AN ACT

To repeal sections 32.069, 65.620, 94.579, 136.110, 143.161, 143.191, 143.801, 143.811, 144.020, 144.030, 144.049, and 144.080, RSMo, and to enact in lieu thereof twelve new sections relating to taxation, with an existing penalty provision.

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

Section A. Sections 32.069, 65.620, 94.579, 136.110, 143.161, 143.191, 143.801, 143.811, 144.020, 144.030, 144.049, and 144.080, RSMo, are repealed and twelve new sections enacted in lieu thereof, to be known as sections 32.069, 65.620, 94.579, 136.110, 143.161, 143.191, 143.801, 143.811, 144.020, 144.030, 144.049, and 144.080, to read as follows:

32.069. 1. Notwithstanding any other provision of law to the contrary, interest shall be allowed and paid on any refund or overpayment at the rate determined by section 32.068 only if the overpayment is not refunded within one hundred twenty days[, or within ninety days in the case of taxes imposed by sections 143.011 and 143.041,] from the latest of the following dates:

   (1) The last day prescribed for filing a tax return or refund claim, without regard to any extension of time granted;
   (2) The date the return, payment, or claim is filed; or
   (3) The date the taxpayer files for a credit or refund and provides accurate and complete documentation to support such claim.

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.
2. Notwithstanding any other provision of law to the contrary, interest shall be allowed and paid on any refund or overpayment at the rate determined by section 32.068 only if the overpayment in the case of taxes imposed by sections 143.011 and 143.041 is not refunded within forty-five days from the date the return or claim is filed.

65.620. 1. Whenever any county abolishes township organization the county treasurer and ex officio collector shall immediately settle his accounts as treasurer with the county commission and shall thereafter perform all duties, exercise all powers, have all rights and be subject to all liabilities imposed and conferred upon the county collector of revenue under chapter 52 until the first Monday in March after the general election next following the abolishment of township organization and until a collector of revenue for the county is elected and qualified. The person elected collector at the general election as aforesaid, if that election is not one for collector of revenue under chapter 52, shall serve until the first Monday in March following the election and qualification of a collector of revenue under chapter 52. Upon abolition of township organization a county treasurer shall be appointed to serve until the expiration of the term of such officer pursuant to chapter 54.

2. Upon abolition of township organization, title to all property of all kinds theretofore owned by the several townships of the county shall vest in the county and the county shall be liable for all outstanding obligations and liabilities of the several townships.

3. The terms of office of all township officers shall expire on the abolition of township organization and the township trustee of each township shall immediately settle his accounts with the county clerk and all township officers shall promptly deliver to the appropriate county officers, as directed by the county commission, all books, papers, records and property pertaining to their offices.

4. For a period of one calendar year following the abolition of the townships or until the voters of the county have approved a tax levy for road and bridge purposes, whichever occurs first, the county collector shall continue to collect a property tax on a countywide basis in an amount equal to the tax levied by the township that had the lowest total tax rate in the county immediately prior to the abolishment of the townships. The continued collection of the tax shall be considered a continuation of an existing tax and shall not be considered a new tax levy.

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

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

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

☐ YES ☐ NO

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

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

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

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

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

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

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

☐ YES  ☐ NO

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

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

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

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

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

☐ YES  ☐ NO

If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed
to the question, place an "X" in the box opposite "NO".
If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of repeal, that opposed to continuation, repeal shall become effective on December thirty-first of the calendar year in which such repeal was continued to be approved. If a majority of the votes cast on the question by the qualified voters voting thereon are opposed to the repeal in favor of continuation, then the sales tax authorized in this section shall remain effective until the question is resubmitted under this section to the qualified voters and the repeal is continued to be approved by a majority of the qualified voters voting on the question.

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

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

136.110. 1. The director of revenue shall promptly record all sums of money collected or received by the director and shall immediately thereafter deposit the same with the state treasurer, excluding all funds received and disbursed by the state on behalf of counties and cities, towns and villages. The state treasurer, upon receipt of any moneys from the director of revenue, shall give his or her receipt therefor, executing the same in triplicate, and shall deliver one copy of such receipt to the director of revenue, one copy to the commissioner of administration, and shall retain the third copy thereof in the files of the state treasurer. The books of the director of
revenue shall be audited by the state auditor at such times as may be required by law, and at such
other times as may be directed by the governor.

2. For the purposes of this section, the term "promptly" shall mean within two
business days.

143.161. 1. For all taxable years beginning after December 31, 1997, a resident may
deduct one thousand two hundred dollars for each dependent for whom such resident is entitled
to a dependency exemption deduction for federal income tax purposes. In the case of a
dependent who has attained sixty-five years of age on or before the last day of the taxable year,
if such dependent resides in the taxpayer's home or the dependent's own home or if such
dependent does not receive Medicaid or state funding while residing in a facility licensed
pursuant to chapter 198, the taxpayer may deduct an additional one thousand dollars.

2. [For all taxable years beginning before January 1, 1999, a resident who qualifies as
an unmarried head of household or as a surviving spouse for federal income tax purposes may
deduct an additional eight hundred dollars.] For all taxable years beginning on or after January
1, 1999, a resident who qualifies as an unmarried head of household or as a surviving spouse for
federal income tax purposes may deduct an additional one thousand four hundred dollars.

