

FIRST REGULAR SESSION

SENATE BILL NO. 468

97TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SCHAEFER.

Read 1st time February 28, 2013, and ordered printed.

TERRY L. SPIELER, Secretary.

1924S.011

AN ACT

To repeal sections 144.032 and 205.205, RSMo, and to enact in lieu thereof four new sections relating to local hospitals.

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

Section A. Sections 144.032 and 205.205, RSMo, are repealed and four
2 new sections enacted in lieu thereof, to be known as sections 96.155, 144.032,
3 205.205, and 206.165, to read as follows:

96.155. 1. The board of trustees of a hospital established
2 **pursuant to this chapter, with the concurrence of the council of the city**
3 **of the third class, may, by resolution, abolish the property tax**
4 **authorized by section 96.150 to fund the operations of a hospital in**
5 **accordance with sections 96.150 to 96.228 and impose a sales tax on all**
6 **retail sales made within the city which are subject to sales tax under**
7 **chapter 144 and all sales of metered water services, electricity,**
8 **electrical current and natural, artificial or propane gas, wood, coal, or**
9 **home heating oil for domestic use only as provided under section**
10 **144.032. The tax authorized in this section shall be not more than one**
11 **percent, and shall be imposed solely for the purpose of funding the**
12 **operations of a hospital pursuant to sections 96.150 to 96.228. The tax**
13 **authorized in this section shall be in addition to all other sales taxes**
14 **imposed by law, and shall be stated separately from all other charges**
15 **and taxes.**

16 **2. No such resolution adopted under this section shall become**
17 **effective unless the board of trustees of such a hospital submits to the**
18 **voters residing within the city of the third class at a state general,**

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

19 primary, or special election a proposal to authorize the board of
20 trustees to impose a tax under this section. If two-thirds of the votes
21 cast on the question by the qualified voters voting thereon are in favor
22 of the question, then the tax shall become effective on the first day of
23 the second calendar quarter after the director of revenue receives
24 notification of adoption of the local sales tax. If two-thirds of the votes
25 cast on the question by the qualified voters voting thereon are opposed
26 to the question, then the tax shall not become effective unless and until
27 the question is resubmitted under this section to the qualified voters
28 and such question is approved by two-thirds of the qualified voters
29 voting on the question.

30 3. All revenue collected under this section by the director of the
31 department of revenue on behalf of the hospital operated pursuant to
32 sections 96.150 to 96.228, except for one percent for the cost of
33 collection which shall be deposited in the state's general revenue fund,
34 shall be deposited in a special trust fund, which is hereby created and
35 shall be known as the "City of the Third Class City Hospital Sales Tax
36 Fund", and shall be used solely for the designated purposes. Moneys in
37 the fund shall not be deemed to be state funds, and shall not be
38 commingled with any funds of the state. The director may make
39 refunds from the amounts in the fund and credited to the board of
40 trustees of the city hospital for erroneous payments and overpayments
41 made, and may redeem dishonored checks and drafts deposited to the
42 credit of such board of trustees. Any funds in the special fund which
43 are not needed for current expenditures shall be invested in the same
44 manner as other funds are invested. Any interest and moneys earned
45 on such investments shall be credited to the fund.

46 4. The board of trustees of a hospital operated pursuant to
47 sections 96.150 to 96.228 that has adopted the sales tax authorized in
48 this section may submit the question of repeal of the tax to the voters
49 on any date available for elections for the city of the third class. If a
50 majority of the votes cast on the question by the qualified voters voting
51 thereon are in favor of the repeal, that repeal shall become effective on
52 December thirty-first of the calendar year in which such repeal was
53 approved. If a majority of the votes cast on the question by the
54 qualified voters voting thereon are opposed to the repeal, then the sales
55 tax authorized in this section shall remain effective until the question

