event that is held in a facility owned or operated
9 by a governmental authority or commission, a quasi-governmental
10 agency, a state university or college or by the state or any
11 political subdivision thereof, including a municipality, and that
12 is played on a neutral site and may reasonably be played at a
13 site located outside the state of Missouri. For purposes of this
14 subdivision, "neutral site" means any site that is not located on
15 the campus of a conference member institution participating in
16 the event;

17 (40) All purchases by a sports complex authority created
18 under section 64.920, and all sales of utilities by such
19 authority at the authority's cost that are consumed in connection
20 with the operation of a sports complex leased to a professional
21 sports team;

22 (41) All materials, replacement parts, and equipment
23 purchased for use directly upon, and for the modification,
24 replacement, repair, and maintenance of aircraft, aircraft power
25 plants, and aircraft accessories;

26 (42) Sales of sporting clays, wobble, skeet, and trap
27 targets to any shooting range or similar places of business for
28 use in the normal course of business and money received by a

1 shooting range or similar places of business from patrons and
2 held by a shooting range or similar place of business for
3 redistribution to patrons at the conclusion of a shooting event;

4 (43) All sales of motor fuel, as defined in section
5 142.800, used in any watercraft, as defined in section 306.010;

6 (44) Any new or used aircraft sold or delivered in this
7 state to a person who is not a resident of this state or a
8 corporation that is not incorporated in this state, and such
9 aircraft is not to be based in this state and shall not remain in
10 this state more than ten business days subsequent to the last to
11 occur of:

12 (a) The transfer of title to the aircraft to a person who
13 is not a resident of this state or a corporation that is not
14 incorporated in this state; or

15 (b) The date of the return to service of the aircraft in
16 accordance with 14 CFR 91.407 for any maintenance, preventive
17 maintenance, rebuilding, alterations, repairs, or installations
18 that are completed contemporaneously with the transfer of title
19 to the aircraft to a person who is not a resident of this state
20 or a corporation that is not incorporated in this state;

21 (45) All internet access or the use of internet access
22 regardless of whether the tax is imposed on a provider of
23 internet access or a buyer of internet access. For purposes of
24 this subdivision, the following terms shall mean:

25 (a) "Direct costs", costs incurred by a governmental
26 authority solely because of an internet service provider's use of
27 the public right-of-way. The term shall not include costs that
28 the governmental authority would have incurred if the internet

1 service provider did not make such use of the public
2 right-of-way. Direct costs shall be determined in a manner
3 consistent with generally accepted accounting principles;

4 (b) "Internet", computer and telecommunications facilities,
5 including equipment and operating software, that comprises the
6 interconnected worldwide network that employ the transmission
7 control protocol or internet protocol, or any predecessor or
8 successor protocols to that protocol, to communicate information
9 of all kinds by wire or radio;

10 (c) "Internet access", a service that enables users to
11 connect to the internet to access content, information, or other
12 services without regard to whether the service is referred to as
13 telecommunications, communications, transmission, or similar
14 services, and without regard to whether a provider of the service
15 is subject to regulation by the Federal Communications Commission
16 as a common carrier under 47 U.S.C. Section 201, et seq. For
17 purposes of this subdivision, internet access also includes: the
18 purchase, use, or sale of communications services, including
19 telecommunications services as defined in section 144.010, to the
20 extent the communications services are purchased, used, or sold
21 to provide the service described in this subdivision or to
22 otherwise enable users to access content, information, or other
23 services offered over the internet; services that are incidental
24 to the provision of a service described in this subdivision, when
25 furnished to users as part of such service, including a home
26 page, electronic mail, and instant messaging, including
27 voice-capable and video-capable electronic mail and instant
28 messaging, video clips, and personal electronic storage capacity;

1 a home page electronic mail and instant messaging, including
2 voice-capable and video-capable electronic mail and instant
3 messaging, video clips, and personal electronic storage capacity
4 that are provided independently or that are not packed with
5 internet access. As used in this subdivision, internet access
6 does not include voice, audio, and video programming or other
7 products and services, except services described in this
8 paragraph or this subdivision, that use internet protocol or any
9 successor protocol and for which there is a charge, regardless of
10 whether the charge is separately stated or aggregated with the
11 charge for services described in this paragraph or this
12 subdivision;

13 (d) "Tax", any charge imposed by the state or a political
14 subdivision of the state for the purpose of generating revenues
15 for governmental purposes and that is not a fee imposed for a
16 specific privilege, service, or benefit conferred, except as
17 described as otherwise under this subdivision, or any obligation
18 imposed on a seller to collect and to remit to the state or a
19 political subdivision of the state any gross retail tax, sales
20 tax, or use tax imposed on a buyer by such a governmental entity.
21 The term tax shall not include any franchise fee or similar fee
22 imposed or authorized under section 67.1830 or 67.2689; Section
23 622 or 653 of the Communications Act of 1934, 47 U.S.C. Section
24 542 and 47 U.S.C. Section 573; or any other fee related to
25 obligations of telecommunications carriers under the
26 Communications Act of 1934, 47 U.S.C. Section 151, et seq.,
27 except to the extent that:

28 a. The fee is not imposed for the purpose of recovering

1 direct costs incurred by the franchising or other governmental
2 authority from providing the specific privilege, service, or
3 benefit conferred to the payer of the fee; or

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

9
10 Nothing in this subdivision shall be interpreted as an exemption
11 from taxes due on goods or services that were subject to tax on
12 January 1, 2016;

13 (46) Usual and customary delivery charges that are stated
14 separately from the sale price.

15 3. Any ruling, agreement, or contract, whether written or
16 oral, express or implied, between a person and this state's
17 executive branch, or any other state agency or department,
18 stating, agreeing, or ruling that such person is not required to
19 collect sales and use tax in this state despite the presence of a
20 warehouse, distribution center, or fulfillment center in this
21 state that is owned or operated by the person or an affiliated
22 person shall be null and void unless it is specifically approved
23 by a majority vote of each of the houses of the general assembly.
24 For purposes of this subsection, an "affiliated person" means any
25 person that is a member of the same controlled group of
26 corporations as defined in Section 1563(a) of the Internal
27 Revenue Code of 1986, as amended, as the vendor or any other
28 entity that, notwithstanding its form of organization, bears the

1 same ownership relationship to the vendor as a corporation that
2 is a member of the same controlled group of corporations as
3 defined in Section 1563(a) of the Internal Revenue Code, as
4 amended.

5 144.032. The provisions of section 144.030 to the contrary
6 notwithstanding, any city imposing a sales tax under the
7 provisions of sections 94.500 to 94.570, or any county imposing a
8 sales tax under the provisions of sections 66.600 to 66.635, or
9 any county imposing a sales tax under the provisions of sections
10 67.500 to 67.729, or any hospital district imposing a sales tax
11 under the provisions of section 205.205 may by ordinance impose a
12 sales tax upon all sales of [metered water services,]
13 electricity, [electrical current and natural, artificial or
14 propane gas, wood, coal, or home heating oil] piped natural or
15 artificial gas, or other fuels delivered by the seller for
16 domestic use only. Such tax shall be administered by the
17 department of revenue and assessed by the retailer in the same
18 manner as any other city, county, or hospital district sales tax.
19 Domestic use shall be determined in the same manner as the
20 determination of domestic use for exemption of such sales from
21 the state sales tax under the provisions of section 144.030.

22 144.049. 1. [For purposes of this section, the following
23 terms mean:

24 (1) "Clothing", any article of wearing apparel, including
25 footwear, intended to be worn on or about the human body. The
26 term shall include but not be limited to cloth and other material
27 used to make school uniforms or other school clothing. Items
28 normally sold in pairs shall not be separated to qualify for the

1 exemption. The term shall not include watches, watchbands,
2 jewelry, handbags, handkerchiefs, umbrellas, scarves, ties,
3 headbands, or belt buckles; and

4 (2) "Personal computers", a laptop, desktop, or tower
5 computer system which consists of a central processing unit,
6 random access memory, a storage drive, a display monitor, and a
7 keyboard and devices designed for use in conjunction with a
8 personal computer, such as a disk drive, memory module, compact
9 disk drive, daughterboard, digitizer, microphone, modem,
10 motherboard, mouse, multimedia speaker, printer, scanner,
11 single-user hardware, single-user operating system, soundcard, or
12 video card;

13 (3) "School supplies", any item normally used by students
14 in a standard classroom for educational purposes, including but
15 not limited to textbooks, notebooks, paper, writing instruments,
16 crayons, art supplies, rulers, book bags, backpacks, handheld
17 calculators, chalk, maps, and globes. The term shall not include
18 watches, radios, CD players, headphones, sporting equipment,
19 portable or desktop telephones, copiers or other office
20 equipment, furniture, or fixtures. School supplies shall also
21 include computer software having a taxable value of three hundred
22 fifty dollars or less and any graphing calculator having a
23 taxable value of one hundred fifty dollars or less.

24 2.] In each year beginning on or after January 1, 2005,
25 there is hereby specifically exempted from state sales tax law
26 all retail sales of any article of clothing having a taxable
27 value of one hundred dollars or less[,]; all retail sales of
28 school supplies [not to exceed fifty dollars per purchase,];

1 school art supplies, and school instructional materials; all
2 prewritten all computer software with a taxable value of three
3 hundred fifty dollars or less[, all graphing calculators having a
4 taxable value of one hundred fifty dollars or less,]; and all
5 retail sales of [personal] computers [or computer peripheral
6 devices] and school computer supplies not to exceed one thousand
7 five hundred dollars per item, during a three-day period
8 beginning at 12:01 a.m. on the first Friday in August and ending
9 at midnight on the Sunday following. Where a purchaser and
10 seller are located in two different time zones, the time zone of
11 the seller's location shall determine the authorized exemption
12 period.

13 [3.] 2. If the governing body of any political subdivision
14 adopted an ordinance that applied to the 2004 sales tax holiday
15 to prohibit the provisions of this section from allowing the
16 sales tax holiday to apply to such political subdivision's local
17 sales tax, then, notwithstanding any provision of a local
18 ordinance to the contrary, the 2005 sales tax holiday shall not
19 apply to such political subdivision's local sales tax. However,
20 any such political subdivision may enact an ordinance to allow
21 the 2005 sales tax holiday to apply to its local sales taxes. A
22 political subdivision must notify the department of revenue not
23 less than forty-five calendar days prior to the beginning date of
24 the sales tax holiday occurring in that year of any ordinance or
25 order rescinding an ordinance or order to opt out.

26 [4.] 3. This section shall not apply to any sales which
27 take place within the Missouri state fairgrounds.

28 [5.] 4. This section applies to sales of items bought for

1 personal use only.

2 [6. After the 2005 sales tax holiday, any political
3 subdivision may, by adopting an ordinance or order, choose to
4 prohibit future annual sales tax holidays from applying to its
5 local sales tax. After opting out, the political subdivision may
6 rescind the ordinance or order. The political subdivision must
7 notify the department of revenue not less than forty-five
8 calendar days prior to the beginning date of the sales tax
9 holiday occurring in that year of any ordinance or order
10 rescinding an ordinance or order to opt out.

11 7.] 5. This section may not apply to any retailer when less
12 than two percent of the retailer's merchandise offered for sale
13 qualifies for the sales tax holiday. The retailer [shall] may
14 offer a sales tax refund in lieu of the sales tax holiday.

15 6. A sale of property which is eligible for an exemption
16 under subsection 1 of this section but is purchased under a
17 layaway sale shall only qualify for an exemption if:

18 (1) Final payment on a layaway order is made by, and the
19 property is given to, the purchaser during the exemption period;
20 or

21 (2) The purchaser selects the property and the seller
22 accepts the order for the property during the exemption period,
23 for immediate delivery upon full payment, even if delivery is
24 made after the exemption period.

25 7. The exemption of a bundled transaction shall be
26 calculated as provided by law for all other bundled transactions.

27 8. (1) For any discount offered by a seller that is a
28 reduction of the sales price of the product, the discounted sales

1 price shall determine whether the sales price falls below the
2 price threshold provided in subsection 1 of this section. A
3 coupon that reduces the sales price shall be treated as a
4 discount only if the seller is not reimbursed for the coupon
5 amount by a third party.

6 (2) If a discount applies to the total amount paid by a
7 purchaser rather than to the sales price of a particular product
8 and the purchaser has purchased both exempt property and taxable
9 property, the seller shall allocate the discount based on the
10 total sales prices of the taxable property compared to the total
11 sales prices of all property sold in the same transaction.

12 9. Items that are normally sold as a single unit shall
13 continue to be sold in that manner and shall not be priced
14 separately and sold as individual items.

15 10. Items that are purchased during an exemption period but
16 that are not delivered to the purchaser until after the exemption
17 period due to the item not being in stock shall qualify for an
18 exemption. The provisions of this subsection shall not apply to
19 an item that was delivered during an exemption period but was
20 purchased prior to or after the exemption period.

21 11. (1) If a purchaser purchases an item of eligible
22 property during an exemption period, but later exchanges the item
23 for a similar eligible item after the exemption period, no
24 additional tax shall be due on the new item.

25 (2) If a purchaser purchases an item of eligible property
26 during an exemption period, but later returns the item after the
27 exemption period and receives credit on the purchase of a
28 different nonexempt item, the appropriate sales tax shall be due

1 on the sale of the newly purchased item.

2 (3) If a purchaser purchases an item of eligible property
3 before an exemption period, but during the exemption period
4 returns the item and receives credit on the purchase of a
5 different item of eligible property, no sales tax shall be due on
6 the sale of the new item if the new item is purchased during the
7 exemption period.

8 (4) For a sixty day period immediately following the end of
9 the exemption period, if a purchaser returns an exempt item no
10 credit for or refund of sales tax shall be given unless the
11 purchaser provides a receipt or invoice that shows tax was paid,
12 or the seller has sufficient documentation to show that tax was
13 paid on the item being returned.

14 12. For items that require delivery, an item shall be
15 considered exempt if:

16 (1) The item is both delivered to and paid for by the
17 purchaser during the exemption period; or

18 (2) The purchaser orders and pays for the item and the
19 seller accepts the order during the exemption period for
20 immediate shipment, even if delivery is made after the exemption
21 period. For the purposes of this subdivision, a seller shall be
22 considered to have accepted an order when the seller has taken
23 action to fill the order for immediate shipment. Actions to fill
24 an order shall include placement of an "in date" stamp on a mail
25 order or the assignment of an "order number" to a telephone
26 order. An order shall be considered for immediate shipment when
27 the purchaser does not request delayed shipment. An order shall
28 be considered for immediate shipment notwithstanding a shipment

1 that may be delayed because of a backlog of orders or because an
2 item is currently unavailable or on back order.

3 144.054. 1. As used in this section, the following terms
4 mean:

5 (1) "Processing", any mode of treatment, act, or series of
6 acts performed upon materials to transform or reduce them to a
7 different state or thing, including treatment necessary to
8 maintain or preserve such processing by the producer at the
9 production facility;

10 (2) "Recovered materials", those materials which have been
11 diverted or removed from the solid waste stream for sale, use,
12 reuse, or recycling, whether or not they require subsequent
13 separation and processing.

14 2. In addition to all other exemptions granted under this
15 chapter, there is hereby specifically exempted from the
16 provisions of [sections 144.010 to 144.525 and 144.600 to
17 144.761, and from the computation of the tax levied, assessed, or
18 payable under sections 144.010 to 144.525 and 144.600 to
19 144.761,] this chapter and from the computation of the tax
20 levied, assessed, or payable under this chapter electrical energy
21 and gas, whether natural, artificial, or propane, water, coal,
22 and energy sources, chemicals, machinery, equipment, and
23 materials used or consumed in the manufacturing, processing,
24 compounding, mining, or producing of any product, or used or
25 consumed in the processing of recovered materials, or used in
26 research and development related to manufacturing, processing,
27 compounding, mining, or producing any product. The exemptions
28 granted in this subsection shall not apply to local sales taxes

1 as defined in section 32.085 [and the provisions of this
2 subsection shall be in addition to any state and local sales tax
3 exemption provided in section 144.030].

4 3. In addition to all other exemptions granted under this
5 chapter, there is hereby specifically exempted from the
6 provisions of [sections 144.010 to 144.525 and 144.600 to
7 144.761, and section 238.235, and the local sales tax law as
8 defined in section 32.085, and from the computation of the tax
9 levied, assessed, or payable under sections 144.010 to 144.525
10 and 144.600 to 144.761, and section 238.235, and the local sales
11 tax law as defined in section 32.085] this chapter and from the
12 computation of the tax levied, assessed, and payable under this
13 chapter, all utilities, machinery, and equipment used or consumed
14 directly in television or radio broadcasting and all sales and
15 purchases of tangible personal property, utilities, services, or
16 any other transaction that would otherwise be subject to the
17 state or local sales or use tax when such sales are made to or
18 purchases are made by a contractor for use in fulfillment of any
19 obligation under a defense contract with the United States
20 government, and all sales and leases of tangible personal
21 property by any county, city, incorporated town, or village,
22 provided such sale or lease is authorized under chapter 100, and
23 such transaction is certified for sales tax exemption by the
24 department of economic development, and tangible personal
25 property used for railroad infrastructure brought into this state
26 for processing, fabrication, or other modification for use
27 outside the state in the regular course of business.

28 4. In addition to all other exemptions granted under this

1 chapter, there is hereby specifically exempted from the
2 provisions of [sections 144.010 to 144.525 and 144.600 to
3 144.761, and section 238.235, and the local sales tax law as
4 defined in section 32.085, and from the computation of the tax
5 levied, assessed, or payable under sections 144.010 to 144.525
6 and 144.600 to 144.761, and section 238.235, and the local sales
7 tax law as defined in section 32.085] this chapter and from the
8 computation of the tax levied, assessed, and payable under this
9 chapter, all sales and purchases of tangible personal property,
10 utilities, services, or any other transaction that would
11 otherwise be subject to the state or local sales or use tax when
12 such sales are made to or purchases are made by a private partner
13 for use in completing a project under sections 227.600 to
14 227.669.

15 5. In addition to all other exemptions granted under this
16 chapter, there is hereby specifically exempted from the
17 provisions of [sections 144.010 to 144.525 and 144.600 to
18 144.761, and section 238.235, and the local sales tax law as
19 defined in section 32.085, and from the computation of the tax
20 levied, assessed, or payable under sections 144.010 to 144.525
21 and 144.600 to 144.761, and section 238.235, and the local sales
22 tax law as defined in section 32.085,] this chapter and from the
23 computation of the tax levied, assessed, and payable under this
24 chapter all materials, manufactured goods, machinery and parts,
25 electrical energy and gas, whether natural, artificial or
26 propane, water, coal and other energy sources, chemicals, soaps,
27 detergents, cleaning and sanitizing agents, and other ingredients
28 and materials inserted by commercial or industrial laundries to

1 treat, clean, and sanitize textiles in facilities which process
2 at least five hundred pounds of textiles per hour and at least
3 sixty thousand pounds per week.

4 144.060. 1. It shall be the duty of every person making
5 any purchase or receiving any service upon which a tax is imposed
6 by sections 144.010 to 144.510 to pay, to the extent possible
7 under the provisions of section 144.285, the amount of such tax
8 to the person making such sale or rendering such service. Any
9 person who shall willfully and intentionally refuse to pay such
10 tax shall be guilty of a misdemeanor. The provisions of this
11 section shall not apply to any person making any purchase or sale
12 of a motor vehicle subject to sales tax as provided by the
13 Missouri sales tax law, unless such person making the sale is a
14 motor vehicle dealer authorized to collect and remit sales tax
15 pursuant to subsection 8 of section 144.070.

