

SECOND REGULAR SESSION

HOUSE BILL NO. 1779

101ST GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE WINDHAM.

3365H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal sections 144.1021 and 145.1000, RSMo, and section 144.014 as enacted by senate bills nos. 153 & 97, one hundred first general assembly, first regular session, and section 144.014 as enacted by senate bill no. 613 revision, ninety-fourth general assembly, first regular session, and to enact in lieu thereof four new sections relating to taxation.

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

Section A. Sections 144.1021 and 145.1000, RSMo, and section 144.014 as enacted
2 by senate bills nos. 153 & 97, one hundred first general assembly, first regular session, and
3 section 144.014 as enacted by senate bill no. 613 revision, ninety-fourth general assembly,
4 first regular session, are repealed and four new sections enacted in lieu thereof, to be known
5 as sections 144.014, 144.1021, 145.1000, and 145.1200, to read as follows:

144.014. 1. Notwithstanding other provisions of law to the contrary, beginning
2 October 1, 1997, **but ending before January 1, 2023**, the tax levied and imposed under this
3 chapter on all retail sales of food shall be at the rate of one percent. The revenue derived from
4 the one percent rate pursuant to this section shall be deposited by the state treasurer in the
5 school district trust fund and shall be distributed as provided in section 144.701. **Beginning**
6 **January 1, 2023, no tax shall be levied and imposed under this chapter on any retail**
7 **sales of food.**

8 2. For the purposes of this section, the term "food" shall include only those products
9 and types of food for which food stamps may be redeemed pursuant to the provisions of the
10 Federal Food Stamp Program as contained in 7 U.S.C. Section 2012, as that section now reads
11 or as it may be amended hereafter, and shall include food dispensed by or through vending

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.

12 machines. For the purpose of this section, except for vending machine sales, the term "food"
 13 shall not include food or drink sold by any establishment where the gross receipts derived
 14 from the sale of food prepared by such establishment for immediate consumption on or off the
 15 premises of the establishment constitutes more than eighty percent of the total gross receipts
 16 of that establishment, regardless of whether such prepared food is consumed on the premises
 17 of that establishment, including, but not limited to, sales of food by any restaurant, fast food
 18 restaurant, delicatessen, eating house, or café.

2 ~~[144.014. 1. Notwithstanding other provisions of law to the contrary,~~
 3 ~~beginning October 1, 1997, the tax levied and imposed pursuant to sections~~
 4 ~~144.010 to 144.525 and sections 144.600 to 144.746 on all retail sales of food~~
 5 ~~shall be at the rate of one percent. The revenue derived from the one percent~~
 6 ~~rate pursuant to this section shall be deposited by the state treasurer in the~~
 7 ~~school district trust fund and shall be distributed as provided in section~~
 8 ~~144.701.~~

9 ~~2. For the purposes of this section, the term "food" shall include only~~
 10 ~~those products and types of food for which food stamps may be redeemed~~
 11 ~~pursuant to the provisions of the Federal Food Stamp Program as contained in~~
 12 ~~7 U.S.C. Section 2012, as that section now reads or as it may be amended~~
 13 ~~hereafter, and shall include food dispensed by or through vending machines.~~
 14 ~~For the purpose of this section, except for vending machine sales, the term~~
 15 ~~"food" shall not include food or drink sold by any establishment where the~~
 16 ~~gross receipts derived from the sale of food prepared by such establishment for~~
 17 ~~immediate consumption on or off the premises of the establishment constitutes~~
 18 ~~more than eighty percent of the total gross receipts of that establishment,~~
 19 ~~regardless of whether such prepared food is consumed on the premises of that~~
 20 ~~establishment, including, but not limited to, sales of food by any restaurant,~~
~~fast food restaurant, delicatessen, eating house, or cafe.]~~

144.1021. The enactment of sections 143.177, 144.608, 144.637, 144.638, and
 2 144.752 of this act; the repeal and reenactment of sections 143.011, 144.011, ~~[144.014,]~~
 3 144.020, 144.049, 144.054, 144.140, 144.526, and 144.605 of this act; and the repeal of
 4 sections 144.710, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015 of this
 5 act shall become effective January 1, 2023.

145.1000. Other provisions of this chapter to the contrary notwithstanding, if the
 2 federal estate tax imposed pursuant to Section 2011 of the Internal Revenue Code, as
 3 amended, is repealed, then no tax shall be imposed on the transfer of a decedent's estate in
 4 Missouri, **except as provided in section 145.1200.** ~~[The provisions of this section shall~~
 5 ~~become effective on the same date as the effective date of the repeal of the federal estate tax.]~~

145.1200. 1. Beginning January 1, 2023, a tax shall be imposed on the transfer of
 2 **every decedent's estate that consists in whole or in part of property having a tax situs**
 3 **within the state of Missouri and a value of at least twenty-five thousand dollars.**

4 **2. The exact rate of the tax shall be determined by rules and regulations to be**
5 **promulgated by the department of revenue. The department shall attempt to set the**
6 **rate at such a level that the total amount of revenue collected in a fiscal year from the**
7 **tax would be equal to the total amount of revenue that would be collected in the same**
8 **fiscal year if the state levied and imposed a tax on the retail sale of food, as that term is**
9 **defined in section 144.014, at a rate of one percent.**

10 **3. The revenue derived from the tax imposed in subsection 1 of this section shall**
11 **be deposited by the state treasurer in the school district trust fund and shall be**
12 **distributed as provided in section 144.701.**

13 **4. The department of revenue shall administer and enforce the provisions of this**
14 **section and shall promulgate all necessary rules and regulations relating to the**
15 **provisions of this section. The rules and regulations promulgated by the department**
16 **shall mirror the provisions of sections 145.009 to 145.985 to the fullest extent**
17 **practicable. Any rule or portion of a rule, as that term is defined in section 536.010, that**
18 **is created under the authority delegated in this section shall become effective only if it**
19 **complies with and is subject to all of the provisions of chapter 536 and, if applicable,**
20 **section 536.028. This section and chapter 536 are nonseverable, and if any of the powers**
21 **vested with the general assembly pursuant to chapter 536 to review, to delay the**
22 **effective date, or to disapprove and annul a rule are subsequently held unconstitutional,**
23 **then the grant of rulemaking authority and any rule proposed or adopted after August**
24 **28, 2022, shall be invalid and void.**

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