

FIRST REGULAR SESSION  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 267**  
99TH GENERAL ASSEMBLY

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Reported from the Committee on Local Government and Elections, March 2, 2017, with recommendation that the Senate Committee Substitute do pass.

1127S.02C

ADRIANE D. CROUSE, Secretary.

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**AN ACT**

To repeal section 94.902, RSMo, and to enact in lieu thereof one new section relating to a public safety sales tax.

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

Section A. Section 94.902, RSMo, is repealed and one new section enacted  
2 in lieu thereof, to be known as section 94.902, to read as follows:

94.902. 1. The governing bodies of the following cities may impose a tax  
2 as provided in this section:

3 (1) Any city of the third classification with more than twenty-six thousand  
4 three hundred but less than twenty-six thousand seven hundred inhabitants;

5 (2) Any city of the fourth classification with more than thirty thousand  
6 three hundred but fewer than thirty thousand seven hundred inhabitants;

7 (3) Any city of the fourth classification with more than twenty-four  
8 thousand eight hundred but fewer than twenty-five thousand inhabitants;

9 (4) Any special charter city with more than twenty-nine thousand but  
10 fewer than thirty-two thousand inhabitants; [or]

11 (5) Any city of the third classification with more than four thousand but  
12 fewer than four thousand five hundred inhabitants and located in any county of  
13 the first classification with more than two hundred thousand but fewer than two  
14 hundred sixty thousand inhabitants; **or**

15 **(6) Any city of the fourth classification with more than nine**  
16 **thousand five hundred but fewer than ten thousand eight hundred**  
17 **inhabitants and located in any county with a charter form of**  
18 **government and with more than nine hundred fifty thousand**

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

19 **inhabitants.**

20           2. The governing body of any city listed in subsection 1 of this section may  
 21 impose, by order or ordinance, a sales tax on all retail sales made in the city  
 22 which are subject to taxation under chapter 144. The tax authorized in this  
 23 section may be imposed in an amount of up to one-half of one percent, and shall  
 24 be imposed solely for the purpose of improving the public safety for such city,  
 25 including but not limited to expenditures on equipment, city employee salaries  
 26 and benefits, and facilities for police, fire and emergency medical providers. The  
 27 tax authorized in this section shall be in addition to all other sales taxes imposed  
 28 by law, and shall be stated separately from all other charges and taxes. The  
 29 order or ordinance imposing a sales tax under this section shall not become  
 30 effective unless the governing body of the city submits to the voters residing  
 31 within the city, at a county or state general, primary, or special election, a  
 32 proposal to authorize the governing body of the city to impose a tax under this  
 33 section.

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

36           Shall the city of ..... (city's name) impose a citywide  
 37 sales tax at a rate of ..... (insert rate of percent) percent for the purpose of  
 38 improving the public safety of the city?

39                                    YES                                    NO

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

42 If a majority of the votes cast on the proposal by the qualified voters voting  
 43 thereon are in favor of the proposal, then the ordinance or order and any  
 44 amendments to the order or ordinance shall become effective on the first day of  
 45 the second calendar quarter after the director of revenue receives notice of the  
 46 adoption of the sales tax. If a majority of the votes cast on the proposal by the  
 47 qualified voters voting thereon are opposed to the proposal, then the tax shall not  
 48 become effective unless the proposal is resubmitted under this section to the  
 49 qualified voters and such proposal is approved by a majority of the qualified  
 50 voters voting on the proposal. However, in no event shall a proposal under this  
 51 section be submitted to the voters sooner than twelve months from the date of the  
 52 last proposal under this section.