16 2. A purchaser shall be relieved from any additional tax,
17 interest, additions, or penalties for failure to collect and
18 remit the proper amount of tax owed on a purchase subject to
19 sales tax under chapter 144 if:

20 (1) A purchaser's seller or a certified service provider
21 relied on erroneous data provided by the director on tax rates,
22 boundaries, taxing jurisdiction assignments, or in the taxability
23 matrix created pursuant to section 144.124;

24 (2) A purchaser holding a direct pay permit created
25 pursuant to section 144.079 relied on erroneous data provided by
26 the director on tax rates, boundaries, taxing jurisdiction
27 assignments, or in the taxability matrix created pursuant to
28 section 144.124;

1 (3) A purchaser using a database created pursuant to
2 section 144.123 received erroneous data provided by the director
3 on tax rates, boundaries, or taxing jurisdiction assignments; or

4 (4) A purchaser relied on erroneous data provided by the
5 director in the taxability matrix created pursuant to section
6 144.124.

7 144.079. 1. The provisions of section 144.080
8 notwithstanding, the director shall promulgate rules to allow for
9 the issuance of direct pay permits to purchasers. Purchasers
10 holding such a permit shall be permitted to purchase goods and
11 services which are subject to sales tax under chapter 144 without
12 remitting payment of the tax to the seller at the time of
13 purchase. Such purchaser shall make a determination of the
14 amount of tax owed and shall report and remit such amount
15 directly to the taxing jurisdiction.

16 2. The director shall promulgate rules to implement the
17 provisions of this section. Such rules shall include an
18 application process for the issuance of a permit created under
19 this section. Any rule or portion of a rule, as that term is
20 defined in section 536.010, RSMo, that is created under the
21 authority delegated in this section shall become effective only
22 if it complies with and is subject to all of the provisions of
23 chapter 536, RSMo, and, if applicable, section 536.028, RSMo.
24 This section and chapter 536, RSMo, are nonseverable and if any
25 of the powers vested with the general assembly pursuant to
26 chapter 536, RSMo, to review, to delay the effective date, or to
27 disapprove and annul a rule are subsequently held
28 unconstitutional, then the grant of rulemaking authority and any

1 rule proposed or adopted after January 1, 2019, shall be invalid
2 and void.

3 144.080. 1. Every person receiving any payment or
4 consideration upon the sale of property or rendering of service,
5 subject to the tax imposed by the provisions of sections 144.010
6 to 144.525, is exercising the taxable privilege of selling the
7 property or rendering the service at retail and is subject to the
8 tax levied in section 144.020. The person shall be responsible
9 not only for the collection of the amount of the tax imposed on
10 the sale or service to the extent possible under the provisions
11 of section 144.285, but shall, on or before the last day of the
12 month following each calendar quarterly period of three months,
13 file a return with the director of revenue showing the person's
14 gross receipts and the amount of tax levied in section 144.020
15 for the preceding quarter, and shall remit to the director of
16 revenue, with the return, the taxes levied in section 144.020,
17 except as provided in [subsections 2 and 3] subsection 2 of this
18 section. The director of revenue may promulgate rules or
19 regulations changing the filing and payment requirements of
20 sellers, but shall not require any seller to file and pay more
21 frequently than required in this section.

22 2. [Where the aggregate amount levied and imposed upon a
23 seller by section 144.020 is in excess of two hundred fifty
24 dollars for either the first or second month of a calendar
25 quarter, the seller shall file a return and pay such aggregate
26 amount for such months to the director of revenue by the
27 twentieth day of the succeeding month.

28 3.] Where the aggregate amount levied and imposed upon a

1 seller by section 144.020 is less than forty-five dollars in a
2 calendar quarter, the director of revenue shall by regulation
3 permit the seller to file a return for a calendar year. The
4 return shall be filed and the taxes paid on or before January
5 thirty-first of the succeeding year.

6 [4.] 3. The seller of any property or person rendering any
7 service, subject to the tax imposed by sections 144.010 to
8 144.525, shall collect the tax from the purchaser of such
9 property or the recipient of the service to the extent possible
10 under the provisions of section 144.285, but the seller's
11 inability to collect any part or all of the tax does not relieve
12 the seller of the obligation to pay to the state the tax imposed
13 by section 144.020; except that the collection of the tax imposed
14 by sections 144.010 to 144.525 on motor vehicles and trailers
15 shall be made as provided in sections 144.070 and 144.440.

16 [5.] 4. Any person may advertise or hold out or state to
17 the public or to any customer directly that the tax or any part
18 thereof imposed by sections 144.010 to 144.525, and required to
19 be collected by the person, will be assumed or absorbed by the
20 person, provided that the amount of tax assumed or absorbed shall
21 be stated on any invoice or receipt for the property sold or
22 service rendered. Any person violating any of the provisions of
23 this section shall be guilty of a misdemeanor. This subsection
24 shall not apply to any retailer prohibited from collecting and
25 remitting sales tax under section 66.630.

26 144.082. 1. The director shall participate in an online
27 registration system that will allow sellers to register in this
28 state and other member states.

1 2. By registering, the seller agrees to collect and remit
2 sales and use taxes for all taxable sales into this state as well
3 as the other member states, including member states joining after
4 the seller's registration. Withdrawal or revocation of this
5 state from the agreement shall not relieve a seller of its
6 responsibility to remit taxes previously or subsequently
7 collected on behalf of this state.

8 3. If the seller has a requirement to register prior to
9 registering under the agreement, such seller shall obtain a
10 retail sales license under section 144.083 and register under
11 section 144.650.

12 4. Registration with the central registration system and
13 the collection of sales and use taxes in this state shall not be
14 used as a factor in determining whether the seller has nexus with
15 this state for any tax at any time.

16 144.083. 1. The director of revenue shall require all
17 persons who are responsible for the collection of taxes under the
18 provisions of section 144.080 to procure a retail sales license
19 at no cost to the licensee which shall be prominently displayed
20 at the licensee's place of business, and the license is valid
21 until revoked by the director or surrendered by the person to
22 whom issued when sales are discontinued. The director shall
23 issue the retail sales license within ten working days following
24 the receipt of a properly completed application. Any person
25 applying for a retail sales license or reinstatement of a revoked
26 sales tax license who owes any tax under sections 144.010 to
27 144.510 or sections 143.191 to 143.261 must pay the amount due
28 plus interest and penalties before the department may issue the

1 applicant a license or reinstate the revoked license. All
2 persons beginning business subsequent to August 13, 1986, and who
3 are required to collect the sales tax shall secure a retail sales
4 license prior to making sales at retail. Such license may, after
5 ten days' notice, be revoked by the director of revenue only in
6 the event the licensee shall be in default for a period of sixty
7 days in the payment of any taxes levied under section 144.020 or
8 sections 143.191 to 143.261. Notwithstanding the provisions of
9 section 32.057 in the event of revocation, the director of
10 revenue may publish the status of the business account including
11 the date of revocation in a manner as determined by the director.

12 2. The possession of a retail sales license and a statement
13 from the department of revenue that the licensee owes no tax due
14 under sections 144.010 to 144.510 or sections 143.191 to 143.261
15 shall be a prerequisite to the issuance or renewal of any city or
16 county occupation license or any state license which is required
17 for conducting any business where goods are sold at retail. The
18 date of issuance on the statement that the licensee owes no tax
19 due shall be no more than ninety days before the date of
20 submission for application or renewal of the local license. The
21 revocation of a retailer's license by the director shall render
22 the occupational license or the state license null and void.

23 3. No person responsible for the collection of taxes under
24 section 144.080 shall make sales at retail unless such person is
25 the holder of a valid retail sales license. After all appeals
26 have been exhausted, the director of revenue may notify the
27 county or city law enforcement agency representing the area in
28 which the former licensee's business is located that the retail

1 sales license of such person has been revoked, and that any
2 county or city occupation license of such person is also revoked.
3 The county or city may enforce the provisions of this section,
4 and may prohibit further sales at retail by such person.

5 4. In addition to the provisions of subsection 2 of this
6 section, beginning January 1, 2009, the possession of a statement
7 from the department of revenue stating no tax is due under
8 sections 143.191 to 143.265 or sections 144.010 to 144.510 shall
9 also be a prerequisite to the issuance or renewal of any city or
10 county occupation license or any state license required for
11 conducting any business where goods are sold at retail. The
12 statement of no tax due shall be dated no longer than ninety days
13 before the date of submission for application or renewal of the
14 city or county license.

15 [5. Notwithstanding any law or rule to the contrary, sales
16 tax shall only apply to the sale price paid by the final
17 purchaser and not to any off-invoice discounts or other pricing
18 discounts or mechanisms negotiated between manufacturers,
19 wholesalers, and retailers.]

20 144.084. 1. The director shall promulgate rules and
21 regulations for remittance of returns. Such rules shall:

22 (1) Allow for electronic payments by all remitters by both
23 ACH credit and ACH debit;

24 (2) Provide an alternative method for making "same day"
25 payments if an electronic funds transfer fails;

26 (3) Provide that if a due date falls on a Saturday, Sunday,
27 or legal holiday in the member state or on a day the Federal
28 Reserve Bank is closed that prohibits a person from being able to

1 make a payment by ACH debit or credit, the taxes shall be due on
2 the next succeeding business day; and

3 (4) Require that any data that accompanies a remittance be
4 formatted using uniform tax type and payment type codes approved
5 by the streamlined sales and use tax governing board.

6 2. All model 1, model 2, and model 3 sellers shall file
7 returns electronically. Any model 1, model 2, or model 3 seller
8 shall submit its sales and use tax returns in a simplified format
9 approved by the director at such times as may be prescribed by
10 the director.

11 3. (1) The director shall make available to all sellers,
12 whether or not the seller is registered under the streamlined
13 sales and use tax agreement, a simplified electronic return that
14 is in a form approved by the streamlined sales and use tax
15 governing board and shall contain only those fields approved by
16 the governing board. Such simplified electronic return shall
17 contain two parts, with part one containing information relating
18 to remittances and allocations and part two containing
19 information relating to exempt sales.

20 (2) The director shall not require the submission of part
21 two information from a model 4 seller which has no legal
22 requirement to register in the state.

23 4. (1) Certified service providers shall file a simplified
24 electronic return on behalf of its model 1 sellers and shall be
25 required to file part one of the simplified electronic return at
26 the times provided in sections 144.080 and 144.090. The director
27 shall allow model 1 sellers to file parts one and two of the
28 simplified electronic return.

1 (2) Model 2 and model 3 sellers shall file a simplified
2 electronic return at the times provided in sections 144.080 and
3 144.090 for each taxing period for which they anticipate making
4 sales in the state. Such sellers shall file part two
5 information:

6 (a) At the same time as the seller files part one
7 information; or

8 (b) At the time of the final due date of part one
9 information in a given calendar year. A submission under this
10 paragraph shall include data for all previous months of the same
11 calendar year and shall be presented as yearly totals.

12 (3) The director shall allow model 4 sellers to file a
13 simplified electronic return at the times provided in sections
14 144.080 and 144.090. Such sellers shall file part two
15 information:

16 (a) At the same time as the seller files part one
17 information; or

18 (b) At the time of the final due date of part one
19 information in a given calendar year. A submission under this
20 paragraph shall include data for all previous months of the same
21 calendar year and shall be presented as yearly totals.

22 (4) Model 4 sellers that elect not to file a simplified
23 electronic return shall file returns in the form and at the times
24 afforded to sellers not registered under the streamlined sales
25 and use tax agreement.

26 (5) The director shall allow sellers not registered under
27 the streamlined sales and use tax agreement that are registered
28 in the state to file a simplified electronic return at the times

1 provided in sections 144.080 and 144.090. Such sellers shall
2 file part two information:

3 (a) At the same time as the seller files part one
4 information; or

5 (b) At the time of the final due date of part one
6 information in a given calendar year. A submission under this
7 paragraph shall include data for all previous months of the same
8 calendar year and shall be presented as yearly totals.

9 5. A seller that is registered under the streamlined sales
10 and use tax agreement and that has indicated at the time of
11 registration that it anticipates making no sales which would be
12 sourced to the state under the streamlined sales and use tax
13 agreement shall not be required to file a return. A seller shall
14 be disqualified for such exemption for any quarter in which the
15 seller makes any taxable sales in the state and shall file a
16 return for such quarter as provided in sections 144.080 and
17 144.090.

18 6. The director shall provide for a standardized
19 transmission process that allows for receipt of uniform tax
20 returns and other formatted information. Such process shall
21 provide for the filing of separate returns for multiple legal
22 entities in a single transmission and shall not include any
23 requirement for manual entry or input by a seller. The process
24 shall allow a certified service provider, a tax preparer, or any
25 other authorized entity to do so, to file returns for more than
26 one seller in a single transmission. However, sellers filing
27 returns for multiple legal entities shall only do so for
28 affiliated legal entities.

1 7. The director shall give notice to a seller registered
2 under the streamlined sales and use tax agreement which has no
3 legal requirement to register in the state of a failure to file a
4 required return and shall provide such seller at least thirty
5 days following such notice to file a return prior to holding the
6 seller liable for any penalties based on a failure to file a
7 timely return.

8 144.100. 1. Every person making any taxable sales of
9 property or service, except transactions provided for in sections
10 144.070 and 144.440, individually or by duly authorized officer
11 or agent, shall make and file a written return with the director
12 of revenue in such manner as he may prescribe.

13 2. The returns shall be on blanks designed and furnished by
14 the director of the department of revenue and shall be filed at
15 the times provided in sections 144.080 and 144.090. The returns
16 shall [show the amount of gross receipts from sales of taxable
17 property and services by the person and the amount of tax due
18 thereon by that person during and for the period covered by the
19 return] state:

20 (1) The name and address of the retailer;

21 (2) The total amount of gross sales of all tangible
22 personal property and taxable services rendered by the retailer
23 during the period for which the return is made;

24 (3) The total amount received during the period for which
25 the return is made on charge and time sales of tangible personal
26 property made and taxable services rendered prior to the period
27 for which the return is made;

28 (4) Deductions allowed by law from such total amount of

1 gross sales and from total amount received during the period for
2 which the return is made on such charge and time sales;

3 (5) Receipts during the period for which the return is made
4 from the total amount of sales of tangible personal property and
5 taxable services rendered during such period in the course of
6 such business, after deductions allowed by law have been made;

7 (6) Receipts during the period for which the return is made
8 from charge and time sales of tangible personal property made and
9 taxable services rendered prior to such period in the course of
10 such business, after deductions allowed by law have been made;

11 (7) Gross receipts during the period for which the return
12 is made from sales of tangible personal property and taxable
13 services rendered in the course of such business upon the basis
14 of which the tax is imposed; and

15 (8) Such other pertinent information as the director may
16 require.

17 3. In making such return, the retailer shall determine the
18 market value of any consideration, other than money, received in
19 connection with the sale of any tangible personal property in the
20 course of the business and shall include such value in the
21 return. Such value shall be subject to review and revision by
22 the director as hereinafter provided. Refunds made by a retailer
23 during the period for which the return is made on account of
24 tangible personal property returned to the retailer shall be
25 allowed as a deduction under subdivision (4) of subsection 2 of
26 this section in case the retailer has included the receipts from
27 such sale in a return made by such retailer and paid taxes on
28 such sale. The retailer shall, at the time of making such

1 return, pay to the director the amount of tax owed, except as
2 otherwise provided in this section. The director may extend the
3 time for making returns and paying the tax required by this
4 section for any period not to exceed sixty days under such rules
5 and regulations as the director of revenue may prescribe.

6 4. The director shall only require a single tax return for
7 each taxing period and such return shall include only the taxing
8 jurisdictions in which the seller makes sales within the state.

9 With each return, the person shall remit to the director of
10 revenue the full amount of the tax due.

11 [3.] 5. In case of charge and time sales the gross receipts
12 thereof shall be included as sales in the returns as and when
13 payments are received by the person, without any deduction
14 therefrom whatsoever.

15 [4.] 6. If an error or omission is discovered in a return
16 or a change be necessary to show the true facts, the error may be
17 corrected, the omission supplied, or the change made in the
18 return next filed with the director for the filing period
19 immediately following the filing period in which the error was
20 made or the omission occurred, as prescribed by law, except that
21 no refund under this chapter shall be allowed for any amount of
22 tax paid by a seller which is based upon charges incident to
23 credit card discounts. Any other omission or error must be
24 corrected by filing an amended return for the erroneously
25 reported period if the amount of tax is less than that originally
26 reported, or an additional return if the amount of tax is greater
27 than that originally reported. An additional return shall be
28 deemed filed on the date the envelope in which it is mailed is

1 postmarked or the date it is received by the director, whichever
2 is earlier. Any payment of tax, interest, penalty or additions
3 to tax shall be deemed filed on the date the envelope containing
4 the payment is postmarked or the date the payment is received by
5 the director, whichever is earlier. If a refund or credit
6 results from the filing of an amended return, no refund or credit
7 shall be allowed unless an application for refund or credit is
8 properly completed and submitted to the director pursuant to
9 section 144.190.

10 [5.] 7. The amount of gross receipts from sales and the
11 amount of tax due returned by the person, as well as all matters
12 contained in the return, is subject to review and revision in the
13 manner herein provided for the correction of the returns.

14 144.105. 1. A seller shall be allowed a deduction from
15 taxable sales for bad debts attributable to taxable sales of such
16 seller that have become uncollectable. Any deduction taken that
17 is attributed to bad debts shall not include interest.

18 2. The amount of the bad debt deduction shall be calculated
19 pursuant to 26 U.S.C. Section 166(b), except that such amount
20 shall be adjusted to exclude financing charges or interest,
21 sales, or use taxes charged on the purchase price, uncollectable
22 amounts on property that remain in the possession of the seller
23 until the full purchase price is paid, and expenses incurred in
24 attempting to collect any debt or repossessed property.

25 3. Bad debts may be deducted on the return for the period
26 during which the bad debt is written off as uncollectable in the
27 seller's books and records and is eligible to be deducted for
28 federal income tax purposes. For purposes of this subsection, a

1 seller who is not required to file federal income tax returns may
2 deduct a bad debt on a return filed for the period in which the
3 bad debt is written off as uncollectable in the seller's books
4 and records and would be eligible for a bad debt deduction for
5 federal income tax purposes if the seller was required to file a
6 federal income tax return.

7 4. If a deduction is taken for a bad debt and the debt is
8 subsequently collected in whole or in part, the tax on the amount
9 so collected shall be paid and reported on the return filed for
10 the period in which the collection is made.

11 5. When the amount of bad debt exceeds the amount of
12 taxable sales for the period during which the bad debt is written
13 off, a refund claim may be filed by the seller within the
14 applicable statute of limitations for refund claim; however, the
15 statute of limitations shall be measured from the due date of the
16 return on which the bad debt could first be claimed.

17 6. Where filing responsibilities have been assumed by a
18 certified service provider, such service provider may claim, on
19 behalf of the seller, any bad debt allowance provided by this
20 section. The certified service provider shall credit or refund
21 the full amount of any bad debt allowance or refund received to
22 the seller.

23 7. For the purposes of reporting a payment received on a
24 previously claimed bad debt, any payments made on a debt or
25 account shall first be applied proportionally to the taxable
26 price of the property or service and the sales tax thereon, and
27 secondly to interest, service charges, and any other charges.

28 8. In situations where the books and records of the seller,

1 or certified service provider on behalf of the seller, claiming
2 the bad debt allowance support an allocation of the bad debts
3 among the member states, such an allocation shall be permitted.

