

SENATE BILL NO. 1388

102ND GENERAL ASSEMBLY

INTRODUCED BY SENATOR RAZER.

5414S.02I

KRISTINA MARTIN, Secretary

AN ACT

To repeal section 144.054, RSMo, and to enact in lieu thereof one new section relating to a sales tax exemption for certain nuclear facilities.

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

Section A. Section 144.054, RSMo, is repealed and one new
2 section enacted in lieu thereof, to be known as section 144.054,
3 to read as follows:

144.054. 1. As used in this section, the following
2 terms mean:

3 (1) **"Nuclear security enterprise", the same meaning as**
4 **defined in 50 U.S.C. Section 2501, inclusive of buildings,**
5 **structures, and infrastructure constructed for use as a**
6 **defense nuclear facility as defined in 50 U.S.C. Section**
7 **2501;**

8 (2) "Processing", any mode of treatment, act, or
9 series of acts performed upon materials to transform or
10 reduce them to a different state or thing, including
11 treatment necessary to maintain or preserve such processing
12 by the producer at the production facility;

13 [(2)] (3) "Producing" includes, but is not limited to,
14 the production of, including the production and transmission
15 of, telecommunication services;

16 [(3)] (4) "Product" includes, but is not limited to,
17 telecommunications services;

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 [(4)] (5) "Recovered materials", those materials which
19 have been diverted or removed from the solid waste stream
20 for sale, use, reuse, or recycling, whether or not they
21 require subsequent separation and processing.

22 2. In addition to all other exemptions granted under
23 this chapter, there is hereby specifically exempted from the
24 provisions of this chapter and the local sales tax law as
25 defined in section 32.085 and from the computation of the
26 tax levied, assessed, or payable under this chapter and the
27 local sales tax law as defined in section 32.085, electrical
28 energy and gas, whether natural, artificial, or propane,
29 water, coal, and energy sources, chemicals, machinery,
30 equipment, and materials used or consumed in the
31 manufacturing, processing, compounding, mining, or producing
32 of any product, or used or consumed in the processing of
33 recovered materials, or used in research and development
34 related to manufacturing, processing, compounding, mining,
35 or producing any product. The construction and application
36 of this subsection as expressed by the Missouri supreme
37 court in *DST Systems, Inc. v. Director of Revenue*, 43 S.W.3d
38 799 (Mo. banc 2001); *Southwestern Bell Tel. Co. v. Director*
39 *of Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and *Southwestern*
40 *Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo.
41 banc 2005), is hereby affirmed.

42 3. In addition to all other exemptions granted under
43 this chapter, there is hereby specifically exempted from the
44 provisions of this chapter and the local sales tax law as
45 defined in section 32.085, and from the computation of the
46 tax levied, assessed, or payable under this chapter and the
47 local sales tax law as defined in section 32.085, all
48 utilities, machinery, and equipment used or consumed
49 directly in television or radio broadcasting and all sales

50 and purchases of tangible personal property, utilities,
51 services, or any other transaction that would otherwise be
52 subject to the state or local sales or use tax when such
53 sales are made to or purchases are made by a contractor for
54 use in fulfillment of any obligation under a defense
55 contract with the United States government, and all sales
56 and leases of tangible personal property by any county,
57 city, incorporated town, or village, provided such sale or
58 lease is authorized under chapter 100, and such transaction
59 is certified for sales tax exemption by the department of
60 economic development, and tangible personal property used
61 for railroad infrastructure brought into this state for
62 processing, fabrication, or other modification for use
63 outside the state in the regular course of business.

64 4. In addition to all other exemptions granted under
65 this chapter, there is hereby specifically exempted from the
66 provisions of this chapter and the local sales tax law as
67 defined in section 32.085, and from the computation of the
68 tax levied, assessed, or payable under this chapter and the
69 local sales tax law as defined in section 32.085, all sales
70 and purchases of tangible personal property, utilities,
71 services, or any other transaction that would otherwise be
72 subject to the state or local sales or use tax when such
73 sales are made to or purchases are made by a private partner
74 for use in completing a project under sections 227.600 to
75 227.669.

76 5. In addition to all other exemptions granted under
77 this chapter, there is hereby specifically exempted from the
78 provisions of this chapter and the local sales tax law as
79 defined in section 32.085, and from the computation of the
80 tax levied, assessed, or payable under this chapter and the
81 local sales tax law as defined in section 32.085, all

82 materials, manufactured goods, machinery and parts,
83 electrical energy and gas, whether natural, artificial or
84 propane, water, coal and other energy sources, chemicals,
85 soaps, detergents, cleaning and sanitizing agents, and other
86 ingredients and materials inserted by commercial or
87 industrial laundries to treat, clean, and sanitize textiles
88 in facilities which process at least five hundred pounds of
89 textiles per hour and at least sixty thousand pounds per
90 week.

91 **6. In addition to all other exemptions granted**
92 **pursuant to this chapter, there is hereby exempted from the**
93 **provisions of and the computation of the tax levied,**
94 **assessed, or payable pursuant to this chapter and the local**
95 **sales tax law as defined in section 32.085, all sales and**
96 **purchases of tangible personal property, building materials,**
97 **equipment, fixtures, manufactured goods, machinery, and**
98 **parts for the purposes of constructing all or any portion of**
99 **a nuclear security enterprise located in any city with more**
100 **than four hundred thousand inhabitants and located in more**
101 **than one county. This subsection shall expire on August 28,**
102 **2034.**

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