

SECOND REGULAR SESSION  
SENATE COMMITTEE SUBSTITUTE FOR  
**SENATE BILL NO. 648**  
100TH GENERAL ASSEMBLY

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Reported from the Committee on Ways and Means, February 13, 2020, with recommendation that the Senate Committee Substitute do pass.

ADRIANE D. CROUSE, Secretary.

3422S.07C

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**AN ACT**

To repeal sections 32.087, 135.550, 143.011, 143.441, 144.010, 144.011, 144.014, 144.020, 144.030, 144.043, 144.049, 144.054, 144.060, 144.069, 144.080, 144.083, 144.140, 144.190, 144.210, 144.285, 144.517, 144.526, 144.600, 144.605, 144.655, 144.710, 144.757, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015, RSMo, and to enact in lieu thereof twenty-nine new sections relating to taxation, with penalty provisions and an effective date.

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

Section A. Sections 32.087, 135.550, 143.011, 143.441, 144.010, 144.011, 144.014, 144.020, 144.030, 144.043, 144.049, 144.054, 144.060, 144.069, 144.080, 144.083, 144.140, 144.190, 144.210, 144.285, 144.517, 144.526, 144.600, 144.605, 144.655, 144.710, 144.757, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015, RSMo, are repealed and twenty-nine new sections enacted in lieu thereof, to be known as sections 32.087, 135.550, 143.011, 143.441, 144.010, 144.011, 144.014, 144.020, 144.030, 144.043, 144.049, 144.054, 144.060, 144.080, 144.083, 144.084, 144.123, 144.124, 144.140, 144.190, 144.210, 144.285, 144.526, 144.600, 144.612, 144.655, 144.710, 144.752, and 144.757, to read as follows:

32.087. 1. Within ten days after the adoption of any ordinance or order in favor of adoption of any local sales tax authorized under the local sales tax law by the voters of a taxing entity, the governing body or official of such taxing entity shall forward to the director of revenue by United States registered mail or certified mail a certified copy of the ordinance or order. The ordinance or order shall reflect the effective date thereof.

2. Any local sales tax so adopted shall become effective on the first day of the second calendar quarter after the director of revenue receives notice of

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

9 adoption of the local sales tax, except as provided in subsection [18] 17 of this  
10 section, and shall be imposed on all transactions on which the Missouri state  
11 sales tax is imposed.

12 3. **(1)** Every retailer within the jurisdiction of one or more taxing entities  
13 which has imposed one or more local sales taxes under the local sales tax law  
14 shall add all taxes so imposed along with the tax imposed by the sales tax law of  
15 the state of Missouri to the sale price and, when added, the combined tax shall  
16 constitute a part of the price, and shall be a debt of the purchaser to the retailer  
17 until paid, and shall be recoverable at law in the same manner as the purchase  
18 price. The combined rate of the state sales tax and all local sales taxes shall be  
19 the sum of the rates, multiplying the combined rate times the amount of the sale.

20 **(2)** For all tax years beginning on or after January 1, 2022, the  
21 total combined rate of sales taxes imposed under the local sales tax law  
22 shall not exceed the following amounts:

23 **(a)** For local sales taxes imposed under the local sales tax law by  
24 a taxing entity that is incorporated as a city, town, or village, four and  
25 one-half percent;

26 **(b)** For local sales taxes imposed under the local sales tax law by  
27 a county, excluding cities not within a county, three and one-fourth  
28 percent;

29 **(c)** For local sales taxes imposed under the local sales tax law by  
30 all taxing jurisdictions other than those described in paragraphs (a)  
31 and (b) of this subdivision, the total combined rate of sales taxes in any  
32 given taxing jurisdiction shall not exceed three and one-fourth  
33 percent. For the purposes of this paragraph, local sales taxes imposed  
34 by taxing entities described in paragraphs (a) and (b) of this  
35 subdivision, in a given taxing jurisdiction shall not be included in the  
36 calculation of the total combined rate of sales taxes under this  
37 paragraph.

38 **(3)** For the purposes of subdivision (2) of this subsection, no  
39 transient guest tax or convention and tourism tax, including sections  
40 92.325 to 92.340, shall be considered a local sales tax under the local  
41 sales tax law.

42 **(4)** In any election in which more than one sales tax levy is  
43 approved by the voters, and the passage of such levies results in a  
44 combined rate of sales tax in excess of the limits provided for under  
45 subdivision (2) of this subsection, only the sales tax levy receiving the

46 most votes shall become effective, provided such levy does not result in  
47 a combined rate of sales tax in excess of the limits provided for under  
48 subdivision (2) of this subsection.

49 (5) (a) For the tax year beginning on or after January 1, 2023,  
50 and ending on or before December 31, 2023, if any taxing jurisdiction  
51 levying a local use tax received local use tax revenues during the 2022  
52 calendar year in excess of the use tax growth allowance, such taxing  
53 jurisdiction shall revise such levy and the corresponding local sales tax  
54 levy to a rate that would have produced substantially the same amount  
55 of revenue during the 2022 calendar year as the total sales and use tax  
56 growth allowance.

57 (b) The tax levy as adjusted pursuant to paragraph (a) of this  
58 subdivision shall remain in effect for all subsequent tax years unless  
59 modified by a vote of the people pursuant to any provision of state law.

60 (c) No taxing jurisdiction subject to the provisions of paragraph  
61 (a) of this subdivision shall be required to make more than one  
62 adjustment to its sales or use tax levy pursuant to paragraph (a) of this  
63 subdivision.

64 (d) For the purposes of this subdivision, the following terms shall  
65 mean:

66 a. "Sales tax allowance", the revenue collected from local sales  
67 tax remittances during the 2022 calendar year;

68 b. "Total sales and use tax growth allowance", the sum of the  
69 sales tax allowance plus the use tax growth allowance;

70 c. "Use tax growth allowance", the highest amount of revenue  
71 collected from local use tax remittances during any of the calendar  
72 years beginning on or after January 1, 2018, and ending on or before  
73 December 31, 2021, plus five percent of such amount.

74 (e) All taxing jurisdictions levying a local use tax shall provide  
75 data, in such form as shall be prescribed by the state auditor by rule,  
76 substantiating such tax rate complies with the provisions of this  
77 subdivision. The state auditor shall, within fifteen days of the date of  
78 receipt, examine such information and return to the taxing jurisdiction  
79 his or her findings as to compliance of the tax rate with this  
80 subdivision. If the state auditor believes that a taxing jurisdiction's  
81 proposed tax rate does not comply with this subdivision, then the state  
82 auditor's findings shall include a recalculated tax rate, and the state

83 auditor may request a taxing jurisdiction to submit documentation  
84 supporting such taxing jurisdiction's proposed tax rate. Any rule or  
85 portion of a rule, as that term is defined in section 536.010 that is  
86 created under the authority delegated in this section shall become  
87 effective only if it complies with and is subject to all of the provisions  
88 of chapter 536 and, if applicable, section 536.028. This section and  
89 chapter 536 are nonseverable and if any of the powers vested with the  
90 general assembly pursuant to chapter 536 to review, to delay the  
91 effective date, or to disapprove and annul a rule are subsequently held  
92 unconstitutional, then the grant of rulemaking authority and any rule  
93 proposed or adopted after January 1, 2022, shall be invalid and void.

94 4. [The brackets required to be established by the director of revenue  
95 under the provisions of section 144.285 shall be based upon the sum of the  
96 combined rate of the state sales tax and all local sales taxes imposed under the  
97 provisions of the local sales tax law.

98 5.] (1) The ordinance or order imposing a local sales tax under the local  
99 sales tax law shall impose a tax upon all transactions upon which the Missouri  
100 state sales tax is imposed to the extent and in the manner provided in sections  
101 144.010 to [144.525] **144.527**, and the rules and regulations of the director of  
102 revenue issued pursuant thereto[; except that the rate of the tax shall be the sum  
103 of the combined rate of the state sales tax or state highway use tax and all local  
104 sales taxes imposed under the provisions of the local sales tax law].

105 (2) Notwithstanding any other provision of law to the contrary, local  
106 taxing jurisdictions, except those in which voters have approved a local use tax  
107 under section 144.757, shall have placed on the ballot on or after the general  
108 election in November 2014, but no later than the general election in November  
109 2022, whether to repeal application of the local sales tax to the titling of motor  
110 vehicles, trailers, boats, and outboard motors that are subject to state sales tax  
111 under section 144.020 and purchased from a source other than a licensed  
112 Missouri dealer. The ballot question presented to the local voters shall contain  
113 substantially the following language:

114 Shall the \_\_\_\_\_ (local jurisdiction's name) discontinue applying  
115 and collecting the local sales tax on the titling of motor vehicles,  
116 trailers, boats, and outboard motors that were purchased from a  
117 source other than a licensed Missouri dealer?

118 Approval of this measure will result in a reduction of local revenue

119 to provide for vital services for \_\_\_\_\_ (local jurisdiction's name)  
120 and it will place Missouri dealers of motor vehicles, outboard  
121 motors, boats, and trailers at a competitive disadvantage to  
122 non-Missouri dealers of motor vehicles, outboard motors, boats, and  
123 trailers.

124  YES  NO

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

128 (3) If the ballot question set forth in subdivision (2) of this subsection  
129 receives a majority of the votes cast in favor of the proposal, or if the local taxing  
130 jurisdiction fails to place the ballot question before the voters on or before the  
131 general election in November 2022, the local taxing jurisdiction shall cease  
132 applying the local sales tax to the titling of motor vehicles, trailers, boats, and  
133 outboard motors that were purchased from a source other than a licensed  
134 Missouri dealer.

135 (4) In addition to the requirement that the ballot question set forth in  
136 subdivision (2) of this subsection be placed before the voters, the governing body  
137 of any local taxing jurisdiction that had previously imposed a local use tax on the  
138 use of motor vehicles, trailers, boats, and outboard motors may, at any time, place  
139 a proposal on the ballot at any election to repeal application of the local sales tax  
140 to the titling of motor vehicles, trailers, boats, and outboard motors purchased  
141 from a source other than a licensed Missouri dealer. If a majority of the votes  
142 cast by the registered voters voting thereon are in favor of the proposal to repeal  
143 application of the local sales tax to such titling, then the local sales tax shall no  
144 longer be applied to the titling of motor vehicles, trailers, boats, and outboard  
145 motors purchased from a source other than a licensed Missouri dealer. If a  
146 majority of the votes cast by the registered voters voting thereon are opposed to  
147 the proposal to repeal application of the local sales tax to such titling, such  
148 application shall remain in effect.

149 (5) In addition to the requirement that the ballot question set forth in  
150 subdivision (2) of this subsection be placed before the voters on or after the  
151 general election in November 2014, and on or before the general election in  
152 November 2022, whenever the governing body of any local taxing jurisdiction  
153 imposing a local sales tax on the sale of motor vehicles, trailers, boats, and  
154 outboard motors receives a petition, signed by fifteen percent of the registered

155 voters of such jurisdiction voting in the last gubernatorial election, and calling  
156 for a proposal to be placed on the ballot at any election to repeal application of  
157 the local sales tax to the titling of motor vehicles, trailers, boats, and outboard  
158 motors purchased from a source other than a licensed Missouri dealer, the  
159 governing body shall submit to the voters of such jurisdiction a proposal to repeal  
160 application of the local sales tax to such titling. If a majority of the votes cast by  
161 the registered voters voting thereon are in favor of the proposal to repeal  
162 application of the local sales tax to such titling, then the local sales tax shall no  
163 longer be applied to the titling of motor vehicles, trailers, boats, and outboard  
164 motors purchased from a source other than a licensed Missouri dealer. If a  
165 majority of the votes cast by the registered voters voting thereon are opposed to  
166 the proposal to repeal application of the local sales tax to such titling, such  
167 application shall remain in effect.

168 (6) Nothing in this subsection shall be construed to authorize the voters  
169 of any jurisdiction to repeal application of any state sales or use tax.

170 (7) If any local sales tax on the titling of motor vehicles, trailers, boats,  
171 and outboard motors purchased from a source other than a licensed Missouri  
172 dealer is repealed, such repeal shall take effect on the first day of the second  
173 calendar quarter after the election. If any local sales tax on the titling of motor  
174 vehicles, trailers, boats, and outboard motors purchased from a source other than  
175 a licensed Missouri dealer is required to cease to be applied or collected due to  
176 failure of a local taxing jurisdiction to hold an election pursuant to subdivision  
177 (2) of this subsection, such cessation shall take effect on March 1, 2023.

178 (8) Notwithstanding any provision of law to the contrary, if any local sales  
179 tax on the titling of motor vehicles, trailers, boats, and outboard motors  
180 purchased from a source other than a licensed Missouri dealer is repealed after  
181 the general election in November 2014, or if the taxing jurisdiction failed to  
182 present the ballot to the voters at a general election on or before November 2022,  
183 then the governing body of such taxing jurisdiction may, at any election  
184 subsequent to the repeal or after the general election in November 2022, if the  
185 jurisdiction failed to present the ballot to the voters, place before the voters the  
186 issue of imposing a sales tax on the titling of motor vehicles, trailers, boats, and  
187 outboard motors that are subject to state sales tax under section 144.020 that  
188 were purchased from a source other than a licensed Missouri dealer. The ballot  
189 question presented to the local voters shall contain substantially the following  
190 language:

191 Shall the \_\_\_\_\_ (local jurisdiction's name) apply and collect the  
192 local sales tax on the titling of motor vehicles, trailers, boats, and  
193 outboard motors that are subject to state sales tax under section  
194 144.020 and purchased from a source other than a licensed  
195 Missouri dealer?

196 Approval of this measure will result in an increase of local revenue  
197 to provide for vital services for \_\_\_\_\_ (local jurisdiction's name),  
198 and it will remove a competitive advantage that non-Missouri  
199 dealers of motor vehicles, outboard motors, boats, and trailers have  
200 over Missouri dealers of motor vehicles, outboard motors, boats,  
201 and trailers.

202  YES  NO

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

206 (9) If any local sales tax on the titling of motor vehicles, trailers, boats,  
207 and outboard motors purchased from a source other than a licensed Missouri  
208 dealer is adopted, such tax shall take effect and be imposed on the first day of the  
209 second calendar quarter after the election.

210 [6.] 5. On and after the effective date of any local sales tax imposed  
211 under the provisions of the local sales tax law, the director of revenue shall  
212 perform all functions incident to the administration, collection, enforcement, and  
213 operation of the tax, and the director of revenue shall collect in addition to the  
214 sales tax for the state of Missouri all additional local sales taxes authorized under  
215 the authority of the local sales tax law. All local sales taxes imposed under the  
216 local sales tax law together with all taxes imposed under the sales tax law of the  
217 state of Missouri shall be collected together and reported upon such forms and  
218 under such administrative rules and regulations as may be prescribed by the  
219 director of revenue.

220 [7.] 6. All applicable provisions contained in sections 144.010 to [144.525]  
221 144.527 governing the state sales tax and section 32.057, the uniform  
222 confidentiality provision, shall apply to the collection of any local sales tax  
223 imposed under the local sales tax law except as modified by the local sales tax  
224 law.

225 [8.] 7. All exemptions granted to agencies of government, organizations,  
226 persons and to the sale of certain articles and items of tangible personal property

227 and taxable services under the provisions of sections 144.010 to [144.525]  
228 **144.527**, as these sections now read and as they may hereafter be amended, it  
229 being the intent of this general assembly to ensure that the same sales tax  
230 exemptions granted from the state sales tax law also be granted under the local  
231 sales tax law, are hereby made applicable to the imposition and collection of all  
232 local sales taxes imposed under the local sales tax law.

233 [9.] **8.** The same sales tax permit, exemption certificate and retail  
234 certificate required by sections 144.010 to [144.525] **144.527** for the  
235 administration and collection of the state sales tax shall satisfy the requirements  
236 of the local sales tax law, and no additional permit or exemption certificate or  
237 retail certificate shall be required; except that the director of revenue may  
238 prescribe a form of exemption certificate for an exemption from any local sales tax  
239 imposed by the local sales tax law.