4 144.109. 1. Certified service providers providing services
5 to model 1 sellers shall not be certified unless:

6 (1) The provider's system has been designed and tested to
7 ensure the anonymity of purchasers unless otherwise required by
8 law;

9 (2) Personally identifiable information is only used and
10 retained to the extent necessary for the administration of model
11 1 with respect to exempt purchasers, and for the identification
12 of taxing jurisdictions;

13 (3) The provider provides consumers with clear and
14 conspicuous notice of its information practices, including what
15 information it collects, how it collects such information, how it
16 uses such information, how long, if at all, it retains such
17 information, and whether it discloses such information to the
18 state. Such notice shall be satisfied by a written privacy
19 policy statement accessible by the public on the certified
20 service provider's website;

21 (4) The providers's collection, use, and retention of
22 personally identifiable information will be limited to that
23 required by the state to ensure the validity of exemptions from
24 taxation that are claimed by reason of a purchaser's status or
25 the intended use of the goods or services purchased, and for the
26 documentation of correct assignment of taxing jurisdictions; and

27 (5) The provider provides adequate technical, physical, and
28 administrative safeguards so as to protect personally

1 identifiable information from unauthorized access and disclosure.

2 2. (1) When any personally identifiable information that
3 has been collected and retained is no longer required for the
4 purposes set forth in subdivision (4) of subsection 1 of this
5 section, such information shall no longer be retained by the
6 state.

7 (2) When personally identifiable information regarding an
8 individual is retained by or on behalf of the state, the state
9 shall provide reasonable access by such individual to his or her
10 own information in the state's possession, as well as a right to
11 correct any inaccurately recorded information.

12 (3) If anyone other than the state, or a person authorized
13 by the state, seeks to discover personally identifiable
14 information of an individual, the state shall make a reasonable
15 and timely effort to notify the individual of such request.

16 3. The attorney general for the state of Missouri shall
17 have the power to enforce the provisions of this section.

18 144.110. 1. The state shall review software submitted to
19 the streamlined sales and use tax governing board for
20 certification as a certified automated system (CAS) under Section
21 501 of the streamlined sales and use tax agreement. Such review
22 shall include a review to determine that the program adequately
23 classifies the state's product-based exemptions. Upon completion
24 of the review, the state shall certify to the governing board its
25 acceptance of the classifications made by the system. The state
26 shall relieve a certified service provider (CSP) or model 2
27 seller from liability to this state and its local jurisdictions
28 for failure to collect sales or use taxes resulting from the CSP

1 or model 2 seller's reliance on the certification provided by the
2 state.

3 2. The streamlined sales and use tax governing board and
4 this state shall not be responsible for classification of an item
5 or transaction with the product-based exemptions. The relief
6 from liability provided in this section shall not be available
7 for a CSP or model 2 seller that has incorrectly classified an
8 item or transaction into a product-based exemption certified by
9 this state. This subsection shall not apply to the individual
10 listing of items or transactions within a product definition
11 approved by the governing board or the state.

12 3. If the state determines that an item or transaction is
13 incorrectly classified as to its taxability, it shall notify the
14 CSP or model 2 seller of the incorrect classification. The CSP
15 or model 2 seller shall have ten days to revise the
16 classification after receipt of notice from the state of the
17 determination. Upon expiration of the ten days, such CSP or
18 model 2 seller shall be liable for failure to collect the correct
19 amount of sales or use taxes due and owing to the state.

20 144.111. 1. (1) All retail sales in Missouri, excluding
21 leases and rentals, of tangible personal property or digital
22 goods shall be sourced to the location where the order is
23 received by the seller.

24 (2) This subsection shall apply only if:

25 (a) The location where the order is received by the seller
26 and the location where the purchaser receives the product are
27 both in Missouri;

28 (b) The location where receipt of the product by the

1 purchaser occurs is determined in accordance with subsection 2 of
2 this section; and

3 (c) At the time the order is received, the recordkeeping
4 system of the seller used to calculate the proper amount of sales
5 or use tax to be imposed captures the location where the order is
6 received.

7 (3) When the sale is sourced under this section to the
8 location where the order is received by the seller, only the
9 sales tax for the location where the order is received by the
10 seller may be levied. No additional sales or use tax based on
11 the location where the product is delivered to the purchaser may
12 be levied on that sale. The purchaser shall not be entitled to
13 any refund if the combined state and local rate or rates at the
14 location where the product is received by the purchaser is lower
15 than the rate where the order is received by the seller.

16 (4) A purchaser shall have no additional liability to the
17 state for tax, penalty, or interest on a sale for which the
18 purchaser remits tax to the seller in the amount invoiced by the
19 seller if such invoice amount is calculated at either the rate
20 applicable to the location where receipt by the purchaser occurs
21 or at the rate applicable to the location where the order is
22 received by the seller. A purchaser may rely on a written
23 representation by the seller as to the location where the order
24 for such sale was received by the seller. When the purchaser
25 does not have a written representation by the seller as to the
26 location where the order for such sale was received by the
27 seller, the purchaser may use a location indicated by a business
28 address for the seller that is available from the business

1 records of the purchaser that are maintained in the ordinary
2 course of the purchaser's business to determine the rate
3 applicable to the location where the order was received.

4 (5) The location where the order is received by or on
5 behalf of the seller means the physical location of a seller or
6 third party such as an established outlet, office location, or
7 automated order receipt system operated by or on behalf of the
8 seller where an order is initially received by or on behalf of
9 the seller and not where the order may be subsequently accepted,
10 completed, or fulfilled. An order is received when all of the
11 information from the purchaser necessary to the determination
12 whether the order can be accepted has been received by or on
13 behalf of the seller. The location from which a product is
14 shipped shall not be used in determining the location where the
15 order is received by the seller.

16 (6) When taxable services are sold with tangible personal
17 property or digital products pursuant to a single contract or in
18 the same transaction, are billed on the same billing statement or
19 statements, and, because of the application of this section,
20 would be sourced to different jurisdictions, this subsection
21 shall apply to determine the source for tax.

22 2. Except as provided in section 144.112, when the location
23 where the order is received by the seller and the location where
24 the receipt of the product by the purchaser (or the purchaser's
25 donee, designated as such by the purchaser) occurs are in
26 different states, the retail sale, excluding lease or rental, of
27 a product shall be sourced as follows:

28 (1) When the product is received by the purchaser at a

1 business location of the seller, the sale shall be sourced to
2 such business location;

3 (2) When the product is not received by the purchaser at a
4 business location of the seller, the sale shall be sourced to the
5 location where receipt by the purchaser (or the purchaser's
6 donee, designated as such by the purchaser) occurs, including the
7 location indicated by instructions for delivery to the purchaser
8 or donee, known to the seller;

9 (3) When subdivisions (1) and (2) of this subsection do not
10 apply, the sale shall be sourced to the location indicated by an
11 address for the purchaser that is available from the business
12 records of the seller that are maintained in the ordinary course
13 of the seller's business when use of this address does not
14 constitute bad faith;

15 (4) When subdivisions (1), (2), and (3) of this subsection
16 do not apply, the sale shall be sourced to the location indicated
17 by an address for the purchaser obtained during the consummation
18 of the sale, including the address of a purchaser's payment
19 instrument, if no other address is available, when use of this
20 address does not constitute bad faith;

21 (5) When none of the previous rules of subdivisions (1),
22 (2), (3), and (4) of this subsection apply, including the
23 circumstances in which the seller is without sufficient
24 information to apply the previous rules, then the location will
25 be determined by the address from which tangible personal
26 property was shipped, from which the digital good or computer
27 software delivered electronically was first available for
28 transmission from the seller, or from which the service was

1 provided (disregarding for these purposes any location that
2 merely provided the digital transfer of the product sold).

3 3. Notwithstanding subsections 1 and 2 of this section, all
4 sales of motor vehicles, trailers, semi-trailers, watercraft,
5 outboard motors, and aircraft that do not qualify as
6 transportation equipment shall be sourced to the address of the
7 owner thereof.

8 4. The lease or rental of tangible personal property, other
9 than property identified in subsection 2 or 3 of this section or
10 transactions regulated under sections 407.660 to 407.665, shall
11 be sourced as follows:

12 (1) For a lease or rental that requires recurring periodic
13 payments, the first periodic payment is sourced the same as a
14 retail sale in accordance with the provisions of subsection 2 of
15 this section. Periodic payments made subsequent to the first
16 payment are sourced to the primary property location for each
17 period covered by the payment. The primary property location
18 shall be as indicated by an address for the property provided by
19 the lessee that is available to the lessor from its records
20 maintained in the ordinary course of business, when use of this
21 address does not constitute bad faith. The property location
22 shall not be altered by intermittent use at different locations,
23 such as use of business property that accompanies employees on
24 business trips and service calls;

25 (2) For a lease or rental that does not require recurring
26 periodic payments, the payment is sourced the same as a retail
27 sale in accordance with the provisions of subsection 2 of this
28 section;

1 (3) This subsection does not affect the imposition or
2 computation of sales or use tax on leases or rentals based on a
3 lump sum or accelerated basis, or on the acquisition of property
4 for lease.

5 5. The lease or rental of motor vehicles, trailers, semi-
6 trailers, or aircraft that do not qualify as transportation
7 equipment, as defined in section 144.010, shall be sourced as
8 follows:

9 (1) For a lease or rental that requires recurring periodic
10 payments, each periodic payment is sourced to the primary
11 property location. The primary property location shall be as
12 indicated by an address for the property provided by the lessee
13 that is available to the lessor from its records maintained in
14 the ordinary course of business, when use of such address does
15 not constitute bad faith. Such location shall not be altered by
16 intermittent use at different locations;

17 (2) For a lease or rental that does not require recurring
18 periodic payments, the payment is sourced the same as a retail
19 sale in accordance with the provisions of subsection 2 of this
20 section;

21 (3) This subsection does not affect the imposition or
22 computation of sales or use tax on leases or rentals based on a
23 lump sum or accelerated basis, or on the acquisition of property
24 for lease.

25 6. The retail sale, including lease or rental, of
26 transportation equipment shall be sourced the same as a retail
27 sale in accordance with the provisions of subsection 2 of this
28 section, notwithstanding the exclusion of lease or rental in

1 subsection 2 of this section.

2 144.112. 1. The retail sale of a product shall be sourced
3 in accordance with section 144.111. The provisions of section
4 144.111 shall apply regardless of the characterization of a
5 product as tangible personal property, a digital good, or a
6 service. The provisions of section 144.111 shall only apply to
7 determine a seller's obligation to pay or collect and remit sales
8 or use tax with respect to the seller's retail sale of a product.
9 The provisions of this subsection shall not affect the obligation
10 of a purchaser or lessee to remit tax on the use of the product
11 to the taxing jurisdictions of that use.

12 2. Section 144.111 shall not apply to sales or use taxes
13 levied on the following:

14 (1) Retail sales or transfers of watercraft, modular homes,
15 manufactured homes, or mobile homes; and

16 (2) Telecommunications services and ancillary services.

17 144.113. 1. (1) A purchaser of advertising and
18 promotional direct mail may provide the seller with either:

19 (a) A direct pay permit;

20 (b) An agreement certificate of exemption claiming direct
21 mail (or other written statement approved, authorized, or
22 accepted by the state); or

23 (c) Information showing the jurisdictions to which the
24 advertising and promotional direct mail is to be delivered to
25 recipients.

26 (2) If the purchaser provides the permit, certificate, or
27 statement referred to in paragraph (a) or (b) of subdivision (1)
28 of this subsection, the seller, in the absence of bad faith, is

1 relieved of all obligations to collect, pay, or remit any tax on
2 any transaction involving advertising and promotional direct mail
3 to which the permit, certificate, or statement applies. The
4 purchaser shall source the sale to the jurisdictions to which the
5 advertising and promotional direct mail is to be delivered to the
6 recipients and shall report and pay any applicable tax due.

7 (3) If the purchaser provides the seller information
8 showing the jurisdictions to which the advertising and
9 promotional direct mail is to be delivered to recipients, the
10 seller shall source the sale to the jurisdictions to which the
11 advertising and promotional direct mail is to be delivered and
12 shall collect and remit the applicable tax. In the absence of
13 bad faith, the seller is relieved of any further obligation to
14 collect any additional tax on the sale of advertising and
15 promotional direct mail where the seller has sourced the sale
16 according to the delivery information provided by the purchaser.

17 (4) If the purchaser does not provide the seller with any
18 of the items listed in paragraph (a), (b), or (c) of subdivision
19 (1) of this subsection, the sale shall be sourced according to
20 subdivision (5) of subsection 2 of section 144.111. The state to
21 which the advertising and promotional direct mail is delivered
22 may disallow credit for tax paid on sales sourced under this
23 subdivision.

24 (5) Notwithstanding section 144.111, this subsection shall
25 apply to sales of advertising and promotional direct mail.

26 2. (1) Except as otherwise provided in this subsection,
27 sales of other direct mail are sourced in accordance with
28 subdivision (3) of subsection 2 of section 144.111.

1 (2) A purchaser of other direct mail may provide the seller
2 with either:

3 (a) A direct pay permit; or

4 (b) An agreement certificate of exemption claiming direct
5 mail (or other written statement approved, authorized, or
6 accepted by the state).

7 (3) If the purchaser provides the permit, certificate, or
8 statement referred to in paragraph (a) or (b) of subdivision (2)
9 of this subsection, the seller, in the absence of bad faith, is
10 relieved of all obligations to collect, pay, or remit any tax on
11 any transaction involving other direct mail to which the permit,
12 certificate, or statement apply. Notwithstanding subdivision (1)
13 of this subsection, the sale shall be sourced to the
14 jurisdictions to which the other direct mail is to be delivered
15 to the recipients and the purchaser shall report and pay
16 applicable tax due.

17 (4) Notwithstanding section 144.111, this subsection shall
18 apply to sales of other direct mail.

19 3. (1) (a) This section applies to a transaction
20 characterized under state law as the sale of services only if the
21 service is an integral part of the production and distribution of
22 printed material that meets the definition of direct mail.

23 (b) This section does not apply to any transaction that
24 includes the development of billing information or the provision
25 of any data processing service that is more than incidental
26 regardless of whether advertising and promotional direct mail is
27 included in the same mailing.

28 (2) If a transaction is a bundled transaction that includes

1 advertising and promotion direct mail, this section applies only
2 if the primary purpose of the transaction is the sale of products
3 or services that meet the definition of advertising and
4 promotional direct mail.

5 (3) Nothing in this section shall limit any purchaser's:

6 (a) Obligation for sales or use tax to any state to which
7 the direct mail is delivered;

8 (b) Right under local, state, federal, or constitutional
9 law, to a credit for sales or use taxes legally due and paid to
10 other jurisdictions; or

11 (c) Right to a refund of sales or use taxes overpaid to any
12 jurisdiction.

13 (4) This section applies for purposes of uniformly sourcing
14 direct mail transactions and does not impose requirements on
15 states regarding the taxation of products that meet the
16 definition of direct mail or to the application of sales for
17 resale or other exemptions.

18 [144.043.] 144.114. 1. [As used in this section, the
19 following terms mean:

20 (1) "Light aircraft", a light airplane that seats no more
21 than four persons, with a gross weight of three thousand pounds
22 or less, which is primarily used for recreational flying or
23 flight training;

24 (2) "Light aircraft kit", factory manufactured parts and
25 components, including engine, propeller, instruments, wheels,
26 brakes, and air frame parts which make up a complete aircraft kit
27 or partial kit designed to be assembled into a light aircraft and
28 then operated by a qualified purchaser for recreational and

1 educational purposes;

2 (3) "Parts and components", manufactured light aircraft
3 parts, including air frame and engine parts, that are required by
4 the qualified purchaser to complete a light aircraft kit, or
5 spare or replacement parts for an already completed light
6 aircraft;

7 (4) "Qualified purchaser", a purchaser of a light aircraft,
8 light aircraft kit, parts or components who is nonresident of
9 this state, who will transport the light aircraft, light aircraft
10 kit, parts or components outside this state within ten days after
11 the date of purchase, and who will register any light aircraft so
12 purchased in another state or country. Such purchaser shall not
13 base such aircraft in this state and such purchaser shall not be
14 a resident of the state unless such purchaser has paid sales or
15 use tax on such aircraft in another state.

16 2. In addition to the exemptions granted under the
17 provisions of section 144.030, there shall also be specifically
18 exempted from the provisions of sections 144.010 to 144.525,
19 sections 144.600 to 144.748, section 238.235, and from the
20 provisions of any local sales tax law, as defined in section
21 32.085, and from the computation of the tax levied, assessed or
22 payable under sections 144.010 to 144.525, sections 144.600 to
23 144.748, section 238.235, and under any local sales tax law, as
24 defined in section 32.085, all sales of new light aircraft, light
25 aircraft kits, parts or components manufactured or substantially
26 completed within this state, when such new light aircraft, light
27 aircraft kits, parts or components are sold by the manufacturer
28 to a qualified purchaser. The director of revenue shall

1 prescribe the manner for a purchaser of a light aircraft, light
2 aircraft kit, parts or components to establish that such person
3 is a qualified purchaser and is eligible for the exemption
4 established in this section] Except for the defined
5 telecommunication services in subsection 3 of this section, the
6 sale of telecommunication service sold on a call-by-call basis
7 shall be sourced to:

8 (1) Each level of taxing jurisdiction where the call
9 originates and terminates in that jurisdiction; or

10 (2) Each level of taxing jurisdiction where the call either
11 originates or terminates and in which the service address is also
12 located.

13 2. Except for the defined telecommunication services in
14 subsection 3 of this section, a sale of telecommunications
15 services sold on a basis other than a call-by-call basis, is
16 sourced to the customer's place of primary use.

17 3. The sale of the following telecommunication services
18 shall be sourced to each level of taxing jurisdiction as follows:

19 (1) A sale of mobile telecommunications services other than
20 air-to-ground radiotelephone service and prepaid calling service,
21 is sourced to the customer's place of primary use as required by
22 the Mobile Telecommunications Sourcing Act;

23 (2) A sale of post-paid calling service is sourced to the
24 origination point of the telecommunications signal as first
25 identified by either:

26 (a) The seller's telecommunications system; or

27 (b) Information received by the seller from its service
28 provider, where the system used to transport such signals is not

1 that of the seller;

2 (3) A sale of prepaid calling service or a sale of a
3 prepaid wireless calling service is sourced in accordance with
4 section 144.111, provided however, in the case of a sale of
5 prepaid wireless calling service, the rule provided in
6 subdivision (5) of subsection 2 of section 144.111 shall include
7 as an option the location associated with the mobile telephone
8 number;

9 (4) A sale of a private communication service is sourced as
10 follows:

11 (a) Service for a separate charge related to a customer
12 channel termination point is sourced to each level of
13 jurisdiction in which such customer channel termination point is
14 located;

15 (b) Service where all customer termination points are
16 located entirely within one jurisdiction or levels of
17 jurisdiction is sourced in such jurisdiction in which the
18 customer channel termination points are located;

19 (c) Service for segments of a channel between two customer
20 channel termination points located in different jurisdictions and
21 which segment of channel are separately charged is sourced fifty
22 percent in each level of jurisdiction in which the customer
23 channel termination points are located; and

24 (d) Service for segments of a channel located in more than
25 one jurisdiction or levels of jurisdiction and which segments are
26 not separately billed is sourced in each jurisdiction based on
27 the percentage determined by dividing the number of customer
28 channel termination points in such jurisdiction by the total

1 number of customer channel termination points.

2 4. The sale of internet access service is sourced to the
3 customer's place of primary use.

4 5. The sale of an ancillary service is sourced to the
5 customer's place of primary use.

6 144.123. 1. The director shall provide and maintain a
7 database that describes boundary changes for all taxing
8 jurisdictions and the effective dates of such changes for sales
9 and use tax purposes.

10 2. The director shall provide and maintain a database of
11 all sales and use tax rates for all taxing jurisdictions. For
12 the identification of counties and cities, codes corresponding to
13 the rates shall be provided according to Federal Information
14 Processing Standards (FIPS) as developed by the National
15 Institute of Standards and Technology. For the identification of
16 all other jurisdictions, codes corresponding to the rates shall
17 be in a format determined by the director.

