

SECOND REGULAR SESSION

HOUSE BILL NO. 1868

98TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE HOUGH.

5364H.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 94.579, RSMo, and to enact in lieu thereof one new section relating to sales tax for public safety.

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

Section A. Section 94.579, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 94.579, to read as follows:

94.579. 1. The governing body of any home rule city with more than one hundred fifty-one thousand five hundred but fewer than one hundred fifty-one thousand six hundred inhabitants is hereby authorized to impose, by order or ordinance, a sales tax on all retail sales made within the city which are subject to sales tax under chapter 144. The tax authorized in this section shall not exceed one percent, and shall be imposed solely for the purpose of providing revenues for the operation of public safety departments, including police and fire departments, and for pension programs, and health care for employees and pensioners of the public safety departments. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and shall be stated separately from all other charges and taxes. The order or ordinance shall not become effective unless the governing body of the city submits to the voters residing within the city at a state general, primary, or special election a proposal to authorize the governing body of the city to impose a tax under this section. If the tax authorized in this section is not approved by the voters, then the city shall have an additional year during which to meet its required contribution payment beyond the time period described in section 105.683. If the city meets its required contribution payment in this time, then, notwithstanding the provisions of section 105.683 to the contrary, the delinquency shall not constitute a lien on the funds of the political subdivision, the board of such plan shall not be authorized to compel payment by

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 application for writ of mandamus, and the state treasurer and the director of the department of
19 revenue shall not withhold twenty-five percent of the certified contribution deficiency from the
20 total moneys due the political subdivision from the state. The one-year extension shall only be
21 available to the city on a one-time basis.

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

24 Shall (insert the name of the city) impose a sales tax at a rate of (up
25 to one) percent, solely for the purpose of providing revenues for the operation of public safety
26 departments of the city?

27 YES NO

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

30 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor
31 of the question, then the tax shall become effective on the first day of the second calendar quarter
32 immediately following notification to the department of revenue. If a majority of the votes cast
33 on the question by the qualified voters voting thereon are opposed to the question, then the tax
34 shall not become effective unless and until the question is resubmitted under this section to the
35 qualified voters and such question is approved by a majority of the qualified voters voting on the
36 question.

37 3. All revenue collected under this section by the director of the department of revenue
38 on behalf of any city, except for one percent for the cost of collection which shall be deposited
39 in the state's general revenue fund, shall be deposited in a special trust fund, which is hereby
40 created and shall be known as the "Public Safety Protection Sales Tax Fund", and shall be used
41 solely for the designated purposes. Moneys in the fund shall not be deemed to be state funds,
42 and shall not be commingled with any funds of the state. The director may make refunds from
43 the amounts in the trust fund and credited to the city for erroneous payments and overpayments
44 made, and may redeem dishonored checks and drafts deposited to the credit of such city. Any
45 funds in the special trust fund which are not needed for current expenditures shall be invested
46 in the same manner as other funds are invested. Any interest and moneys earned on such
47 investments shall be credited to the fund. The director shall keep accurate records of the
48 amounts in the fund, and such records shall be open to the inspection of the officers of such city
49 and to the public. Not later than the tenth day of each month, the director shall distribute all
50 moneys deposited in the fund during the preceding month to the city. Such funds shall be
51 deposited with the treasurer of the city, and all expenditures of moneys from the fund shall be
52 by an appropriation ordinance enacted by the governing body of the city.

53 4. On or after the effective date of the tax, the director of revenue shall be responsible
 54 for the administration, collection, enforcement, and operation of the tax, and sections 32.085 and
 55 32.087 shall apply. In order to permit sellers required to collect and report the sales tax to collect
 56 the amount required to be reported and remitted, but not to change the requirements of reporting
 57 or remitting the tax, or to serve as a levy of the tax, and in order to avoid fractions of pennies,
 58 the governing body of the city may authorize the use of a bracket system similar to that
 59 authorized in section 144.285, and notwithstanding the provisions of that section, this new
 60 bracket system shall be used where this tax is imposed and shall apply to all taxable transactions.
 61 Beginning with the effective date of the tax, every retailer in the city shall add the sales tax to
 62 the sale price, and this tax shall be a debt of the purchaser to the retailer until paid, and shall be
 63 recoverable at law in the same manner as the purchase price. For purposes of this section, all
 64 retail sales shall be deemed to be consummated at the place of business of the retailer.