240 [10.] **9.** All discounts allowed the retailer under the provisions of the  
241 state sales tax law for the collection of and for payment of taxes under the  
242 provisions of the state sales tax law are hereby allowed and made applicable to  
243 any local sales tax collected under the provisions of the local sales tax law.

244 [11.] **10.** The penalties provided in section 32.057 and sections 144.010  
245 to [144.525] **144.527** for a violation of the provisions of those sections are hereby  
246 made applicable to violations of the provisions of the local sales tax law.

247 [12.] **11.** (1) For the purposes of any local sales tax imposed by an  
248 ordinance or order under the local sales tax law, all sales, except the sale of motor  
249 vehicles, trailers, boats, and outboard motors required to be titled under the laws  
250 of the state of Missouri, shall be deemed to be consummated at the place of  
251 business of the retailer unless the tangible personal property sold is delivered by  
252 the retailer or his agent to an out-of-state destination. In the event a retailer has  
253 more than one place of business in this state which participates in the sale, the  
254 sale shall be deemed to be consummated at the place of business of the retailer  
255 where the initial order for the tangible personal property is taken, even though  
256 the order must be forwarded elsewhere for acceptance, approval of credit,  
257 shipment or billing. A sale by a retailer's agent or employee shall be deemed to  
258 be consummated at the place of business from which he works.

259 (2) For the purposes of any local sales tax imposed by an ordinance or  
260 order under the local sales tax law, the sales tax upon the titling of all motor  
261 vehicles, trailers, boats, and outboard motors shall be imposed at the rate in  
262 effect at the location of the residence of the purchaser, and remitted to that local



263 taxing entity, and not at the place of business of the retailer, or the place of  
264 business from which the retailer's agent or employee works.

265 (3) For the purposes of any local tax imposed by an ordinance or under the  
266 local sales tax law on charges for mobile telecommunications services, all taxes  
267 of mobile telecommunications service shall be imposed as provided in the Mobile  
268 Telecommunications Sourcing Act, 4 U.S.C. Sections 116 through 124, as  
269 amended.

270 [13.] 12. Local sales taxes shall not be imposed on the seller of motor  
271 vehicles, trailers, boats, and outboard motors required to be titled under the laws  
272 of the state of Missouri, but shall be collected from the purchaser by the director  
273 of revenue at the time application is made for a certificate of title, if the address  
274 of the applicant is within a taxing entity imposing a local sales tax under the  
275 local sales tax law.

276 [14.] 13. The director of revenue and any of his deputies, assistants and  
277 employees who have any duties or responsibilities in connection with the  
278 collection, deposit, transfer, transmittal, disbursement, safekeeping, accounting,  
279 or recording of funds which come into the hands of the director of revenue under  
280 the provisions of the local sales tax law shall enter a surety bond or bonds  
281 payable to any and all taxing entities in whose behalf such funds have been  
282 collected under the local sales tax law in the amount of one hundred thousand  
283 dollars for each such tax; but the director of revenue may enter into a blanket  
284 bond covering himself and all such deputies, assistants and employees. The cost  
285 of any premium for such bonds shall be paid by the director of revenue from the  
286 share of the collections under the sales tax law retained by the director of  
287 revenue for the benefit of the state.

288 [15.] 14. The director of revenue shall annually report on his  
289 management of each trust fund which is created under the local sales tax law and  
290 administration of each local sales tax imposed under the local sales tax law. He  
291 shall provide each taxing entity imposing one or more local sales taxes authorized  
292 by the local sales tax law with a detailed accounting of the source of all funds  
293 received by him for the taxing entity. Notwithstanding any other provisions of  
294 law, the state auditor shall annually audit each trust fund. A copy of the  
295 director's report and annual audit shall be forwarded to each taxing entity  
296 imposing one or more local sales taxes.

297 [16.] 15. Within the boundaries of any taxing entity where one or more  
298 local sales taxes have been imposed, if any person is delinquent in the payment

299 of the amount required to be paid by him under the local sales tax law or in the  
300 event a determination has been made against him for taxes and penalty under  
301 the local sales tax law, the limitation for bringing suit for the collection of the  
302 delinquent tax and penalty shall be the same as that provided in sections 144.010  
303 to [144.525] **144.527**. Where the director of revenue has determined that suit  
304 must be filed against any person for the collection of delinquent taxes due the  
305 state under the state sales tax law, and where such person is also delinquent in  
306 payment of taxes under the local sales tax law, the director of revenue shall  
307 notify the taxing entity in the event any person fails or refuses to pay the amount  
308 of any local sales tax due so that appropriate action may be taken by the taxing  
309 entity.

310 [17.] **16.** Where property is seized by the director of revenue under the  
311 provisions of any law authorizing seizure of the property of a taxpayer who is  
312 delinquent in payment of the tax imposed by the state sales tax law, and where  
313 such taxpayer is also delinquent in payment of any tax imposed by the local sales  
314 tax law, the director of revenue shall permit the taxing entity to join in any sale  
315 of property to pay the delinquent taxes and penalties due the state and to the  
316 taxing entity under the local sales tax law. The proceeds from such sale shall  
317 first be applied to all sums due the state, and the remainder, if any, shall be  
318 applied to all sums due such taxing entity.

319 [18.] **17.** If a local sales tax has been in effect for at least one year under  
320 the provisions of the local sales tax law and voters approve reimposition of the  
321 same local sales tax at the same rate at an election as provided for in the local  
322 sales tax law prior to the date such tax is due to expire, the tax so reimposed  
323 shall become effective the first day of the first calendar quarter after the director  
324 receives a certified copy of the ordinance, order or resolution accompanied by a  
325 map clearly showing the boundaries thereof and the results of such election,  
326 provided that such ordinance, order or resolution and all necessary accompanying  
327 materials are received by the director at least thirty days prior to the expiration  
328 of such tax. Any administrative cost or expense incurred by the state as a result  
329 of the provisions of this subsection shall be paid by the city or county reimposing  
330 such tax.

331 **18. If the boundaries of a city in which a sales tax has been**  
332 **imposed shall thereafter be changed or altered, the city clerk shall**  
333 **forward to the director of revenue by United States registered mail or**  
334 **certified mail a certified copy of the ordinance adding or detaching**

335 territory from the city within ten days of adoption of the  
336 ordinance. The ordinance shall reflect the effective date of the  
337 ordinance and shall be accompanied by a map of the city clearly  
338 showing the territory added or detached from the city  
339 boundaries. Upon receipt of the ordinance and map, the tax imposed  
340 under the local sales tax law shall be effective in the added territory or  
341 abolished in the detached territory on the first day of a calendar  
342 quarter after one hundred twenty days' notice to sellers.

343       **19. (1) If a sales or use tax rate is increased, the new rate shall**  
344 **apply to the first billing period starting on or after the effective date**  
345 **of the increase.**

346       **(2) If a sales or use tax rate is decreased, the new rate shall**  
347 **apply to bills rendered on or after the effective date of the decrease.**

135.550. 1. As used in this section, the following terms shall mean:

2       (1) "Contribution", a donation of cash, stock, bonds or other marketable  
3 securities, or real property;

4       (2) "Shelter for victims of domestic violence", a facility located in this state  
5 which meets the definition of a shelter for victims of domestic violence pursuant  
6 to section 455.200 and which meets the requirements of section 455.220, **or a**  
7 **nonprofit organization established and operating exclusively for the**  
8 **purpose of supporting a shelter for victims of domestic violence**  
9 **operated by the state or one of its political subdivisions;**

10       (3) "State tax liability", in the case of a business taxpayer, any liability  
11 incurred by such taxpayer pursuant to the provisions of chapter 143, chapter 147,  
12 chapter 148, and chapter 153, exclusive of the provisions relating to the  
13 withholding of tax as provided for in sections 143.191 to 143.265 and related  
14 provisions, and in the case of an individual taxpayer, any liability incurred by  
15 such taxpayer pursuant to the provisions of chapter 143;

16       (4) "Taxpayer", a person, firm, a partner in a firm, corporation or a  
17 shareholder in an S corporation doing business in the state of Missouri and  
18 subject to the state income tax imposed by the provisions of chapter 143, or a  
19 corporation subject to the annual corporation franchise tax imposed by the  
20 provisions of chapter 147, including any charitable organization which is exempt  
21 from federal income tax and whose Missouri unrelated business taxable income,  
22 if any, would be subject to the state income tax imposed under chapter 143, or an  
23 insurance company paying an annual tax on its gross premium receipts in this

24 state, or other financial institution paying taxes to the state of Missouri or any  
25 political subdivision of this state pursuant to the provisions of chapter 148, or an  
26 express company which pays an annual tax on its gross receipts in this state  
27 pursuant to chapter 153, or an individual subject to the state income tax imposed  
28 by the provisions of chapter 143.

29         2. A taxpayer shall be allowed to claim a tax credit against the taxpayer's  
30 state tax liability, in an amount equal to fifty percent of the amount such  
31 taxpayer contributed to a shelter for victims of domestic violence.

32         3. The amount of the tax credit claimed shall not exceed the amount of the  
33 taxpayer's state tax liability for the taxable year that the credit is claimed, and  
34 such taxpayer shall not be allowed to claim a tax credit in excess of fifty thousand  
35 dollars per taxable year. However, any tax credit that cannot be claimed in the  
36 taxable year the contribution was made may be carried over to the next four  
37 succeeding taxable years until the full credit has been claimed.

38         4. Except for any excess credit which is carried over pursuant to  
39 subsection 3 of this section, a taxpayer shall not be allowed to claim a tax credit  
40 unless the total amount of such taxpayer's contribution or contributions to a  
41 shelter or shelters for victims of domestic violence in such taxpayer's taxable year  
42 has a value of at least one hundred dollars.

43         5. The director of the department of social services shall determine, at  
44 least annually, which facilities in this state may be classified as shelters for  
45 victims of domestic violence. The director of the department of social services  
46 may require of a facility seeking to be classified as a shelter for victims of  
47 domestic violence whatever information is reasonably necessary to make such a  
48 determination. The director of the department of social services shall classify a  
49 facility as a shelter for victims of domestic violence if such facility meets the  
50 definition set forth in subsection 1 of this section.

51         6. The director of the department of social services shall establish a  
52 procedure by which a taxpayer can determine if a facility has been classified as  
53 a shelter for victims of domestic violence, and by which such taxpayer can then  
54 contribute to such shelter for victims of domestic violence and claim a tax  
55 credit. Shelters for victims of domestic violence shall be permitted to decline a  
56 contribution from a taxpayer. The cumulative amount of tax credits which may  
57 be claimed by all the taxpayers contributing to shelters for victims of domestic  
58 violence in any one fiscal year shall not exceed two million dollars **for all fiscal**  
59 **years ending on or before June 30, 2021, and three million dollars for**

60 **all fiscal years beginning on or after July 1, 2021.**

61 7. The director of the department of social services shall establish a  
 62 procedure by which, from the beginning of the fiscal year until some point in time  
 63 later in the fiscal year to be determined by the director of the department of  
 64 social services, the cumulative amount of tax credits are equally apportioned  
 65 among all facilities classified as shelters for victims of domestic violence. If a  
 66 shelter for victims of domestic violence fails to use all, or some percentage to be  
 67 determined by the director of the department of social services, of its apportioned  
 68 tax credits during this predetermined period of time, the director of the  
 69 department of social services may reapportion these unused tax credits to those  
 70 shelters for victims of domestic violence that have used all, or some percentage  
 71 to be determined by the director of the department of social services, of their  
 72 apportioned tax credits during this predetermined period of time. The director  
 73 of the department of social services may establish more than one period of time  
 74 and reapportion more than once during each fiscal year. To the maximum extent  
 75 possible, the director of the department of social services shall establish the  
 76 procedure described in this subsection in such a manner as to ensure that  
 77 taxpayers can claim all the tax credits possible up to the cumulative amount of  
 78 tax credits available for the fiscal year.

79 8. This section shall become effective January 1, 2000, and shall apply to  
 80 all tax years after December 31, 1999.

143.011. 1. A tax is hereby imposed for every taxable year on the  
 2 Missouri taxable income of every resident. The tax shall be determined by  
 3 applying the tax table or the rate provided in section 143.021, which is based  
 4 upon the following rates:

5	If the Missouri taxable income is:	The tax is:
6	Not over \$1,000.00	11/2% of the Missouri taxable income
7	Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000
8	Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess over \$2,000
9	Over \$3,000 but not over \$4,000	\$60 plus 3% of excess over \$3,000
10	Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess over \$4,000
11	Over \$5,000 but not over \$6,000	\$125 plus 4% of excess over \$5,000
12	Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of excess over \$6,000
13	Over \$7,000 but not over \$8,000	\$210 plus 5% of excess over \$7,000
14	Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of excess over \$8,000
15	Over \$9,000	\$315 plus 6% of excess over \$9,000

16           2. (1) Beginning with the 2017 calendar year, the top rate of tax under  
17 subsection 1 of this section may be reduced over a period of years. Each  
18 reduction in the top rate of tax shall be by one-tenth of a percent and no more  
19 than one reduction shall occur in a calendar year. No more than five reductions  
20 shall be made under this subsection. Reductions in the rate of tax shall take  
21 effect on January first of a calendar year and such reduced rates shall continue  
22 in effect until the next reduction occurs.

23           (2) A reduction in the rate of tax shall only occur if the amount of net  
24 general revenue collected in the previous fiscal year exceeds the highest amount  
25 of net general revenue collected in any of the three fiscal years prior to such fiscal  
26 year by at least one hundred fifty million dollars.

27           (3) Any modification of tax rates under this subsection shall only apply  
28 to tax years that begin on or after a modification takes effect.

29           (4) The director of the department of revenue shall, by rule, adjust the tax  
30 tables under subsection 1 of this section to effectuate the provisions of this  
31 subsection. The bracket for income subject to the top rate of tax shall be  
32 eliminated once the top rate of tax has been reduced to five and one-half percent,  
33 and the top remaining rate of tax shall apply to all income in excess of the income  
34 in the second highest remaining income bracket.

35           3. (1) In addition to the rate reductions under subsection 2 of this section,  
36 beginning with the 2019 calendar year, the top rate of tax under subsection 1 of  
37 this section shall be reduced by four-tenths of one percent. Such reduction in the  
38 rate of tax shall take effect on January first of the 2019 calendar year.

39           (2) The modification of tax rates under this subsection shall only apply to  
40 tax years that begin on or after the date the modification takes effect.

41           (3) The director of the department of revenue shall, by rule, adjust the tax  
42 tables under subsection 1 of this section to effectuate the provisions of this  
43 subsection.

44           4. **(1) In addition to the rate reductions under subsections 2 and**  
45 **3 of this section, beginning with the calendar year following the**  
46 **calendar year in which the final reduction in the top rate of tax is**  
47 **made under subsection 2 of this section, the top rate of tax under**  
48 **subsection 1 of this section shall be reduced by fifteen-hundredths of**  
49 **one percent. Such reduction in the rate of tax shall take effect on**  
50 **January first of a calendar year.**

51           **(2) The reduction in the rate of tax pursuant to this subsection**

52 shall only occur if the amount of net general revenue collected in the  
53 previous fiscal year exceeds the highest amount of net general revenue  
54 collected in any of the three fiscal years prior to such fiscal year by at  
55 least one hundred fifty million dollars.

56 (3) The modification of tax rates under this subsection shall only  
57 apply to tax years that begin on or after the date the modification takes  
58 effect.

59 (4) The director of the department of revenue shall, by rule,  
60 adjust the tax tables under subsection 1 of this section to effectuate the  
61 provisions of this subsection.

62 5. Beginning with the 2017 calendar year, the brackets of Missouri  
63 taxable income identified in subsection 1 of this section shall be adjusted  
64 annually by the percent increase in inflation. The director shall publish such  
65 brackets annually beginning on or after October 1, 2016. Modifications to the  
66 brackets shall take effect on January first of each calendar year and shall apply  
67 to tax years beginning on or after the effective date of the new brackets.