18 3. The director shall provide and maintain a database that
19 assigns each five- and nine-digit zip code to the proper rates
20 and taxing jurisdictions. If a nine-digit zip code designation
21 is not available for a street address, or if a seller or a
22 certified service provider (CSP) is unable to determine the nine-
23 digit zip code designation applicable to a purchase after
24 exercising due diligence to determine the designation, the seller
25 or CSP may apply the rate for the five-digit zip code area. For
26 purposes of this section, there shall be a rebuttable presumption
27 that a seller or CSP has exercised due diligence if the seller
28 has attempted to determine the nine-digit zip code designation by

1 utilizing software approved by the governing board that makes
2 this designation from the street address and the five-digit zip
3 code applicable to a purchase.

4 4. The director may provide address-based boundary database
5 records for assigning taxing jurisdictions and associated rates
6 which shall be in addition to the requirements of subsection 3 of
7 this section. The database records shall be in the same approved
8 format as the database records required under subsection 3 of
9 this section and shall meet the requirements developed pursuant
10 to the federal Mobile Telecommunications Sourcing Act, 4 U.S.C.
11 Section 119(a). If the director develops address-based
12 assignment database records pursuant to the agreement, sellers
13 that register under the agreement shall be required to use such
14 database. A seller or CSP shall use such database records in
15 place of the five- and nine-digit zip code database records
16 provided for in subsection 3 of this section. If a seller or CSP
17 is unable to determine the applicable rate and jurisdiction using
18 an address-based database record after exercising due diligence,
19 the seller or CSP may apply the nine-digit zip code designation
20 applicable to a purchase. If a nine-digit zip code designation
21 is not available for a street address or if a seller or CSP is
22 unable to determine the nine-digit zip code designation
23 applicable to a purchase after exercising due diligence to
24 determine the designation, the seller or CSP may apply the rate
25 for the five-digit zip code area. For the purposes of this
26 section, there shall be a rebuttable presumption that a seller or
27 CSP has exercised due diligence if the seller or CSP has
28 attempted to determine the tax rate and jurisdiction by utilizing

1 software approved by the director and makes the assignment from
2 the address and zip code information applicable to the purchase.
3 If the director has met the requirements of subsection 3 of this
4 section, the director may also elect to certify vendor provided
5 address-based databases for assigning tax rates and
6 jurisdictions. The databases shall be in the same approved
7 format as the database records under this section and meet the
8 requirements developed pursuant to the federal Mobile
9 Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If the
10 director certifies a vendor address-based database, a seller or
11 CSP may use such database in place of the database provided for
12 in this subsection.

13 5. The electronic databases provided for in subsections 1,
14 2, 3, and 4 of this section shall be in downloadable format as
15 determined by the director. The databases may be directly
16 provided by the director or provided by a vendor as designated by
17 the director. A database provided by a vendor as designated by
18 the director shall be applicable and subject to the provisions of
19 section 144.1031 and this section. The databases shall be
20 provided at no cost to the user of the database. The provisions
21 of subsections 3 and 4 of this section shall not apply when the
22 purchased product is received by the purchaser at the business
23 location of the seller.

24 6. No seller or CSP shall be liable for reliance upon
25 erroneous data provided by the director on tax rates, boundaries,
26 or taxing jurisdiction assignments.

27 144.124. 1. The director shall complete a taxability
28 matrix. The state's entries in the matrix shall be provided and

1 maintained by the director in a database that is in a
2 downloadable format.

3 2. The director shall provide reasonable notice of changes
4 in the taxability of the products or services listed in the
5 taxability matrix.

6 3. A seller or CSP shall be relieved from liability to this
7 state or any local taxing jurisdiction for having charged and
8 collected the incorrect amount of state or local sales or use tax
9 resulting from such seller's or CSP's reliance upon erroneous
10 data provided by the director in the taxability matrix.

11 144.125. 1. (1) Amnesty shall be granted for uncollected
12 or unpaid sales or use tax to a seller who registers to pay or to
13 collect and remit applicable sales or use tax on sales made to
14 purchasers in this state in accordance with the terms of the
15 agreement, provided that the seller was not so registered in this
16 state in the twelve-month period preceding the effective date of
17 this state's participation in the agreement.

18 (2) Amnesty shall preclude assessment for uncollected or
19 unpaid sales or use tax together with penalty or interest for
20 sales made during the period the seller was not registered in
21 this state, provided registration occurs within twelve months of
22 the effective date of this state's participation in the
23 agreement.

24 (3) Amnesty shall be provided if this state joins the
25 agreement after the seller has registered.

26 2. Amnesty shall not be available to a seller with respect
27 to any matter or matters for which the seller received notice of
28 the commencement of an audit and which audit is not yet finally

1 resolved including any related administrative and judicial
2 processes. The amnesty shall not be available for sales or use
3 taxes already paid or remitted to this state or to taxes
4 collected by the seller.

5 3. Amnesty provided under this section shall be fully
6 effective, absent the seller's fraud or intentional
7 misrepresentation of a material fact, as long as the seller
8 continues registration and payment or collection and remittance
9 of applicable sales or use taxes for a period of at least thirty-
10 six months. The statute of limitations applicable to asserting a
11 tax liability during this thirty-six month period shall be
12 tolled.

13 4. Amnesty provided under this section shall be applicable
14 only to sales or use taxes due from a seller in its capacity as a
15 seller and not to sales or use taxes due from a seller in its
16 capacity as a purchaser.

17 5. The provisions of this section shall become effective as
18 of the date that the state joins and becomes a member state of
19 the agreement.

20 144.140. 1. From every remittance to the director of
21 revenue made on or before the date when the same becomes due, the
22 person required to remit the same shall be entitled to deduct and
23 retain an amount equal to two percent thereof.

24 2. If the director of the department of revenue enters into
25 the streamlined sales and use tax agreement under section 32.070,
26 the director shall provide a monetary allowance from the taxes
27 collected to each of the following:

28 (1) A CSP, in accordance with the agreement and under the

1 terms of the contract signed with the provider, provided that
2 such allowance shall be funded entirely from money collected in
3 Model 1;

4 (2) Any vendor registered under the agreement that selects
5 a certified automated system to perform part of its sales or use
6 tax functions;

7 (3) Any vendor registered under the agreement that uses a
8 proprietary system to calculate taxes due and has entered into a
9 performance agreement with states that are members of the
10 streamlined sales and use tax agreement.

11 3. The monetary allowance provided for vendors in
12 subdivision (2) or (3) of subsection 2 of this section shall be
13 determined in accordance with the agreement entered into with
14 these parties by the governing board.

15 144.190. 1. If a tax has been incorrectly computed by
16 reason of a clerical error or mistake on the part of the director
17 of revenue, such fact shall be set forth in the records of the
18 director of revenue, and the amount of the overpayment shall be
19 credited on any taxes then due from the person legally obligated
20 to remit the tax pursuant to sections 144.010 to 144.525, and the
21 balance shall be refunded to the person legally obligated to
22 remit the tax, such person's administrators or executors, as
23 provided for in section 144.200.

24 2. If any tax, penalty or interest has been paid more than
25 once, or has been erroneously or illegally collected, or has been
26 erroneously or illegally computed, such sum shall be credited on
27 any taxes then due from the person legally obligated to remit the
28 tax pursuant to sections 144.010 to 144.525, and the balance,

1 with interest as determined by section 32.065, shall be refunded
2 to the person legally obligated to remit the tax, but no such
3 credit or refund shall be allowed unless duplicate copies of a
4 claim for refund are filed within three years from date of
5 overpayment.

6 3. Every claim for refund must be in writing and signed by
7 the applicant, and must state the specific grounds upon which the
8 claim is founded. Any refund or any portion thereof which is
9 erroneously made, and any credit or any portion thereof which is
10 erroneously allowed, may be recovered in any action brought by
11 the director of revenue against the person legally obligated to
12 remit the tax. In the event that a tax has been illegally
13 imposed against a person legally obligated to remit the tax, the
14 director of revenue shall authorize the cancellation of the tax
15 upon the director's record.

16 4. Notwithstanding the provisions of section 32.057, a
17 purchaser that originally paid sales or use tax to a vendor or
18 seller may submit a refund claim directly to the director of
19 revenue for such sales or use taxes paid to such vendor or seller
20 and remitted to the director, provided no sum shall be refunded
21 more than once, any such claim shall be subject to any offset,
22 defense, or other claim the director otherwise would have against
23 either the purchaser or vendor or seller, and such claim for
24 refund is accompanied by either:

25 (1) A notarized assignment of rights statement by the
26 vendor or seller to the purchaser allowing the purchaser to seek
27 the refund on behalf of the vendor or seller. An assignment of
28 rights statement shall contain the Missouri sales or use tax

1 registration number of the vendor or seller, a list of the
2 transactions covered by the assignment, the tax periods and
3 location for which the original sale was reported to the director
4 of revenue by the vendor or seller, and a notarized statement
5 signed by the vendor or seller affirming that the vendor or
6 seller has not received a refund or credit, will not apply for a
7 refund or credit of the tax collected on any transactions covered
8 by the assignment, and authorizes the director to amend the
9 seller's return to reflect the refund; or

10 (2) In the event the vendor or seller fails or refuses to
11 provide an assignment of rights statement within sixty days from
12 the date of such purchaser's written request to the vendor or
13 seller, or the purchaser is not able to locate the vendor or
14 seller or the vendor or seller is no longer in business, the
15 purchaser may provide the director a notarized statement
16 confirming the efforts that have been made to obtain an
17 assignment of rights from the vendor or seller. Such statement
18 shall contain a list of the transactions covered by the
19 assignment, the tax periods and location for which the original
20 sale was reported to the director of revenue by the vendor or
21 seller.

22
23 The director shall not require such vendor, seller, or purchaser
24 to submit amended returns for refund claims submitted under the
25 provisions of this subsection. Notwithstanding the provisions of
26 section 32.057, if the seller is registered with the director for
27 collection and remittance of sales tax, the director shall notify
28 the seller at the seller's last known address of the claim for

1 refund. If the seller objects to the refund within thirty days
2 of the date of the notice, the director shall not pay the refund.
3 If the seller agrees that the refund is warranted or fails to
4 respond within thirty days, the director may issue the refund and
5 amend the seller's return to reflect the refund. For purposes of
6 section 32.069, the refund claim shall not be considered to have
7 been filed until the seller agrees that the refund is warranted
8 or thirty days after the date the director notified the seller
9 and the seller failed to respond.

10 5. Notwithstanding the provisions of section 32.057, when a
11 vendor files a refund claim on behalf of a purchaser and such
12 refund claim is denied by the director, notice of such denial and
13 the reason for the denial shall be sent by the director to the
14 vendor and each purchaser whose name and address is submitted
15 with the refund claim form filed by the vendor. A purchaser
16 shall be entitled to appeal the denial of the refund claim within
17 sixty days of the date such notice of denial is mailed by the
18 director as provided in section 144.261. The provisions of this
19 subsection shall apply to all refund claims filed after August
20 28, 2012. The provisions of this subsection allowing a purchaser
21 to appeal the director's decision to deny a refund claim shall
22 also apply to any refund claim denied by the director on or after
23 January 1, 2007, if an appeal of the denial of the refund claim
24 is filed by the purchaser no later than September 28, 2012, and
25 if such claim is based solely on the issue of the exemption of
26 the electronic transmission or delivery of computer software.

27 6. Notwithstanding the provisions of this section, the
28 director of revenue shall authorize direct-pay agreements to

1 purchasers which have annual purchases in excess of seven hundred
2 fifty thousand dollars pursuant to rules and regulations adopted
3 by the director of revenue. For the purposes of such direct-pay
4 agreements, the taxes authorized pursuant to chapters 66, 67, 70,
5 92, 94, 162, 190, 238, 321, and 644 shall be remitted based upon
6 the location of the place of business of the purchaser.

7 7. Special rules applicable to error corrections requested
8 by customers of mobile telecommunications service are as follows:

9 (1) For purposes of this subsection, the terms "customer",
10 "home service provider", "place of primary use", "electronic
11 database", and "enhanced zip code" shall have the same meanings
12 as defined in the Mobile Telecommunications Sourcing Act
13 incorporated by reference in section 144.013;

14 (2) Notwithstanding the provisions of this section, if a
15 customer of mobile telecommunications services believes that the
16 amount of tax, the assignment of place of primary use or the
17 taxing jurisdiction included on a billing is erroneous, the
18 customer shall notify the home service provider, in writing,
19 within three years from the date of the billing statement. The
20 customer shall include in such written notification the street
21 address for the customer's place of primary use, the account name
22 and number for which the customer seeks a correction of the tax
23 assignment, a description of the error asserted by the customer
24 and any other information the home service provider reasonably
25 requires to process the request;

26 (3) Within sixty days of receiving the customer's notice,
27 the home service provider shall review its records and the
28 electronic database or enhanced zip code to determine the

1 customer's correct taxing jurisdiction. If the home service
2 provider determines that the review shows that the amount of tax,
3 assignment of place of primary use or taxing jurisdiction is in
4 error, the home service provider shall correct the error and, at
5 its election, either refund or credit the amount of tax
6 erroneously collected to the customer for a period of up to three
7 years from the last day of the home service provider's sixty-day
8 review period. If the home service provider determines that the
9 review shows that the amount of tax, the assignment of place of
10 primary use or the taxing jurisdiction is correct, the home
11 service provider shall provide a written explanation of its
12 determination to the customer.

13 8. For all refund claims submitted to the department of
14 revenue on or after September 1, 2003, notwithstanding any
15 provision of this section to the contrary, if a person legally
16 obligated to remit the tax levied pursuant to sections 144.010 to
17 144.525 has received a refund of such taxes for a specific issue
18 and submits a subsequent claim for refund of such taxes on the
19 same issue for a tax period beginning on or after the date the
20 original refund check issued to such person, no refund shall be
21 allowed. This subsection shall not apply and a refund shall be
22 allowed if the refund claim is filed by a purchaser under the
23 provisions of subsection 4 of this section, the refund claim is
24 for use tax remitted by the purchaser, or an additional refund
25 claim is filed by a person legally obligated to remit the tax due
26 to any of the following:

27 (1) Receipt of additional information or an exemption
28 certificate from the purchaser of the item at issue;

1 (2) A decision of a court of competent jurisdiction or the
2 administrative hearing commission; or

3 (3) Changes in regulations or policy by the department of
4 revenue.

5 9. Notwithstanding any provision of law to the contrary,
6 the director of revenue shall respond to a request for a binding
7 letter ruling filed in accordance with section 536.021 within
8 sixty days of receipt of such request. If the director of
9 revenue fails to respond to such letter ruling request within
10 sixty days of receipt by the director, the director of revenue
11 shall be barred from pursuing collection of any assessment of
12 sales or use tax with respect to the issue which is the subject
13 of the letter ruling request. For purposes of this subsection,
14 the term "letter ruling" means a written interpretation of law by
15 the director to a specific set of facts provided by a specific
16 taxpayer or his or her agent.

17 10. If any tax was paid more than once, was incorrectly
18 collected, or was incorrectly computed, such sum shall be
19 credited on any taxes then due from the person legally obligated
20 to remit the tax pursuant to sections 144.010 to 144.510 against
21 any deficiency or tax due discovered through an audit of the
22 person by the department of revenue through adjustment during the
23 same tax filing period for which the audit applied.

24 11. A cause of action against the seller by a purchaser for
25 a tax erroneously or illegally collected under this chapter does
26 not accrue until a purchaser has provided written notice to a
27 seller and the seller has had sixty days to respond. Such notice
28 to the seller must contain the information necessary to determine

1 the validity of the request. A seller shall be presumed to have
2 a reasonable business practice if in the collection of such tax,
3 the seller uses a provider or a system certified by the director
4 and has remitted to the state all tax collected less any
5 deductions, credits, or allowances.

6 144.210. 1. The burden of proving that a sale of tangible
7 personal property, services, substances or things was not a sale
8 at retail shall be upon the person who made the sale, except that
9 with respect to sales, services, or transactions provided for in
10 section 144.070. [The seller shall obtain and maintain exemption
11 certificates signed by the purchaser or his agent as evidence for
12 any exempt sales claimed; provided, however, that before any
13 administrative tribunal of this state, a seller may prove that
14 sale is exempt from tax under this chapter in accordance with
15 proof admissible under the applicable rules of evidence; except
16 that when a purchaser has purchased tangible personal property or
17 services sales tax free under a claim of exemption which is found
18 to be improper, the director of revenue may collect the proper
19 amount of tax, interest, additions to tax and penalty from the
20 purchaser directly. Any tax, interest, additions to tax or
21 penalty collected by the director from the purchaser shall be
22 credited against the amount otherwise due from the seller on the
23 purchases or sales where the exemption was claimed.]

24 2. If the director of revenue is not satisfied with the
25 return and payment of the tax made by any person, he is hereby
26 authorized and empowered to make an additional assessment of tax
27 due from such person, based upon the facts contained in the
28 return or upon any information within his possession or that

1 shall come into his possession.

2 3. The director of revenue shall give to the person written
3 notice of such additional or revised assessment by certified or
4 registered mail to the person at his or its last known address.

5 144.212. 1. In addition to all other provisions of law
6 provided for exemptions, when an exemption is claimed by a
7 purchaser:

8 (1) The seller shall obtain identifying information of the
9 purchaser and the reason for claiming a tax exemption at the time
10 of the purchase;

11 (2) A purchaser shall not be required to provide a
12 signature to claim an exemption from tax unless a paper exemption
13 certificate is used;

14 (3) The seller shall use the standard form for claiming an
15 exemption electronically prescribed by the director of the
16 department of revenue and acceptable to the streamlined sales and
17 use tax governing board;

18 (4) The seller shall obtain the same information for proof
19 of a claimed exemption regardless of the medium in which the
20 transaction occurred;

21 (5) The seller shall maintain proper records of exempt
22 transactions and provide such records to the director of the
23 department of revenue or the director's designee upon request;

24 (6) In the case of drop shipment sales, a third-party
25 vendor, such as a drop shipper, may claim a resale exemption
26 based on an exemption certificate provided by its customer or any
27 other acceptable information available to the third-party vendor
28 evidencing qualification for a resale exemption, regardless of

1 whether the customer is registered to collect and remit sales and
2 use tax in the state where the sale is sourced.

3 2. Sellers that comply with the requirements of this
4 section shall be relieved from collecting and remitting tax
5 otherwise applicable if it is determined that the purchaser
6 improperly claimed an exemption and such purchaser shall be
7 liable for the nonpayment of tax. Relief from liability provided
8 under this section shall not apply to a seller who fraudulently
9 fails to collect tax; to a seller who solicits purchasers to
10 participate in the unlawful claim of an exemption; to a seller
11 who accepts an exemption certificate when the purchaser claims an
12 entity-based exemption when the subject of the transaction sought
13 to be covered by the exemption certificate is actually received
14 by the purchaser at a location operated by the seller and the
15 state in which that location resides provides an exemption
16 certificate that clearly and affirmatively indicates that the
17 claimed exemption is not available in such state; or to a seller
18 who accepts an exemption certificate claiming multiple points of
19 use for tangible personal property other than computer software
20 for which an exemption claiming multiple points of use.

21 (1) A seller shall be relieved from collecting and
22 remitting tax otherwise applicable if the seller obtains a fully
23 completed exemption certificate or captures the relevant data
24 elements required under the agreement within ninety days
25 subsequent to the date of sale.

26 (2) If a seller fails to obtain an exemption certificate or
27 all relevant data elements as provided in this section, the
28 seller may, within one hundred twenty days subsequent to a

1 request for substantiation by the director of the department of
2 revenue or the director's designee, either prove that the
3 transaction was not subject to tax by other means or obtain a
4 fully completed exemption certificate from the purchaser, taken
5 in good faith.