3. For all taxable years beginning on or after January 1, 2015, for each birth for
which a certificate of birth resulting in stillbirth has been issued under section 193.165, a
taxpayer may claim the exemption under subsection 1 of this section only in the taxable
year in which the stillbirth occurred, if the child otherwise would have been a member of
the taxpayer's household.

143.191. 1. Every employer maintaining an office or transacting any business within this
state and making payment of any wages taxable under [sections 143.011 to 143.998] this
chapter to a resident or nonresident individual shall deduct and withhold from such wages for
each payroll period the amount provided in subsection 3 of this section.

2. The term "wages" referred to in subsection 1 of this section means wages as defined
by section 3401(a) of the Internal Revenue Code of 1986, as amended. The term "employer"
means any person, firm, corporation, association, fiduciary of any kind, or other type of
organization for whom an individual performs service as an employee, except that if the person
or organization for whom the individual performs service does not have control of the payment
of compensation for such service, the term "employer" means the person having control of the
payment of the compensation. The term includes the United States, this state, other states, and
all agencies, instrumentalities, and subdivisions of any of them.

3. (1) The method of determining the amount to be withheld shall be prescribed by
regulations of the director of revenue. The prescribed table, percentages, or other method shall
result, so as practicable, in withholding from the employee's wages during each calendar year
an amount substantially equivalent to the tax reasonably estimated to be due from the employee under [sections 143.011 to 143.998] this chapter with respect to the amount of such wages included in his Missouri adjusted gross income during the calendar year.

(2) The amount to be withheld by an employer with respect to tips received by an employee in the course of the employee's employment shall be calculated based solely upon the amount of tips reported by the employee in a written statement furnished to the employer as required by subsection (a) of section 6053 of the Internal Revenue Code of 1986, as amended, or if greater, the amount of tips received by the employer and remitted to the employee. If an employee shares tips, the employer shall withhold only from the employee who actually receives the shared tips. The employer's Missouri income tax withholding obligation with respect to an employee's tip income shall be limited to the portion of the employee's wages under the control of the employer against which the employer is required, pursuant to federal law, to withhold federal income taxes on the employee's tips. Such withholding obligation shall be calculated after making reductions for all required federal tax withholding, Missouri income tax withholding on non-tip income, and other amounts which have higher legal priority.

4. For purposes of this section an employee shall be entitled to the same number of personal and dependency withholding exemptions as the number of exemptions to which he is entitled for federal income tax withholding purposes. An employer may rely upon the number of federal withholding exemptions claimed by the employee, except where the employee provides the employer with a form claiming a different number of withholding exemptions in this state.

5. The director of revenue may enter into agreements with the tax departments of other states (which require income tax to be withheld from the payment of wages) so as to govern the amounts to be withheld from the wages of residents of such states under this section. Such agreements may provide for recognition of anticipated tax credits in determining the amounts to be withheld and, under regulations prescribed by the director of revenue, may relieve employers in this state from withholding income tax on wages paid to nonresident employees. The agreements authorized by this subsection are subject to the condition that the tax department of such other states grant similar treatment to residents of this state.

6. The director of revenue shall enter into agreements with the Secretary of the Treasury of the United States or with the appropriate secretaries of the respective branches of the Armed Forces of the United States for the withholding, as required by subsections 1 and 2 of this section, of income taxes due the state of Missouri on wages or other payments for service in the armed services of the United States or on payments received as retirement or retainer pay of any member or former member of the Armed Forces entitled to such pay.
7. Subject to appropriations for the purpose of implementing this section, the director of revenue shall comply with provisions of the laws of the United States as amended and the regulations promulgated thereto in order that all residents of this state receiving monthly retirement income as a civil service annuitant from the federal government taxable by this state may have withheld monthly from any such moneys, whether pension, annuities or otherwise, an amount for payment of state income taxes as required by state law, but such withholding shall not be less than twenty-five dollars per quarter.

8. The provisions of this section shall not apply to out-of-state businesses operating under sections 190.270 to 190.285.

143.801. 1. A claim for credit or refund of an overpayment of any tax imposed by sections 143.011 to 143.996 shall be filed by the taxpayer within three years from the time the return was filed or two years from the time the tax was paid, whichever of such periods expires the later; or if no return was filed by the taxpayer, within two years from the time the tax was paid. No credit or refund shall be allowed or made after the expiration of the period of limitation prescribed in this subsection for the filing of a claim for credit or refund, unless a claim for credit or refund is filed by the taxpayer within such period.

2. If the claim is filed by the taxpayer during the three-year period prescribed in subsection 1 of this section, the amount of the credit or refund shall not exceed the portion of the tax paid within the three years immediately preceding the filing of the claim plus the period of any extension of time for filing the return. If the claim is not filed within such three-year period, but is filed within the two-year period, the amount of the credit or refund shall not exceed the portion of the tax paid during the two years immediately preceding the filing of the claim. If no claim is filed, the credit or refund shall not exceed the amount which would be allowable under either of the preceding sentences, as the case may be, if a claim was filed on the date the credit or refund is allowed.