65 5. All applicable provisions in sections 144.010 to 144.525 governing the state sales tax,
 66 and section 32.057, the uniform confidentiality provision, shall apply to the collection of the tax,
 67 and all exemptions granted to agencies of government, organizations, and persons under sections
 68 144.010 to 144.525 are hereby made applicable to the imposition and collection of the tax. The
 69 same sales tax permit, exemption certificate, and retail certificate required by sections 144.010
 70 to 144.525 for the administration and collection of the state sales tax shall satisfy the
 71 requirements of this section, and no additional permit or exemption certificate or retail certificate
 72 shall be required; except that, the director of revenue may prescribe a form of exemption
 73 certificate for an exemption from the tax. All discounts allowed the retailer under the state sales
 74 tax for the collection of and for payment of taxes are hereby allowed and made applicable to the
 75 tax. The penalties for violations provided in section 32.057 and sections 144.010 to 144.525 are
 76 hereby made applicable to violations of this section. If any person is delinquent in the payment
 77 of the amount required to be paid under this section, or in the event a determination has been
 78 made against the person for the tax and penalties under this section, the limitation for bringing
 79 suit for the collection of the delinquent tax and penalties shall be the same as that provided in
 80 sections 144.010 to 144.525.

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

84 Shall (insert the name of the city) repeal the sales tax imposed
 85 at a rate of (up to one) percent for the purpose of providing revenues for the operation of
 86 public safety departments of the city?

87 YES NO

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

90 If a majority of the votes cast on the question by the qualified voters voting thereon are in favor
91 of repeal, that repeal shall become effective on December thirty-first of the calendar year in
92 which such repeal was approved.

93 If a majority of the votes cast on the question by the qualified voters voting thereon are opposed
94 to the repeal, then the sales tax authorized in this section shall remain effective until the question
95 is resubmitted under this section to the qualified voters and the repeal is approved by a majority
96 of the qualified voters voting on the question.

97 7. The governing body of any city that has adopted the sales tax authorized in this section
98 shall submit the question of [repeal] **continuation** of the tax to the voters every five years from
99 the date of its inception on a date available for elections for the city. The ballot of submission
100 shall be in substantially the following form:

101 Shall (insert the name of the city) [repeal the] **continue**
102 **collecting** a sales tax imposed at a rate of (up to one) percent for the purpose of
103 providing revenues for the operation of public safety departments of the city?

104 YES NO

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

107 If a majority of the votes cast on the question by the qualified voters voting thereon are [in favor
108 of repeal, that] **opposed to continuation**, repeal shall become effective on December thirty-first
109 of the calendar year in which such [repeal was] **continuation was failed to be** approved. If a
110 majority of the votes cast on the question by the qualified voters voting thereon are [opposed to
111 the repeal] **in favor of continuation**, then the sales tax authorized in this section shall remain
112 effective until the question is resubmitted under this section to the qualified voters and [the
113 repeal is] **continuation fails to be** approved by a majority of the qualified voters voting on the
114 question.

115 8. Whenever the governing body of any city that has adopted the sales tax authorized in
116 this section receives a petition, signed by a number of registered voters of the city equal to at
117 least two percent of the number of registered voters of the city voting in the last gubernatorial
118 election, calling for an election to repeal the sales tax imposed under this section, the governing
119 body shall submit to the voters of the city a proposal to repeal the tax. If a majority of the votes
120 cast on the question by the qualified voters voting thereon are in favor of the repeal, the repeal
121 shall become effective on December thirty-first of the calendar year in which such repeal was
122 approved. If a majority of the votes cast on the question by the qualified voters voting thereon
123 are opposed to the repeal, then the sales tax authorized in this section shall remain effective until

124 the question is resubmitted under this section to the qualified voters and the repeal is approved
125 by a majority of the qualified voters voting on the question.

126 9. If the tax is repealed or terminated by any means, all funds remaining in the special
127 trust fund shall continue to be used solely for the designated purposes, and the city shall notify
128 the director of the department of revenue of the action at least ninety days before the effective
129 date of the repeal and the director may order retention in the trust fund, for a period of one year,
130 of two percent of the amount collected after receipt of such notice to cover possible refunds or
131 overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of
132 such accounts. After one year has elapsed after the effective date of abolition of the tax in such
133 city, the director shall remit the balance in the account to the city and close the account of that
134 city. The director shall notify each city of each instance of any amount refunded or any check
135 redeemed from receipts due the city.

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