

SECOND REGULAR SESSION

HOUSE BILL NO. 2631

100TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE DEGROOT.

5545H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To repeal section 321.242, RSMo, and to enact in lieu thereof one new section relating to sales tax for fire protection services.

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

Section A. Section 321.242, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 321.242, to read as follows:

321.242. 1. The governing body of any fire protection district which operates within and has boundaries identical to a city with a population of at least thirty thousand but not more than thirty-five thousand inhabitants which is located in a county of the first classification, excluding a county of the first classification having a population in excess of nine hundred thousand, or the governing body of any municipality having a municipal fire department **or contracting for fire protection services** may impose a sales tax in an amount of up to one-half of one percent on all retail sales made in such fire protection district or municipality which are subject to taxation pursuant to the provisions of sections 144.010 to 144.525. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no sales tax imposed pursuant to the provisions of this section shall be effective unless the governing body of the fire protection district or municipality submits to the voters of such fire protection district or municipality, at a county or state general, primary or special election, a proposal to authorize the governing body of the fire protection district or municipality to impose a tax.

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

Shall _____ (insert name of district or municipality) impose a sales tax of _____ (insert rate of tax) for the purpose of providing revenues for the operation

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 of the _____ (insert fire protection district, [Ø] municipal fire department, **or**
19 **municipal contract for fire protection services**)?

20 YES NO

21

22 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor
23 of the proposal, then the sales tax authorized in this section shall be in effect. If a majority of
24 the votes cast by the qualified voters voting are opposed to the proposal, then the governing body
25 of the fire protection district or municipality shall not impose the sales tax authorized in this
26 section unless and until the governing body of such fire protection district or municipality
27 resubmits a proposal to authorize the governing body of the fire protection district or
28 municipality to impose the sales tax authorized by this section and such proposal is approved by
29 a majority of the qualified voters voting thereon.

30 3. All revenue received by a fire protection district or municipality from the tax
31 authorized pursuant to the provisions of this section shall be deposited in a special trust fund and
32 shall be used solely for the operation of the fire protection district, [Ø] the municipal fire
33 department, **or the municipal contract for fire protection services.**

34 4. All sales taxes collected by the director of revenue pursuant to this section or section
35 321.246 on behalf of any fire protection district or municipality, less one percent for cost of
36 collection which shall be deposited in the state's general revenue fund after payment of premiums
37 for surety bonds as provided in section 32.087, shall be deposited in a special trust fund, which
38 is hereby created, to be known as the "Fire Protection Sales Tax Trust Fund". Any moneys in
39 the fire protection district sales tax trust fund created prior to August 28, 1999, shall be
40 transferred to the fire protection sales tax trust fund. The moneys in the fire protection sales tax
41 trust fund shall not be deemed to be state funds and shall not be commingled with any funds of
42 the state. The director of revenue shall keep accurate records of the amount of money in the trust
43 fund and of the amounts which were collected in each fire protection district or municipality
44 imposing a sales tax pursuant to this section, and the records shall be open to the inspection of
45 officers of the fire protection district or municipality and the public. Not later than the tenth day
46 of each month, the director of revenue shall distribute all moneys deposited in the trust fund
47 during the preceding month to the fire protection district or municipality which levied the tax.
48 Such funds shall be deposited with the treasurer of each such fire protection district or
49 municipality, and all expenditures of funds arising from the fire protection sales tax trust fund
50 shall be for the operation of the fire protection district, [Ø] the municipal fire department, **or the**
51 **municipal contract for fire protection services** and for no other purpose.

52 5. The director of revenue may make refunds from the amounts in the trust fund and
53 credited to any fire protection district or municipality for erroneous payments and overpayments

54 made and may redeem dishonored checks and drafts deposited to the credit of such fire
55 protection districts or municipalities. If any fire protection district or municipality abolishes the
56 tax, the fire protection district or municipality shall notify the director of revenue of the action
57 at least ninety days prior to the effective date of the repeal and the director of revenue may order
58 retention in the trust fund, for a period of one year, of two percent of the amount collected after
59 receipt of such notice to cover possible refunds or overpayment of the tax and to redeem
60 dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed
61 after the effective date of abolition of the tax in such fire protection district or municipality, the
62 director of revenue shall remit the balance in the account to the fire protection district or
63 municipality and close the account of that fire protection district or municipality. The director
64 of revenue shall notify each fire protection district or municipality of each instance of any
65 amount refunded or any check redeemed from receipts due the fire protection district or
66 municipality. In the event a tax within a fire protection district is approved pursuant to this
67 section, and such fire protection district is dissolved, if the boundaries of the fire protection
68 district are identical to that of the city, the tax shall continue and proceeds shall be distributed
69 to the governing body of the city formerly containing the fire protection district and the proceeds
70 of the tax shall be used for fire protection services within such city.

71 6. Except as modified in this section, all provisions of sections 32.085 and 32.087 shall
72 apply to the tax imposed pursuant to this section.

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