68 [5.] 6. As used in this section, the following terms mean:

69 (1) "CPI", the Consumer Price Index for All Urban Consumers for the  
70 United States as reported by the Bureau of Labor Statistics, or its successor  
71 index;

72 (2) "CPI for the preceding calendar year", the average of the CPI as of the  
73 close of the twelve month period ending on August thirty-first of such calendar  
74 year;

75 (3) "Net general revenue collected", all revenue deposited into the general  
76 revenue fund, less refunds and revenues originally deposited into the general  
77 revenue fund but designated by law for a specific distribution or transfer to  
78 another state fund;

79 (4) "Percent increase in inflation", the percentage, if any, by which the  
80 CPI for the preceding calendar year exceeds the CPI for the year beginning  
81 September 1, 2014, and ending August 31, 2015.

143.441. 1. The term "corporation" means every corporation, association,  
2 joint stock company and joint stock association organized, authorized or existing  
3 under the laws of this state and includes:

4 (1) Every corporation, association, joint stock company, and joint stock  
5 association organized, authorized, or existing under the laws of this state, and  
6 every corporation, association, joint stock company, and joint stock association,

7 licensed to do business in this state, or doing business in this state, and not  
8 organized, authorized, or existing under the laws of this state, or by any receiver  
9 in charge of the property of any such corporation, association, joint stock company  
10 or joint stock association;

11 (2) Every railroad corporation or receiver in charge of the property thereof  
12 which operates over rails owned or leased by it and every corporation operating  
13 any buslines, trucklines, airlines, or other forms of transportation, **including**  
14 **qualified air freight forwarders**, operating over fixed routes owned, leased,  
15 or used by it extending from this state to another state or states. **For the**  
16 **purposes of this section, "qualified air freight forwarder" means a**  
17 **taxpayer who:**

18 (a) **Is primarily engaged in the facilitation of the transportation**  
19 **of property by air;**

20 (b) **Does not directly operate aircraft; and**

21 (c) **Is affiliated with an airline;**

22 (3) Every corporation, or receiver in charge of the property thereof, which  
23 owns or operates a bridge between this and any other state; and

24 (4) Every corporation, or receiver in charge of the property thereof, which  
25 operates a telephone line or lines extending from this state to another state or  
26 states or a telegraph line or lines extending from this state to another state or  
27 states.

28 2. The tax on corporations provided in subsection 1 of section 143.431 and  
29 section 143.071 shall not apply to:

30 (1) A corporation which by reason of its purposes and activities is exempt  
31 from federal income tax. The preceding sentence shall not apply to unrelated  
32 business taxable income and other income on which chapter 1 of the Internal  
33 Revenue Code imposes the federal income tax or any other tax measured by  
34 income;

35 (2) An express company which pays an annual tax on its gross receipts in  
36 this state;

37 (3) An insurance company which is subject to an annual tax on its gross  
38 premium receipts in this state;

39 (4) A Missouri mutual or an extended Missouri mutual insurance company  
40 organized under chapter 380; and

41 (5) Any other corporation that is exempt from Missouri income taxation  
42 under the laws of Missouri or the laws of the United States.



144.010. 1. The following words, terms, and phrases when used in  
2 [sections 144.010 to 144.525] **this chapter shall** have the meanings ascribed to  
3 them in this section, except when the context indicates a different meaning:

4 (1) "Admission" includes seats and tables, reserved or otherwise, and  
5 other similar accommodations and charges made therefor and amount paid for  
6 admission, exclusive of any admission tax imposed by the federal government or  
7 by sections 144.010 to 144.525;

8 (2) "Business" includes any activity engaged in by any person, or caused  
9 to be engaged in by him, with the object of gain, benefit or advantage, either  
10 direct or indirect, and the classification of which business is of such character as  
11 to be subject to the terms of sections 144.010 to 144.525. A person is "engaging  
12 in business" in this state for purposes of sections 144.010 to 144.525 if such  
13 person engages in business activities within this state or maintains a place of  
14 business in this state under **the provisions of subdivisions (1) to (6) of**  
15 **section [144.605] 144.612.** The isolated or occasional sale of tangible personal  
16 property, service, substance, or thing, by a person not engaged in such business,  
17 does not constitute engaging in business within the meaning of [sections 144.010  
18 to 144.525] **this chapter** unless the total amount of the gross receipts from such  
19 sales, exclusive of receipts from the sale of tangible personal property by persons  
20 which property is sold in the course of the partial or complete liquidation of a  
21 household, farm or nonbusiness enterprise, exceeds three thousand dollars in any  
22 calendar year. The provisions of this subdivision shall not be construed to make  
23 any sale of property which is exempt from sales tax or use tax on June 1, 1977,  
24 subject to that tax thereafter;

25 (3) **"Calendar quarter", the period of three consecutive calendar**  
26 **months ending on March thirty-first, June thirtieth, September**  
27 **thirtieth, or December thirty-first;**

28 (4) "Captive wildlife", includes but is not limited to exotic partridges, gray  
29 partridge, northern bobwhite quail, ring-necked pheasant, captive waterfowl,  
30 captive white-tailed deer, captive elk, and captive furbearers held under permit  
31 issued by the Missouri department of conservation for hunting purposes. The  
32 provisions of this subdivision shall not apply to sales tax on a harvested animal;

33 (5) **"Certified service provider" or "CSP", an agent certified by the**  
34 **department of revenue to perform all the seller's sales and use tax**  
35 **functions, other than the seller's obligation to remit tax on its own**  
36 **purchases;**

37            [(4)] **(6)** "Gross receipts", except as provided in section 144.012, means  
38 the total amount of the sale price of the sales at retail including any services  
39 other than charges incident to the extension of credit that are a part of such sales  
40 made by the businesses herein referred to, capable of being valued in money,  
41 whether received in money or otherwise; except that, the term gross receipts shall  
42 not include the sale price of property returned by customers when the full sale  
43 price thereof is refunded either in cash or by credit. In determining any tax due  
44 under [sections 144.010 to 144.525] **this chapter** on the gross receipts, charges  
45 incident to the extension of credit shall be specifically exempted. For the  
46 purposes of [sections 144.010 to 144.525] **this chapter** the total amount of the  
47 sale price above mentioned shall be deemed to be the amount received. It shall  
48 also include the lease or rental consideration where the right to continuous  
49 possession or use of any article of tangible personal property is granted under a  
50 lease or contract and such transfer of possession would be taxable if outright sale  
51 were made and, in such cases, the same shall be taxable as if outright sale were  
52 made and considered as a sale of such article, and the tax shall be computed and  
53 paid by the lessee upon the rentals paid. The term gross receipts shall not  
54 include usual and customary delivery charges that are stated separately from the  
55 sale price;

56            [(5)] **(7)** "Instructional class", includes any class, lesson, or instruction  
57 intended or used for teaching;

58            **(8) "Light aircraft", a light airplane that seats no more than four**  
59 **persons, with a gross weight of three thousand pounds or less, which**  
60 **is primarily used for recreational flying or flight training;**

61            **(9) "Light aircraft kit", factory manufactured light aircraft parts**  
62 **and components, including engine, propeller, instruments, wheels,**  
63 **brakes, and air frame parts which make up a complete aircraft kit or**  
64 **partial kit designed to be assembled into a light aircraft and then**  
65 **operated by a qualified light aircraft purchaser for recreational and**  
66 **educational purposes;**

67            **(10) "Light aircraft parts and components", manufactured light**  
68 **aircraft parts, including air frame and engine parts, that are required**  
69 **by the qualified light aircraft purchaser to complete a light aircraft kit,**  
70 **or spare or replacement parts for an already completed light aircraft;**

71            [(6)] **(11)** "Livestock", cattle, calves, sheep, swine, ratite birds, including  
72 but not limited to, ostrich and emu, aquatic products as described in section

73 277.024, llamas, alpaca, buffalo, bison, elk documented as obtained from a legal  
74 source and not from the wild, goats, horses, other equine, honey bees, or rabbits  
75 raised in confinement for human consumption;

76 **(12) "Maintains a place of business in this state", includes**  
77 **maintaining, occupying, or using, permanently or temporarily, directly**  
78 **or indirectly, or through a subsidiary, or agent, by whatever name**  
79 **called, an office, place of distribution, sales or sample room or place,**  
80 **warehouse or storage place, or other place of business;**

81 [(7)] **(13) "Motor vehicle leasing company" [shall be],** a company  
82 obtaining a permit from the director of revenue to operate as a motor vehicle  
83 leasing company. Not all persons renting or leasing trailers or motor vehicles  
84 need to obtain such a permit; however, no person failing to obtain such a permit  
85 may avail itself of the optional tax provisions of subsection 5 of section 144.070,  
86 as hereinafter provided;

87 [(8)] **(14) "Person"** includes any individual, firm, copartnership, joint  
88 adventure, association, corporation, municipal or private, and whether organized  
89 for profit or not, state, county, political subdivision, state department,  
90 commission, board, bureau or agency, [except the state transportation  
91 department,] estate, trust, business trust, receiver or trustee appointed by the  
92 state or federal court, syndicate, or any other group or combination acting as a  
93 unit, and the plural as well as the singular number, **or any other legal entity;**

94 [(9)] **(15) "Product which is intended to be sold ultimately for final use**  
95 **or consumption" [means],** tangible personal property, or any service that is  
96 subject to state or local sales or use taxes, or any tax that is substantially  
97 equivalent thereto, in this state or any other state;

98 **(16) "Purchase", the acquisition of the ownership of, or title to,**  
99 **tangible personal property, through a sale, as defined herein, for the**  
100 **purpose of storage, use, or consumption in this state;**

101 **(17) "Purchase price", applies to the measure subject to use tax**  
102 **and has the same meaning as sales price;**

103 [(10)] **(18) "Purchaser" [means],** a person who purchases tangible  
104 personal property or to whom are rendered services, receipts from which are  
105 taxable under [sections 144.010 to 144.525] **this chapter;**

106 **(19) "Qualified light aircraft purchaser", a purchaser of a light**  
107 **aircraft, light aircraft kit, light aircraft parts or components who is a**  
108 **nonresident of this state, who will transport the light aircraft, light**

109 **aircraft kit, light aircraft parts or components outside this state within**  
110 **ten days after the date of purchase, and who will register any light**  
111 **aircraft so purchased in another state or country. Such purchaser shall**  
112 **not base such aircraft in this state and such purchaser shall not be a**  
113 **resident of the state unless such purchaser has paid sales or use tax on**  
114 **such aircraft in another state;**

115        [(11)] **(20)** "Research or experimentation activities" [are], the  
116 development of an experimental or pilot model, plant process, formula, invention  
117 or similar property, and the improvement of existing property of such  
118 type. Research or experimentation activities do not include activities such as  
119 ordinary testing or inspection of materials or products for quality control,  
120 efficiency surveys, advertising promotions or research in connection with literary,  
121 historical or similar projects;

122        [(12)] **(21)** "Sale" or "sales" includes installment and credit sales, and the  
123 exchange of properties as well as the sale thereof for money, every closed  
124 transaction constituting a sale, and means any transfer, exchange or barter,  
125 conditional or otherwise, in any manner or by any means whatsoever, of tangible  
126 personal property for valuable consideration and the rendering, furnishing or  
127 selling for a valuable consideration any of the substances, things and services  
128 herein designated and defined as taxable under the [terms of sections 144.010 to  
129 144.525] **provisions of this chapter;**

130        [(13)] **(22)** "Sale at retail" [means], any transfer made by any person  
131 engaged in business as defined herein of the ownership of, or title to, tangible  
132 personal property to the purchaser, for use or consumption and not for resale in  
133 any form as tangible personal property, for a valuable consideration; except that,  
134 for the purposes of sections 144.010 to 144.525 and the tax imposed thereby: (i)  
135 purchases of tangible personal property made by duly licensed physicians,  
136 dentists, optometrists and veterinarians and used in the practice of their  
137 professions shall be deemed to be purchases for use or consumption and not for  
138 resale; and (ii) the selling of computer printouts, computer output or microfilm  
139 or microfiche and computer-assisted photo compositions to a purchaser to enable  
140 the purchaser to obtain for his or her own use the desired information contained  
141 in such computer printouts, computer output on microfilm or microfiche and  
142 computer-assisted photo compositions shall be considered as the sale of a service  
143 and not as the sale of tangible personal property. Where necessary to conform to  
144 the context of [sections 144.010 to 144.525] **this chapter** and the tax imposed

145 thereby, the term sale at retail shall be construed to embrace:

146 (a) Sales of admission tickets, cash admissions, charges and fees to or in  
147 places of amusement, entertainment and recreation, games and athletic events,  
148 except amounts paid for any instructional class;

149 (b) Sales of electricity, electrical current, water and gas, natural or  
150 artificial, to domestic, commercial or industrial consumers;

151 (c) Sales of local and long distance telecommunications service to  
152 telecommunications subscribers and to others through equipment of  
153 telecommunications subscribers for the transmission of messages and  
154 conversations, and the sale, rental or leasing of all equipment or services  
155 pertaining or incidental thereto;

156 (d) Sales of service for transmission of messages by telegraph companies;

157 (e) Sales or charges for all rooms, meals and drinks furnished at any  
158 hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car, tourist  
159 camp, tourist cabin, or other place in which rooms, meals or drinks are regularly  
160 served to the public;

161 (f) Sales of tickets by every person operating a railroad, sleeping car,  
162 dining car, express car, boat, airplane, and such buses and trucks as are licensed  
163 by the division of motor carrier and railroad safety of the department of economic  
164 development of Missouri, engaged in the transportation of persons for hire;

165 [(14)] **(23)** "Seller" [means], a person selling or furnishing tangible  
166 personal property or rendering services, on the receipts from which a tax is  
167 imposed pursuant to section 144.020;

168 **(24)** "Selling agent", every person acting as a representative of a  
169 principal, when such principal is not registered with the director of  
170 revenue of the state of Missouri for the collection of the taxes imposed  
171 under this chapter and who receives compensation by reason of the  
172 sale of tangible personal property of the principal, if such property is  
173 to be stored, used, or consumed in this state;

174 **(25)** "Storage", any keeping or retention in this state of tangible  
175 personal property purchased from a vendor, except property for sale  
176 or property that is temporarily kept or retained in this state for  
177 subsequent use outside the state;

178 [(15) The noun "tax" means]

179 **(26)** "Tax", either the tax payable by the purchaser of a commodity or  
180 service subject to tax, or the aggregate amount of taxes due from the vendor of

181 such commodities or services during the period for which he or she is required to  
182 report his or her collections, as the context may require; [and]

183 **(27) "Taxpayer", any person remitting the tax or who should**  
184 **remit the tax levied by this chapter;**

185 ~~[(16)]~~ **(28) "Telecommunications service",** for the purpose of this chapter,  
186 the transmission of information by wire, radio, optical cable, coaxial cable,  
187 electronic impulses, or other similar means. As used in this definition,  
188 "information" means knowledge or intelligence represented by any form of writing,  
189 signs, signals, pictures, sounds, or any other symbols. Telecommunications service  
190 does not include the following if such services are separately stated on the  
191 customer's bill or on records of the seller maintained in the ordinary course of  
192 business:

193 (a) Access to the internet, access to interactive computer services or  
194 electronic publishing services, except the amount paid for the telecommunications  
195 service used to provide such access;

196 (b) Answering services and one-way paging services;

197 (c) Private mobile radio services which are not two-way commercial mobile  
198 radio services such as wireless telephone, personal communications services or  
199 enhanced specialized mobile radio services as defined pursuant to federal law; or

200 (d) Cable or satellite television or music services;

201 **(29) "Use", the exercise of any right or power over tangible**  
202 **personal property incident to the ownership or control of that**  
203 **property, except that it does not include the temporary storage of**  
204 **property in this state for subsequent use outside the state, or the sale**  
205 **of the property in the regular course of business;**

206 **(30) "Vendor", every person engaged in making sales of tangible**  
207 **personal property by mail order, by advertising, by agent or peddling**  
208 **tangible personal property, soliciting or taking orders for sales of**  
209 **tangible personal property, for storage, use or consumption in this**  
210 **state, all salesmen, solicitors, hawkers, representatives, consignees,**  
211 **peddlers or canvassers, as agents of the dealers, distributors,**  
212 **consignors, supervisors, principals or employers under whom they**  
213 **operate or from whom they obtain the tangible personal property sold**  
214 **by them, and every person who maintains a place of business in this**  
215 **state, maintains a stock of goods in this state, or engages in business**  
216 **activities within this state and every person who engages in this state**

217 **in the business of acting as a selling agent for persons not otherwise**  
218 **vendors as defined in this subdivision. Irrespective of whether they are**  
219 **making sales on their own behalf or on behalf of the dealers,**  
220 **distributors, consignors, supervisors, principals or employers, they**  
221 **must be regarded as vendors and the dealers, distributors, consignors,**  
222 **supervisors, principals or employers, must be regarded as vendors for**  
223 **the purposes of sections 144.600 to 144.745.**

224         2. For purposes of the taxes imposed under [sections 144.010 to 144.525]  
225 **this chapter**, and any other provisions of law pertaining to sales or use taxes  
226 which incorporate the provisions of [sections 144.010 to 144.525] **this chapter**  
227 by reference, the term manufactured homes shall have the same meaning given  
228 it in section 700.010.