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

58 5. Whenever the board of trustees of a hospital operated
59 pursuant to sections 96.150 to 96.228 that has adopted the sales tax
60 authorized in this section receives a petition, signed by a number of
61 registered voters of the city of the third class equal to at least ten
62 percent of the number of registered voters of the city voting in the last
63 gubernatorial election, calling for an election to repeal the sales tax
64 imposed under this section, the board of trustees shall submit to the
65 voters of the city of the third class a proposal to repeal the tax. If a
66 majority of the votes cast on the question by the qualified voters voting
67 thereon are in favor of the repeal, the repeal shall become effective on
68 December thirty-first of the calendar year in which such repeal was
69 approved. If a majority of the votes cast on the question by the
70 qualified voters voting thereon are opposed to the repeal, then the sales
71 tax authorized in this section shall remain effective until the question
72 is resubmitted under this section to the qualified voters and the repeal
73 is approved by a majority of the qualified voters voting on the question.

74 6. If the tax is repealed or terminated by any means, all funds
75 remaining in the special trust fund shall continue to be used solely for
76 the designated purposes, and the board of trustees shall notify the
77 director of the department of revenue of the action at least ninety days
78 before the effective date of the repeal and the director may order
79 retention in the trust fund, for a period of one year, of two percent of
80 the amount collected after receipt of such notice to cover possible
81 refunds or overpayment of the tax and to redeem dishonored checks
82 and drafts deposited to the credit of such accounts. After one year has
83 elapsed after the effective date of abolition of the tax in such city of the
84 third class, the director shall remit the balance in the account to the
85 district and close the account of that city hospital. The director shall
86 notify each board of trustees of each instance of any amount refunded
87 or any check redeemed from receipts due the hospital operated
88 pursuant to sections 96.150 to 96.228.

144.032. The provisions of section 144.030 to the contrary
2 notwithstanding, any city imposing a sales tax under the provisions of sections
3 94.500 to 94.570 or sections 96.150 to 92.228, or any county imposing a sales
4 tax under the provisions of sections 66.600 to 66.635, or any county imposing a

5 sales tax under the provisions of sections 67.500 to 67.729 **or section 205.205,**
6 **or any hospital district imposing a sales tax under the provisions of**
7 **section 206.165,** or any hospital district imposing a sales tax under the
8 provisions of section 205.205 may by ordinance impose a sales tax upon all sales
9 of metered water services, electricity, electrical current and natural, artificial or
10 propane gas, wood, coal, or home heating oil for domestic use only. Such tax shall
11 be administered by the department of revenue and assessed by the retailer in the
12 same manner as any other city, county, or hospital district sales tax. Domestic
13 use shall be determined in the same manner as the determination of domestic use
14 for exemption of such sales from the state sales tax under the provisions of
15 section 144.030.

205.205. 1. The governing body of any [hospital district] **county which**
2 **has established a county hospital** under sections 205.160 to 205.379 [in any
3 county of the third classification without a township form of government and with
4 more than ten thousand six hundred but fewer than ten thousand seven hundred
5 inhabitants or any county of the third classification without a township form of
6 government and with more than eleven thousand seven hundred fifty but fewer
7 than eleven thousand eight hundred fifty inhabitants] may, by resolution,
8 abolish the property tax authorized [in such district] **by section 205.200 to**
9 **fund a county hospital** under this chapter and impose a sales tax on all retail
10 sales made within the district which are subject to sales tax under chapter 144
11 and all sales of metered water services, electricity, electrical current and natural,
12 artificial or propane gas, wood, coal, or home heating oil for domestic use only as
13 provided under section 144.032. The tax authorized in this section shall be not
14 more than one percent, and shall be imposed solely for the purpose of funding the
15 **county hospital [district].** The tax authorized in this section shall be in addition
16 to all other sales taxes imposed by law, and shall be stated separately from all
17 other charges and taxes.

