

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1609
101ST GENERAL ASSEMBLY

3240H.02C

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 94.902, RSMo, and to enact in lieu thereof one new section relating to a public safety sales tax, with an emergency clause.

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

Section A. Section 94.902, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 94.902, to read as follows:

94.902. 1. The governing bodies of the following cities may impose a tax as provided in this section:

(1) Any city of the third classification with more than twenty-six thousand three hundred but less than twenty-six thousand seven hundred inhabitants;

(2) Any city of the fourth classification with more than thirty thousand three hundred but fewer than thirty thousand seven hundred inhabitants;

(3) Any city of the fourth classification with more than twenty-four thousand eight hundred but fewer than twenty-five thousand inhabitants;

(4) Any special charter city with more than twenty-nine thousand but fewer than thirty-two thousand inhabitants;

(5) Any city of the third classification with more than four thousand but fewer than four thousand five hundred inhabitants and located in any county of the first classification with more than two hundred thousand but fewer than two hundred sixty thousand inhabitants;

(6) Any city of the fourth classification with more than nine thousand five hundred but fewer than ten thousand eight hundred inhabitants;

(7) Any city of the fourth classification with more than five hundred eighty but fewer than six hundred fifty inhabitants;

EXPLANATION — Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

18 (8) Any city of the fourth classification with more than two thousand seven hundred
19 but fewer than three thousand inhabitants and located in any county of the first classification
20 with more than eighty-three thousand but fewer than ninety-two thousand inhabitants; ~~[or]~~

21 (9) Any city of the fourth classification with more than two thousand four hundred
22 but fewer than two thousand seven hundred inhabitants and located in any county of the third
23 classification without a township form of government and with more than ten thousand but
24 fewer than twelve thousand inhabitants; or

25 (10) Any city with more than one thousand three hundred but fewer than one
26 thousand five hundred inhabitants and partially located in a county with more than
27 eight thousand but fewer than eight thousand nine hundred inhabitants and with a
28 county seat with more than three hundred but fewer than six hundred inhabitants.

29 2. The governing body of any city listed in subsection 1 of this section may impose,
30 by order or ordinance, a sales tax on all retail sales made in the city which are subject to
31 taxation under chapter 144. The tax authorized in this section may be imposed in an amount
32 of up to one-half of one percent, and shall be imposed solely for the purpose of improving the
33 public safety for such city, including but not limited to expenditures on equipment, city
34 employee salaries and benefits, and facilities for police, fire and emergency medical
35 providers. The tax authorized in this section shall be in addition to all other sales taxes
36 imposed by law, and shall be stated separately from all other charges and taxes. The order or
37 ordinance imposing a sales tax under this section shall not become effective unless the
38 governing body of the city submits to the voters residing within the city, at a county or state
39 general, primary, or special election, a proposal to authorize the governing body of the city to
40 impose a tax under this section.

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

<p>43 Shall the city of _____ (city's name) impose a citywide sales tax at a 44 rate of _____ (insert rate of percent) percent for the purpose of 45 improving the public safety of the city?</p> <p>46 <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>47 If you are in favor of the question, place an "X" in the box opposite 48 "YES". If you are opposed to the question, place an "X" in the box 49 opposite "NO".</p>
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51 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in
52 favor of the proposal, then the ordinance or order and any amendments to the order or
53 ordinance shall become effective on the first day of the second calendar quarter after the
54 director of revenue receives notice of the adoption of the sales tax. If a majority of the votes

55 cast on the proposal by the qualified voters voting thereon are opposed to the proposal, then
56 the tax shall not become effective unless the proposal is resubmitted under this section to the
57 qualified voters and such proposal is approved by a majority of the qualified voters voting on
58 the proposal. However, in no event shall a proposal under this section be submitted to the
59 voters sooner than twelve months from the date of the last proposal under this section.