229         [3. Sections 144.010 to 144.525 may be known and quoted as the "Sales  
230 Tax Law".]

144.011. 1. For purposes of [sections 144.010 to 144.525 and 144.600 to  
2 144.748] **this chapter**, and the taxes imposed thereby, the definition of "retail  
3 sale" or "sale at retail" shall not be construed to include any of the following:

4         (1) The transfer by one corporation of substantially all of its tangible  
5 personal property to another corporation pursuant to a merger or consolidation  
6 effected under the laws of the state of Missouri or any other jurisdiction;

7         (2) The transfer of tangible personal property incident to the liquidation  
8 or cessation of a taxpayer's trade or business, conducted in proprietorship,  
9 partnership or corporate form, except to the extent any transfer is made in the  
10 ordinary course of the taxpayer's trade or business;

11         (3) The transfer of tangible personal property to a corporation solely in  
12 exchange for its stock or securities;

13         (4) The transfer of tangible personal property to a corporation by a  
14 shareholder as a contribution to the capital of the transferee corporation;

15         (5) The transfer of tangible personal property to a partnership solely in  
16 exchange for a partnership interest therein;

17         (6) The transfer of tangible personal property by a partner as a  
18 contribution to the capital of the transferee partnership;

19         (7) The transfer of tangible personal property by a corporation to one or  
20 more of its shareholders as a dividend, return of capital, distribution in the  
21 partial or complete liquidation of the corporation or distribution in redemption  
22 of the shareholder's interest therein;

23 (8) The transfer of tangible personal property by a partnership to one or  
24 more of its partners as a current distribution, return of capital or distribution in  
25 the partial or complete liquidation of the partnership or of the partner's interest  
26 therein;

27 (9) The transfer of reusable containers used in connection with the sale  
28 of tangible personal property contained therein for which a deposit is required  
29 and refunded on return;

30 (10) The purchase by persons operating eating or food service  
31 establishments, of items of a nonreusable nature which are furnished to the  
32 customers of such establishments with or in conjunction with the retail sales of  
33 their food or beverage. Such items shall include, but not be limited to, wrapping  
34 or packaging materials and nonreusable paper, wood, plastic and aluminum  
35 articles such as containers, trays, napkins, dishes, silverware, cups, bags, boxes,  
36 straws, sticks and toothpicks;

37 (11) The purchase by persons operating hotels, motels or other transient  
38 accommodation establishments, of items of a nonreusable nature which are  
39 furnished to the guests in the guests' rooms of such establishments and such  
40 items are included in the charge made for such accommodations. Such items  
41 shall include, but not be limited to, soap, shampoo, tissue and other toiletries and  
42 food or confectionery items offered to the guests without charge;

43 (12) The transfer of a manufactured home other than:

44 (a) A transfer which involves the delivery of the document known as the  
45 "Manufacturer's Statement of Origin" to a person other than a manufactured  
46 home dealer, as defined in section 700.010, for purposes of allowing such person  
47 to obtain a title to the manufactured home from the department of revenue of this  
48 state or the appropriate agency or officer of any other state;

49 (b) A transfer which involves the delivery of a "Repossessed Title" to a  
50 resident of this state if the tax imposed by [sections 144.010 to 144.525] **this**  
51 **chapter** was not paid on the transfer of the manufactured home described in  
52 paragraph (a) of this subdivision;

53 (c) The first transfer which occurs after December 31, 1985, if the tax  
54 imposed by [sections 144.010 to 144.525] **this chapter** was not paid on any  
55 transfer of the same manufactured home which occurred before December 31,  
56 1985; or

57 (13) Charges for initiation fees or dues to:

58 (a) Fraternal beneficiaries societies, or domestic fraternal societies, orders



59 or associations operating under the lodge system a substantial part of the  
60 activities of which are devoted to religious, charitable, scientific, literary,  
61 educational or fraternal purposes;

62 (b) Posts or organizations of past or present members of the Armed Forces  
63 of the United States or an auxiliary unit or society of, or a trust or foundation for,  
64 any such post or organization substantially all of the members of which are past  
65 or present members of the Armed Forces of the United States or who are cadets,  
66 spouses, widows, or widowers of past or present members of the Armed Forces of  
67 the United States, no part of the net earnings of which inures to the benefit of  
68 any private shareholder or individual; or

69 (c) Nonprofit organizations exempt from taxation under Section 501(c)(7)  
70 of the Internal Revenue Code of 1986, as amended.

71 2. The assumption of liabilities of the transferor by the transferee incident  
72 to any of the transactions enumerated in the above subdivisions (1) to (8) of  
73 subsection 1 of this section shall not disqualify the transfer from the exclusion  
74 described in this section, where such liability assumption is related to the  
75 property transferred and where the assumption does not have as its principal  
76 purpose the avoidance of Missouri sales or use tax.

144.014. 1. Notwithstanding other provisions of law to the contrary,  
2 beginning October 1, 1997, the tax levied and imposed [pursuant to sections  
3 144.010 to 144.525 and sections 144.600 to 144.746] **under this chapter** on all  
4 retail sales of food shall be at the rate of one percent. The revenue derived from  
5 the one percent rate pursuant to this section shall be deposited by the state  
6 treasurer in the school district trust fund and shall be distributed as provided in  
7 section 144.701.

8 2. For the purposes of this section, the term "food" shall include only those  
9 products and types of food for which food stamps may be redeemed pursuant to  
10 the provisions of the Federal Food Stamp Program as contained in 7 U.S.C.  
11 Section 2012, as that section now reads or as it may be amended hereafter, and  
12 shall include food dispensed by or through vending machines. For the purpose  
13 of this section, except for vending machine sales, the term "food" shall not include  
14 food or drink sold by any establishment where the gross receipts derived from the  
15 sale of food prepared by such establishment for immediate consumption on or off  
16 the premises of the establishment constitutes more than eighty percent of the  
17 total gross receipts of that establishment, regardless of whether such prepared  
18 food is consumed on the premises of that establishment, including, but not limited

19 to, sales of food by any restaurant, fast food restaurant, delicatessen, eating  
20 house, or café.

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

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

16 (2) A tax equivalent to four percent of the amount paid for admission and  
17 seating accommodations, or fees paid to, or in any place of amusement,  
18 entertainment or recreation, games and athletic events, except amounts paid for  
19 any instructional class;

20 (3) A tax equivalent to four percent of the basic rate paid or charged on  
21 all sales of electricity or electrical current, water and gas, natural or artificial, to  
22 domestic, commercial or industrial consumers;

23 (4) (a) A tax equivalent to four percent on the basic rate paid or charged  
24 on all sales of local and long distance telecommunications service to  
25 telecommunications subscribers and to others through equipment of  
26 telecommunications subscribers for the transmission of messages and  
27 conversations and upon the sale, rental or leasing of all equipment or services  
28 pertaining or incidental thereto; except that, the payment made by  
29 telecommunications subscribers or others, pursuant to section 144.060, and any  
30 amounts paid for access to the internet or interactive computer services shall not  
31 be considered as amounts paid for telecommunications services;

32 (b) If local and long distance telecommunications services subject to tax  
33 under this subdivision are aggregated with and not separately stated from  
34 charges for telecommunications service or other services not subject to tax under

35 this subdivision, including, but not limited to, interstate or international  
36 telecommunications services, then the charges for nontaxable services may be  
37 subject to taxation unless the telecommunications provider can identify by  
38 reasonable and verifiable standards such portion of the charges not subject to  
39 such tax from its books and records that are kept in the regular course of  
40 business, including, but not limited to, financial statement, general ledgers,  
41 invoice and billing systems and reports, and reports for regulatory tariffs and  
42 other regulatory matters;

43 (c) A telecommunications provider shall notify the director of revenue of  
44 its intention to utilize the standards described in paragraph (b) of this  
45 subdivision to determine the charges that are subject to sales tax under this  
46 subdivision. Such notification shall be in writing and shall meet standardized  
47 criteria established by the department regarding the form and format of such  
48 notice;

49 (d) The director of revenue may promulgate and enforce reasonable rules  
50 and regulations for the administration and enforcement of the provisions of this  
51 subdivision. Any rule or portion of a rule, as that term is defined in section  
52 536.010, that is created under the authority delegated in this section shall  
53 become effective only if it complies with and is subject to all of the provisions of  
54 chapter 536 and, if applicable, section 536.028. This section and chapter 536 are  
55 nonseverable and if any of the powers vested with the general assembly pursuant  
56 to chapter 536 to review, to delay the effective date, or to disapprove and annul  
57 a rule are subsequently held unconstitutional, then the grant of rulemaking  
58 authority and any rule proposed or adopted after August 28, 2019, shall be  
59 invalid and void;

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

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

70 (7) A tax equivalent to four percent of the amount paid or charged for

71 intrastate tickets by every person operating a railroad, sleeping car, dining car,  
72 express car, boat, airplane and such buses and trucks as are licensed by the  
73 division of motor carrier and railroad safety of the department of economic  
74 development of Missouri, engaged in the transportation of persons for hire;

75 (8) A tax equivalent to four percent of the amount paid or charged for  
76 rental or lease of tangible personal property, provided that if the lessor or renter  
77 of any tangible personal property had previously purchased the property under  
78 the conditions of sale at retail or leased or rented the property and the tax was  
79 paid at the time of purchase, lease or rental, the lessor, sublessor, renter or  
80 subrenter shall not apply or collect the tax on the subsequent lease, sublease,  
81 rental or subrental receipts from that property. The purchase, rental or lease of  
82 motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats, and outboard  
83 motors shall be taxed and the tax paid as provided in this section and section  
84 144.070. In no event shall the rental or lease of boats and outboard motors be  
85 considered a sale, charge, or fee to, for or in places of amusement, entertainment  
86 or recreation nor shall any such rental or lease be subject to any tax imposed to,  
87 for, or in such places of amusement, entertainment or recreation. Rental and  
88 leased boats or outboard motors shall be taxed under the provisions of the sales  
89 tax laws as provided under such laws for motor vehicles and trailers. Tangible  
90 personal property which is exempt from the sales or use tax under section  
91 144.030 upon a sale thereof is likewise exempt from the sales or use tax upon the  
92 lease or rental thereof;

93 (9) A tax equivalent to four percent of the purchase price, as defined in  
94 section 144.070, of new and used motor vehicles, trailers, boats, and outboard  
95 motors purchased or acquired for use on the highways or waters of this state  
96 which are required to be registered under the laws of the state of Missouri. This  
97 tax is imposed on the person titling such property, and shall be paid according  
98 to the procedures in section 144.440.

99 2. All tickets sold which are sold under the provisions of [sections 144.010  
100 to 144.525] **this chapter** which are subject to the sales tax shall have printed,  
101 stamped or otherwise endorsed thereon, the words "This ticket is subject to a  
102 sales tax."

144.030. 1. There is hereby specifically exempted from the provisions of  
2 [sections 144.010 to 144.525] **this chapter** and from the computation of the tax  
3 levied, assessed or payable [pursuant to sections 144.010 to 144.525] **this**  
4 **chapter** such retail sales as may be made in commerce between this state and

5 any other state of the United States, or between this state and any foreign  
6 country, and any retail sale which the state of Missouri is prohibited from taxing  
7 pursuant to the Constitution or laws of the United States of America, and such  
8 retail sales of tangible personal property which the general assembly of the state  
9 of Missouri is prohibited from taxing or further taxing by the constitution of this  
10 state.

11           2. There are also specifically exempted from the provisions of the local  
12 sales tax law as defined in section 32.085, section 238.235, and [sections 144.010  
13 to 144.525 and 144.600 to 144.761] **this chapter** and from the computation of  
14 the tax levied, assessed or payable pursuant to the local sales tax law as defined  
15 in section 32.085, section 238.235, and [sections 144.010 to 144.525 and 144.600  
16 to 144.745] **this chapter**:

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

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

41 for final use or consumption;

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

46 (4) Replacement machinery, equipment, and parts and the materials and  
47 supplies solely required for the installation or construction of such replacement  
48 machinery, equipment, and parts, used directly in manufacturing, mining,  
49 fabricating or producing a product which is intended to be sold ultimately for  
50 final use or consumption; and machinery and equipment, and the materials and  
51 supplies required solely for the operation, installation or construction of such  
52 machinery and equipment, purchased and used to establish new, or to replace or  
53 expand existing, material recovery processing plants in this state. For the  
54 purposes of this subdivision, a "material recovery processing plant" means a  
55 facility that has as its primary purpose the recovery of materials into a usable  
56 product or a different form which is used in producing a new product and shall  
57 include a facility or equipment which are used exclusively for the collection of  
58 recovered materials for delivery to a material recovery processing plant but shall  
59 not include motor vehicles used on highways. For purposes of this section, the  
60 terms motor vehicle and highway shall have the same meaning pursuant to  
61 section 301.010. For the purposes of this subdivision, subdivision (5) of this  
62 subsection, and section 144.054, as well as the definition in subdivision (9) of  
63 subsection 1 of section 144.010, the term "product" includes telecommunications  
64 services and the term "manufacturing" shall include the production, or production  
65 and transmission, of telecommunications services. The preceding sentence does  
66 not make a substantive change in the law and is intended to clarify that the term  
67 "manufacturing" has included and continues to include the production and  
68 transmission of "telecommunications services", as enacted in this subdivision and  
69 subdivision (5) of this subsection, as well as the definition in subdivision (9) of  
70 subsection 1 of section 144.010. The preceding two sentences reaffirm legislative  
71 intent consistent with the interpretation of this subdivision and subdivision (5)  
72 of this subsection in *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d  
73 763 (Mo. banc 2002) and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182  
74 S.W.3d 226 (Mo. banc 2005), and accordingly abrogates the Missouri supreme  
75 court's interpretation of those exemptions in *IBM Corporation v. Director of*  
76 *Revenue*, 491 S.W.3d 535 (Mo. banc 2016) to the extent inconsistent with this

77 section and *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo.  
78 banc 2002) and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226  
79 (Mo. banc 2005). The construction and application of this subdivision as  
80 expressed by the Missouri supreme court in *DST Systems, Inc. v. Director of*  
81 *Revenue*, 43 S.W.3d 799 (Mo. banc 2001); *Southwestern Bell Tel. Co. v. Director*  
82 *of Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and *Southwestern Bell Tel. Co. v.*  
83 *Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), is hereby  
84 affirmed. Material recovery is not the reuse of materials within a manufacturing  
85 process or the use of a product previously recovered. The material recovery  
86 processing plant shall qualify under the provisions of this section regardless of  
87 ownership of the material being recovered;

88 (5) Machinery and equipment, and parts and the materials and supplies  
89 solely required for the installation or construction of such machinery and  
90 equipment, purchased and used to establish new or to expand existing  
91 manufacturing, mining or fabricating plants in the state if such machinery and  
92 equipment is used directly in manufacturing, mining or fabricating a product  
93 which is intended to be sold ultimately for final use or consumption. The  
94 construction and application of this subdivision as expressed by the Missouri  
95 supreme court in *DST Systems, Inc. v. Director of Revenue*, 43 S.W.3d 799 (Mo.  
96 banc 2001); *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo.  
97 banc 2002); and *Southwestern Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d  
98 226 (Mo. banc 2005), is hereby affirmed;

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

102 (7) Animals or poultry used for breeding or feeding purposes, or captive  
103 wildlife;