6 3. Nothing in this section shall affect the ability of the
7 director of the department of revenue or the director's designee
8 to require purchasers to update exemption certificate information
9 or to reapply with the state to claim certain exemptions.

10 4. Notwithstanding the provisions of subsection 2 of this
11 section to the contrary, the director shall relieve a seller of
12 the tax otherwise applicable if the seller obtains a blanket
13 exemption certificate for a purchaser with which the seller has a
14 recurring business relationship. The director shall not request
15 from the seller renewal of blanket certificates or updates of
16 exemption certificate information or data elements when there is
17 a recurring business relationship between the buyer and seller.
18 For purposes of this section, a recurring business relationship
19 exists when a period of no more than twelve months elapses
20 between sales transactions.

21 144.285. 1. [In order to permit sellers required to
22 collect and report the sales tax to collect the amount required
23 to be reported and remitted, but not to change the requirements
24 of reporting or remitting tax or to serve as a levy of the tax,
25 and in order to avoid fractions of pennies, the director of
26 revenue shall establish brackets, showing the amounts of tax to
27 be collected on sales of specified amounts, which shall be
28 applicable to all taxable transactions] When the seller is

1 computing the amount of tax owed by the purchaser and remitted to
2 the state:

3 (1) Tax computation shall be carried to the third decimal
4 place; and

5 (2) The tax shall be rounded to a whole cent using a method
6 that rounds up to the next cent whenever the third decimal place
7 is greater than four.

8 2. [In all instances where statements covering taxable
9 purchases are rendered to the taxpayer on a monthly or other
10 periodic basis, the amount of tax shall be determined by applying
11 the applicable tax rate to the taxable purchases represented on
12 the statement, rounded to the nearest whole cent, or by
13 application of the brackets established by the director of
14 revenue, at the option of the retail vendor] Sellers may elect to
15 compute the tax due on a transaction on an item or an invoice
16 basis. The provision of this subsection may be applied to the
17 aggregated state and local taxes.

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

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

27 5.] Amounts which a vendor charges to and receives from the
28 purchaser in accordance with this section shall not be includable

1 in his gross receipts if the amounts are separately charged or
2 stated.

3 [6.] 5. If sales tax for one or more local political
4 subdivisions is owed by a taxpayer pursuant to chapter 66, 67,
5 92, or 94 and that taxpayer remits less than all sales tax due
6 for a filing period specified in section 144.080, the director of
7 revenue shall deposit the tax remitted proportionately to each
8 taxing jurisdiction in accordance with the percentage that each
9 such jurisdiction's share of the tax due for the filing period
10 bears to the total tax due from such taxpayer for such period.
11 The unpaid balance due along with penalties and interest shall be
12 similarly prorated among the state and all local jurisdictions
13 for which tax was due during the filing period for which an
14 underpayment occurs. The provisions of this subsection shall
15 apply to all returns or remittances relating to sales made on or
16 after January 1, 1984.

17 144.526. 1. This section shall be known and may be cited
18 as the "Show Me Green Sales Tax Holiday".

19 2. [For purposes of this section, the following terms mean:

20 (1) "Appliance", clothes washers and dryers, water heaters,
21 trash compactors, dishwashers, conventional ovens, ranges,
22 stoves, air conditioners, furnaces, refrigerators and freezers;
23 and

24 (2) "Energy star certified", any appliance approved by both
25 the United States Environmental Protection Agency and the United
26 States Department of Energy as eligible to display the energy
27 star label, as amended from time to time.

28 3.] In each year beginning on or after January 1, 2009,

1 there is hereby specifically exempted from state sales tax law
2 all retail sales of any [energy star certified] new appliance
3 that is an energy star qualified product with a sales price of,
4 up to one thousand five hundred dollars per appliance, during a
5 seven-day period beginning at 12:01 a.m. on April nineteenth and
6 ending at midnight on April twenty-fifth. Where a purchaser and
7 seller are located in two different time zones, the time zone of
8 the seller's location shall determine the authorized exemption
9 period.

10 [4.] 3. A political subdivision may allow the sales tax
11 holiday under this section to apply to its local sales taxes by
12 enacting an ordinance to that effect. Any such political
13 subdivision shall notify the department of revenue not less than
14 forty-five calendar days prior to the beginning date of the sales
15 tax holiday occurring in that year of any such ordinance or
16 order.

17 [5.] 4. This section may not apply to any retailer when
18 less than two percent of the retailer's merchandise offered for
19 sale qualifies for the sales tax holiday. The retailer shall
20 offer a sales tax refund in lieu of the sales tax holiday.

21 5. A sale of property which is eligible for an exemption
22 under subsection 1 of this section but is purchased under a
23 layaway sale shall only qualify for an exemption if:

24 (1) Final payment on a layaway order is made by, and the
25 property is given to, the purchaser during the exemption period;
26 or

27 (2) The purchaser selects the property and the seller
28 accepts the order for the property during the exemption period,

1 for immediate delivery upon full payment, even if delivery is
2 made after the exemption period.

3 6. The exemption of a bundled transaction shall be
4 calculated as provided by law for all other bundled transactions.

5 7. (1) For any discount offered by a seller that is a
6 reduction of the sales price of the product, the discounted sales
7 price shall determine whether the sales price falls below the
8 price threshold provided in subsection 1 of this section. A
9 coupon that reduces the sales price shall be treated as a
10 discount only if the seller is not reimbursed for the coupon
11 amount by a third party.

12 (2) If a discount applies to the total amount paid by a
13 purchaser rather than to the sales price of a particular product
14 and the purchaser has purchased both exempt property and taxable
15 property, the seller shall allocate the discount based on the
16 total sales prices of the taxable property compared to the total
17 sales prices of all property sold in the same transaction.

18 8. Items that are normally sold as a single unit shall
19 continue to be sold in that manner and shall not be priced
20 separately and sold as individual items.

21 9. Items that are purchased during an exemption period but
22 that are not delivered to the purchaser until after the exemption
23 period due to the item not being in stock shall qualify for an
24 exemption. The provisions of this subsection shall not apply to
25 an item that was delivered during an exemption period but was
26 purchased prior to or after the exemption period.

27 10. (1) If a purchaser purchases an item of eligible
28 property during an exemption period, but later exchanges the item

1 for a similar eligible item after the exemption period, no
2 additional tax shall be due on the new item.

3 (2) If a purchaser purchases an item of eligible property
4 during an exemption period, but later returns the item after the
5 exemption period and receives credit on the purchase of a
6 different nonexempt item, the appropriate sales tax shall be due
7 on the sale of the newly purchased item.

8 (3) If a purchaser purchases an item of eligible property
9 before an exemption period, but during the exemption period
10 returns the item and receives credit on the purchase of a
11 different item of eligible property, no sales tax shall be due on
12 the sale of the new item if the new item is purchased during the
13 exemption period.

14 (4) For a sixty day period immediately following the end of
15 the exemption period, if a purchaser returns an exempt item no
16 credit for or refund of sales tax shall be given unless the
17 purchaser provides a receipt or invoice that shows tax was paid,
18 or the seller has sufficient documentation to show that tax was
19 paid on the item being returned.

20 11. For items that require delivery, an item shall be
21 considered exempt if:

22 (1) The item is both delivered to and paid for by the
23 purchaser during the exemption period; or

24 (2) The purchaser orders and pays for the item and the
25 seller accepts the order during the exemption period for
26 immediate shipment, even if delivery is made after the exemption
27 period. For the purposes of this subdivision, a seller shall be
28 considered to have accepted an order when the seller has taken

1 action to fill the order for immediate shipment. Actions to fill
2 an order shall include placement of an "in date" stamp on a mail
3 order or the assignment of an "order number" to a telephone
4 order. An order shall be considered for immediate shipment when
5 the purchaser does not request delayed shipment. An order shall
6 be considered for immediate shipment notwithstanding a shipment
7 that may be delayed because of a backlog of orders or because an
8 item is currently unavailable or on back order.

9 144.600. 1. This law may be cited as the "Compensating Use
10 Tax Law".

11 2. All provisions in sections 144.010 to 144.527 with
12 respect to sales into this state by out-of-state sellers apply to
13 the Compensating Use Tax Law.

14 144.612. A vendor is required to register with the director
15 under this chapter for the collection and remittance of use tax
16 if the vendor is engaged in business activities within this
17 state. For purposes of this chapter, "engages in business
18 activities within this state" includes:

19 (1) Maintaining or having a franchisee or licensee
20 operating under the seller's trade name in this state if the
21 franchisee or licensee is required to collect sales tax pursuant
22 to sections 144.010 to 144.525;

23 (2) Soliciting sales or taking orders by sales agents or
24 traveling representatives;

25 (3) A vendor is presumed to engage in business activities
26 within this state if any person, other than a common carrier
27 acting in its capacity as such, that has substantial nexus with
28 this state:

1 (a) Sells a similar line of products as the vendor and does
2 so under the same or a similar business name;

3 (b) Maintains an office, distribution facility, warehouse,
4 or storage place, or similar place of business in the state to
5 facilitate the delivery of property or services sold by the
6 vendor to the vendor's customers;

7 (c) Delivers, installs, assembles, or performs maintenance
8 services for the vendor's customers within the state;

9 (d) Facilitates the vendor's delivery of property to
10 customers in the state by allowing the vendor's customers to pick
11 up property sold by the vendor at an office, distribution
12 facility, warehouse, storage place, or similar place of business
13 maintained by the person in the state; or

14 (e) Conducts any other activities in the state that are
15 significantly associated with the vendor's ability to establish
16 and maintain a market in the state for the sales;

17 (4) The presumption in subdivision (3) of this section may
18 be rebutted by demonstrating that the person's activities in the
19 state are not significantly associated with the vendor's ability
20 to establish or maintain a market in this state for the vendor's
21 sales;

22 (5) Notwithstanding subdivision (3) of this section, a
23 vendor shall be presumed to engage in business activities within
24 this state if the vendor enters into an agreement with one or
25 more residents of this state under which the resident, for a
26 commission or other consideration, directly or indirectly refers
27 potential customers, whether by a link on an internet website, an
28 in-person oral presentation, telemarketing, or otherwise, to the

1 vendor, if the cumulative gross receipts from sales by the vendor
2 to customers in the state who are referred to the vendor by all
3 residents with this type of an agreement with the vendor is in
4 excess of ten thousand dollars during the preceding twelve
5 months;

6 (6) The presumption in subdivision (5) of this section may
7 be rebutted by submitting proof that the residents with whom the
8 vendor has an agreement did not engage in any activity within the
9 state that was significantly associated with the vendor's ability
10 to establish or maintain the vendor's market in the state during
11 the preceding twelve months. Such proof may consist of sworn
12 written statements from all of the residents with whom the vendor
13 has an agreement stating that they did not engage in any
14 solicitation in the state on behalf of the vendor during the
15 preceding year provided that such statements were provided and
16 obtained in good faith.

17 144.655. 1. Every vendor, on or before the last day of the
18 month following each calendar quarterly period of three months,
19 shall file with the director of revenue a return of all taxes
20 collected for the preceding quarter in the form prescribed by the
21 director of revenue, showing the total sales price of the
22 tangible personal property sold by the vendor, the storage, use
23 or consumption of which is subject to the tax levied by this law,
24 and other information the director of revenue deems necessary.
25 The return shall be accompanied by a remittance of the amount of
26 the tax required to be collected by the vendor during the period
27 covered by the return. Returns shall be signed by the vendor or
28 the vendor's authorized agent. The director of revenue may

1 promulgate rules or regulations changing the filing and payment
2 requirements of vendors, but shall not require any vendor to file
3 and pay more frequently than required in this section.

4 2. Where the aggregate amount of tax required to be
5 collected by a vendor is in excess of two hundred and fifty
6 dollars for either the first or second month of a calendar
7 quarter, the vendor shall pay such aggregate amount for such
8 months to the director of revenue by the twentieth day of the
9 succeeding month. The amount so paid shall be allowed as a
10 credit against the liability shown on the vendor's quarterly
11 return required by this section.

12 3. Where the aggregate amount of tax required to be
13 collected by a vendor is less than forty-five dollars in a
14 calendar quarter, the director of revenue shall by regulation
15 permit the vendor to file a return for a calendar year. The
16 return shall be filed and the taxes paid on or before January
17 thirty-first of the succeeding year.

18 4. Except as provided in subsection 5 of this section,
19 every person purchasing tangible personal property, the storage,
20 use or consumption of which is subject to the tax levied by
21 sections 144.600 to 144.748, who has not paid the tax due to a
22 vendor registered in accordance with the provisions of section
23 144.650, shall file with the director of revenue a return for the
24 preceding reporting period in the form and manner that the
25 director of revenue prescribes, showing the total sales price of
26 the tangible property purchased during the preceding reporting
27 period and any other information that the director of revenue
28 deems necessary for the proper administration of sections 144.600

1 to 144.748. The return shall be accompanied by a remittance of
2 the amount of the tax required by sections 144.600 to 144.748 to
3 be paid by the person. Returns shall be signed by the person
4 liable for the tax or such person's duly authorized agent. For
5 purposes of this subsection, the reporting period shall be
6 determined by the director of revenue and may be a calendar
7 quarter or a calendar year. Annual returns and payments required
8 by the director pursuant to this subsection shall be due on or
9 before April fifteenth of the year for the preceding calendar
10 year and quarterly returns and payments shall be due on or before
11 the last day of the month following each calendar period of three
12 months. Upon the taxpayer's request, the director may allow the
13 filing of such returns and payments on a monthly basis. If a
14 taxpayer elects to file a monthly return and payment, such return
15 and payment shall be due on or before the twentieth day of the
16 succeeding month.

17 5. Any person purchasing tangible personal property subject
18 to the taxes imposed by sections 144.600 to 144.748 shall not be
19 required to file a use tax return with the director of revenue if
20 such purchases on which such taxes were not paid do not exceed in
21 the aggregate two thousand dollars in any calendar year.

22 6. Nothing in subsection 5 of this section shall relieve a
23 vendor of liability to collect the tax imposed pursuant to
24 sections 144.600 to 144.748 on the total gross receipts of all
25 sales of tangible personal property used, stored or consumed in
26 this state and to remit all taxes collected to the director of
27 revenue in accordance with the provisions of this section nor
28 shall it relieve a purchaser from paying such taxes to a vendor

1 registered in accordance with the provisions of section 144.650.

2 7. Any out-of-state seller which is not legally required to
3 register for use tax in this state but chooses to collect and
4 remit use tax under sections 144.600 to 144.761 shall file a
5 return for the calendar year. The return shall be filed and the
6 taxes paid on or before January thirty-first of the succeeding
7 year.

8 144.759. 1. All local use taxes collected by the director
9 of revenue pursuant to sections 144.757 to 144.761 on behalf of
10 any county or municipality, less one percent for cost of
11 collection, which shall be deposited in the state's general
12 revenue fund after payment of premiums for surety bonds as
13 provided in section 32.087 shall be deposited with the state
14 treasurer in a local use tax trust fund, which fund shall be
15 separate and apart from the local sales tax trust funds. The
16 moneys in such local use tax trust fund shall not be deemed to be
17 state funds and shall not be commingled with any funds of the
18 state. The director of revenue shall keep accurate records of
19 the amount of money in the trust fund which was collected in each
20 county or municipality imposing a local use tax, and the records
21 shall be open to the inspection of officers of the county or
22 municipality and to the public. No later than the tenth day of
23 each month, the director of revenue shall distribute all moneys
24 deposited in the trust fund during the preceding month, except as
25 provided in subsection 2 of this section, to the county or
26 municipality treasurer, or such other officer as may be
27 designated by the county or municipality ordinance or order, of
28 each county or municipality imposing the tax authorized by

1 sections 144.757 to 144.761, the sum due the county or
2 municipality as certified by the director of revenue.

3 2. The director of revenue shall distribute all moneys
4 which would be due any county having a charter form of government
5 and having a population of nine hundred thousand or more to the
6 county treasurer or such other officer as may be designated by
7 county ordinance, who shall distribute such moneys as follows:
8 the portion of the use tax imposed by the county which equals
9 one-half the rate of sales tax in effect for such county shall be
10 disbursed to the county treasurer for expenditure throughout the
11 county for public safety, parks, and job creation, subject to any
12 qualifications and regulations adopted by ordinance of the
13 county. Such ordinance shall require an audited comprehensive
14 financial report detailing the management and use of such funds
15 each year. Such ordinance shall also require that the county and
16 the municipal league of the county jointly prepare a strategy to
17 guide expenditures of funds and conduct an annual review of the
18 strategy. The treasurer or such other officer as may be
19 designated by county ordinance shall distribute one-third of the
20 balance to the county and to each city, town and village in group
21 B according to section 66.620 as modified by this section, a
22 portion of the two-thirds remainder of such balance equal to the
23 percentage ratio that the population of each such city, town or
24 village bears to the total population of all such group B cities,
25 towns and villages. For the purposes of this subsection,
26 population shall be determined by the last federal decennial
27 census or the latest census that determines the total population
28 of the county and all political subdivisions therein. For the

1 purposes of this subsection, each city, town or village in group
2 A according to section 66.620 but whose per capita sales tax
3 receipts during the preceding calendar year pursuant to sections
4 66.600 to 66.630 were less than the per capita countywide average
5 of all sales tax receipts during the preceding calendar year,
6 shall be treated as a group B city, town or village until the per
7 capita amount distributed to such city, town or village equals
8 the difference between the per capita sales tax receipts during
9 the preceding calendar year and the per capita countywide average
10 of all sales tax receipts during the preceding calendar year.

11 3. The director of revenue may authorize the state
12 treasurer to make refunds from the amounts in the trust fund and
13 credited to any county or municipality for erroneous payments and
14 overpayments made, and may redeem dishonored checks and drafts
15 deposited to the credit of such counties or municipalities. If
16 any county or municipality abolishes the tax, the county or
17 municipality shall notify the director of revenue of the action
18 [at least ninety days prior to the effective date of the repeal,]
19 and the director of revenue may order retention in the trust
20 fund, for a period of one year, of two percent of the amount
21 collected after receipt of such notice to cover possible refunds
22 or overpayment of the tax and to redeem dishonored checks and
23 drafts deposited to the credit of such accounts. After one year
24 has elapsed after the effective date of abolition of the tax in
25 such county or municipality, the director of revenue shall
26 authorize the state treasurer to remit the balance in the account
27 to the county or municipality and close the account of that
28 county or municipality. The director of revenue shall notify

1 each county or municipality of each instance of any amount
2 refunded or any check redeemed from receipts due the county or
3 municipality.

4 4. Except as modified in sections 144.757 to 144.761, all
5 provisions of sections 32.085 [and] to 32.087 applicable to the
6 local sales tax, except for subsection 12 of section 32.087, and
7 all provisions of sections 144.600 to 144.745 shall apply to the
8 tax imposed pursuant to sections 144.757 to 144.761, and the
9 director of revenue shall perform all functions incident to the
10 administration, collection, enforcement, and operation of the
11 tax.

12 144.761. 1. No county or municipality imposing a local use
13 tax pursuant to sections 144.757 to 144.761 may repeal or amend
14 such local use tax unless such repeal or amendment is submitted
15 to and approved by the voters of the county or municipality in
16 the manner provided in section 144.757; provided, however, that
17 the repeal of the local sales tax within the county or
18 municipality shall be deemed to repeal the local use tax imposed
19 pursuant to sections 144.757 to 144.761.