3. If pursuant to subsection 6 of section 143.711 an agreement for an extension of the period for assessment of income taxes is made within the period prescribed in subsection 1 of this section for the filing of a claim for credit or refund, the period for filing a claim for credit or for making a credit or refund if no claim is filed, shall not expire prior to six months after the expiration of the period within which an assessment may be made pursuant to the agreement or any extension thereof. The amount of such credit or refund shall not exceed the portion of the tax paid after the execution of the agreement and before the filing of the claim or the making of the credit or refund, as the case may be, plus the portion of the tax paid within the period which would be applicable under subsection 1 of this section if a claim had been filed on the date the agreement was executed.
4. If a taxpayer is required by section 143.601 to report a change or correction in federal taxable income reported on his federal income tax return, or to report a change or correction which is treated in the same manner as if it were an overpayment for federal income tax purposes, an amended return or a claim for credit or refund of any resulting overpayment of tax shall be filed by the taxpayer within one year from the time the notice of such change or correction or such amended return was required to be filed with the director of revenue. If the report or amended return required by section 143.601 is not filed within the ninety-day period therein specified, interest on any resulting refund or credit shall cease to accrue after such ninetieth day. The amount of such credit or refund shall not exceed the amount of the reduction in tax attributable to:

(1) The issues on which such federal change or correction or the items amended on the taxpayer's amended federal income tax return are based, and

(2) Any change in the amount of [his] the taxpayer's federal income tax deduction under the provisions of subsection 1 of section 143.171. No effect shall be given in the preceding sentence to any federal change or correction or to any item on an amended return unless it is timely under the applicable federal period of limitations. The time and amount provisions of this subsection shall be in lieu of any other provisions of this section. This subsection shall not affect the time within which or the amount for which a claim for credit or refund may be filed apart from this subsection.

5. If the claim for credit or refund relates to an overpayment of tax on account of the deductibility by the taxpayer of a debt as a debt which became worthless or a loss from worthlessness of a security or the effect that the deductibility of a debt or of a loss has on the application to the taxpayer of a carryover, the claim may be made, under regulations prescribed by the director of revenue within seven years from the date prescribed by law for filing the return for the year with respect to which the claim is made.

6. If the claim for credit or refund relates to an overpayment attributable to a net operating loss carryback or a capital loss carryback, in lieu of the three-year period of limitations prescribed in subsection 1 of this section, the period shall be that period which ends with the expiration of the fifteenth day of the fortieth month (or the thirty-ninth month, in the case of a corporation) following the end of the taxable year of the net operating loss or net capital loss which results in such carryback, or the period prescribed in subsection 3 of this section in respect of such taxable year, whichever expires later. In the case of such a claim, the amount of the credit or refund may exceed the portion of the tax paid within the period provided in subsections 2, 3 and 4 of this section, whichever is applicable, to the extent of the amount of the overpayment attributable to such carryback.
7. (1) No period of limitations provided in subsections 1 to 6 of this section shall apply if a taxpayer amends, or the federal Internal Revenue Service or its successor agency changes, the taxpayer's federal income tax return for the same tax period and:
(a) Such amendment or change occurs after any period of limitations provided in subsections 1 to 6 of this section has expired;
(b) Such amendment or change reveals that the taxpayer is eligible to claim a credit or refund of an overpayment of any tax imposed under this chapter; and
(c) A period of limitations provided in subsections 1 to 6 of this section prohibits the taxpayer from claiming such credit or refund.
(2) If the taxpayer files a claim for such credit or refund, the claim shall be filed in the manner provided in this chapter and shall be filed within one year from the time the taxpayer amends or the federal Internal Revenue Service changes the taxpayer's federal income tax return.

143.811. 1. Under regulations prescribed by the director of revenue, interest shall be allowed and paid at the rate determined by section 32.065 on any overpayment in respect of the tax imposed by sections 143.011 to 143.996; except that, where the overpayment resulted from the filing of an amendment of the tax by the taxpayer after the last day prescribed for the filing of the return, interest shall be allowed and paid at the rate of six percent per annum. With respect to the part of an overpayment attributable to a deposit made pursuant to subsection 2 of section 143.631, interest shall be paid thereon at the rate in section 32.065 from the date of the deposit to the date of refund. No interest shall be allowed or paid if the amount thereof is less than one dollar.
2. For purposes of this section:
(1) Any return filed before the last day prescribed for the filing thereof shall be considered as filed on such last day determined without regard to any extension of time granted the taxpayer;
(2) Any tax paid by the taxpayer before the last day prescribed for its payment, any income tax withheld from the taxpayer during any calendar year, and any amount paid by the taxpayer as estimated income tax for a taxable year shall be deemed to have been paid by him on the fifteenth day of the fourth month following the close of his taxable year to which such amount constitutes a credit or payment.
3. For purposes of this section with respect to any withholding tax:
(1) If a return for any period ending with or within a calendar year is filed before April fifteenth of the succeeding calendar year, such return shall be considered filed April fifteenth of such succeeding calendar year; and
If a tax with respect to remuneration paid during any period ending with or within a calendar year is paid before April fifteenth of the succeeding calendar year, such tax shall be considered paid on April fifteenth of such succeeding calendar year.

4. If any overpayment of tax imposed by sections 143.061 and 143.071 is refunded within four months after the last date prescribed (or permitted by extension of time) for filing the return of such tax or within four months after the return was filed, whichever is later, no interest shall be allowed under this section on overpayment.

5. If any overpayment of tax imposed by sections 143.011 and 143.041 is refunded within ninety forty-five days after the last date prescribed or permitted by extension of time for filing the return of such tax date the return or claim is filed, no interest shall be allowed under this section on overpayment.