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

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

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

112 (11) Railroad rolling stock for use in transporting persons or property in

113 interstate commerce and motor vehicles licensed for a gross weight of twenty-four  
114 thousand pounds or more or trailers used by common carriers, as defined in  
115 section 390.020, in the transportation of persons or property;

116 (12) Electrical energy used in the actual primary manufacture, processing,  
117 compounding, mining or producing of a product, or electrical energy used in the  
118 actual secondary processing or fabricating of the product, or a material recovery  
119 processing plant as defined in subdivision (4) of this subsection, in facilities  
120 owned or leased by the taxpayer, if the total cost of electrical energy so used  
121 exceeds ten percent of the total cost of production, either primary or secondary,  
122 exclusive of the cost of the electrical energy so used or if the raw materials used in  
123 such processing contain at least twenty-five percent recovered materials as  
124 defined in section 260.200. There shall be a rebuttable presumption that the raw  
125 materials used in the primary manufacture of automobiles contain at least  
126 twenty-five percent recovered materials. For purposes of this subdivision,  
127 "processing" means any mode of treatment, act or series of acts performed upon  
128 materials to transform and reduce them to a different state or thing, including  
129 treatment necessary to maintain or preserve such processing by the producer at  
130 the production facility;

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

134 (14) Machinery, equipment, appliances and devices purchased or leased  
135 and used solely for the purpose of preventing, abating or monitoring air pollution,  
136 and materials and supplies solely required for the installation, construction or  
137 reconstruction of such machinery, equipment, appliances and devices;

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

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

144 (17) All amounts paid or charged for admission or participation or other  
145 fees paid by or other charges to individuals in or for any place of amusement,  
146 entertainment or recreation, games or athletic events, including museums, fairs,  
147 zoos and planetariums, owned or operated by a municipality or other political  
148 subdivision where all the proceeds derived therefrom benefit the municipality or



149 other political subdivision and do not inure to any private person, firm, or  
150 corporation, provided, however, that a municipality or other political subdivision  
151 may enter into revenue-sharing agreements with private persons, firms, or  
152 corporations providing goods or services, including management services, in or for  
153 the place of amusement, entertainment or recreation, games or athletic events,  
154 and provided further that nothing in this subdivision shall exempt from tax any  
155 amounts retained by any private person, firm, or corporation under such  
156 revenue-sharing agreement;

157 (18) All sales of insulin, and all sales, rentals, repairs, and parts of  
158 durable medical equipment, prosthetic devices, and orthopedic devices as defined  
159 on January 1, 1980, by the federal Medicare program pursuant to Title XVIII of  
160 the Social Security Act of 1965, including the items specified in Section  
161 1862(a)(12) of that act, and also specifically including hearing aids and hearing  
162 aid supplies and all sales of drugs which may be legally dispensed by a licensed  
163 pharmacist only upon a lawful prescription of a practitioner licensed to  
164 administer those items, including samples and materials used to manufacture  
165 samples which may be dispensed by a practitioner authorized to dispense such  
166 samples and all sales or rental of medical oxygen, home respiratory equipment  
167 and accessories including parts, and hospital beds and accessories and  
168 ambulatory aids including parts, and all sales or rental of manual and powered  
169 wheelchairs including parts, and stairway lifts, Braille writers, electronic Braille  
170 equipment and, if purchased or rented by or on behalf of a person with one or  
171 more physical or mental disabilities to enable them to function more  
172 independently, all sales or rental of scooters including parts, and reading  
173 machines, electronic print enlargers and magnifiers, electronic alternative and  
174 augmentative communication devices, and items used solely to modify motor  
175 vehicles to permit the use of such motor vehicles by individuals with disabilities  
176 or sales of over-the-counter or nonprescription drugs to individuals with  
177 disabilities, and drugs required by the Food and Drug Administration to meet the  
178 over-the-counter drug product labeling requirements in 21 CFR 201.66, or its  
179 successor, as prescribed by a health care practitioner licensed to prescribe;

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

184 (20) All sales of aircraft to common carriers for storage or for use in

185 interstate commerce and all sales made by or to not-for-profit civic, social, service  
186 or fraternal organizations, including fraternal organizations which have been  
187 declared tax-exempt organizations pursuant to Section 501(c)(8) or (10) of the  
188 1986 Internal Revenue Code, as amended, in their civic or charitable functions  
189 and activities and all sales made to eleemosynary and penal institutions and  
190 industries of the state, and all sales made to any private not-for-profit institution  
191 of higher education not otherwise excluded pursuant to subdivision (19) of this  
192 subsection or any institution of higher education supported by public funds, and  
193 all sales made to a state relief agency in the exercise of relief functions and  
194 activities;

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

203 (22) All sales made to any private not-for-profit elementary or secondary  
204 school, all sales of feed additives, medications or vaccines administered to  
205 livestock or poultry in the production of food or fiber, all sales of pesticides used  
206 in the production of crops, livestock or poultry for food or fiber, all sales of  
207 bedding used in the production of livestock or poultry for food or fiber, all sales  
208 of propane or natural gas, electricity or diesel fuel used exclusively for drying  
209 agricultural crops, natural gas used in the primary manufacture or processing of  
210 fuel ethanol as defined in section 142.028, natural gas, propane, and electricity  
211 used by an eligible new generation cooperative or an eligible new generation  
212 processing entity as defined in section 348.432, and all sales of farm machinery  
213 and equipment, other than airplanes, motor vehicles and trailers, and any freight  
214 charges on any exempt item. As used in this subdivision, the term "feed  
215 additives" means tangible personal property which, when mixed with feed for  
216 livestock or poultry, is to be used in the feeding of livestock or poultry. As used  
217 in this subdivision, the term "pesticides" includes adjuvants such as crop oils,  
218 surfactants, wetting agents and other assorted pesticide carriers used to improve  
219 or enhance the effect of a pesticide and the foam used to mark the application of  
220 pesticides and herbicides for the production of crops, livestock or poultry. As

221 used in this subdivision, the term "farm machinery and equipment" means new  
222 or used farm tractors and such other new or used farm machinery and equipment  
223 and repair or replacement parts thereon and any accessories for and upgrades to  
224 such farm machinery and equipment, rotary mowers used exclusively for  
225 agricultural purposes, and supplies and lubricants used exclusively, solely, and  
226 directly for producing crops, raising and feeding livestock, fish, poultry,  
227 pheasants, chukar, quail, or for producing milk for ultimate sale at retail,  
228 including field drain tile, and one-half of each purchaser's purchase of diesel fuel  
229 therefor which is:

230 (a) Used exclusively for agricultural purposes;

231 (b) Used on land owned or leased for the purpose of producing farm  
232 products; and

233 (c) Used directly in producing farm products to be sold ultimately in  
234 processed form or otherwise at retail or in producing farm products to be fed to  
235 livestock or poultry to be sold ultimately in processed form at retail;

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

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

249 (b) Regulated utility sellers shall determine whether individual purchases  
250 are exempt or nonexempt based upon the seller's utility service rate  
251 classifications as contained in tariffs on file with and approved by the Missouri  
252 public service commission. Sales and purchases made pursuant to the rate  
253 classification "residential" and sales to and purchases made by or on behalf of the  
254 occupants of residential apartments or condominiums through a single or master  
255 meter, including service for common areas and facilities and vacant units, shall  
256 be considered as sales made for domestic use and such sales shall be exempt from

257 sales tax. Sellers shall charge sales tax upon the entire amount of purchases  
258 classified as nondomestic use. The seller's utility service rate classification and  
259 the provision of service thereunder shall be conclusive as to whether or not the  
260 utility must charge sales tax;

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

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

281 (25) Excise taxes, collected on sales at retail, imposed by Sections 4041,  
282 4071, 4081, [4091,] 4161, 4181, 4251, 4261 and 4271 of Title 26, United States  
283 Code. The director of revenue shall promulgate rules pursuant to chapter 536 to  
284 eliminate all state and local sales taxes on such excise taxes;

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

291 (27) All sales made to an interstate compact agency created pursuant to  
292 sections 70.370 to 70.441 or sections 238.010 to 238.100 in the exercise of the

293 functions and activities of such agency as provided pursuant to the compact;

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

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

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

304 (31) Electrical energy or gas, whether natural, artificial or propane, water,  
305 or other utilities which are ultimately consumed in connection with the  
306 manufacturing of cellular glass products or in any material recovery processing  
307 plant as defined in subdivision (4) of this subsection;

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

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

315 (34) All sales of grain bins for storage of grain for resale;

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

320 (36) All purchases by a contractor on behalf of an entity located in another  
321 state, provided that the entity is authorized to issue a certificate of exemption for  
322 purchases to a contractor under the provisions of that state's laws. For purposes  
323 of this subdivision, the term "certificate of exemption" shall mean any document  
324 evidencing that the entity is exempt from sales and use taxes on purchases  
325 pursuant to the laws of the state in which the entity is located. Any contractor  
326 making purchases on behalf of such entity shall maintain a copy of the entity's  
327 exemption certificate as evidence of the exemption. If the exemption certificate  
328 issued by the exempt entity to the contractor is later determined by the director

329 of revenue to be invalid for any reason [and the contractor has accepted the  
330 certificate in good faith], neither the contractor or the exempt entity shall be  
331 liable for the payment of any taxes, interest and penalty due as the result of use  
332 of the invalid exemption certificate **unless the contractor fraudulently**  
333 **accepted the certificate**. Materials shall be exempt from all state and local  
334 sales and use taxes when purchased by a contractor for the purpose of fabricating  
335 tangible personal property which is used in fulfilling a contract for the purpose  
336 of constructing, repairing or remodeling facilities for the following:

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

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

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

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

355 (39) All purchases by a sports complex authority created under section  
356 64.920, and all sales of utilities by such authority at the authority's cost that are  
357 consumed in connection with the operation of a sports complex leased to a  
358 professional sports team;

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

362 (41) Sales of sporting clays, wobble, skeet, and trap targets to any  
363 shooting range or similar places of business for use in the normal course of  
364 business and money received by a shooting range or similar places of business

365 from patrons and held by a shooting range or similar place of business for  
366 redistribution to patrons at the conclusion of a shooting event;

367 (42) All sales of motor fuel, as defined in section 142.800, used in any  
368 watercraft, as defined in section 306.010;

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

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

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

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

388 (45) All internet access or the use of internet access regardless of whether  
389 the tax is imposed on a provider of internet access or a buyer of internet  
390 access. For purposes of this subdivision, the following terms shall mean:

391 (a) "Direct costs", costs incurred by a governmental authority solely  
392 because of an internet service provider's use of the public right-of-way. The term  
393 shall not include costs that the governmental authority would have incurred if the  
394 internet service provider did not make such use of the public right-of-way. Direct  
395 costs shall be determined in a manner consistent with generally accepted  
396 accounting principles;

397 (b) "Internet", computer and telecommunications facilities, including  
398 equipment and operating software, that comprises the interconnected worldwide  
399 network that employ the transmission control protocol or internet protocol, or any  
400 predecessor or successor protocols to that protocol, to communicate information

401 of all kinds by wire or radio;

402 (c) "Internet access", a service that enables users to connect to the  
403 internet to access content, information, or other services without regard to  
404 whether the service is referred to as telecommunications, communications,  
405 transmission, or similar services, and without regard to whether a provider of the  
406 service is subject to regulation by the Federal Communications Commission as a  
407 common carrier under 47 U.S.C. Section 201, et seq. For purposes of this  
408 subdivision, internet access also includes: the purchase, use, or sale of  
409 communications services, including telecommunications services as defined in  
410 section 144.010, to the extent the communications services are purchased, used,  
411 or sold to provide the service described in this subdivision or to otherwise enable  
412 users to access content, information, or other services offered over the internet;  
413 services that are incidental to the provision of a service described in this  
414 subdivision, when furnished to users as part of such service, including a home  
415 page, electronic mail, and instant messaging, including voice-capable and  
416 video-capable electronic mail and instant messaging, video clips, and personal  
417 electronic storage capacity; a home page electronic mail and instant messaging,  
418 including voice-capable and video-capable electronic mail and instant messaging,  
419 video clips, and personal electronic storage capacity that are provided  
420 independently or that are not packed with internet access. As used in this  
421 subdivision, internet access does not include voice, audio, and video programming  
422 or other products and services, except services described in this paragraph or this  
423 subdivision, that use internet protocol or any successor protocol and for which  
424 there is a charge, regardless of whether the charge is separately stated or  
425 aggregated with the charge for services described in this paragraph or this  
426 subdivision;

427 (d) "Tax", any charge imposed by the state or a political subdivision of the  
428 state for the purpose of generating revenues for governmental purposes and that  
429 is not a fee imposed for a specific privilege, service, or benefit conferred, except  
430 as described as otherwise under this subdivision, or any obligation imposed on a  
431 seller to collect and to remit to the state or a political subdivision of the state any  
432 gross retail tax, sales tax, or use tax imposed on a buyer by such a governmental  
433 entity. The term tax shall not include any franchise fee or similar fee imposed  
434 or authorized under section 67.1830 or 67.2689; Section 622 or 653 of the  
435 Communications Act of 1934, 47 U.S.C. Section 542 and 47 U.S.C. Section 573;  
436 or any other fee related to obligations of telecommunications carriers under the



437 Communications Act of 1934, 47 U.S.C. Section 151, et seq., except to the extent  
438 that:

439 a. The fee is not imposed for the purpose of recovering direct costs  
440 incurred by the franchising or other governmental authority from providing the  
441 specific privilege, service, or benefit conferred to the payer of the fee; or

442 b. The fee is imposed for the use of a public right-of-way based on a  
443 percentage of the service revenue, and the fee exceeds the incremental direct  
444 costs incurred by the governmental authority associated with the provision of that  
445 right-of-way to the provider of internet access service.

446 Nothing in this subdivision shall be interpreted as an exemption from taxes due  
447 on goods or services that were subject to tax on January 1, 2016;

448 **(46) Usual and customary delivery charges that are stated**  
449 **separately from the sale price.**

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

144.043. [1. As used in this section, the following terms mean:

2 (1) "Light aircraft", a light airplane that seats no more than four persons,  
3 with a gross weight of three thousand pounds or less, which is primarily used for  
4 recreational flying or flight training;

5 (2) "Light aircraft kit", factory manufactured parts and components,  
6 including engine, propeller, instruments, wheels, brakes, and air frame parts  
7 which make up a complete aircraft kit or partial kit designed to be assembled into  
8 a light aircraft and then operated by a qualified purchaser for recreational and  
9 educational purposes;

10 (3) "Parts and components", manufactured light aircraft parts, including  
11 air frame and engine parts, that are required by the qualified purchaser to  
12 complete a light aircraft kit, or spare or replacement parts for an already  
13 completed light aircraft;

14 (4) "Qualified purchaser", a purchaser of a light aircraft, light aircraft kit,  
15 parts or components who is nonresident of this state, who will transport the light  
16 aircraft, light aircraft kit, parts or components outside this state within ten days  
17 after the date of purchase, and who will register any light aircraft so purchased  
18 in another state or country. Such purchaser shall not base such aircraft in this  
19 state and such purchaser shall not be a resident of the state unless such  
20 purchaser has paid sales or use tax on such aircraft in another state.

21 2.] In addition to the exemptions granted under the provisions of section  
22 144.030, there shall also be specifically exempted from the provisions of [sections  
23 144.010 to 144.525, sections 144.600 to 144.748, section 238.235,] **this chapter**  
24 and from the provisions of any local sales tax law, as defined in section 32.085,  
25 and from the computation of the tax levied, assessed or payable under [sections  
26 144.010 to 144.525, sections 144.600 to 144.748, section 238.235,] **this chapter**  
27 and under any local sales tax law, as defined in section 32.085, all sales of new  
28 light aircraft, light aircraft kits, **light aircraft** parts or components  
29 manufactured or substantially completed within this state, when such new light  
30 aircraft, light aircraft kits, **light aircraft** parts or components are sold by the  
31 manufacturer to a qualified **light aircraft** purchaser. The director of revenue  
32 shall prescribe the manner for a purchaser of a light aircraft, light aircraft kit,  
33 **light aircraft** parts or components to establish that such person is a qualified  
34 **light aircraft** purchaser and is eligible for the exemption established in this  
35 section.