20 2. Whenever the governing body of any county or
21 municipality in which a local use tax has been imposed in the
22 manner provided by sections 144.757 to 144.761 receives a
23 petition, signed by fifteen percent of the registered voters of
24 such county or municipality voting in the last gubernatorial
25 election, calling for an election to repeal such local use tax,
26 the governing body shall submit to the voters of such county or
27 municipality a proposal to repeal the county or municipality use
28 tax imposed pursuant to sections 144.757 to 144.761. If a

1 majority of the votes cast on the proposal by the registered
2 voters voting thereon are in favor of the proposal to repeal the
3 local use tax, then the ordinance or order imposing the local use
4 tax, along with any amendments thereto, is repealed. If a
5 majority of the votes cast by the registered voters voting
6 thereon are opposed to the proposal to repeal the local use tax,
7 then the ordinance or order imposing the local use tax, along
8 with any amendments thereto, shall remain in effect. Subsection
9 19 of section 32.087 shall apply to such repeal of the tax
10 authorized under sections 144.757 to 144.761.

11 148.622. 1. For all tax years beginning in a calendar year
12 in which there is a reduction in the rate of tax imposed under
13 section 143.071, there shall be a corresponding and proportional
14 reduction in the rate of tax imposed under sections 148.030,
15 148.140, and 148.620. The reduced rate shall be the applicable
16 rate in each subsequent calendar year.

17 2. The reduction provided for in subsection 1 of this
18 section shall occur each year there is a reduction in the rate of
19 tax imposed under section 143.071, including a reduction in the
20 rate of tax by operation of any other provision of law or by the
21 constitution.

22 3. If any reduction provided for under this section occurs,
23 the director of the department of revenue shall publish such new
24 rate prior to the tax year in which the new rate shall take
25 effect.

26 184.845. 1. The board of the district may impose a museum
27 and cultural district sales tax by resolution on all retail sales
28 made in such museum and cultural district which are subject to

1 [taxation pursuant to the provisions of sections 144.010 to
2 144.525] sales tax under chapter 144. Such museum and cultural
3 district sales tax may be imposed for any museum or cultural
4 purpose designated by the board of the museum and cultural
5 district. If the resolution is adopted the board of the district
6 may submit the question of whether to impose a sales tax
7 authorized by this section to the qualified voters, who shall
8 have the same voting interests as with the election of members of
9 the board of the district.

10 2. The sales tax authorized by this section shall become
11 effective [on the first day of the second calendar quarter
12 following adoption of the tax by the board or qualified voters]
13 as provided in subsection 19 of section 32.087, if the board
14 elects to submit the question of whether to impose a sales tax to
15 the qualified voters.

16 3. In each museum and cultural district in which a sales
17 tax has been imposed in the manner provided by this section,
18 every retailer shall add the tax imposed by the museum and
19 cultural district pursuant to this section to the retailer's sale
20 price, and when so added such tax shall constitute a part of the
21 price, shall be a debt of the purchaser to the retailer until
22 paid, and shall be recoverable at law in the same manner as the
23 purchase price.

24 4. In order to permit sellers required to collect and
25 report the sales tax authorized by this section to collect the
26 amount required to be reported and remitted, but not to change
27 the requirements of reporting or remitting tax or to serve as a
28 levy of the tax, and in order to avoid fractions of pennies, the

1 [museum and cultural district may establish appropriate brackets
2 which shall be used in the district imposing a tax pursuant to
3 this section in lieu of those brackets provided in] tax shall be
4 calculated as authorized by the provisions of section 144.285.

5 5. All revenue received by a museum and cultural district
6 from the tax authorized by this section which has been designated
7 for a certain museum or cultural purpose shall be deposited in a
8 special trust fund and shall be used solely for such designated
9 purpose. All funds remaining in the special trust fund shall
10 continue to be used solely for such designated museum or cultural
11 purpose. Any funds in such special trust fund which are not
12 needed for current expenditures may be invested by the board of
13 directors in accordance with applicable laws relating to the
14 investment of other museum or cultural district funds.

15 6. The sales tax may be imposed at a rate of one-half of
16 one percent, three-fourths of one percent or one percent on the
17 receipts from the sale at retail of all tangible personal
18 property or taxable services at retail within the museum and
19 cultural district adopting such tax, if such property and
20 services are subject to taxation by the state of Missouri
21 [pursuant to the provisions of sections 144.010 to 144.525] under
22 chapter 144. Any museum and cultural district sales tax imposed
23 pursuant to this section shall be imposed at a rate that shall be
24 uniform throughout the district.

25 7. On and after the effective date of any tax imposed
26 pursuant to this section, the [museum and cultural district]
27 director of revenue shall perform all functions incident to the
28 administration, collection, enforcement, and operation of the

1 tax. The tax imposed pursuant to this section shall be collected
2 and reported upon such forms and under such administrative rules
3 and regulations as may be prescribed by the [museum and cultural
4 district] director of revenue.

5 8. All applicable provisions contained in sections 144.010
6 to 144.525 governing the state sales tax, sections 32.085
7 [and] to 32.087, and section 32.057, the uniform confidentiality
8 provision, shall apply to the collection of the tax imposed by
9 this section, except as modified in this section. All revenue
10 collected under this section by the director of the department of
11 revenue on behalf of the museum and cultural districts[, except
12 for one percent for the cost of collection which shall be
13 deposited in the state's general revenue fund,] shall be
14 deposited in a special trust fund, which is hereby created and
15 shall be known as the "Missouri Museum Cultural District Tax
16 Fund", and shall be used solely for such designated purpose.
17 [Moneys in the fund shall not be deemed to be state funds, and
18 shall not be commingled with any funds of the state.] The
19 director may make refunds from the amounts in the fund and
20 credited to the district for erroneous payments and overpayments
21 made, and may redeem dishonored checks and drafts deposited to
22 the credit of such county.

23 9. All exemptions granted to agencies of government,
24 organizations, persons and to the sale of certain articles and
25 items of tangible personal property and taxable services pursuant
26 to the provisions of sections 144.010 to 144.525 are hereby made
27 applicable to the imposition and collection of the tax imposed by
28 this section.

1 10. The same sales tax permit, exemption certificate and
2 retail certificate required by sections 144.010 to 144.525 for
3 the administration and collection of the state sales tax shall
4 satisfy the requirements of this section, and no additional
5 permit or exemption certificate or retail certificate shall be
6 required; except that the museum and cultural district may
7 prescribe a form of exemption certificate for an exemption from
8 the tax imposed by this section.

9 11. The penalties provided in section 32.057 and sections
10 144.010 to 144.525 for violation of those sections are hereby
11 made applicable to violations of this section.

12 12. [For the purpose of a sales tax imposed by a resolution
13 pursuant to this section, all retail sales except retail sales of
14 motor vehicles shall be deemed to be consummated at the place of
15 business of the retailer unless the tangible personal property
16 sold is delivered by the retailer or the retailer's agent to an
17 out-of-state destination or to a common carrier for delivery to
18 an out-of-state destination. In the event a retailer has more
19 than one place of business in this state which participates in
20 the sale, the sale shall be deemed to be consummated at the place
21 of business of the retailer where the initial order for the
22 tangible personal property is taken, even though the order shall
23 be forwarded elsewhere for acceptance, approval of credit,
24 shipment or billing. A sale by a retailer's employee shall be
25 deemed to be consummated at the place of business from which the
26 employee works.

27 13.] All sales taxes collected by the museum and cultural
28 district shall be deposited by the museum and cultural district

1 in a special fund to be expended for the purposes authorized in
2 this section. The museum and cultural district shall keep
3 accurate records of the amount of money which was collected
4 pursuant to this section, and the records shall be open to the
5 inspection by the officers and directors of each museum and
6 cultural district and the Missouri department of revenue. Tax
7 returns filed by businesses within the district shall otherwise
8 be considered as confidential in the same manner as sales tax
9 returns filed with the Missouri department of revenue.

10 [14.] 13. No museum and cultural district imposing a sales
11 tax pursuant to this section may repeal or amend such sales tax
12 unless such repeal or amendment will not impair the district's
13 ability to repay any liabilities which it has incurred, money
14 which it has borrowed or revenue bonds, notes or other
15 obligations which it has issued or which have been issued to
16 finance any project or projects.

17 14. Except as modified in this section, all provisions of
18 sections 32.085 to 32.087 shall apply to the tax imposed under
19 this section.

20 221.407. 1. The commission of any regional jail district
21 may impose, by order, a sales tax in the amount of one-eighth of
22 one percent, one-fourth of one percent, three-eighths of one
23 percent, or one-half of one percent on all retail sales made in
24 such region which are subject to taxation [pursuant to the
25 provisions of sections 144.010 to 144.525] under chapter 144 for
26 the purpose of providing jail services and court facilities and
27 equipment for such region. The tax authorized by this section
28 shall be in addition to any and all other sales taxes allowed by

1 law, except that no order imposing a sales tax pursuant to this
2 section shall be effective unless the commission submits to the
3 voters of the district, on any election date authorized in
4 chapter 115, a proposal to authorize the commission to impose a
5 tax.

6 2. The ballot of submission shall contain, but need not be
7 limited to, the following language:

8 Shall the regional jail district of _____ (counties' names)
9 impose a region-wide sales tax of _____ (insert amount) for the
10 purpose of providing jail services and court facilities and
11 equipment for the region?

12 YES NO

13

14 If you are in favor of the question, place an "X" in the box
15 opposite "YES". If you are opposed to the question, place an "X"
16 in the box opposite "NO".

17

18 If a majority of the votes cast on the proposal by the qualified
19 voters of the district voting thereon are in favor of the
20 proposal, then the order and any amendment to such order shall be
21 in effect [on the first day of the second quarter immediately
22 following the election approving the proposal] as provided by
23 subsection 19 of section 32.087. If the proposal receives less
24 than the required majority, the commission shall have no power to
25 impose the sales tax authorized pursuant to this section unless
26 and until the commission shall again have submitted another
27 proposal to authorize the commission to impose the sales tax
28 authorized by this section and such proposal is approved by the

1 required majority of the qualified voters of the district voting
2 on such proposal; however, in no event shall a proposal pursuant
3 to this section be submitted to the voters sooner than twelve
4 months from the date of the last submission of a proposal
5 pursuant to this section.

6 3. All revenue received by a district from the tax
7 authorized pursuant to this section shall be deposited in a
8 special trust fund and shall be used solely for providing jail
9 services and court facilities and equipment for such district for
10 so long as the tax shall remain in effect.

11 4. Once the tax authorized by this section is abolished or
12 terminated by any means, all funds remaining in the special trust
13 fund shall be used solely for providing jail services and court
14 facilities and equipment for the district. Any funds in such
15 special trust fund which are not needed for current expenditures
16 may be invested by the commission in accordance with applicable
17 laws relating to the investment of other county funds.

18 5. All sales taxes collected by the director of revenue
19 pursuant to this section on behalf of any district[, less one
20 percent for cost of collection which shall be deposited in the
21 state's general revenue fund after payment of premiums for surety
22 bonds as provided in section 32.087,] shall be deposited in a
23 special trust fund, which is hereby created, to be known as the
24 "Regional Jail District Sales Tax Trust Fund". [The moneys in
25 the regional jail district sales tax trust fund shall not be
26 deemed to be state funds and shall not be commingled with any
27 funds of the state.] The director of revenue shall keep accurate
28 records of the amount of money in the trust fund which was

1 collected in each district imposing a sales tax pursuant to this
2 section, and the records shall be open to the inspection of
3 officers of each member county and the public. Not later than
4 the tenth day of each month the director of revenue shall
5 distribute all moneys deposited in the trust fund during the
6 preceding month to the district which levied the tax. Such funds
7 shall be deposited with the treasurer of each such district, and
8 all expenditures of funds arising from the regional jail district
9 sales tax trust fund shall be paid pursuant to an appropriation
10 adopted by the commission and shall be approved by the
11 commission. Expenditures may be made from the fund for any
12 function authorized in the order adopted by the commission
13 submitting the regional jail district tax to the voters.

14 6. The director of revenue may make refunds from the
15 amounts in the trust fund and credited to any district for
16 erroneous payments and overpayments made, and may redeem
17 dishonored checks and drafts deposited to the credit of such
18 districts. If any district abolishes the tax, the commission
19 shall notify the director of revenue of the action [at least
20 ninety days prior to the effective date of the repeal,] and the
21 director of revenue may order retention in the trust fund, for a
22 period of one year, of two percent of the amount collected after
23 receipt of such notice to cover possible refunds or overpayment
24 of the tax and to redeem dishonored checks and drafts deposited
25 to the credit of such accounts. After one year has elapsed after
26 the effective date of abolition of the tax in such district, the
27 director of revenue shall remit the balance in the account to the
28 district and close the account of that district. The director of

1 revenue shall notify each district in each instance of any amount
2 refunded or any check redeemed from receipts due the district.

3 7. Except as provided in this section, all provisions of
4 sections 32.085 [and] to 32.087 shall apply to the tax imposed
5 pursuant to this section.

6 8. The provisions of this section shall expire September
7 30, 2028.

8 238.235. 1. (1) Any transportation development district
9 may by resolution impose a transportation development district
10 sales tax on all retail sales made in such transportation
11 development district which are subject to taxation [pursuant to
12 the provisions of sections 144.010 to 144.525] under chapter 144,
13 except such transportation development district sales tax shall
14 not apply to the sale or use of motor vehicles, trailers, boats
15 or outboard motors [nor to all sales of electricity or electrical
16 current, water and gas, natural or artificial, nor to sales of
17 service to telephone subscribers, either local or long distance],
18 electricity piped natural or artificial gas, or other fuels
19 delivered by the seller. Such transportation development
20 district sales tax may be imposed for any transportation
21 development purpose designated by the transportation development
22 district in its ballot of submission to its qualified voters,
23 except that no resolution enacted pursuant to the authority
24 granted by this section shall be effective unless:

25 (a) The board of directors of the transportation
26 development district submits to the qualified voters of the
27 transportation development district a proposal to authorize the
28 board of directors of the transportation development district to

1 impose or increase the levy of an existing tax pursuant to the
2 provisions of this section; or

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

5 (2) If the transportation district submits to the qualified
6 voters of the transportation development district a proposal to
7 authorize the board of directors of the transportation
8 development district to impose or increase the levy of an
9 existing tax pursuant to the provisions of paragraph (a) of
10 subdivision (1) of this subsection, the ballot of submission
11 shall contain, but need not be limited to, the following
12 language:

13 Shall the transportation development district of _____
14 (transportation development district's name) impose a
15 transportation development district-wide sales tax at the rate of
16 _____ (insert amount) for a period of _____ (insert number)
17 years from the date on which such tax is first imposed for the
18 purpose of _____ (insert transportation development purpose)?

19 YES NO

20
21 If you are in favor of the question, place an "X" in the box
22 opposite "YES". If you are opposed to the question, place an "X"
23 in the box opposite "NO".

24
25 If a majority of the votes cast on the proposal by the qualified
26 voters voting thereon are in favor of the proposal, then the
27 resolution and any amendments thereto shall be in effect as
28 provided by subsection 19 of section 32.087. If a majority of

1 the votes cast by the qualified voters voting are opposed to the
2 proposal, then the board of directors of the transportation
3 development district shall have no power to impose the sales tax
4 authorized by this section unless and until the board of
5 directors of the transportation development district shall again
6 have submitted another proposal to authorize it to impose the
7 sales tax pursuant to the provisions of this section and such
8 proposal is approved by a majority of the qualified voters voting
9 thereon.

10 (3) [The sales tax authorized by this section shall become
11 effective on the first day of the second calendar quarter after
12 the department of revenue receives notification of the tax.

13 (4) In each transportation development district in which a
14 sales tax has been imposed in the manner provided by this
15 section, every retailer shall add the tax imposed by the
16 transportation development district pursuant to this section to
17 the retailer's sale price, and when so added such tax shall
18 constitute a part of the price, shall be a debt of the purchaser
19 to the retailer until paid, and shall be recoverable at law in
20 the same manner as the purchase price.

21 (5) In order to permit sellers required to collect and
22 report the sales tax authorized by this section to collect the
23 amount required to be reported and remitted, but not to change
24 the requirements of reporting or remitting tax or to serve as a
25 levy of the tax, and in order to avoid fractions of pennies, the
26 transportation development district may establish appropriate
27 brackets which shall be used in the district imposing a tax
28 pursuant to this section in lieu of those brackets provided in

1 section 144.285.

2 (6)] All revenue received by a transportation development
3 district from the tax authorized by this section which has been
4 designated for a certain transportation development purpose shall
5 be deposited in a special trust fund and shall be used solely for
6 such designated purpose. Upon the expiration of the period of
7 years approved by the qualified voters pursuant to subdivision
8 (2) of this subsection or if the tax authorized by this section
9 is repealed pursuant to subsection 6 of this section, all funds
10 remaining in the special trust fund shall continue to be used
11 solely for such designated transportation development purpose.
12 Any funds in such special trust fund which are not needed for
13 current expenditures may be invested by the board of directors in
14 accordance with applicable laws relating to the investment of
15 other transportation development district funds.

16 [(7)] (4) The sales tax may be imposed in increments of
17 one-eighth of one percent, up to a maximum of one percent on the
18 receipts from the sale at retail of all tangible personal
19 property or taxable services at retail within the transportation
20 development district adopting such tax, if such property and
21 services are subject to taxation by the state of Missouri
22 pursuant to [the provisions of sections 144.010 to 144.525]
23 chapter 144, except such transportation development district
24 sales tax shall not apply to the sale or use of motor vehicles,
25 trailers, boats or outboard motors [nor to public utilities].
26 Any transportation development district sales tax imposed
27 pursuant to this section shall be imposed at a rate that shall be
28 uniform throughout the district.

1 2. The resolution imposing the sales tax pursuant to this
2 section shall impose upon all sellers a tax for the privilege of
3 engaging in the business of selling tangible personal property or
4 rendering taxable services at retail to the extent and in the
5 manner provided [in sections 144.010 to 144.525] under chapter
6 144, and the rules and regulations of the director of revenue
7 issued pursuant thereto; except that the rate of the tax shall be
8 the rate imposed by the resolution as the sales tax and the tax
9 shall be reported and returned to and collected by the
10 transportation development district.

11 3. [On and after the effective date of any tax imposed
12 pursuant to this section, the director of revenue shall perform
13 all functions incident to the administration, collection,
14 enforcement, and operation of the tax, and the director of
15 revenue shall collect, in addition to all other sales taxes
16 imposed by law, the additional tax authorized pursuant to this
17 section. The tax imposed pursuant to this section and the taxes
18 imposed pursuant to all other laws of the state of Missouri shall
19 be collected together and reported upon such forms and pursuant
20 to such administrative rules and regulations as may be prescribed
21 by the director of revenue.

22 4. (1) All applicable provisions contained in sections
23 144.010 to 144.525, governing the state sales tax, sections
24 32.085 and 32.087 and section 32.057, the uniform confidentiality
25 provision, shall apply to the collection of the tax imposed by
26 this section, except as modified in this section.

27 (2) All exemptions granted to agencies of government,
28 organizations, persons and to the sale of certain articles and

1 items of tangible personal property and taxable services pursuant
2 to the provisions of sections 144.010 to 144.525 are hereby made
3 applicable to the imposition and collection of the tax imposed by
4 this section.

5 (3) The same sales tax permit, exemption certificate and
6 retail certificate required by sections 144.010 to 144.525 for
7 the administration and collection of the state sales tax shall
8 satisfy the requirements of this section, and no additional
9 permit or exemption certificate or retail certificate shall be
10 required; except that the transportation development district may
11 prescribe a form of exemption certificate for an exemption from
12 the tax imposed by this section.

13 (4) All discounts allowed the retailer pursuant to the
14 provisions of the state sales tax laws for the collection of and
15 for payment of taxes pursuant to such laws are hereby allowed and
16 made applicable to any taxes collected pursuant to the provisions
17 of this section.

18 (5) The penalties provided in section 32.057 and sections
19 144.010 to 144.525 for violation of those sections are hereby
20 made applicable to violations of this section.