6. Any overpayment resulting from a carryback, including a net operating loss and a corporate capital loss, shall be deemed not to have been made prior to the close of the taxable year in which the loss arises.

7. Any overpayment resulting from a carryback of a tax credit, including but not limited to the tax credits provided in sections 253.557 and 348.432, shall be deemed not to have been made prior to the close of the taxable year in which the tax credit was authorized.

144.020. 1. A tax is hereby levied and imposed for the privilege of titling new and used motor vehicles, trailers, boats, and outboard motors purchased or acquired for use on the highways or waters of this state which are required to be titled under the laws of the state of Missouri and, except as provided in subdivision (9) of this subsection, upon all sellers for the privilege of engaging in the business of selling tangible personal property or rendering taxable service at retail in this state. The rate of tax shall be as follows:

(1) Upon every retail sale in this state of tangible personal property, excluding motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats and outboard motors required to be titled under the laws of the state of Missouri and subject to tax under subdivision (9) of this subsection, a tax equivalent to four percent of the purchase price paid or charged, or in case such sale involves the exchange of property, a tax equivalent to four percent of the consideration paid or charged, including the fair market value of the property exchanged at the time and place of the exchange, except as otherwise provided in section 144.025;

(2) A tax equivalent to four percent of the amount paid for admission and seating accommodations, or fees paid to, or in any place of amusement, entertainment or recreation, games and athletic events;

(3) A tax equivalent to four percent of the basic rate paid or charged on all sales of electricity or electrical current, water and gas, natural or artificial, to domestic, commercial or industrial consumers;
(4) A tax equivalent to four percent on the basic rate paid or charged on all sales of local and long distance telecommunications service to telecommunications subscribers and to others through equipment of telecommunications subscribers for the transmission of messages and conversations and upon the sale, rental or leasing of all equipment or services pertaining or incidental thereto; except that, the payment made by telecommunications subscribers or others, pursuant to section 144.060, and any amounts paid for access to the internet or interactive computer services shall not be considered as amounts paid for telecommunications services;

(5) A tax equivalent to four percent of the basic rate paid or charged for all sales of services for transmission of messages of telegraph companies;

(6) A tax equivalent to four percent on the amount of sales or charges for all rooms, meals and drinks furnished at any hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car, tourist cabin, tourist camp or other place in which rooms, meals or drinks are regularly served to the public. The tax imposed under this subdivision shall not apply to any automatic mandatory gratuity for a large group imposed by a restaurant when such gratuity is reported as employee tip income and the restaurant withholds income tax under section 143.191 on such gratuity;

(7) A tax equivalent to four percent of the amount paid or charged for intrastate tickets by every person operating a railroad, sleeping car, dining car, express car, boat, airplane and such buses and trucks as are licensed by the division of motor carrier and railroad safety of the department of economic development of Missouri, engaged in the transportation of persons for hire;

(8) A tax equivalent to four percent of the amount paid or charged for rental or lease of tangible personal property, provided that if the lessor or renter of any tangible personal property had previously purchased the property under the conditions of "sale at retail" or leased or rented the property and the tax was paid at the time of purchase, lease or rental, the lessor, sublessee, renter or subrenter shall not apply or collect the tax on the subsequent lease, sublease, rental or subrental receipts from that property. The purchase, rental or lease of motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats, and outboard motors shall be taxed and the tax paid as provided in this section and section 144.070. In no event shall the rental or lease of boats and outboard motors be considered a sale, charge, or fee to, for or in places of amusement, entertainment or recreation nor shall any such rental or lease be subject to any tax imposed to, for, or in such places of amusement, entertainment or recreation. Rental and leased boats or outboard motors shall be taxed under the provisions of the sales tax laws as provided under such laws for motor vehicles and trailers. Tangible personal property which is exempt from the sales or use tax under section 144.030 upon a sale thereof is likewise exempt from the sales or use tax upon the lease or rental thereof;
(9) A tax equivalent to four percent of the purchase price, as defined in section 144.070, of new and used motor vehicles, trailers, boats, and outboard motors purchased or acquired for use on the highways or waters of this state which are required to be registered under the laws of the state of Missouri. This tax is imposed on the person titling such property, and shall be paid according to the procedures in section 144.440.

2. All tickets sold which are sold under the provisions of sections 144.010 to 144.525 which are subject to the sales tax shall have printed, stamped or otherwise endorsed thereon, the words "This ticket is subject to a sales tax."

144.030. 1. There is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to sections 144.010 to 144.525 such retail sales as may be made in commerce between this state and any other state of the United States, or between this state and any foreign country, and any retail sale which the state of Missouri is prohibited from taxing pursuant to the Constitution or laws of the United States of America, and such retail sales of tangible personal property which the general assembly of the state of Missouri is prohibited from taxing or further taxing by the constitution of this state.