144.049. 1. For purposes of this section, the following terms mean:

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

9 (2) "Personal computers", a laptop, desktop, or tower computer system  
10 which consists of a central processing unit, random access memory, a storage

11 drive, a display monitor, and a keyboard and devices designed for use in  
12 conjunction with a personal computer, such as a disk drive, memory module,  
13 compact disk drive, daughterboard, digitizer, microphone, modem, motherboard,  
14 mouse, multimedia speaker, printer, scanner, single-user hardware, single-user  
15 operating system, soundcard, or video card;

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

25 2. In each year beginning on or after January 1, 2005, there is hereby  
26 specifically exempted from state **and local** sales tax law all retail sales of any  
27 article of clothing having a taxable value of one hundred dollars or less, all retail  
28 sales of school supplies not to exceed fifty dollars per purchase, all computer  
29 software with a taxable value of three hundred fifty dollars or less, all graphing  
30 calculators having a taxable value of one hundred fifty dollars or less, and all  
31 retail sales of personal computers or computer peripheral devices not to exceed  
32 one thousand five hundred dollars, during a three-day period beginning at 12:01  
33 a.m. on the first Friday in August and ending at midnight on the Sunday  
34 following. **Where a purchaser and seller are located in two different time**  
35 **zones, the time zone of the seller's location shall determine the**  
36 **authorized exemption period.**

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

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

49 [5.] 4. This section applies to sales of items bought for personal use only.

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

57 7.] 5. This section may not apply to any retailer when less than two  
58 percent of the retailer's merchandise offered for sale qualifies for the sales tax  
59 holiday. The retailer [shall] **may** offer a sales tax refund in lieu of the sales tax  
60 holiday.

61 **6. A sale of property which is eligible for an exemption under**  
62 **subsection 1 of this section but is purchased under a layaway sale shall**  
63 **only qualify for an exemption if:**

64 (1) **Final payment on a layaway order is made by, and the**  
65 **property is given to, the purchaser during the exemption period; or**

66 (2) **The purchaser selects the property and the seller accepts the**  
67 **order for the property during the exemption period, for immediate**  
68 **delivery upon full payment, even if delivery is made after the**  
69 **exemption period.**

70 7. **The exemption of a bundled transaction shall be calculated as**  
71 **provided by law for all other bundled transactions.**

72 8. (1) **For any discount offered by a seller that is a reduction of**  
73 **the sales price of the product, the discounted sales price shall**  
74 **determine whether the sales price falls below the price threshold**  
75 **provided in subsection 1 of this section. A coupon that reduces the**  
76 **sales price shall be treated as a discount only if the seller is not**  
77 **reimbursed for the coupon amount by a third party.**

78 (2) **If a discount applies to the total amount paid by a purchaser**  
79 **rather than to the sales price of a particular product and the purchaser**  
80 **has purchased both exempt property and taxable property, the seller**  
81 **shall allocate the discount based on the total sales prices of the taxable**  
82 **property compared to the total sales prices of all property sold in the**

83 same transaction.

84 **9. Items that are normally sold as a single unit shall continue to**  
85 **be sold in that manner and shall not be priced separately and sold as**  
86 **individual items.**

87 **10. Items that are purchased during an exemption period but**  
88 **that are not delivered to the purchaser until after the exemption period**  
89 **due to the item not being in stock shall qualify for an exemption. The**  
90 **provisions of this subsection shall not apply to an item that was**  
91 **delivered during an exemption period but was purchased prior to or**  
92 **after the exemption period.**

93 **11. (1) If a purchaser purchases an item of eligible property**  
94 **during an exemption period, but later exchanges the item for a similar**  
95 **eligible item after the exemption period, no additional tax shall be due**  
96 **on the new item.**

97 **(2) If a purchaser purchases an item of eligible property during**  
98 **an exemption period, but later returns the item after the exemption**  
99 **period and receives credit on the purchase of a different nonexempt**  
100 **item, the appropriate sales tax shall be due on the sale of the newly**  
101 **purchased item.**

102 **(3) If a purchaser purchases an item of eligible property before**  
103 **an exemption period, but during the exemption period returns the item**  
104 **and receives credit on the purchase of a different item of eligible**  
105 **property, no sales tax shall be due on the sale of the new item if the**  
106 **new item is purchased during the exemption period.**

107 **(4) For a sixty-day period immediately following the end of the**  
108 **exemption period, if a purchaser returns an exempt item, no credit for**  
109 **or refund of sales tax shall be given unless the purchaser provides a**  
110 **receipt or invoice that shows tax was paid, or the seller has sufficient**  
111 **documentation to show that tax was paid on the item being returned.**

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

2 **(1) "Processing", any mode of treatment, act, or series of acts performed**  
3 **upon materials to transform or reduce them to a different state or thing,**  
4 **including treatment necessary to maintain or preserve such processing by the**  
5 **producer at the production facility;**

6 **(2) "Producing" includes, but is not limited to, the production of, including**  
7 **the production and transmission of, telecommunication services;**

8 **(3) "Product" includes, but is not limited to, telecommunications services;**

9           (4) "Recovered materials", those materials which have been diverted or  
10 removed from the solid waste stream for sale, use, reuse, or recycling, whether  
11 or not they require subsequent separation and processing.

12           2. In addition to all other exemptions granted under this chapter, there  
13 is hereby specifically exempted from the provisions of [sections 144.010 to 144.525  
14 and 144.600 to 144.761, and from the computation of the tax levied, assessed, or  
15 payable under sections 144.010 to 144.525 and 144.600 to 144.761] **this chapter**  
16 **and the local sales tax law as defined in section 32.085 and from the**  
17 **computation of the tax levied, assessed, or payable under this chapter**  
18 **and the local sales tax law as defined in section 32.085**, electrical energy  
19 and gas, whether natural, artificial, or propane, water, coal, and energy sources,  
20 chemicals, machinery, equipment, and materials used or consumed in the  
21 manufacturing, processing, compounding, mining, or producing of any product, or  
22 used or consumed in the processing of recovered materials, or used in research  
23 and development related to manufacturing, processing, compounding, mining, or  
24 producing any product. [The exemptions granted in this subsection shall not  
25 apply to local sales taxes as defined in section 32.085 and the provisions of this  
26 subsection shall be in addition to any state and local sales tax exemption  
27 provided in section 144.030.] The construction and application of this subsection  
28 as expressed by the Missouri supreme court in *DST Systems, Inc. v. Director of*  
29 *Revenue*, 43 S.W.3d 799 (Mo. banc 2001); *Southwestern Bell Tel. Co. v. Director*  
30 *of Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and *Southwestern Bell Tel. Co. v.*  
31 *Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), is hereby affirmed.

32           3. In addition to all other exemptions granted under this chapter, there  
33 is hereby specifically exempted from the provisions of [sections 144.010 to 144.525  
34 and 144.600 to 144.761, and section 238.235,] **this chapter** and the local sales  
35 tax law as defined in section 32.085, and from the computation of the tax levied,  
36 assessed, or payable under [sections 144.010 to 144.525 and 144.600 to 144.761,  
37 and section 238.235,] **this chapter** and the local sales tax law as defined in  
38 section 32.085, all utilities, machinery, and equipment used or consumed directly  
39 in television or radio broadcasting and all sales and purchases of tangible  
40 personal property, utilities, services, or any other transaction that would  
41 otherwise be subject to the state or local sales or use tax when such sales are  
42 made to or purchases are made by a contractor for use in fulfillment of any  
43 obligation under a defense contract with the United States government, and all  
44 sales and leases of tangible personal property by any county, city, incorporated

45 town, or village, provided such sale or lease is authorized under chapter 100, and  
46 such transaction is certified for sales tax exemption by the department of  
47 economic development, and tangible personal property used for railroad  
48 infrastructure brought into this state for processing, fabrication, or other  
49 modification for use outside the state in the regular course of business.

50 4. In addition to all other exemptions granted under this chapter, there  
51 is hereby specifically exempted from the provisions of [sections 144.010 to 144.525  
52 and 144.600 to 144.761, and section 238.235,] **this chapter** and the local sales  
53 tax law as defined in section 32.085, and from the computation of the tax levied,  
54 assessed, or payable under [sections 144.010 to 144.525 and 144.600 to 144.761,  
55 and section 238.235,] **this chapter** and the local sales tax law as defined in  
56 section 32.085, all sales and purchases of tangible personal property, utilities,  
57 services, or any other transaction that would otherwise be subject to the state or  
58 local sales or use tax when such sales are made to or purchases are made by a  
59 private partner for use in completing a project under sections 227.600 to 227.669.

60 5. In addition to all other exemptions granted under this chapter, there  
61 is hereby specifically exempted from the provisions of [sections 144.010 to 144.525  
62 and 144.600 to 144.761, and section 238.235,] **this chapter** and the local sales  
63 tax law as defined in section 32.085, and from the computation of the tax levied,  
64 assessed, or payable under [sections 144.010 to 144.525 and 144.600 to 144.761,  
65 and section 238.235,] **this chapter** and the local sales tax law as defined in  
66 section 32.085, all materials, manufactured goods, machinery and parts, electrical  
67 energy and gas, whether natural, artificial or propane, water, coal and other  
68 energy sources, chemicals, soaps, detergents, cleaning and sanitizing agents, and  
69 other ingredients and materials inserted by commercial or industrial laundries  
70 to treat, clean, and sanitize textiles in facilities which process at least five  
71 hundred pounds of textiles per hour and at least sixty thousand pounds per week.

144.060. 1. It shall be the duty of every person making any purchase or  
2 receiving any service upon which a tax is imposed by sections 144.010 to 144.510  
3 to pay, to the extent possible under the provisions of section 144.285, the amount  
4 of such tax to the person making such sale or rendering such service. Any person  
5 who shall willfully and intentionally refuse to pay such tax shall be guilty of a  
6 misdemeanor. The provisions of this section shall not apply to any person  
7 making any purchase or sale of a motor vehicle subject to sales tax as provided  
8 by the Missouri sales tax law, unless such person making the sale is a motor  
9 vehicle dealer authorized to collect and remit sales tax pursuant to subsection 10

10 of section 144.070.

11           **2. A purchaser shall be relieved from any additional tax, interest,**  
12 **additions, or penalties for failure to collect and remit the proper**  
13 **amount of tax owed on a purchase subject to sales tax under this**  
14 **chapter if:**

15           **(1) A purchaser's seller or a certified service provider relied on**  
16 **erroneous data provided by the director on tax rates, boundaries,**  
17 **taxing jurisdiction assignments, or in the taxability matrix created**  
18 **pursuant to section 144.124;**

19           **(2) A purchaser using a database created pursuant to section**  
20 **144.123 received erroneous data provided by the director on tax rates,**  
21 **boundaries, or taxing jurisdiction assignments; or**

22           **(3) A purchaser relied on erroneous data provided by the**  
23 **director in the taxability matrix created pursuant to section 144.124.**

144.080. 1. Every person receiving any payment or consideration upon  
2 the sale of property or rendering of service, subject to the tax imposed by the  
3 provisions of sections 144.010 to [144.525] **144.527**, is exercising the taxable  
4 privilege of selling the property or rendering the service at retail and is subject  
5 to the tax levied in section 144.020. The person shall be responsible not only for  
6 the collection of the amount of the tax imposed on the sale or service to the extent  
7 possible under the provisions of section 144.285, but shall, on or before the last  
8 day of the month following each calendar quarterly period of three months, file  
9 a return with the director of revenue showing the person's gross receipts and the  
10 amount of tax levied in section 144.020 for the preceding quarter, and shall remit  
11 to the director of revenue, with the return, the taxes levied in section 144.020,  
12 except as provided in [subsections 2 and 3] **subsection 2** of this section. The  
13 director of revenue may promulgate rules or regulations changing the filing and  
14 payment requirements of sellers, but shall not require any seller to file and pay  
15 more frequently than required in this section.

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

21           3.] Where the aggregate amount levied and imposed upon a seller by  
22 section 144.020 is less than forty-five dollars in a calendar quarter, the director



23 of revenue shall by regulation permit the seller to file a return for a calendar  
24 year. The return shall be filed and the taxes paid on or before January  
25 thirty-first of the succeeding year.

26 [4.] 3. The seller of any property or person rendering any service, subject  
27 to the tax imposed by sections 144.010 to [144.525] **144.527**, shall collect the tax  
28 from the purchaser of such property or the recipient of the service to the extent  
29 possible under the provisions of section 144.285, but the seller's inability to  
30 collect any part or all of the tax does not relieve the seller of the obligation to pay  
31 to the state the tax imposed by section 144.020; except that the collection of the  
32 tax imposed by sections 144.010 to [144.525] **144.527** on motor vehicles and  
33 trailers shall be made as provided in sections 144.070 and 144.440.

34 [5.] 4. Any person may advertise or hold out or state to the public or to  
35 any customer directly that the tax or any part thereof imposed by sections  
36 144.010 to [144.525] **144.527**, and required to be collected by the person, will be  
37 assumed or absorbed by the person, provided that the amount of tax assumed or  
38 absorbed shall be stated on any invoice or receipt for the property sold or service  
39 rendered. Any person violating any of the provisions of this section shall be  
40 guilty of a misdemeanor. This subsection shall not apply to any retailer  
41 prohibited from collecting and remitting sales tax under section 66.630.

144.083. 1. The director of revenue shall require all persons who are  
2 responsible for the collection of taxes under the provisions of section 144.080 to  
3 procure a retail sales license at no cost to the licensee which shall be prominently  
4 displayed at the licensee's place of business, and the license is valid until revoked  
5 by the director or surrendered by the person to whom issued when sales are  
6 discontinued. The director shall issue the retail sales license within ten working  
7 days following the receipt of a properly completed application. Any person  
8 applying for a retail sales license or reinstatement of a revoked sales tax license  
9 who owes any tax under [sections 144.010 to 144.510] **this chapter** or sections  
10 143.191 to 143.261 must pay the amount due plus interest and penalties before  
11 the department may issue the applicant a license or reinstate the revoked license.  
12 All persons beginning business subsequent to August 13, 1986, and who are  
13 required to collect the sales tax shall secure a retail sales license prior to making  
14 sales at retail. Such license may, after ten days' notice, be revoked by the  
15 director of revenue only in the event the licensee shall be in default for a period  
16 of sixty days in the payment of any taxes levied under section 144.020 or sections  
17 143.191 to 143.261. Notwithstanding the provisions of section 32.057 in the event

18 of revocation, the director of revenue may publish the status of the business  
19 account including the date of revocation in a manner as determined by the  
20 director.

21           2. The possession of a retail sales license and a statement from the  
22 department of revenue that the licensee owes no tax due under sections 144.010  
23 to [144.510] **144.527** or sections 143.191 to 143.261 shall be a prerequisite to the  
24 issuance or renewal of any city or county occupation license or any state license  
25 which is required for conducting any business where goods are sold at retail. The  
26 date of issuance on the statement that the licensee owes no tax due shall be no  
27 more than ninety days before the date of submission for application or renewal  
28 of the local license. The revocation of a retailer's license by the director shall  
29 render the occupational license or the state license null and void.

30           3. No person responsible for the collection of taxes under section 144.080  
31 shall make sales at retail unless such person is the holder of a valid retail sales  
32 license. After all appeals have been exhausted, the director of revenue may notify  
33 the county or city law enforcement agency representing the area in which the  
34 former licensee's business is located that the retail sales license of such person  
35 has been revoked, and that any county or city occupation license of such person  
36 is also revoked. The county or city may enforce the provisions of this section, and  
37 may prohibit further sales at retail by such person.

38           4. In addition to the provisions of subsection 2 of this section, beginning  
39 January 1, 2009, the possession of a statement from the department of revenue  
40 stating no tax is due under sections 143.191 to 143.265 or sections 144.010 to  
41 [144.510] **144.527** shall also be a prerequisite to the issuance or renewal of any  
42 city or county occupation license or any state license required for conducting any  
43 business where goods are sold at retail. The statement of no tax due shall be  
44 dated no longer than ninety days before the date of submission for application or  
45 renewal of the city or county license.

46           [5. Notwithstanding any law or rule to the contrary, sales tax shall only  
47 apply to the sale price paid by the final purchaser and not to any off-invoice  
48 discounts or other pricing discounts or mechanisms negotiated between  
49 manufacturers, wholesalers, and retailers.]