21 (6) For the purpose of a sales tax imposed by a resolution
22 pursuant to this section, all retail sales except retail sales of
23 motor vehicles shall be deemed to be consummated at the place of
24 business of the retailer unless the tangible personal property
25 sold is delivered by the retailer or the retailer's agent to an
26 out-of-state destination or to a common carrier for delivery to
27 an out-of-state destination. In the event a retailer has more
28 than one place of business in this state which participates in

1 the sale, the sale shall be deemed to be consummated at the place
2 of business of the retailer where the initial order for the
3 tangible personal property is taken, even though the order must
4 be forwarded elsewhere for acceptance, approval of credit,
5 shipment or billing. A sale by a retailer's employee shall be
6 deemed to be consummated at the place of business from which the
7 employee works.

8 5.] All sales taxes received by the transportation
9 development district shall be deposited by the director of
10 revenue in a special fund to be expended for the purposes
11 authorized in this section. The director of revenue shall keep
12 accurate records of the amount of money which was collected
13 pursuant to this section, and the records shall be open to the
14 inspection of officers of each transportation development
15 district and the general public.

16 [6.] 4. (1) No transportation development district
17 imposing a sales tax pursuant to this section may repeal or amend
18 such sales tax unless such repeal or amendment will not impair
19 the district's ability to repay any liabilities which it has
20 incurred, money which it has borrowed or revenue bonds, notes or
21 other obligations which it has issued or which have been issued
22 by the commission or any local transportation authority to
23 finance any project or projects.

24 (2) Whenever the board of directors of any transportation
25 development district in which a transportation development sales
26 tax has been imposed in the manner provided by this section
27 receives a petition, signed by ten percent of the qualified
28 voters calling for an election to repeal such transportation

1 development sales tax, the board of directors shall, if such
2 repeal will not impair the district's ability to repay any
3 liabilities which it has incurred, money which it has borrowed or
4 revenue bonds, notes or other obligations which it has issued or
5 which have been issued by the commission or any local
6 transportation authority to finance any project or projects,
7 submit to the qualified voters of such transportation development
8 district a proposal to repeal the transportation development
9 sales tax imposed pursuant to the provisions of this section. If
10 a majority of the votes cast on the proposal by the qualified
11 voters voting thereon are in favor of the proposal to repeal the
12 transportation development sales tax, then the resolution
13 imposing the transportation development sales tax, along with any
14 amendments thereto, is repealed as provided by subsection 19 of
15 section 32.087. If a majority of the votes cast by the qualified
16 voters voting thereon are opposed to the proposal to repeal the
17 transportation development sales tax, then the ordinance or
18 resolution imposing the transportation development sales tax,
19 along with any amendments thereto, shall remain in effect.

20 [7.] 5. Notwithstanding any provision of sections 99.800 to
21 99.865 and this section to the contrary, the sales tax imposed by
22 a district whose project is a public mass transportation system
23 shall not be considered economic activity taxes as such term is
24 defined under sections 99.805 and 99.918 and shall not be subject
25 to allocation under the provisions of subsection 3 of section
26 99.845, or subsection 4 of section 99.957.

27 6. After the effective date of any tax imposed under the
28 provisions of this section, the director of revenue shall perform

1 all functions incident to the administration, collection,
2 enforcement, and operation of the tax and collect, in addition to
3 the sales tax for the state of Missouri, the additional tax
4 authorized under the authority of this section. The tax imposed
5 under this section and the tax imposed under the sales tax law of
6 the state of Missouri shall be collected together and reported
7 upon such forms and under such administrative rules and
8 regulations as may be prescribed by the director of revenue.

9 7. Except as provided in this section, all provisions of
10 sections 32.085 to 32.087 shall apply to the tax imposed under
11 this section.

12 238.410. 1. Any county transit authority established
13 pursuant to section 238.400 may impose a sales tax of up to one
14 percent on all retail sales made in such county which are subject
15 to taxation under [the provisions of sections 144.010 to 144.525]
16 chapter 144. The tax authorized by this section shall be in
17 addition to any and all other sales taxes allowed by law, except
18 that no sales tax imposed under the provisions of this section
19 shall be effective unless the governing body of the county, on
20 behalf of the transit authority, submits to the voters of the
21 county, at a county or state general, primary or special
22 election, a proposal to authorize the transit authority to impose
23 a tax.

24 2. The ballot of submission shall contain, but need not be
25 limited to, the following language:

26 Shall the _____ Transit Authority impose a countywide sales
27 tax of _____ (insert amount) in order to provide revenues for
28 the operation of transportation facilities operated by the

1 transit authority?

2 YES NO

3

4 If you are in favor of the question, place an "X" in the box
5 opposite "YES". If you are opposed to the question, place an "X"
6 in the box opposite "NO".

7

8 If a majority of the votes cast on the proposal by the qualified
9 voters voting thereon are in favor of the proposal, then the tax
10 shall become effective [on the first day of the second calendar
11 quarter following notification to the department of revenue of
12 adoption of the tax] as provided by subsection 19 of section
13 32.087. If a majority of the votes cast by the qualified voters
14 voting are opposed to the proposal, then the transit authority
15 shall have no power to impose the sales tax authorized by this
16 section unless and until another proposal to authorize the
17 transit authority to impose the sales tax authorized by this
18 section has been submitted and such proposal is approved by a
19 majority of the qualified voters voting thereon.

20 3. All revenue received by the transit authority from the
21 tax authorized under the provisions of this section shall be
22 deposited in a special trust fund and shall be used solely by the
23 transit authority for construction, purchase, lease, maintenance
24 and operation of transportation facilities located within the
25 county for so long as the tax shall remain in effect. Any funds
26 in such special trust fund which are not needed for current
27 expenditures may be invested by the transit authority in
28 accordance with applicable laws relating to the investment of

1 county funds.

2 4. No transit authority imposing a sales tax pursuant to
3 this section may repeal or amend such sales tax unless such
4 repeal or amendment is submitted to and approved by the voters of
5 the county in the same manner as provided in subsection 1 of this
6 section for approval of such tax. Whenever the governing body of
7 any county in which a sales tax has been imposed in the manner
8 provided by this section receives a petition, signed by ten
9 percent of the registered voters of such county voting in the
10 last gubernatorial election, calling for an election to repeal
11 such sales tax, the governing body shall submit to the voters of
12 such county a proposal to repeal the sales tax imposed under the
13 provisions of this section. If a majority of the votes cast on
14 the proposal by the registered voters voting thereon are in favor
15 of the proposal to repeal the sales tax, then such sales tax is
16 repealed as provided by subsection 19 of section 32.087. If a
17 majority of the votes cast by the registered voters voting
18 thereon are opposed to the proposal to repeal the sales tax, then
19 such sales tax shall remain in effect.

20 5. The sales tax imposed under the provisions of this
21 section shall impose upon all sellers a tax for the privilege of
22 engaging in the business of selling tangible personal property or
23 rendering taxable services at retail to the extent and in the
24 manner provided in [sections 144.010 to 144.525] chapter 144 and
25 the rules and regulations of the director of revenue issued
26 pursuant thereto; except that the rate of the tax shall be the
27 rate approved pursuant to this section. The amount reported and
28 returned to the director of revenue by the seller shall be

1 computed on the basis of the combined rate of the tax imposed by
2 [sections 144.010 to 144.525] chapter 144 and the tax imposed by
3 this section, plus any amounts imposed under other provisions of
4 law.

5 6. After the effective date of any tax imposed under the
6 provisions of this section, the director of revenue shall perform
7 all functions incident to the administration, collection,
8 enforcement, and operation of the tax, and the director of
9 revenue shall collect in addition to the sales tax for the state
10 of Missouri the additional tax authorized under the authority of
11 this section. The tax imposed under this section and the tax
12 imposed under the sales tax law of the state of Missouri shall be
13 collected together and reported upon such forms and under such
14 administrative rules and regulations as may be prescribed by the
15 director of revenue. In order to permit sellers required to
16 collect and report the sales tax to collect the amount required
17 to be reported and remitted, but not to change the requirements
18 of reporting or remitting tax or to serve as a levy of the tax,
19 and in order to avoid fractions of pennies, the applicable
20 provisions of section 144.285 shall apply to all taxable
21 transactions.

22 7. All applicable provisions contained in [sections 144.010
23 to 144.525] chapter 144 governing the state sales tax and section
24 32.057, the uniform confidentiality provision, shall apply to the
25 collection of the tax imposed by this section, except as modified
26 in this section. All exemptions granted to agencies of
27 government, organizations, persons and to the sale of certain
28 articles and items of tangible personal property and taxable

1 services under the provisions of [sections 144.010 to
2 144.525] chapter 144 are hereby made applicable to the imposition
3 and collection of the tax imposed by this section. The same
4 sales tax permit, exemption certificate and retail certificate
5 required by [sections 144.010 to 144.525] chapter 144 for the
6 administration and collection of the state sales tax shall
7 satisfy the requirements of this section, and no additional
8 permit or exemption certificate or retail certificate shall be
9 required; except that the director of revenue may prescribe a
10 form of exemption certificate for an exemption from the tax
11 imposed by this section. All discounts allowed the retailer
12 under the provisions of the state sales tax law for the
13 collection of and for payment of taxes under chapter 144 are
14 hereby allowed and made applicable to any taxes collected under
15 the provisions of this section. The penalties provided in
16 section 32.057 and sections 144.010 to 144.525 for a violation of
17 those sections are hereby made applicable to violations of this
18 section.

19 8. [For the purposes of a sales tax imposed pursuant to
20 this section, all retail sales shall be deemed to be consummated
21 at the place of business of the retailer, except for tangible
22 personal property sold which is delivered by the retailer or his
23 agent to an out-of-state destination or to a common carrier for
24 delivery to an out-of-state destination and except for the sale
25 of motor vehicles, trailers, boats and outboard motors, which is
26 provided for in subsection 12 of this section. In the event a
27 retailer has more than one place of business in this state which
28 participates in the sale, the sale shall be deemed to be

1 consummated at the place of business of the retailer where the
2 initial order for the tangible personal property is taken, even
3 though the order must be forwarded elsewhere for acceptance,
4 approval of credit, shipment or billing. A sale by a retailer's
5 employee shall be deemed to be consummated at the place of
6 business from which he works.

7 9.] All sales taxes collected by the director of revenue
8 under this section on behalf of any transit authority[, less one
9 percent for cost of collection which shall be deposited in the
10 state's general revenue fund after payment of premiums for surety
11 bonds as provided in this section,] shall be deposited in the
12 state treasury in a special trust fund, which is hereby created,
13 to be known as the "County Transit Authority Sales Tax Trust
14 Fund". [The moneys in the county transit authority sales tax
15 trust fund shall not be deemed to be state funds and shall not be
16 commingled with any funds of the state.] The director of revenue
17 shall keep accurate records of the amount of money in the trust
18 fund which was collected in each transit authority imposing a
19 sales tax under this section, and the records shall be open to
20 the inspection of officers of the county and the public. Not
21 later than the tenth day of each month the director of revenue
22 shall distribute all moneys deposited in the trust fund during
23 the preceding month to the transit authority which levied the
24 tax.

25 [10.] 9. The director of revenue may authorize the state
26 treasurer to make refunds from the amounts in the trust fund and
27 credited to any transit authority for erroneous payments and
28 overpayments made, and may authorize the state treasurer to

1 redeem dishonored checks and drafts deposited to the credit of
2 such transit authorities. If any transit authority abolishes the
3 tax, the transit authority shall notify the director of revenue
4 of the action [at least ninety days prior to the effective date
5 of the repeal] and the director of revenue may order retention in
6 the trust fund, for a period of one year, of two percent of the
7 amount collected after receipt of such notice to cover possible
8 refunds or overpayment of the tax and to redeem dishonored checks
9 and drafts deposited to the credit of such accounts. After one
10 year has elapsed after the effective date of abolition of the tax
11 in such transit authority, the director of revenue shall
12 authorize the state treasurer to remit the balance in the account
13 to the transit authority and close the account of that transit
14 authority. The director of revenue shall notify each transit
15 authority of each instance of any amount refunded or any check
16 redeemed from receipts due the transit authority. The director
17 of revenue shall annually report on his management of the trust
18 fund and administration of the sales taxes authorized by this
19 section. He shall provide each transit authority imposing the
20 tax authorized by this section with a detailed accounting of the
21 source of all funds received by him for the transit authority.

22 [11.] 10. The director of revenue and any of his deputies,
23 assistants and employees who shall have any duties or
24 responsibilities in connection with the collection, deposit,
25 transfer, transmittal, disbursement, safekeeping, accounting, or
26 recording of funds which come into the hands of the director of
27 revenue under the provisions of this section shall enter a surety
28 bond or bonds payable to any and all transit authorities in whose

1 behalf such funds have been collected under this section in the
2 amount of one hundred thousand dollars; but the director of
3 revenue may enter into a blanket bond or bonds covering himself
4 and all such deputies, assistants and employees. The cost of the
5 premium or premiums for the surety bond or bonds shall be paid by
6 the director of revenue from the share of the collection retained
7 by the director of revenue for the benefit of the state.

8 [12.] 11. Sales taxes imposed pursuant to this section and
9 use taxes on the purchase and sale of motor vehicles, trailers,
10 boats, and outboard motors shall not be collected and remitted by
11 the seller, but shall be collected by the director of revenue at
12 the time application is made for a certificate of title, if the
13 address of the applicant is within a county where a sales tax is
14 imposed under this section. The amounts so collected, less the
15 one percent collection cost, shall be deposited in the county
16 transit authority sales tax trust fund. The purchase or sale of
17 motor vehicles, trailers, boats, and outboard motors shall be
18 deemed to be consummated at the address of the applicant. As
19 used in this subsection, the term "boat" shall only include
20 motorboats and vessels as the terms "motorboat" and "vessel" are
21 defined in section 306.010.

22 [13.] 12. In any county where the transit authority sales
23 tax has been imposed, if any person is delinquent in the payment
24 of the amount required to be paid by him under this section or in
25 the event a determination has been made against him for taxes and
26 penalty under this section, the limitation for bringing suit for
27 the collection of the delinquent tax and penalty shall be the
28 same as that provided in sections 144.010 to 144.525. Where the

1 director of revenue has determined that suit must be filed
2 against any person for the collection of delinquent taxes due the
3 state under the state sales tax law, and where such person is
4 also delinquent in payment of taxes under this section, the
5 director of revenue shall notify the transit authority to which
6 delinquent taxes are due under this section by United States
7 registered mail or certified mail at least ten days before
8 turning the case over to the attorney general. The transit
9 authority, acting through its attorney, may join in such suit as
10 a party plaintiff to seek a judgment for the delinquent taxes and
11 penalty due such transit authority. In the event any person
12 fails or refuses to pay the amount of any sales tax due under
13 this section, the director of revenue shall promptly notify the
14 transit authority to which the tax would be due so that
15 appropriate action may be taken by the transit authority.

16 [14.] 13. Where property is seized by the director of
17 revenue under the provisions of any law authorizing seizure of
18 the property of a taxpayer who is delinquent in payment of the
19 tax imposed by the state sales tax law, and where such taxpayer
20 is also delinquent in payment of any tax imposed by this section,
21 the director of revenue shall permit the transit authority to
22 join in any sale of property to pay the delinquent taxes and
23 penalties due the state and to the transit authority under this
24 section. The proceeds from such sale shall first be applied to
25 all sums due the state, and the remainder, if any, shall be
26 applied to all sums due such transit authority under this
27 section.

28 [15. The transit authority created under the provisions of

1 sections 238.400 to 238.412 shall notify any and all affected
2 businesses of the change in tax rate caused by the imposition of
3 the tax authorized by sections 238.400 to 238.412.

4 16.] 14. In the event that any transit authority in any
5 county with a charter form of government and with more than two
6 hundred fifty thousand but fewer than three hundred fifty
7 thousand inhabitants submits a proposal in any election to
8 increase the sales tax under this section, and such proposal is
9 approved by the voters, the county shall be reimbursed for the
10 costs of submitting such proposal from the funds derived from the
11 tax levied under this section.

12 15. Except as provided in sections 238.400 to 238.412, all
13 provisions of sections 32.085 to 32.087 shall apply to the tax
14 imposed under sections 238.410 to 238.412.

15 620.1350. 1. The words used in this section and sections
16 620.1355 and 620.1360 shall, unless the context otherwise
17 requires, have the meaning provided in subdivision (4) of
18 subsection 2 of section 143.451, and in addition, the following
19 words shall have the following meanings:

20 (1) "Department", the department of economic development;

21 (2) "Director", the director of the department of economic
22 development.

23 2. An investment funds service corporation or S
24 corporation, certified pursuant to this section and sections
25 620.1355 and 620.1360, may make an annual election to compute the
26 portion of income derived from sources within this state either
27 pursuant to section 143.451 or pursuant to section 32.200
28 relating to the multistate tax compact. The annual election

1 shall be made by the filing of a corporate income tax return
2 reflecting the use of such election and by filing a copy of the
3 certificate issued by the director pursuant to the provisions of
4 this section and sections 620.1355 and 620.1360. The annual
5 election may be made regardless of whether the corporation filed
6 its income tax return on a single entity basis or was included in
7 a consolidated income tax return in any year.

8 3. Notwithstanding the provisions of subsection 2 of this
9 section to the contrary, for all tax years beginning on or after
10 January 1, 2019, an investment funds service corporation or S
11 corporation, certified pursuant to this section and sections
12 620.1355 and 620.1360, shall compute the portion of income
13 derived from sources within this state pursuant to section
14 143.455.

15 644.032. 1. The governing body of any municipality or
16 county may impose, by ordinance or order, a sales tax in an
17 amount not to exceed one-half of one percent on all retail sales
18 made in such municipality or county which are subject to taxation
19 under the provisions of [sections 144.010 to 144.525] chapter
20 144. The tax authorized by this section and section 644.033
21 shall be in addition to any and all other sales taxes allowed by
22 law, except that no ordinance or order imposing a sales tax under
23 the provisions of this section and section 644.033 shall be
24 effective unless the governing body of the municipality or county
25 submits to the voters of the municipality or county, at a
26 municipal, county or state general, primary or special election,
27 a proposal to authorize the governing body of the municipality or
28 county to impose a tax, provided, that the tax authorized by this

1 section shall not be imposed on the sales of food, as defined in
2 section 144.014, when imposed by any county with a charter form
3 of government and with more than one million inhabitants.

4 2. The ballot of submission shall contain, but need not be
5 limited to, the following language:

6 Shall the municipality (county) of _____ impose a
7 sales tax of _____ (insert amount) for the purpose of
8 providing funding for _____ (insert either storm water
9 control, or local parks, or storm water control and
10 local parks) for the municipality (county)?

11 YES

NO

12
13 If a majority of the votes cast on the proposal by the qualified
14 voters voting thereon are in favor of the proposal, then the
15 ordinance or order and any amendments thereto shall [be in effect
16 on the first day of the second quarter after the director of
17 revenue receives notice of adoption of the tax] become effective
18 as provided in subsection 19 of section 32.087. If a majority of
19 the votes cast by the qualified voters voting are opposed to the
20 proposal, then the governing body of the municipality or county
21 shall not impose the sales tax authorized in this section and
22 section 644.033 until the governing body of the municipality or
23 county resubmits another proposal to authorize the governing body
24 of the municipality or county to impose the sales tax authorized
25 by this section and section 644.033 and such proposal is approved
26 by a majority of the qualified voters voting thereon; however, in
27 no event shall a proposal pursuant to this section and section
28 644.033 be submitted to the voters sooner than twelve months from

1 the date of the last proposal pursuant to this section and
2 section 644.033.

3 3. All revenue received by a municipality or county from
4 the tax authorized under the provisions of this section and
5 section 644.033 shall be deposited in a special trust fund and
6 shall be used to provide funding for storm water control or for
7 local parks, or both, within such municipality or county,
8 provided that such revenue may be used for local parks outside
9 such municipality or county if the municipality or county is
10 engaged in a cooperative agreement pursuant to section 70.220.