2. There are also specifically exempted from the provisions of the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761 and from the computation of the tax levied, assessed or payable pursuant to the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.745:

(1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of such excise tax is refunded pursuant to section 142.824; or upon the sale at retail of fuel to be consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone or fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested will be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed form at retail; economic poisons registered pursuant to the provisions of the Missouri pesticide registration law (sections 281.220 to 281.310) which are to be used in connection with the growth or production of crops, fruit trees or orchards applied before, during, or after planting, the crop of which when harvested will be sold at retail or will be converted into foodstuffs which are to be sold ultimately in processed form at retail;

(2) Materials, manufactured goods, machinery and parts which when used in manufacturing, processing, compounding, mining, producing or fabricating become a component part or ingredient of the new personal property resulting from such manufacturing, processing,
compounding, mining, producing or fabricating and which new personal property is intended to be sold ultimately for final use or consumption; and materials, including without limitation, gases and manufactured goods, including without limitation slagging materials and firebrick, which are ultimately consumed in the manufacturing process by blending, reacting or interacting with or by becoming, in whole or in part, component parts or ingredients of steel products intended to be sold ultimately for final use or consumption;

(3) Materials, replacement parts and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock or aircraft engaged as common carriers of persons or property;

(4) Motor vehicles registered in excess of fifty-four thousand pounds, and the trailers pulled by such motor vehicles, that are actually used in the normal course of business to haul property on the public highways of the state, and that are capable of hauling loads commensurate with the motor vehicle's registered weight; and the materials, replacement parts, and equipment purchased for use directly upon, and for the repair and maintenance or manufacture of such vehicles. For purposes of this subdivision, "motor vehicle" and "public highway" shall have the meaning as ascribed in section 390.020;

(5) Replacement machinery, equipment, and parts and the materials and supplies solely required for the installation or construction of such replacement machinery, equipment, and parts, used directly in manufacturing, mining, fabricating or producing a product which is intended to be sold ultimately for final use or consumption; and machinery and equipment, and the materials and supplies required solely for the operation, installation or construction of such machinery and equipment, purchased and used to establish new, or to replace or expand existing, material recovery processing plants in this state. For the purposes of this subdivision, a "material recovery processing plant" means a facility that has as its primary purpose the recovery of materials into a usable product or a different form which is used in producing a new product and shall include a facility or equipment which are used exclusively for the collection of recovered materials for delivery to a material recovery processing plant but shall not include motor vehicles used on highways. For purposes of this section, the terms motor vehicle and highway shall have the same meaning pursuant to section 301.010. Material recovery is not the reuse of materials within a manufacturing process or the use of a product previously recovered. The material recovery processing plant shall qualify under the provisions of this section regardless of ownership of the material being recovered;

(6) Machinery and equipment, and parts and the materials and supplies solely required for the installation or construction of such machinery and equipment, purchased and used to establish new or to expand existing manufacturing, mining or fabricating plants in the state if
such machinery and equipment is used directly in manufacturing, mining or fabricating a product which is intended to be sold ultimately for final use or consumption;

(7) Tangible personal property which is used exclusively in the manufacturing, processing, modification or assembling of products sold to the United States government or to any agency of the United States government;

(8) Animals or poultry used for breeding or feeding purposes, or captive wildlife;

(9) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and other machinery, equipment, replacement parts and supplies used in producing newspapers published for dissemination of news to the general public;

(10) The rentals of films, records or any type of sound or picture transcriptions for public commercial display;

(11) Pumping machinery and equipment used to propel products delivered by pipelines engaged as common carriers;

(12) Railroad rolling stock for use in transporting persons or property in interstate commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or more or trailers used by common carriers, as defined in section 390.020, in the transportation of persons or property;

(13) Electrical energy used in the actual primary manufacture, processing, compounding, mining or producing of a product, or electrical energy used in the actual secondary processing or fabricating of the product, or a material recovery processing plant as defined in subdivision (5) of this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical energy so used exceeds ten percent of the total cost of production, either primary or secondary, exclusive of the cost of electrical energy so used or if the raw materials used in such processing contain at least twenty-five percent recovered materials as defined in section 260.200. There shall be a rebuttable presumption that the raw materials used in the primary manufacture of automobiles contain at least twenty-five percent recovered materials. For purposes of this subdivision, "processing" means any mode of treatment, act or series of acts performed upon materials to transform and reduce them to a different state or thing, including treatment necessary to maintain or preserve such processing by the producer at the production facility;

(14) Anodes which are used or consumed in manufacturing, processing, compounding, mining, producing or fabricating and which have a useful life of less than one year;

(15) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring air pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;
(16) Machinery, equipment, appliances and devices purchased or leased and used solely for the purpose of preventing, abating or monitoring water pollution, and materials and supplies solely required for the installation, construction or reconstruction of such machinery, equipment, appliances and devices;

(17) Tangible personal property purchased by a rural water district;

(18) All amounts paid or charged for admission or participation or other fees paid by or other charges to individuals in or for any place of amusement, entertainment or recreation, games or athletic events, including museums, fairs, zoos and planetariums, owned or operated by a municipality or other political subdivision where all the proceeds derived therefrom benefit the municipality or other political subdivision and do not inure to any private person, firm, or corporation, provided, however, that a municipality or other political subdivision may enter into revenue-sharing agreements with private persons, firms, or corporations providing goods or services, including management services, in or for the place of amusement, entertainment or recreation, games or athletic events, and provided further that nothing in this subdivision shall exempt from tax any amounts retained by any private person, firm, or corporation under such revenue-sharing agreement;