**144.084. 1. The director shall promulgate rules and regulations  
2 for the remittance of returns. Certified service providers shall file a  
3 return on behalf of its sellers and shall be required to file the return at  
4 the times provided in sections 144.080 and 144.090.**

5           **2. For the purpose of more efficiently securing the payment of**  
6 **and accounting for the tax collected and remitted by certified service**  
7 **providers under this chapter, the director of revenue shall make,**  
8 **promulgate, and enforce reasonable rules and regulations for the**  
9 **administration and enforcement of provisions of this chapter relating**  
10 **to the collection and remittance of sales and use tax by certified service**  
11 **providers. Any rule or portion of a rule, as that term is defined in**  
12 **section 536.010, that is created under the authority delegated in this**  
13 **section shall become effective only if it complies with and is subject to**  
14 **all of the provisions of chapter 536 and, if applicable, section**  
15 **536.028. This section and chapter 536 are nonseverable and if any of**  
16 **the powers vested with the general assembly pursuant to chapter 536**  
17 **to review, to delay the effective date, or to disapprove and annul a rule**  
18 **are subsequently held unconstitutional, then the grant of rulemaking**  
19 **authority and any rule proposed or adopted after January 1, 2022, shall**  
20 **be invalid and void.**

144.123. 1. The director shall provide and maintain a database  
2 that describes boundary changes for all taxing jurisdictions and the  
3 effective dates of such changes for sales and use tax purposes.

4           **2. The director shall provide and maintain a database of all sales**  
5 **and use tax rates for all taxing jurisdictions. For the identification of**  
6 **counties and cities, codes corresponding to the rates shall be provided**  
7 **according to Federal Information Processing Standards (FIPS) as**  
8 **developed by the National Institute of Standards and Technology. For**  
9 **the identification of all other jurisdictions, codes corresponding to the**  
10 **rates shall be in a format determined by the director.**

11           **3. The director shall provide and maintain a database that**  
12 **assigns each five- and nine-digit zip code to the proper rates and taxing**  
13 **jurisdictions. The lowest combined tax rate imposed in the zip code**  
14 **area shall apply if the area includes more than one tax rate in any level**  
15 **of taxing jurisdiction. If a nine-digit zip code designation is not**  
16 **available for a street address, or if a seller or a certified service**  
17 **provider (CSP) is unable to determine the nine-digit zip code**  
18 **designation applicable to a purchase after exercising due diligence to**  
19 **determine the designation, the seller or CSP may apply the rate for the**  
20 **five-digit zip code area. For purposes of this section, there shall be a**  
21 **rebuttable presumption that a seller or CSP has exercised due diligence**

22 if the seller has attempted to determine the nine-digit zip code  
23 designation by utilizing software approved by the governing board that  
24 makes this designation from the street address and the five-digit zip  
25 code applicable to a purchase.

26 4. The director may provide address-based boundary database  
27 records for assigning taxing jurisdictions and associated rates which  
28 shall be in addition to the requirements of subsection 3 of this  
29 section. The database records shall be in the same approved format as  
30 the database records required under subsection 3 of this section and  
31 shall meet the requirements developed pursuant to the federal Mobile  
32 Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If the  
33 director develops address-based assignment database records sellers  
34 and CSPs shall be required to use such database. A seller or CSP shall  
35 use such database records in place of the five- and nine-digit zip code  
36 database records provided for in subsection 3 of this section. If a seller  
37 or CSP is unable to determine the applicable rate and jurisdiction  
38 using an address-based database record after exercising due diligence,  
39 the seller or CSP may apply the nine-digit zip code designation  
40 applicable to a purchase. If a nine-digit zip code designation is not  
41 available for a street address or if a seller or CSP is unable to  
42 determine the nine-digit zip code designation applicable to a purchase  
43 after exercising due diligence to determine the designation, the seller  
44 or CSP may apply the rate for the five-digit zip code area. For the  
45 purposes of this section, there shall be a rebuttable presumption that  
46 a seller or CSP has exercised due diligence if the seller or CSP has  
47 attempted to determine the tax rate and jurisdiction by utilizing  
48 software approved by the director and makes the assignment from the  
49 address and zip code information applicable to the purchase. If the  
50 director has met the requirements of subsection 3 of this section, the  
51 director may also elect to certify vendor provided address-based  
52 databases for assigning tax rates and jurisdictions. The databases shall  
53 be in the same approved format as the database records under this  
54 section and meet the requirements developed pursuant to the federal  
55 Mobile Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If the  
56 director certifies a vendor address-based database, a seller or CSP may  
57 use such database in place of the database provided for in this  
58 subsection.

59           **5. The electronic databases provided for in subsections 1, 2, 3,**  
60 **and 4 of this section shall be in downloadable format as determined by**  
61 **the director. The databases may be directly provided by the director**  
62 **or provided by a vendor as designated by the director. A database**  
63 **provided by a vendor as designated by the director shall be applicable**  
64 **and subject to the provisions of this section. The databases shall be**  
65 **provided at no cost to the user of the database. The provisions of**  
66 **subsections 3 and 4 of this section shall not apply when the purchased**  
67 **product is received by the purchaser at the business location of the**  
68 **seller.**

69           **6. No seller or CSP shall be liable for reliance upon erroneous**  
70 **data provided or approved by the director on tax rates, boundaries, or**  
71 **taxing jurisdiction assignments, and no seller shall be liable for**  
72 **erroneous returns made by a CSP on behalf of the seller.**

73           **7. In lieu of a database provided under this section, a certified**  
74 **service provider, seller, or marketplace facilitator as defined under**  
75 **section 144.752, may utilize proprietary data that provides information**  
76 **on sales and use tax rates for all taxing jurisdictions, provided the**  
77 **director of revenue certifies that such proprietary data at a minimum**  
78 **meets the requirements of the database required under the provisions**  
79 **of this section.**

**144.124. 1. The director shall complete a taxability matrix. The**  
2 **state's entries in the matrix shall be provided and maintained by the**  
3 **director in a database that is in a downloadable format.**

4           **2. The director shall provide reasonable notice of changes in the**  
5 **taxability of the products or services listed in the taxability matrix.**

6           **3. A seller or CSP shall be relieved from liability to this state or**  
7 **any local taxing jurisdiction for having charged and collected the**  
8 **incorrect amount of state or local sales or use tax resulting from such**  
9 **seller's or CSP's reliance upon erroneous data provided or approved by**  
10 **the director in the taxability matrix, and a seller shall be relieved from**  
11 **liability for erroneous returns made by a CSP on behalf of the seller.**

**144.140. 1. From every remittance to the director of revenue made on or**  
2 **before the date when the same becomes due, the person required to remit the**  
3 **same shall be entitled to deduct and retain an amount equal to two percent**  
4 **thereof.**

5           **2. The director shall provide a monetary allowance from the**

6 **taxes collected to a CSP under the terms of the contract signed with the**  
7 **provider, provided that such allowance shall be funded entirely from**  
8 **money collected by the CSP.**

9 **3. Any vendor receiving an allowance under subsection 2 of this**  
10 **section shall not be entitled to simultaneously deduct the allowance**  
11 **provided for under subsection 1 of this section.**

144.190. 1. If a tax has been incorrectly computed by reason of a clerical  
2 error or mistake on the part of the director of revenue, such fact shall be set forth  
3 in the records of the director of revenue, and the amount of the overpayment shall  
4 be credited on any taxes then due from the person legally obligated to remit the  
5 tax under **this** chapter [144], and the balance shall be refunded to the person  
6 legally obligated to remit the tax, such person's administrators or executors, as  
7 provided for in section 144.200.

8 2. If any tax, penalty or interest has been paid more than once, or has  
9 been erroneously or illegally collected, or has been erroneously or illegally  
10 computed, such sum shall be credited on any taxes then due from the person  
11 legally obligated to remit the tax under **this** chapter [144], and the balance, with  
12 interest as determined by section 32.065, shall be refunded to the person legally  
13 obligated to remit the tax, but no such credit or refund shall be allowed unless  
14 duplicate copies of a claim for refund are filed within ten years from date of  
15 overpayment.

16 3. Every claim for refund must be in writing and signed by the applicant,  
17 and must state the specific grounds upon which the claim is founded. Any refund  
18 or any portion thereof which is erroneously made, and any credit or any portion  
19 thereof which is erroneously allowed, may be recovered in any action brought by  
20 the director of revenue against the person legally obligated to remit the tax. In  
21 the event that a tax has been illegally imposed against a person legally obligated  
22 to remit the tax, the director of revenue shall authorize the cancellation of the tax  
23 upon the director's record.

24 4. Notwithstanding the provisions of section 32.057, a purchaser that  
25 originally paid sales or use tax to a vendor or seller may submit a refund claim  
26 directly to the director of revenue for such sales or use taxes paid to such vendor  
27 or seller and remitted to the director, provided no sum shall be refunded more  
28 than once, any such claim shall be subject to any offset, defense, or other claim  
29 the director otherwise would have against either the purchaser or vendor or  
30 seller, and such claim for refund is accompanied by either:

31 (1) A notarized assignment of rights statement by the vendor or seller to  
32 the purchaser allowing the purchaser to seek the refund on behalf of the vendor  
33 or seller. An assignment of rights statement shall contain the Missouri sales or  
34 use tax registration number of the vendor or seller, a list of the transactions  
35 covered by the assignment, the tax periods and location for which the original  
36 sale was reported to the director of revenue by the vendor or seller, and a  
37 notarized statement signed by the vendor or seller affirming that the vendor or  
38 seller has not received a refund or credit, will not apply for a refund or credit of  
39 the tax collected on any transactions covered by the assignment, and authorizes  
40 the director to amend the seller's return to reflect the refund; or

41 (2) In the event the vendor or seller fails or refuses to provide an  
42 assignment of rights statement within sixty days from the date of such  
43 purchaser's written request to the vendor or seller, or the purchaser is not able  
44 to locate the vendor or seller or the vendor or seller is no longer in business, the  
45 purchaser may provide the director a notarized statement confirming the efforts  
46 that have been made to obtain an assignment of rights from the vendor or  
47 seller. Such statement shall contain a list of the transactions covered by the  
48 assignment, the tax periods and location for which the original sale was reported  
49 to the director of revenue by the vendor or seller.

50 The director shall not require such vendor, seller, or purchaser to submit  
51 amended returns for refund claims submitted under the provisions of this  
52 subsection. Notwithstanding the provisions of section 32.057, if the seller is  
53 registered with the director for collection and remittance of sales tax, the director  
54 shall notify the seller at the seller's last known address of the claim for refund.  
55 If the seller objects to the refund within thirty days of the date of the notice, the  
56 director shall not pay the refund. If the seller agrees that the refund is  
57 warranted or fails to respond within thirty days, the director may issue the  
58 refund and amend the seller's return to reflect the refund. For purposes of  
59 section 32.069, the refund claim shall not be considered to have been filed until  
60 the seller agrees that the refund is warranted or thirty days after the date the  
61 director notified the seller and the seller failed to respond.

62 5. Notwithstanding the provisions of section 32.057, when a vendor files  
63 a refund claim on behalf of a purchaser and such refund claim is denied by the  
64 director, notice of such denial and the reason for the denial shall be sent by the  
65 director to the vendor and each purchaser whose name and address is submitted  
66 with the refund claim form filed by the vendor. A purchaser shall be entitled to

67 appeal the denial of the refund claim within sixty days of the date such notice of  
68 denial is mailed by the director as provided in section 144.261. The provisions  
69 of this subsection shall apply to all refund claims filed after August 28,  
70 2012. The provisions of this subsection allowing a purchaser to appeal the  
71 director's decision to deny a refund claim shall also apply to any refund claim  
72 denied by the director on or after January 1, 2007, if an appeal of the denial of  
73 the refund claim is filed by the purchaser no later than September 28, 2012, and  
74 if such claim is based solely on the issue of the exemption of the electronic  
75 transmission or delivery of computer software.

76           6. Notwithstanding the provisions of this section, the director of revenue  
77 shall authorize direct-pay agreements to purchasers which have annual purchases  
78 in excess of seven hundred fifty thousand dollars pursuant to rules and  
79 regulations adopted by the director of revenue. For the purposes of such  
80 direct-pay agreements, the taxes authorized under chapters 66, 67, 70, 92, 94,  
81 162, 190, 238, 321, and 644 shall be remitted based upon the location of the place  
82 of business of the purchaser.

83           7. Special rules applicable to error corrections requested by customers of  
84 mobile telecommunications service are as follows:

85           (1) For purposes of this subsection, the terms "customer", "home service  
86 provider", "place of primary use", "electronic database", and "enhanced zip code"  
87 shall have the same meanings as defined in the Mobile Telecommunications  
88 Sourcing Act incorporated by reference in section 144.013;

89           (2) Notwithstanding the provisions of this section, if a customer of mobile  
90 telecommunications services believes that the amount of tax, the assignment of  
91 place of primary use or the taxing jurisdiction included on a billing is erroneous,  
92 the customer shall notify the home service provider, in writing, within three years  
93 from the date of the billing statement. The customer shall include in such  
94 written notification the street address for the customer's place of primary use, the  
95 account name and number for which the customer seeks a correction of the tax  
96 assignment, a description of the error asserted by the customer and any other  
97 information the home service provider reasonably requires to process the request;

98           (3) Within sixty days of receiving the customer's notice, the home service  
99 provider shall review its records and the electronic database or enhanced zip code  
100 to determine the customer's correct taxing jurisdiction. If the home service  
101 provider determines that the review shows that the amount of tax, assignment  
102 of place of primary use or taxing jurisdiction is in error, the home service



103 provider shall correct the error and, at its election, either refund or credit the  
104 amount of tax erroneously collected to the customer for a period of up to three  
105 years from the last day of the home service provider's sixty-day review period. If  
106 the home service provider determines that the review shows that the amount of  
107 tax, the assignment of place of primary use or the taxing jurisdiction is correct,  
108 the home service provider shall provide a written explanation of its determination  
109 to the customer.

110 8. For all refund claims submitted to the department of revenue on or  
111 after September 1, 2003, notwithstanding any provision of this section to the  
112 contrary, if a person legally obligated to remit the tax levied under **this** chapter  
113 [144] has received a refund of such taxes for a specific issue and submits a  
114 subsequent claim for refund of such taxes on the same issue for a tax period  
115 beginning on or after the date the original refund check issued to such person, no  
116 refund shall be allowed. This subsection shall not apply and a refund shall be  
117 allowed if the refund claim is filed by a purchaser under the provisions of  
118 subsection 4 of this section, the refund claim is for use tax remitted by the  
119 purchaser, or an additional refund claim is filed by a person legally obligated to  
120 remit the tax due to any of the following:

121 (1) Receipt of additional information or an exemption certificate from the  
122 purchaser of the item at issue;

123 (2) A decision of a court of competent jurisdiction or the administrative  
124 hearing commission; or

125 (3) Changes in regulations or policy by the department of revenue.

126 9. Notwithstanding any provision of law to the contrary, the director of  
127 revenue shall respond to a request for a binding letter ruling filed in accordance  
128 with section 536.021 within sixty days of receipt of such request. If the director  
129 of revenue fails to respond to such letter ruling request within sixty days of  
130 receipt by the director, the director of revenue shall be barred from pursuing  
131 collection of any assessment of sales or use tax with respect to the issue which is  
132 the subject of the letter ruling request. For purposes of this subsection, the term  
133 "letter ruling" means a written interpretation of law by the director to a specific  
134 set of facts provided by a specific taxpayer or his or her agent.

135 10. If any tax was paid more than once, was incorrectly collected, or was  
136 incorrectly computed, such sum shall be credited on any taxes then due from the  
137 person legally obligated to remit the tax under chapter 144 against any deficiency  
138 or tax due discovered through an audit of the person by the department of

139 revenue through adjustment during the same tax filing period for which the audit  
140 applied.