11 4. Any funds in such special trust fund which are not
12 needed for current expenditures may be invested by the governing
13 body in accordance with applicable laws relating to the
14 investment of other municipal or county funds.

15 5. Except as provided by this section, all provisions of
16 sections 32.085 to 32.087 shall apply to the tax imposed under
17 this section.

18 [66.601. The duties of the director of revenue
19 with respect to the allocation, division and
20 distribution of sales and use tax proceeds determined
21 to be due any county of the first classification having
22 a charter form of government and having a population of
23 nine hundred thousand or more inhabitants and all
24 municipalities within such county, resulting from taxes
25 levied or imposed under the authority of sections
26 66.600 to 66.630, section 144.748, and sections 94.850
27 to 94.857, may be delegated to the county levying the
28 county sales tax under sections 66.600 to 66.630, at
29 the discretion of the director of revenue and with the
30 consent of the county. Notwithstanding the provisions
31 of section 32.057 to the contrary, if such duties are
32 so assigned, the director of revenue shall furnish the
33 county with sufficient information to perform such
34 duties in such form as may be agreed upon by the
35 director and the county at no cost to the county. The
36 county shall be bound by the provisions of section
37 32.057, and shall use any information provided by the

1 director of revenue under the provisions of this
2 section solely for the purpose of allocating, dividing
3 and distributing such sales and use tax revenues. The
4 county shall exercise all of the director's powers and
5 duties with respect to such allocation, division and
6 distribution, and shall receive no fee for carrying out
7 such powers and duties.]
8

9 [67.1713. Beginning January 1, 2002, there is
10 hereby specifically exempted from the tax imposed
11 pursuant to section 67.1712 all sales of food as
12 defined by section 144.014.]
13

14 [67.1971. All entities remitting the sales tax
15 authorized pursuant to section 67.1959 shall have their
16 liability reduced by an amount equal to twenty-five
17 percent of any taxes collected and remitted pursuant to
18 sections 94.802 to 94.805.]
19

20 [144.069. All sales taxes associated with the
21 titling of motor vehicles, trailers, boats and outboard
22 motors under the laws of Missouri shall be imposed at
23 the rate in effect at the location of the address of
24 the owner thereof, and all sales taxes associated with
25 the titling of vehicles under leases of over sixty-day
26 duration of motor vehicles, trailers, boats and
27 outboard motors shall be imposed at the rate in effect,
28 unless the vehicle, trailer, boat or motor has been
29 registered and sales taxes have been paid prior to the
30 consummation of the lease agreement at the location of
31 the address of the lessee thereof on the date the lease
32 is consummated, and all applicable sales taxes levied
33 by any political subdivision shall be collected and
34 remitted on such sales from the purchaser or lessee by
35 the state department of revenue on that basis.]
36

37 [144.517. In addition to the exemptions granted
38 pursuant to section 144.030, there shall also be
39 exempted from state sales and use taxes all sales of
40 textbooks, as defined by section 170.051, when such
41 textbook is purchased by a student who possesses proof
42 of current enrollment at any Missouri public or private
43 university, college or other postsecondary institution
44 of higher learning offering a course of study leading
45 to a degree in the liberal arts, humanities or sciences
46 or in a professional, vocational or technical field,
47 provided that the books which are exempt from state
48 sales tax are those required or recommended for a
49 class. Upon request the institution or department must
50 provide at least one list of textbooks to the bookstore

1 each semester. Alternately, the student may provide to
2 the bookstore a list from the instructor, department or
3 institution of his or her required or recommended
4 textbooks. This exemption shall not apply to any
5 locally imposed sales or use tax.]
6

7 [144.605. The following words and phrases as used
8 in sections 144.600 to 144.745 mean and include:

9 (1) "Calendar quarter", the period of three
10 consecutive calendar months ending on March
11 thirty-first, June thirtieth, September thirtieth or
12 December thirty-first;

13 (2) "Engages in business activities within this
14 state" includes:

15 (a) Maintaining or having a franchisee or
16 licensee operating under the seller's trade name in
17 this state if the franchisee or licensee is required to
18 collect sales tax pursuant to sections 144.010 to
19 144.525;

20 (b) Soliciting sales or taking orders by sales
21 agents or traveling representatives;

22 (c) A vendor is presumed to engage in business
23 activities within this state if any person, other than
24 a common carrier acting in its capacity as such, that
25 has substantial nexus with this state:

26 a. Sells a similar line of products as the vendor
27 and does so under the same or a similar business name;

28 b. Maintains an office, distribution facility,
29 warehouse, or storage place, or similar place of
30 business in the state to facilitate the delivery of
31 property or services sold by the vendor to the vendor's
32 customers;

33 c. Delivers, installs, assembles, or performs
34 maintenance services for the vendor's customers within
35 the state;

36 d. Facilitates the vendor's delivery of property
37 to customers in the state by allowing the vendor's
38 customers to pick up property sold by the vendor at an
39 office, distribution facility, warehouse, storage
40 place, or similar place of business maintained by the
41 person in the state; or

42 e. Conducts any other activities in the state
43 that are significantly associated with the vendor's
44 ability to establish and maintain a market in the state
45 for the sales;

46 (d) The presumption in paragraph (c) may be
47 rebutted by demonstrating that the person's activities
48 in the state are not significantly associated with the
49 vendor's ability to establish or maintain a market in
50 this state for the vendor's sales;

51 (e) Notwithstanding paragraph (c), a vendor shall

1 be presumed to engage in business activities within
2 this state if the vendor enters into an agreement with
3 one or more residents of this state under which the
4 resident, for a commission or other consideration,
5 directly or indirectly refers potential customers,
6 whether by a link on an internet website, an in-person
7 oral presentation, telemarketing, or otherwise, to the
8 vendor, if the cumulative gross receipts from sales by
9 the vendor to customers in the state who are referred
10 to the vendor by all residents with this type of an
11 agreement with the vendor is in excess of ten thousand
12 dollars during the preceding twelve months;

13 (f) The presumption in paragraph (e) may be
14 rebutted by submitting proof that the residents with
15 whom the vendor has an agreement did not engage in any
16 activity within the state that was significantly
17 associated with the vendor's ability to establish or
18 maintain the vendor's market in the state during the
19 preceding twelve months. Such proof may consist of
20 sworn written statements from all of the residents with
21 whom the vendor has an agreement stating that they did
22 not engage in any solicitation in the state on behalf
23 of the vendor during the preceding year provided that
24 such statements were provided and obtained in good
25 faith;

26 (3) "Maintains a place of business in this state"
27 includes maintaining, occupying, or using, permanently
28 or temporarily, directly or indirectly, by whatever
29 name called, an office, place of distribution, sales or
30 sample room or place, warehouse or storage place, or
31 other place of business in this state, whether owned or
32 operated by the vendor or by any other person other
33 than a common carrier acting in its capacity as such;

34 (4) "Person", any individual, firm,
35 copartnership, joint venture, association, corporation,
36 municipal or private, and whether organized for profit
37 or not, state, county, political subdivision, state
38 department, commission, board, bureau or agency, except
39 the state transportation department, estate, trust,
40 business trust, receiver or trustee appointed by the
41 state or federal court, syndicate, or any other group
42 or combination acting as a unit, and the plural as well
43 as the singular number;

44 (5) "Purchase", the acquisition of the ownership
45 of, or title to, tangible personal property, through a
46 sale, as defined herein, for the purpose of storage,
47 use or consumption in this state;

48 (6) "Purchaser", any person who is the recipient
49 for a valuable consideration of any sale of tangible
50 personal property acquired for use, storage or
51 consumption in this state;

1 (7) "Sale", any transfer, barter or exchange of
2 the title or ownership of tangible personal property,
3 or the right to use, store or consume the same, for a
4 consideration paid or to be paid, and any transaction
5 whether called leases, rentals, bailments, loans,
6 conditional sales or otherwise, and notwithstanding
7 that the title or possession of the property or both is
8 retained for security. For the purpose of this law the
9 place of delivery of the property to the purchaser,
10 user, storer or consumer is deemed to be the place of
11 sale, whether the delivery be by the vendor or by
12 common carriers, private contractors, mails, express,
13 agents, salesmen, solicitors, hawkers, representatives,
14 consignors, peddlers, canvassers or otherwise;

15 (8) "Sales price", the consideration including
16 the charges for services, except charges incident to
17 the extension of credit, paid or given, or contracted
18 to be paid or given, by the purchaser to the vendor for
19 the tangible personal property, including any services
20 that are a part of the sale, valued in money, whether
21 paid in money or otherwise, and any amount for which
22 credit is given to the purchaser by the vendor, without
23 any deduction therefrom on account of the cost of the
24 property sold, the cost of materials used, labor or
25 service cost, losses or any other expenses whatsoever,
26 except that cash discounts allowed and taken on sales
27 shall not be included and "sales price" shall not
28 include the amount charged for property returned by
29 customers upon rescission of the contract of sales when
30 the entire amount charged therefor is refunded either
31 in cash or credit or the amount charged for labor or
32 services rendered in installing or applying the
33 property sold, the use, storage or consumption of which
34 is taxable pursuant to sections 144.600 to 144.745.
35 The sales price shall not include usual and customary
36 delivery charges that are separately stated. In
37 determining the amount of tax due pursuant to sections
38 144.600 to 144.745, any charge incident to the
39 extension of credit shall be specifically exempted;

40 (9) "Selling agent", every person acting as a
41 representative of a principal, when such principal is
42 not registered with the director of revenue of the
43 state of Missouri for the collection of the taxes
44 imposed pursuant to sections 144.010 to 144.525 or
45 sections 144.600 to 144.745 and who receives
46 compensation by reason of the sale of tangible personal
47 property of the principal, if such property is to be
48 stored, used, or consumed in this state;

49 (10) "Storage", any keeping or retention in this
50 state of tangible personal property purchased from a
51 vendor, except property for sale or property that is

1 temporarily kept or retained in this state for
2 subsequent use outside the state;

3 (11) "Tangible personal property", all items
4 subject to the Missouri sales tax as provided in
5 subdivisions (1) and (3) of section 144.020;

6 (12) "Taxpayer", any person remitting the tax or
7 who should remit the tax levied by sections 144.600 to
8 144.745;

9 (13) "Use", the exercise of any right or power
10 over tangible personal property incident to the
11 ownership or control of that property, except that it
12 does not include the temporary storage of property in
13 this state for subsequent use outside the state, or the
14 sale of the property in the regular course of business;

15 (14) "Vendor", every person engaged in making
16 sales of tangible personal property by mail order, by
17 advertising, by agent or peddling tangible personal
18 property, soliciting or taking orders for sales of
19 tangible personal property, for storage, use or
20 consumption in this state, all salesmen, solicitors,
21 hawkers, representatives, consignees, peddlers or
22 canvassers, as agents of the dealers, distributors,
23 consignors, supervisors, principals or employers under
24 whom they operate or from whom they obtain the tangible
25 personal property sold by them, and every person who
26 maintains a place of business in this state, maintains
27 a stock of goods in this state, or engages in business
28 activities within this state and every person who
29 engages in this state in the business of acting as a
30 selling agent for persons not otherwise vendors as
31 defined in this subdivision. Irrespective of whether
32 they are making sales on their own behalf or on behalf
33 of the dealers, distributors, consignors, supervisors,
34 principals or employers, they must be regarded as
35 vendors and the dealers, distributors, consignors,
36 supervisors, principals or employers must be regarded
37 as vendors for the purposes of sections 144.600 to
38 144.745.]

39
40 [144.1000. Sections 144.1000 to 144.1015 shall be
41 known as and referred to as the "Simplified Sales and
42 Use Tax Administration Act".]

43
44 [144.1003. As used in sections 144.1000 to
45 144.1015, the following terms shall mean:

46 (1) "Agreement", the streamlined sales and use
47 tax agreement;

48 (2) "Certified automated system", software
49 certified jointly by the states that are signatories to
50 the agreement to calculate the tax imposed by each
51 jurisdiction on a transaction, determine the amount of

1 tax to remit to the appropriate state and maintain a
2 record of the transaction;

3 (3) "Certified service provider", an agent
4 certified jointly by the states that are signatories to
5 the agreement to perform all of the seller's sales tax
6 functions;

7 (4) "Person", an individual, trust, estate,
8 fiduciary, partnership, limited liability company,
9 limited liability partnership, corporation or any other
10 legal entity;

11 (5) "Sales tax", any sales tax levied pursuant to
12 this chapter, section 32.085, or any other sales tax
13 authorized by statute and levied by this state or its
14 political subdivisions;

15 (6) "Seller", any person making sales, leases or
16 rentals of personal property or services;

17 (7) "State", any state of the United States and
18 the District of Columbia;

19 (8) "Use tax", the use tax levied pursuant to
20 this chapter.]

21
22 [144.1006. For the purposes of reviewing and, if
23 necessary, amending the agreement embodying the
24 simplification recommendations contained in section
25 144.1015, the state may enter into multistate
26 discussions. For purposes of such discussions, the
27 state shall be represented by seven delegates, one of
28 whom shall be appointed by the governor, two members
29 appointed by the speaker of the house of
30 representatives, one member appointed by the minority
31 leader of the house of representatives, two members
32 appointed by the president pro tempore of the senate
33 and one member appointed by the minority leader of the
34 senate. The delegates need not be members of the
35 general assembly and at least one of the delegates
36 appointed by the speaker of the house of
37 representatives and one member appointed by the
38 president pro tempore of the senate shall be from the
39 private sector and represent the interests of Missouri
40 businesses. The delegates shall recommend to the
41 committees responsible for reviewing tax issues in the
42 senate and the house of representatives each year any
43 amendment of state statutes required to be
44 substantially in compliance with the agreement. Such
45 delegates shall make a written report by the fifteenth
46 day of January each year regarding the status of the
47 multistate discussions and upon final adoption of the
48 terms of the sales and use tax agreement by the
49 multistate body.]

50
51 [144.1009. No provision of the agreement

1 authorized by sections 144.1000 to 144.1015 in whole or
2 in part invalidates or amends any provision of the law
3 of this state. Implementation of any condition of this
4 agreement in this state, whether adopted before, at, or
5 after membership of this state in the agreement, must
6 be by action of the general assembly. Such report
7 shall be delivered to the governor, the secretary of
8 state, the president pro tempore of the senate and the
9 speaker of the house of representatives and shall
10 simultaneously be made publicly available by the
11 secretary of state to any person requesting a copy.]
12

13 [144.1012. Unless five of the seven delegates
14 agree, the delegates shall not enter into or vote for
15 any streamlined sales and use tax agreement that:

16 (1) Requires adoption of a definition of any term
17 that would cause any item or transaction that is now
18 excluded or exempted from sales or use tax to become
19 subject to sales or use tax;

20 (2) Requires the state of Missouri to fully
21 exempt or fully apply sales taxes to the sale of food
22 or any other item;

23 (3) Restricts the ability of local governments
24 under statutes in effect on August 28, 2002, to enact
25 one or more local taxes on one or more items without
26 application of the tax to all sales within the taxing
27 jurisdiction, however, restriction of any such taxes
28 allowed by statutes effective after August 28, 2002,
29 may be supported;

30 (4) Provides for adoption of any uniform rate
31 structure that would result in a tax increase for any
32 Missouri taxpayer;

33 (5) Affects the sourcing of sales tax
34 transactions; or

35 (6) Prohibits limitations or thresholds on the
36 application of sales and use tax rates or prohibits any
37 current sales or use tax exemption in the state of
38 Missouri, including exemptions that are based on the
39 value of the transaction or item.]
40

41 [144.1015. In addition to the requirements of
42 section 144.1012, the delegates should consider the
43 following features when deciding whether or not to
44 enter into any streamlined sales and use tax agreement:

45 (1) The agreement should address the limitation
46 of the number of state rates over time;

47 (2) The agreement should establish uniform
48 standards for administration of exempt sales and the
49 form used for filing sales and use tax returns and
50 remittances;

51 (3) The agreement should require the state to

1 provide a central, electronic registration system that
2 allows a seller to register to collect and remit sales
3 and use taxes for all signatory states;

4 (4) The agreement should provide that
5 registration with the central registration system and
6 the collection of sales and use taxes in the signatory
7 states will not be used as a factor in determining
8 whether the seller has nexus with a state for any tax;

9 (5) The agreement should provide for reduction of
10 the burdens of complying with local sales and use taxes
11 through the following so long as they do not conflict
12 with the provisions of section 144.1012:

13 (a) Restricting variances between the state and
14 local tax bases;

15 (b) Requiring states to administer any sales and
16 use taxes levied by local jurisdictions within the
17 state so that sellers collecting and remitting these
18 taxes will not have to register or file returns with,
19 remit funds to, or be subject to independent audits
20 from local taxing jurisdictions;

21 (c) Restricting the frequency of changes in the
22 local sales and use tax rates and setting effective
23 dates for the application of local jurisdictional
24 boundary changes to local sales and use taxes; and

25 (d) Providing notice of changes in local sales
26 and use tax rates and of changes in the boundaries of
27 local taxing jurisdictions;

28 (6) The agreement should outline any monetary
29 allowances that are to be provided by the states to
30 sellers or certified service providers. The agreement
31 must allow for a joint public and private sector study
32 of the compliance cost on sellers and certified service
33 providers to collect sales and use taxes for state and
34 local governments under various levels of complexity to
35 be completed by July 1, 2003;

36 (7) The agreement should require each state to
37 certify compliance with the terms of the agreement
38 prior to joining and to maintain compliance, under the
39 laws of the member state, with all provisions of the
40 agreement while a member, only if the agreement and any
41 amendment thereto complies with the provisions of
42 section 144.1012;

43 (8) The agreement should require each state to
44 adopt a uniform policy for certified service providers
45 that protects the privacy of consumers and maintains
46 the confidentiality of tax information; and

47 (9) The agreement should provide for the
48 appointment of an advisory council of private sector
49 representatives and an advisory council of nonmember
50 state representatives to consult with in the
51 administration of the agreement.]

1 Section B. The repeal and reenactment of sections 32.200,
2 142.803, 143.011, 143.071, 143.151, 143.161, 143.171, 143.183,
3 143.431, 143.451, 143.461, 143.471, 144.011, and 620.1350, and
4 the enactment of sections 143.177, 143.455, and 148.622 of this
5 act shall become effective July 1, 2019.

6 Section C. The repeal of sections 66.601, 67.1713,
7 67.1971, 144.069, 144.517, 144.605, 144.1000, 144.1003,
8 144.1006, 144.1009, 144.1012, and 144.1015, the repeal and
9 reenactment of sections 32.087, 66.620, 67.395, 67.525, 67.571,
10 67.576, 67.578, 67.581, 67.582, 67.583, 67.584, 67.712, 67.713,
11 67.729, 67.737, 67.738, 67.745, 67.782, 67.799, 67.997, 67.1300,
12 67.1303, 67.1305, 67.1545, 67.1712, 67.1775, 67.1959, 67.2000,
13 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705,
14 144.010, 144.014, 144.020, 144.030, 144.032, 144.049, 144.054,
15 144.060, 144.080, 144.083, 144.100, 144.140, 144.190, 144.210,
16 144.285, 144.526, 144.600, 144.655, 144.759, 144.761, 184.845,
17 221.407, 238.235, 238.410, and 644.032, and the enactment of
18 sections 32.070, 32.086, 144.022, 144.079, 144.082, 144.084,
19 144.105, 144.109, 144.110, 144.111, 144.112, 144.113, 144.114,
20 144.123, 144.124, 144.125, 144.212, and 144.612 of this act,
21 shall become effective on January 1, 2020, if on such date the
22 director of the department of revenue determines that the state
23 of Missouri is not able to require out-of-state sellers with no
24 physical presence in the state to collect and remit state and
25 local sales taxes.