(19) All sales of insulin and prosthetic or orthopedic devices as defined on January 1, 1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically including hearing aids and hearing aid supplies and all sales of drugs which may be legally dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to administer those items, including samples and materials used to manufacture samples which may be dispensed by a practitioner authorized to dispense such samples and all sales or rental of medical oxygen, home respiratory equipment and accessories, hospital beds and accessories and ambulatory aids, all sales or rental of manual and powered wheelchairs, stairway lifts, Braille writers, electronic Braille equipment and, if purchased or rented by or on behalf of a person with one or more physical or mental disabilities to enable them to function more independently, all sales or rental of scooters, reading machines, electronic print enlargers and magnifiers, electronic alternative and augmentative communication devices, and items used solely to modify motor vehicles to permit the use of such motor vehicles by individuals with disabilities or sales of over-the-counter or nonprescription drugs to individuals with disabilities, and drugs required by the Food and Drug Administration to meet the over-the-counter drug product labeling requirements in 21 CFR 201.66, or its successor, as prescribed by a health care practitioner licensed to prescribe;

(20) All sales made by or to religious and charitable organizations and institutions in their religious, charitable or educational functions and activities and all sales made by or to all
elementary and secondary schools operated at public expense in their educational functions and activities;

(21) All sales of aircraft to common carriers for storage or for use in interstate commerce and all sales made by or to not-for-profit civic, social, service or fraternal organizations, including fraternal organizations which have been declared tax-exempt organizations pursuant to Section 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or charitable functions and activities and all sales made to eleemosynary and penal institutions and industries of the state, and all sales made to any private not-for-profit institution of higher education not otherwise excluded pursuant to subdivision (20) of this subsection or any institution of higher education supported by public funds, and all sales made to a state relief agency in the exercise of relief functions and activities;

(22) All ticket sales made by benevolent, scientific and educational associations which are formed to foster, encourage, and promote progress and improvement in the science of agriculture and in the raising and breeding of animals, and by nonprofit summer theater organizations if such organizations are exempt from federal tax pursuant to the provisions of the Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any fair conducted by a county agricultural and mechanical society organized and operated pursuant to sections 262.290 to 262.530;

(23) All sales made to any private not-for-profit elementary or secondary school, all sales of feed additives, medications or vaccines administered to livestock or poultry in the production of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as defined in section 142.028, natural gas, propane, and electricity used by an eligible new generation cooperative or an eligible new generation processing entity as defined in section 348.432, and all sales of farm machinery and equipment, other than airplanes, motor vehicles and trailers, and any freight charges on any exempt item. As used in this subdivision, the term "feed additives" means tangible personal property which, when mixed with feed for livestock or poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and other assorted pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark the application of pesticides and herbicides for the production of crops, livestock or poultry. As used in this subdivision, the term "farm machinery and equipment" means new or used farm tractors and such other new or used farm machinery and equipment and repair or replacement parts thereon and any accessories for and upgrades to such farm machinery and equipment, rotary
mowers used exclusively for agricultural purposes, and supplies and lubricants used exclusively, solely, and directly for producing crops, raising and feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for ultimate sale at retail, including field drain tile, and one-half of each purchaser's purchase of diesel fuel therefor which is:

(a) Used exclusively for agricultural purposes;
(b) Used on land owned or leased for the purpose of producing farm products; and
(c) Used directly in producing farm products to be sold ultimately in processed form or otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold ultimately in processed form at retail;

(24) Except as otherwise provided in section 144.032, all sales of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil for domestic use and in any city not within a county, all sales of metered or unmetered water service for domestic use:

(a) "Domestic use" means that portion of metered water service, electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not within a county, metered or unmetered water service, which an individual occupant of a residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility service through a single or master meter for residential apartments or condominiums, including service for common areas and facilities and vacant units, shall be deemed to be for domestic use. Each seller shall establish and maintain a system whereby individual purchases are determined as exempt or nonexempt;

(b) Regulated utility sellers shall determine whether individual purchases are exempt or nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file with and approved by the Missouri public service commission. Sales and purchases made pursuant to the rate classification "residential" and sales to and purchases made by or on behalf of the occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, shall be considered as sales made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales tax upon the entire amount of purchases classified as nondomestic use. The seller's utility service rate classification and the provision of service thereunder shall be conclusive as to whether or not the utility must charge sales tax;

(c) Each person making domestic use purchases of services or property and who uses any portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of the fourth month following the year of purchase, and without assessment, notice or demand, file a return and pay sales tax on that portion of nondomestic purchases. Each person making nondomestic purchases of services or property and who uses any portion of the services or
property so purchased for domestic use, and each person making domestic purchases on behalf of occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, under a nonresidential utility service rate classification may, between the first day of the first month and the fifteenth day of the fourth month following the year of purchase, apply for credit or refund to the director of revenue and the director shall give credit or make refund for taxes paid on the domestic use portion of the purchase. The person making such purchases on behalf of occupants of residential apartments or condominiums shall have standing to apply to the director of revenue for such credit or refund;

(25) All sales of handicraft items made by the seller or the seller's spouse if the seller or the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such sales do not constitute a majority of the annual gross income of the seller;

(26) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of revenue shall promulgate rules pursuant to chapter 536 to eliminate all state and local sales taxes on such excise taxes;

(27) Sales of fuel consumed or used in the operation of ships, barges, or waterborne vessels which are used primarily in or for the transportation of property or cargo, or the conveyance of persons for hire, on navigable rivers bordering on or located in part in this state, if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel while it is afloat upon such river;

(28) All sales made to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100 in the exercise of the functions and activities of such agency as provided pursuant to the compact;