60 4. Any sales tax imposed under this section shall be administered, collected, enforced,
61 and operated as required in section 32.087. All sales taxes collected by the director of the
62 department of revenue under this section on behalf of any city, less one percent for cost of
63 collection which shall be deposited in the state's general revenue fund after payment of
64 premiums for surety bonds as provided in section 32.087, shall be deposited in a special trust
65 fund, which is hereby created in the state treasury, to be known as the "City Public Safety
66 Sales Tax Trust Fund". The moneys in the trust fund shall not be deemed to be state funds
67 and shall not be commingled with any funds of the state. The provisions of section 33.080 to
68 the contrary notwithstanding, money in this fund shall not be transferred and placed to the
69 credit of the general revenue fund. The director shall keep accurate records of the amount of
70 money in the trust fund and which was collected in each city imposing a sales tax under this
71 section, and the records shall be open to the inspection of officers of the city and the public.
72 Not later than the tenth day of each month the director shall distribute all moneys deposited in
73 the trust fund during the preceding month to the city which levied the tax. Such funds shall be
74 deposited with the city treasurer of each such city, and all expenditures of funds arising from
75 the trust fund shall be by an appropriation act to be enacted by the governing body of each
76 such city. Expenditures may be made from the fund for any functions authorized in the
77 ordinance or order adopted by the governing body submitting the tax to the voters. If the tax
78 is repealed, all funds remaining in the special trust fund shall continue to be used solely for
79 the designated purposes. Any funds in the special trust fund which are not needed for current
80 expenditures shall be invested in the same manner as other funds are invested. Any interest
81 and moneys earned on such investments shall be credited to the fund.

82 5. The director of the department of revenue may authorize the state treasurer to make
83 refunds from the amounts in the trust fund and credited to any city for erroneous payments
84 and overpayments made, and may redeem dishonored checks and drafts deposited to the
85 credit of such cities. If any city abolishes the tax, the city shall notify the director of the
86 action at least ninety days before the effective date of the repeal, and the director may order
87 retention in the trust fund, for a period of one year, of two percent of the amount collected
88 after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
89 dishonored checks and drafts deposited to the credit of such accounts. After one year has
90 elapsed after the effective date of abolition of the tax in such city, the director shall remit the
91 balance in the account to the city and close the account of that city. The director shall notify

92 each city of each instance of any amount refunded or any check redeemed from receipts due
93 the city.

94 6. The governing body of any city that has adopted the sales tax authorized in this
95 section may submit the question of repeal of the tax to the voters on any date available for
96 elections for the city. The ballot of submission shall be in substantially the following form:

97 Shall _____ (insert the name of the city) repeal the sales tax imposed
98 at a rate of _____ (insert rate of percent) percent for the purpose of
99 improving the public safety of the city?

100 Yes

No

101

102 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become
103 effective on December thirty-first of the calendar year in which such repeal was approved. If
104 a majority of the votes cast on the question by the qualified voters voting thereon are opposed
105 to the repeal, then the sales tax authorized in this section shall remain effective until the
106 question is resubmitted under this section to the qualified voters, and the repeal is approved
107 by a majority of the qualified voters voting on the question.

108 7. Whenever the governing body of any city that has adopted the sales tax authorized
109 in this section receives a petition, signed by ten percent of the registered voters of the city
110 voting in the last gubernatorial election, calling for an election to repeal the sales tax imposed
111 under this section, the governing body shall submit to the voters of the city a proposal to
112 repeal the tax. If a majority of the votes cast on the question by the qualified voters voting
113 thereon are in favor of the repeal, that repeal shall become effective on December thirty-first
114 of the calendar year in which such repeal was approved. If a majority of the votes cast on the
115 question by the qualified voters voting thereon are opposed to the repeal, then the tax shall
116 remain effective until the question is resubmitted under this section to the qualified voters and
117 the repeal is approved by a majority of the qualified voters voting on the question.

118 8. Any sales tax imposed under this section by a city described under subdivision (6)
119 of subsection 1 of this section that is in effect as of December 31, 2038, shall automatically
120 expire. No city described under subdivision (6) of subsection 1 of this section shall collect a
121 sales tax pursuant to this section on or after January 1, 2039. Subsection 7 of this section
122 shall not apply to a sales tax imposed under this section by a city described under subdivision
123 (6) of subsection 1 of this section.

124 9. Except as modified in this section, all provisions of sections 32.085 and 32.087
125 shall apply to the tax imposed under this section.

126 **10. If any city in subsection 1 of this section enacts the tax authorized in this**
127 **section, then the city shall budget an amount to public safety that is no less than the**

128 **amount budgeted in the year immediately preceding the enactment of the tax. The**
129 **revenue from the tax shall supplement and not replace amounts budgeted by the city.**

Section B. Because of the importance of providing funding for public safety, section
2 A of this act is deemed necessary for the immediate preservation of the public health, welfare,
3 peace, and safety, and is hereby declared to be an emergency act within the meaning of the
4 constitution, and section A of this act shall be in full force and effect upon its passage and
5 approval.

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