18 2. No such resolution adopted under this section shall become effective
19 unless the governing body of the [hospital district] **county** submits to the voters
20 residing within the [district] **county** at a state general, primary, or special
21 election a proposal to authorize the governing body of the [district] **county** to
22 impose a tax under this section. If a majority of the votes cast on the question
23 by the qualified voters voting thereon are in favor of the question, then the tax
24 shall become effective on the first day of the second calendar quarter after the
25 director of revenue receives notification of adoption of the local sales tax. If a
26 majority of the votes cast on the question by the qualified voters voting thereon

27 are opposed to the question, then the tax shall not become effective unless and
28 until the question is resubmitted under this section to the qualified voters and
29 such question is approved by a majority of the qualified voters voting on the
30 question.

31 3. All revenue collected under this section by the director of the
32 department of revenue on behalf of the **county** hospital [district], except for one
33 percent for the cost of collection which shall be deposited in the state's general
34 revenue fund, shall be deposited in a special trust fund, which is hereby created
35 and shall be known as the "**County** Hospital [District] Sales Tax Fund", and
36 shall be used solely for the designated purposes. Moneys in the fund shall not be
37 deemed to be state funds, and shall not be commingled with any funds of the
38 state. The director may make refunds from the amounts in the fund and credited
39 to the district for erroneous payments and overpayments made, and may redeem
40 dishonored checks and drafts deposited to the credit of such district. Any funds
41 in the special fund which are not needed for current expenditures shall be
42 invested in the same manner as other funds are invested. Any interest and
43 moneys earned on such investments shall be credited to the fund.

44 4. The governing body of any [hospital district] **county** that has adopted
45 the sales tax authorized in this section may submit the question of repeal of the
46 tax to the voters on any date available for elections for the district. If a majority
47 of the votes cast on the question by the qualified voters voting thereon are in
48 favor of the repeal, that repeal shall become effective on December thirty-first of
49 the calendar year in which such repeal was approved. If a majority of the votes
50 cast on the question by the qualified voters voting thereon are opposed to the
51 repeal, then the sales tax authorized in this section shall remain effective until
52 the question is resubmitted under this section to the qualified voters and the
53 repeal is approved by a majority of the qualified voters voting on the question.

54 5. Whenever the governing body of any [hospital district] **county** that
55 has adopted the sales tax authorized in this section receives a petition, signed by
56 a number of registered voters of the [district] **county** equal to at least ten
57 percent of the number of registered voters of the [district] **county** voting in the
58 last gubernatorial election, calling for an election to repeal the sales tax imposed
59 under this section, the governing body shall submit to the voters of the
60 [district] **county** a proposal to repeal the tax. If a majority of the votes cast on
61 the question by the qualified voters voting thereon are in favor of the repeal, the
62 repeal shall become effective on December thirty-first of the calendar year in
63 which such repeal was approved. If a majority of the votes cast on the question

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

68 6. If the tax is repealed or terminated by any means, all funds remaining
69 in the special trust fund shall continue to be used solely for the designated
70 purposes, and the [hospital district] **county** shall notify the director of the
71 department of revenue of the action at least ninety days before the effective date
72 of the repeal and the director may order retention in the trust fund, for a period
73 of one year, of two percent of the amount collected after receipt of such notice to
74 cover possible refunds or overpayment of the tax and to redeem dishonored checks
75 and drafts deposited to the credit of such accounts. After one year has elapsed
76 after the effective date of abolition of the tax in such district, the director shall
77 remit the balance in the account to the [district] **county** and close the account
78 of that [district] **county**. The director shall notify each [district] **county** of
79 each instance of any amount refunded or any check redeemed from receipts due
80 the [district] **county**.