(29) Computers, computer software and computer security systems purchased for use by architectural or engineering firms headquartered in this state. For the purposes of this subdivision, "headquartered in this state" means the office for the administrative management of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;

(30) All livestock sales when either the seller is engaged in the growing, producing or feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering or leasing of such livestock;

(31) All sales of barges which are to be used primarily in the transportation of property or cargo on interstate waterways;

(32) Electrical energy or gas, whether natural, artificial or propane, water, or other utilities which are ultimately consumed in connection with the manufacturing of cellular glass
products or in any material recovery processing plant as defined in subdivision (5) of this subsection;

(33) Notwithstanding other provisions of law to the contrary, all sales of pesticides or herbicides used in the production of crops, aquaculture, livestock or poultry;

(34) Tangible personal property and utilities purchased for use or consumption directly or exclusively in the research and development of agricultural/biotechnology and plant genomics products and prescription pharmaceuticals consumed by humans or animals;

(35) All sales of grain bins for storage of grain for resale;

(36) All sales of feed which are developed for and used in the feeding of pets owned by a commercial breeder when such sales are made to a commercial breeder, as defined in section 273.325, and licensed pursuant to sections 273.325 to 273.357;

(37) All purchases by a contractor on behalf of an entity located in another state, provided that the entity is authorized to issue a certificate of exemption for purchases to a contractor under the provisions of that state's laws. For purposes of this subdivision, the term "certificate of exemption" shall mean any document evidencing that the entity is exempt from sales and use taxes on purchases pursuant to the laws of the state in which the entity is located. Any contractor making purchases on behalf of such entity shall maintain a copy of the entity's exemption certificate as evidence of the exemption. If the exemption certificate issued by the exempt entity to the contractor is later determined by the director of revenue to be invalid for any reason and the contractor has accepted the certificate in good faith, neither the contractor or the exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result of use of the invalid exemption certificate. Materials shall be exempt from all state and local sales and use taxes when purchased by a contractor for the purpose of fabricating tangible personal property which is used in fulfilling a contract for the purpose of constructing, repairing or remodeling facilities for the following:

(a) An exempt entity located in this state, if the entity is one of those entities able to issue project exemption certificates in accordance with the provisions of section 144.062; or

(b) An exempt entity located outside the state if the exempt entity is authorized to issue an exemption certificate to contractors in accordance with the provisions of that state's law and the applicable provisions of this section;

(38) All sales or other transfers of tangible personal property to a lessor who leases the property under a lease of one year or longer executed or in effect at the time of the sale or other transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441 or sections 238.010 to 238.100;

(39) Sales of tickets to any collegiate athletic championship event that is held in a facility owned or operated by a governmental authority or commission, a quasi-governmental agency,
a state university or college or by the state or any political subdivision thereof, including a
municipality, and that is played on a neutral site and may reasonably be played at a site located
outside the state of Missouri. For purposes of this subdivision, "neutral site" means any site that
is not located on the campus of a conference member institution participating in the event;

(40) All purchases by a sports complex authority created under section 64.920, and all
sales of utilities by such authority at the authority's cost that are consumed in connection with
the operation of a sports complex leased to a professional sports team;

(41) All materials, replacement parts, and equipment purchased for use directly upon,
and for the modification, replacement, repair, and maintenance of aircraft, aircraft power plants,
and aircraft accessories;

(42) Sales of sporting clays, wobble, skeet, and trap targets to any shooting range or
similar places of business for use in the normal course of business and money received by a
shooting range or similar places of business from patrons and held by a shooting range or similar
place of business for redistribution to patrons at the conclusion of a shooting event;

(43) Any new or used aircraft sold or delivered in this state to a person who is not
a resident of this state or a corporation that is not incorporated in this state, and such
aircraft is not to be based in this state and shall not remain in this state more than ten
business days subsequent to the last to occur of:

(a) The transfer of title to the aircraft to a person who is not a resident of this state
or a corporation that is not incorporated in this state; or

(b) The date of the return to service of the aircraft in accordance with 14 CFR
91.407 for any maintenance, preventive maintenance, rebuilding, alterations, repairs, or
installations that are completed contemporaneously with the transfer of title to the aircraft
to a person who is not a resident of this state or a corporation that is not incorporated in
this state.

3. Any ruling, agreement, or contract, whether written or oral, express or implied,
between a person and this state's executive branch, or any other state agency or department,
stating, agreeing, or ruling that such person is not required to collect sales and use tax in this
state despite the presence of a warehouse, distribution center, or fulfillment center in this state
that is owned or operated by the person or an affiliated person shall be null and void unless it is
specifically approved by a majority vote of each of the houses of the general assembly. For
purposes of this subsection, an "affiliated person" means any person that is a member of the same
controlled group of corporations as defined in Section 1563(a) of the Internal Revenue Code of
1986, as amended, as the vendor or any other entity that, notwithstanding its form of
organization, bears the same ownership relationship to the vendor as a corporation that is a
144.049. 1. For purposes of this section, the following terms mean:

(1) "Clothing", any article of wearing apparel, including footwear, intended to be worn on or about the human body. The term shall include but not be limited to cloth and other material used to make school uniforms or other school clothing. Items normally sold in pairs shall not be separated to qualify for the exemption. The term shall not include watches, watchbands, jewelry, handbags, handkerchiefs, umbrellas, scarves, ties, headbands, or belt buckles; and

