

FIRST REGULAR SESSION

SENATE COMMITTEE SUBSTITUTE FOR

SENATE BILL NO. 604

101ST GENERAL ASSEMBLY

2732S.02C

ADRIANE D. CROUSE, Secretary

AN ACT

To repeal section 92.111, RSMo, and to enact in lieu thereof one new section relating to earnings tax.

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

Section A. Section 92.111, RSMo, is repealed and one new
2 section enacted in lieu thereof, to be known as section 92.111,
3 to read as follows:

92.111. 1. After December 31, 2011, no city,
2 including any constitutional charter city, shall impose or
3 levy an earnings tax, except a constitutional charter city
4 that imposed or levied an earnings tax on November 2, 2010,
5 may continue to impose the earnings tax if it submits to the
6 voters of such city pursuant to section 92.115 the question
7 whether to continue such earnings tax for a period of five
8 years and a majority of such qualified voters voting thereon
9 approve such question, however, if no such election is held,
10 or if in any election held to continue to impose or levy the
11 earnings tax a majority of such qualified voters voting
12 thereon fail to approve the continuation of the earnings
13 tax, such city shall no longer be authorized to impose or
14 levy such earnings tax except to reduce such tax in the
15 manner provided by section 92.125.

16 2. As used in sections 92.111 to 92.200, unless the
17 context clearly requires otherwise, the term "earnings tax"
18 means a tax on the:

19 (1) Salaries, wages, commissions and other
20 compensation earned by its residents;

21 (2) Salaries, wages, commissions and other
22 compensation earned by nonresidents of the city for work
23 done or services performed or rendered in the city. **For all**
24 **tax returns filed on or after January 1, 2021, "work done or**
25 **services performed or rendered in the city" shall not**
26 **include any work or services performed or rendered through**
27 **telecommuting or otherwise performed or rendered remotely**
28 **unless the location where such remote work or services are**
29 **performed is located in the city. Any taxpayer denied a**
30 **refund for taxes paid for such work or services not**
31 **performed or rendered in the city may bring a cause of**
32 **action in a court of competent jurisdiction to recover the**
33 **amount of refund owed, and such taxpayer shall recover**
34 **reasonable attorney's fees resulting from such cause of**
35 **action;**

36 (3) Net profits of associations, businesses or other
37 activities conducted by residents;

38 (4) Net profits of associations, businesses or other
39 activities conducted in the city by nonresidents;

40 (5) Net profits earned by all corporations as the
41 result of work done or services performed or rendered and
42 business or other activities.

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