81 **7. The levy of a sales tax by a county pursuant to this section or**
82 **section 205.202 shall be deemed to comply with the requirements of this**
83 **section if it was approved prior to January 1, 2012, by the voters of the**
84 **county.**

206.165. 1. The governing body of any hospital district
2 **established under sections 206.010 to 206.160 may, by resolution,**
3 **abolish the property tax authorized in such district under this chapter**
4 **and impose a sales tax on all retail sales made within the district which**
5 **are subject to sales tax under chapter 144 and all sales of metered**
6 **water services, electricity, electrical current and natural, artificial or**
7 **propane gas, wood, coal, or home heating oil for domestic use only as**
8 **provided under section 144.032. The tax authorized in this section shall**
9 **be not more than one percent, and shall be imposed solely for the**
10 **purpose of funding the hospital district. The tax authorized in this**
11 **section shall be in addition to all other sales taxes imposed by law, and**
12 **shall be stated separately from all other charges and taxes.**

13 **2. No such resolution adopted under this section shall become**
14 **effective unless the governing body of the hospital district submits to**
15 **the voters residing within the district at a state general, primary, or**
16 **special election a proposal to authorize the governing body of the**

17 district to impose a tax under this section. If a majority of the votes
18 cast on the question by the qualified voters voting thereon are in favor
19 of the question, then the tax shall become effective on the first day of
20 the second calendar quarter after the director of revenue receives
21 notification of adoption of the local sales tax. If a majority of the votes
22 cast on the question by the qualified voters voting thereon are opposed
23 to the question, then the tax shall not become effective unless and until
24 the question is resubmitted under this section to the qualified voters
25 and such question is approved by a majority of the qualified voters
26 voting on the question.

27 3. All revenue collected under this section by the director of the
28 department of revenue on behalf of the hospital district, except for one
29 percent for the cost of collection which shall be deposited in the state's
30 general revenue fund, shall be deposited in a special trust fund, which
31 is hereby created and shall be known as the "Hospital District Sales Tax
32 Fund", and shall be used solely for the designated purposes. Moneys in
33 the fund shall not be deemed to be state funds, and shall not be
34 commingled with any funds of the state. The director may make
35 refunds from the amounts in the fund and credited to the district for
36 erroneous payments and overpayments made, and may redeem
37 dishonored checks and drafts deposited to the credit of such
38 district. Any funds in the special fund which are not needed for
39 current expenditures shall be invested in the same manner as other
40 funds are invested. Any interest and moneys earned on such
41 investments shall be credited to the fund.

42 4. The governing body of any hospital district that has adopted
43 the sales tax authorized in this section may submit the question of
44 repeal of the tax to the voters on any date available for elections for
45 the district. If a majority of the votes cast on the question by the
46 qualified voters voting thereon are in favor of the repeal, that repeal
47 shall become effective on December thirty-first of the calendar year in
48 which such repeal was approved. If a majority of the votes cast on the
49 question by the qualified voters voting thereon are opposed to the
50 repeal, then the sales tax authorized in this section shall remain
51 effective until the question is resubmitted under this section to the
52 qualified voters and the repeal is approved by a majority of the
53 qualified voters voting on the question.

54 5. Whenever the governing body of any hospital district that has
55 adopted the sales tax authorized in this section receives a petition,
56 signed by a number of registered voters of the district equal to at least
57 ten percent of the number of registered voters of the district voting in
58 the last gubernatorial election, calling for an election to repeal the
59 sales tax imposed under this section, the governing body shall submit
60 to the voters of the district a proposal to repeal the tax. If a majority
61 of the votes cast on the question by the qualified voters voting thereon
62 are in favor of the repeal, the repeal shall become effective on
63 December thirty-first of the calendar year in which such repeal was
64 approved. If a majority of the votes cast on the question by the
65 qualified voters voting thereon are opposed to the repeal, then the sales
66 tax authorized in this section shall remain effective until the question
67 is resubmitted under this section to the qualified voters and the repeal
68 is approved by a majority of the qualified voters voting on the question.

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

83 7. The levy of a sales tax by a hospital district pursuant to
84 section 205.205 shall be deemed to comply with the requirements of this
85 section if it was approved prior to January 1, 2012, by the voters of the
86 hospital district.

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