53           4. Any sales tax imposed under this section shall be administered,  
 54 collected, enforced, and operated as required in section 32.087. All sales taxes

55 collected by the director of the department of revenue under this section on behalf  
56 of any city, less one percent for cost of collection which shall be deposited in the  
57 state's general revenue fund after payment of premiums for surety bonds as  
58 provided in section 32.087, shall be deposited in a special trust fund, which is  
59 hereby created in the state treasury, to be known as the "City Public Safety Sales  
60 Tax Trust Fund". The moneys in the trust fund shall not be deemed to be state  
61 funds and shall not be commingled with any funds of the state. The provisions  
62 of section 33.080 to the contrary notwithstanding, money in this fund shall not  
63 be transferred and placed to the credit of the general revenue fund. The director  
64 shall keep accurate records of the amount of money in the trust fund and which  
65 was collected in each city imposing a sales tax under this section, and the records  
66 shall be open to the inspection of officers of the city and the public. Not later  
67 than the tenth day of each month the director shall distribute all moneys  
68 deposited in the trust fund during the preceding month to the city which levied  
69 the tax. Such funds shall be deposited with the city treasurer of each such city,  
70 and all expenditures of funds arising from the trust fund shall be by an  
71 appropriation act to be enacted by the governing body of each such  
72 city. Expenditures may be made from the fund for any functions authorized in  
73 the ordinance or order adopted by the governing body submitting the tax to the  
74 voters. If the tax is repealed, all funds remaining in the special trust fund shall  
75 continue to be used solely for the designated purposes. Any funds in the special  
76 trust fund which are not needed for current expenditures shall be invested in the  
77 same manner as other funds are invested. Any interest and moneys earned on  
78 such investments shall be credited to the fund.

79         5. The director of the department of revenue may authorize the state  
80 treasurer to make refunds from the amounts in the trust fund and credited to any  
81 city for erroneous payments and overpayments made, and may redeem dishonored  
82 checks and drafts deposited to the credit of such cities. If any city abolishes the  
83 tax, the city shall notify the director of the action at least ninety days before the  
84 effective date of the repeal, and the director may order retention in the trust  
85 fund, for a period of one year, of two percent of the amount collected after receipt  
86 of such notice to cover possible refunds or overpayment of the tax and to redeem  
87 dishonored checks and drafts deposited to the credit of such accounts. After one  
88 year has elapsed after the effective date of abolition of the tax in such city, the  
89 director shall remit the balance in the account to the city and close the account  
90 of that city. The director shall notify each city of each instance of any amount

91 refunded or any check redeemed from receipts due the city.

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

96           Shall ..... (insert the name of the city) repeal the  
97 sales tax imposed at a rate of ..... (insert rate of percent) percent for the  
98 purpose of improving the public safety of the city?

99                                    YES                                    NO

100 If a majority of the votes cast on the proposal are in favor of repeal, that repeal  
101 shall become effective on December thirty-first of the calendar year in which such  
102 repeal was approved. If a majority of the votes cast on the question by the  
103 qualified voters voting thereon are opposed to the repeal, then the sales tax  
104 authorized in this section shall remain effective until the question is resubmitted  
105 under this section to the qualified voters, and the repeal is approved by a  
106 majority of the qualified voters voting on the question.

107           7. Whenever the governing body of any city that has adopted the sales tax  
108 authorized in this section receives a petition, signed by ten percent of the  
109 registered voters of the city voting in the last gubernatorial election, calling for  
110 an election to repeal the sales tax imposed under this section, the governing body  
111 shall submit to the voters of the city a proposal to repeal the tax. If a majority  
112 of the votes cast on the question by the qualified voters voting thereon are in  
113 favor of the repeal, that repeal shall become effective on December thirty-first of  
114 the calendar year in which such repeal was approved. If a majority of the votes  
115 cast on the question by the qualified voters voting thereon are opposed to the  
116 repeal, then the tax shall remain effective until the question is resubmitted under  
117 this section to the qualified voters and the repeal is approved by a majority of the  
118 qualified voters voting on the question.

119           8. **Any sales tax imposed pursuant to this section by a city**  
120 **described in subdivision (6) of subsection 1 of this section in effect as**  
121 **of December 31, 2038, shall automatically expire. No city described in**  
122 **subdivision (6) of subsection 1 of this section shall collect a sales tax**  
123 **pursuant to this section after January 1, 2039. The provisions of**  
124 **subsection 7 of this section shall not apply to a sales tax imposed**  
125 **pursuant to this section by a city described in subdivision (6) of**  
126 **subsection 1 of this section.**

127           **9.** Except as modified in this section, all provisions of sections 32.085 and  
128 32.087 shall apply to the tax imposed under this section.

✓

Unofficial

Bill

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