(2) "Personal computers", a laptop, desktop, or tower computer system which consists of a central processing unit, random access memory, a storage drive, a display monitor, and a keyboard and devices designed for use in conjunction with a personal computer, such as a disk drive, memory module, compact disk drive, daughterboard, digitizer, microphone, modem, motherboard, mouse, multimedia speaker, printer, scanner, single-user hardware, single-user operating system, soundcard, or video card;

(3) "School supplies", any item normally used by students in a standard classroom for educational purposes, including but not limited to textbooks, notebooks, paper, writing instruments, crayons, art supplies, rulers, book bags, backpacks, handheld calculators, chalk, maps, and globes. The term shall not include watches, radios, CD players, headphones, sporting equipment, portable or desktop telephones, copiers or other office equipment, furniture, or fixtures. School supplies shall also include computer software having a taxable value of three hundred fifty dollars or less and any graphing calculator having a taxable value of one hundred fifty dollars or less.

2. In each year beginning on or after January 1, 2005, there is hereby specifically exempted from state sales tax law all retail sales of any article of clothing having a taxable value of one hundred dollars or less, all retail sales of school supplies not to exceed fifty dollars per purchase, all computer software with a taxable value of three hundred fifty dollars or less, all graphing calculators having a taxable value of one hundred fifty dollars or less, and all retail sales of personal computers or computer peripheral devices not to exceed one thousand five hundred dollars, during a three-day period beginning at 12:01 a.m. on the first Friday in August and ending at midnight on the Sunday following.

3. If the governing body of any political subdivision adopted an ordinance that applied to the 2004 sales tax holiday to prohibit the provisions of this section from allowing the sales tax holiday to apply to such political subdivision's local sales tax, then, notwithstanding any provision of a local ordinance to the contrary, the 2005 sales tax holiday shall not apply to such political subdivision's local sales tax. However, any such political subdivision may enact an
ordinance to allow the 2005 sales tax holiday to apply to its local sales taxes. A political subdivision must notify the department of revenue not less than forty-five calendar days prior to the beginning date of the sales tax holiday occurring in that year of any ordinance or order rescinding an ordinance or order to opt out.

4. This section shall not apply to any sales which take place within the Missouri state fairgrounds.

5. This section applies to sales of items bought for personal use only.

6. After the 2005 sales tax holiday, any political subdivision may, by adopting an ordinance or order, choose to prohibit future annual sales tax holidays from applying to its local sales tax. After opting out, the political subdivision may rescind the ordinance or order. The political subdivision must notify the department of revenue not less than forty-five calendar days prior to the beginning date of the sales tax holiday occurring in that year of any ordinance or order rescinding an ordinance or order to opt out.

7. This section may not apply to any retailer when less than two percent of the retailer's merchandise offered for sale qualifies for the sales tax holiday. The retailer shall offer a sales tax refund in lieu of the sales tax holiday.

144.080. 1. Every person receiving any payment or consideration upon the sale of property or rendering of service, subject to the tax imposed by the provisions of sections 144.010 to 144.525, is exercising the taxable privilege of selling the property or rendering the service at retail and is subject to the tax levied in section 144.020. The person shall be responsible not only for the collection of the amount of the tax imposed on the sale or service to the extent possible under the provisions of section 144.285, but shall, on or before the last day of the month following each calendar quarterly period of three months, file a return with the director of revenue showing the person's gross receipts and the amount of tax levied in section 144.020 for the preceding quarter, and shall remit to the director of revenue, with the return, the taxes levied in section 144.020, except as provided in subsections 2 and 3 of this section. The director of revenue may promulgate rules or regulations changing the filing and payment requirements of sellers, but shall not require any seller to file and pay more frequently than required in this section.

2. Where the aggregate amount levied and imposed upon a seller by section 144.020 is in excess of two hundred and fifty dollars for either the first or second month of a calendar quarter, the seller shall file a return and pay such aggregate amount for such months to the director of revenue by the twentieth day of the succeeding month.

3. Where the aggregate amount levied and imposed upon a seller by section 144.020 is less than forty-five dollars in a calendar quarter, the director of revenue shall by regulation permit
the seller to file a return for a calendar year. The return shall be filed and the taxes paid on or before January thirty-first of the succeeding year.

4. The seller of any property or person rendering any service, subject to the tax imposed by sections 144.010 to 144.525, shall collect the tax from the purchaser of such property or the recipient of the service to the extent possible under the provisions of section 144.285, but the seller's inability to collect any part or all of the tax does not relieve the seller of the obligation to pay to the state the tax imposed by section 144.020; except that the collection of the tax imposed by sections 144.010 to 144.525 on motor vehicles and trailers shall be made as provided in sections 144.070 and 144.440.

5. It shall be unlawful for any person to advertise or hold out or state to the public or to any customer directly or indirectly that the tax or any part thereof imposed by sections 144.010 to 144.525, and required to be collected by the person, will be assumed or absorbed by the person, or that it will not be separately stated and added to the selling price of provided that the amount of tax assumed or absorbed shall be stated on any invoice or receipt for the property sold or service rendered, or that it or any part thereof will be refunded. Any person violating any of the provisions of this section shall be guilty of a misdemeanor. This subsection shall not apply to any retailer prohibited from collecting and remitting sales tax under section 66.630.