141 **11. A cause of action against the seller by a purchaser for a tax**  
142 **erroneously or illegally collected under this chapter does not accrue**  
143 **until a purchaser has provided written notice to a seller and the seller**  
144 **has had sixty days to respond. Such notice to the seller must contain**  
145 **the information necessary to determine the validity of the request. A**  
146 **seller shall be presumed to have a reasonable business practice if in the**  
147 **collection of such tax, the seller uses a provider or a system certified**  
148 **by the director and has remitted to the state all tax collected less any**  
149 **deductions, credits, or allowances.**

144.210. 1. The burden of proving that a sale of tangible personal  
2 property, services, substances or things was not a sale at retail shall be upon the  
3 person who made the sale, except that with respect to sales, services, or  
4 transactions provided for in section 144.070. [The seller shall obtain and  
5 maintain exemption certificates signed by the purchaser or his agent as evidence  
6 for any exempt sales claimed; provided, however, that before any administrative  
7 tribunal of this state, a seller may prove that sale is exempt from tax under this  
8 chapter in accordance with proof admissible under the applicable rules of  
9 evidence; except that when a purchaser has purchased tangible personal property  
10 or services sales tax free under a claim of exemption which is found to be  
11 improper, the director of revenue may collect the proper amount of tax, interest,  
12 additions to tax and penalty from the purchaser directly. Any tax, interest,  
13 additions to tax or penalty collected by the director from the purchaser shall be  
14 credited against the amount otherwise due from the seller on the purchases or  
15 sales where the exemption was claimed.]

16 2. If the director of revenue is not satisfied with the return and payment  
17 of the tax made by any person, he is hereby authorized and empowered to make  
18 an additional assessment of tax due from such person, based upon the facts  
19 contained in the return or upon any information within his possession or that  
20 shall come into his possession.

21 3. The director of revenue shall give to the person written notice of such  
22 additional or revised assessment by certified or registered mail to the person at  
23 his or its last known address.

144.285. 1. [In order to permit sellers required to collect and report the  
2 sales tax to collect the amount required to be reported and remitted, but not to

3 change the requirements of reporting or remitting tax or to serve as a levy of the  
4 tax, and in order to avoid fractions of pennies, the director of revenue shall  
5 establish brackets, showing the amounts of tax to be collected on sales of specified  
6 amounts, which shall be applicable to all taxable transactions] **When the seller  
7 is computing the amount of tax owed by the purchaser and remitted to  
8 the state:**

9       **(1) Tax computation shall be carried to the third decimal place;**  
10 **and**

11       **(2) The tax shall be rounded to a whole cent using a method that  
12 rounds up to the next cent whenever the third decimal place is greater  
13 than four.**

14       2. [In all instances where statements covering taxable purchases are  
15 rendered to the taxpayer on a monthly or other periodic basis, the amount of tax  
16 shall be determined by applying the applicable tax rate to the taxable purchases  
17 represented on the statement, rounded to the nearest whole cent, or by  
18 application of the brackets established by the director of revenue, at the option  
19 of the retail vendor] **Sellers may elect to compute the tax due on a  
20 transaction on an item or an invoice basis. The provision of this  
21 subsection may be applied to the aggregated state and local taxes.**

22       3. No vendor or seller shall knowingly charge or receive from a purchaser  
23 as a sales tax any sum in excess of the sums provided for in this section.

24       4. [A vendor may, at his option, determine the amount charged to and  
25 received from each purchaser by use of a formula which applies the applicable tax  
26 rate to each taxable purchase, rounded to the nearest whole cent. The formula  
27 shall be uniformly and consistently applied to all purchases similarly situated.

28       5.] Amounts which a vendor charges to and receives from the purchaser  
29 in accordance with this section shall not be includable in his gross receipts if the  
30 amounts are separately charged or stated.

31       [6.] **5.** If sales tax for one or more local political subdivisions is owed by  
32 a taxpayer pursuant to chapter 66, 67, 92, or 94 and that taxpayer remits less  
33 than all sales tax due for a filing period specified in section 144.080, the director  
34 of revenue shall deposit the tax remitted proportionately to each taxing  
35 jurisdiction in accordance with the percentage that each such jurisdiction's share  
36 of the tax due for the filing period bears to the total tax due from such taxpayer  
37 for such period. The unpaid balance due along with penalties and interest shall  
38 be similarly prorated among the state and all local jurisdictions for which tax was

39 due during the filing period for which an underpayment occurs. The provisions  
40 of this subsection shall apply to all returns or remittances relating to sales made  
41 on or after January 1, 1984.

144.526. 1. This section shall be known and may be cited as the "Show  
2 Me Green Sales Tax Holiday".

3 2. For purposes of this section, the following terms mean:

4 (1) "Appliance", clothes washers and dryers, water heaters, trash  
5 compactors, dishwashers, conventional ovens, ranges, stoves, air conditioners,  
6 furnaces, refrigerators and freezers; and

7 (2) "Energy star certified", any appliance approved by both the United  
8 States Environmental Protection Agency and the United States Department of  
9 Energy as eligible to display the energy star label, as amended from time to time.

10 3. In each year beginning on or after January 1, 2009, there is hereby  
11 specifically exempted from state sales tax law **and all local sales and use**  
12 **taxes** all retail sales of any energy star certified new appliance, up to one  
13 thousand five hundred dollars per appliance[,] during a seven-day period  
14 beginning at 12:01 a.m. on April nineteenth and ending at midnight on April  
15 twenty-fifth. **Where a purchaser and seller are located in two different**  
16 **time zones, the time zone of the seller's location shall determine the**  
17 **authorized exemption period.**

18 4. [A political subdivision may allow the sales tax holiday under this  
19 section to apply to its local sales taxes by enacting an ordinance to that  
20 effect. Any such political subdivision shall notify the department of revenue not  
21 less than forty-five calendar days prior to the beginning date of the sales tax  
22 holiday occurring in that year of any such ordinance or order.

23 5. This section may not apply to any retailer when less than two percent  
24 of the retailer's merchandise offered for sale qualifies for the sales tax  
25 holiday. The retailer shall offer a sales tax refund in lieu of the sales tax  
26 holiday.] **A sale of property which is eligible for an exemption under**  
27 **subsection 1 of this section but is purchased under a layaway sale shall**  
28 **only qualify for an exemption if:**

29 (1) **Final payment on a layaway order is made by, and the**  
30 **property is given to, the purchaser during the exemption period; or**

31 (2) **The purchaser selects the property and the seller accepts the**  
32 **order for the property during the exemption period, for immediate**  
33 **delivery upon full payment, even if delivery is made after the**

34 exemption period.

35           5. (1) For any discount offered by a seller that is a reduction of  
36 the sales price of the product, the discounted sales price shall  
37 determine whether the sales price falls below the price threshold  
38 provided in subsection 1 of this section. A coupon that reduces the  
39 sales price shall be treated as a discount only if the seller is not  
40 reimbursed for the coupon amount by a third party.

41           (2) If a discount applies to the total amount paid by a purchaser  
42 rather than to the sales price of a particular product and the purchaser  
43 has purchased both exempt property and taxable property, the seller  
44 shall allocate the discount based on the total sales prices of the taxable  
45 property compared to the total sales prices of all property sold in the  
46 same transaction.

47           6. Items that are normally sold as a single unit shall continue to  
48 be sold in that manner and shall not be priced separately and sold as  
49 individual items.

50           7. Items that are purchased during an exemption period but that  
51 are not delivered to the purchaser until after the exemption period due  
52 to the item not being in stock shall qualify for an exemption. The  
53 provisions of this subsection shall not apply to an item that was  
54 delivered during an exemption period but was purchased prior to or  
55 after the exemption period.

56           8. (1) If a purchaser purchases an item of eligible property  
57 during an exemption period, but later exchanges the item for a similar  
58 eligible item after the exemption period, no additional tax shall be due  
59 on the new item.

60           (2) If a purchaser purchases an item of eligible property during  
61 an exemption period, but later returns the item after the exemption  
62 period and receives credit on the purchase of a different nonexempt  
63 item, the appropriate sales tax shall be due on the sale of the newly  
64 purchased item.

65           (3) If a purchaser purchases an item of eligible property before  
66 an exemption period, but during the exemption period returns the item  
67 and receives credit on the purchase of a different item of eligible  
68 property, no sales tax shall be due on the sale of the new item if the  
69 new item is purchased during the exemption period.

70           (4) For a sixty day period immediately following the end of the

71 exemption period, if a purchaser returns an exempt item no credit for  
72 or refund of sales tax shall be given unless the purchaser provides a  
73 receipt or invoice that shows tax was paid, or the seller has sufficient  
74 documentation to show that tax was paid on the item being returned.

144.600. 1. This law may be cited as the "Compensating Use Tax Law".

2 2. All provisions in sections 144.010 to 144.527 with respect to  
3 sales into this state by out-of-state sellers apply to the Compensating  
4 Use Tax Law.

144.612. A vendor is required to register with the director under  
2 this chapter for the collection and remittance of use tax if the vendor  
3 is engaged in business activities within this state. For purposes of this  
4 chapter, "engages in business activities within this state" includes:

5 (1) Maintaining or having a franchisee or licensee operating  
6 under the seller's trade name in this state if the franchisee or licensee  
7 is required to collect sales tax under this chapter;

8 (2) Soliciting sales or taking orders by sales agents or traveling  
9 representatives;

10 (3) A vendor is presumed to engage in business activities within  
11 this state if any person, other than a common carrier acting in its  
12 capacity as such, that has substantial nexus with this state:

13 (a) Sells a similar line of products as the vendor and does so  
14 under the same or a similar business name;

15 (b) Maintains an office, distribution facility, warehouse, or  
16 storage place, or similar place of business in the state to facilitate the  
17 delivery of property or services sold by the vendor to the vendor's  
18 customers;

19 (c) Delivers, installs, assembles, or performs maintenance  
20 services for the vendor's customers within the state;

21 (d) Facilitates the vendor's delivery of property to customers in  
22 the state by allowing the vendor's customers to pick up property sold  
23 by the vendor at an office, distribution facility, warehouse, storage  
24 place, or similar place of business maintained by the person in the  
25 state; or

26 (e) Conducts any other activities in the state that are  
27 significantly associated with the vendor's ability to establish and  
28 maintain a market in the state for the sales;

29 (4) The presumption in subdivision (3) of this section may be

30 rebutted by demonstrating that the person's activities in the state are  
31 not significantly associated with the vendor's ability to establish or  
32 maintain a market in this state for the vendor's sales;

33 (5) Notwithstanding subdivision (3) of this section, a vendor shall  
34 be presumed to engage in business activities within this state if the  
35 vendor enters into an agreement with one or more residents of this  
36 state under which the resident, for a commission or other  
37 consideration, directly or indirectly refers potential customers,  
38 whether by a link on an internet website, an in-person oral  
39 presentation, telemarketing, or otherwise, to the vendor, if the  
40 cumulative gross receipts from sales by the vendor to customers in the  
41 state who are referred to the vendor by all residents with this type of  
42 an agreement with the vendor is in excess of ten thousand dollars  
43 during the preceding twelve months;

44 (6) The presumption in subdivision (5) of this section may be  
45 rebutted by submitting proof that the residents with whom the vendor  
46 has an agreement did not engage in any activity within the state that  
47 was significantly associated with the vendor's ability to establish or  
48 maintain the vendor's market in the state during the preceding twelve  
49 months. Such proof may consist of sworn written statements from all  
50 of the residents with whom the vendor has an agreement stating that  
51 they did not engage in any solicitation in the state on behalf of the  
52 vendor during the preceding year provided that such statements were  
53 provided and obtained in good faith;

54 (7) (a) Notwithstanding any other provision of law to the  
55 contrary, any vendor selling tangible personal property or services  
56 designated and defined as taxable under the provisions of this chapter  
57 for delivery into Missouri, and who does not have a physical presence  
58 in the state, is subject to the provisions of sections 144.600 to 144.753,  
59 shall remit the use tax, and shall follow all applicable procedures and  
60 requirements of law as if the seller had a physical presence in the state,  
61 provided the seller's gross revenue from delivery of tangible personal  
62 property into this state in the previous or current calendar year  
63 exceeds one hundred thousand dollars. No obligation to collect and  
64 remit use tax required under this subsection shall be applied prior to  
65 January 1, 2022;

66 (b) The use tax revenue collected from remittances made under

67 **the provisions of paragraph (a) of this subdivision shall be deposited**  
68 **in the general revenue fund as provided under section 144.700.**

144.655. 1. Every vendor, on or before the last day of the month following  
2 each calendar quarterly period of three months, shall file with the director of  
3 revenue a return of all taxes collected for the preceding quarter in the form  
4 prescribed by the director of revenue, showing the total sales price of the tangible  
5 personal property sold by the vendor, the storage, use or consumption of which  
6 is subject to the tax levied by this law, and other information the director of  
7 revenue deems necessary. The return shall be accompanied by a remittance of  
8 the amount of the tax required to be collected by the vendor during the period  
9 covered by the return. Returns shall be signed by the vendor or the vendor's  
10 authorized agent. The director of revenue may promulgate rules or regulations  
11 changing the filing and payment requirements of vendors, but shall not require  
12 any vendor to file and pay more frequently than required in this section.

13 2. Where the aggregate amount of tax required to be collected by a vendor  
14 is in excess of two hundred and fifty dollars for either the first or second month  
15 of a calendar quarter, the vendor shall pay such aggregate amount for such  
16 months to the director of revenue by the twentieth day of the succeeding  
17 month. The amount so paid shall be allowed as a credit against the liability  
18 shown on the vendor's quarterly return required by this section.

19 3. Where the aggregate amount of tax required to be collected by a vendor  
20 is less than forty-five dollars in a calendar quarter, the director of revenue shall  
21 by regulation permit the vendor to file a return for a calendar year. The return  
22 shall be filed and the taxes paid on or before January thirty-first of the  
23 succeeding year.

24 4. Except as provided in subsection 5 of this section, every person  
25 purchasing tangible personal property, the storage, use or consumption of which  
26 is subject to the tax levied by sections 144.600 to 144.748, who has not paid the  
27 tax due to a vendor registered in accordance with the provisions of section  
28 144.650, shall file with the director of revenue a return for the preceding  
29 reporting period in the form and manner that the director of revenue prescribes,  
30 showing the total sales price of the tangible property purchased during the  
31 preceding reporting period and any other information that the director of revenue  
32 deems necessary for the proper administration of sections 144.600 to  
33 144.748. The return shall be accompanied by a remittance of the amount of the  
34 tax required by sections 144.600 to 144.748 to be paid by the person. Returns



35 shall be signed by the person liable for the tax or such person's duly authorized  
36 agent. For purposes of this subsection, the reporting period shall be determined  
37 by the director of revenue and may be a calendar quarter or a calendar  
38 year. Annual returns and payments required by the director pursuant to this  
39 subsection shall be due on or before April fifteenth of the year for the preceding  
40 calendar year and quarterly returns and payments shall be due on or before the  
41 last day of the month following each calendar period of three months. Upon the  
42 taxpayer's request, the director may allow the filing of such returns and payments  
43 on a monthly basis. If a taxpayer elects to file a monthly return and payment,  
44 such return and payment shall be due on or before the twentieth day of the  
45 succeeding month.

46         5. Any person purchasing tangible personal property subject to the taxes  
47 imposed by sections 144.600 to 144.748 shall not be required to file a use tax  
48 return with the director of revenue if such purchases on which such taxes were  
49 not paid do not exceed in the aggregate two thousand dollars in any calendar  
50 year.

51         6. Nothing in subsection 5 of this section shall relieve a vendor of liability  
52 to collect the tax imposed pursuant to sections 144.600 to 144.748 on the total  
53 gross receipts of all sales of tangible personal property used, stored or consumed  
54 in this state and to remit all taxes collected to the director of revenue in  
55 accordance with the provisions of this section nor shall it relieve a purchaser from  
56 paying such taxes to a vendor registered in accordance with the provisions of  
57 section 144.650.

58         **7. Any out-of-state seller which is not legally required to register**  
59 **for use tax in this state but chooses to collect and remit use tax under**  
60 **sections 144.600 to 144.761 shall file a return for the calendar year. The**  
61 **return shall be filed and the taxes paid on or before January thirty-**  
62 **first of the succeeding year.**

144.710. [From every remittance made by a vendor as required by sections  
2 144.600 to 144.745 to the director of revenue on or before the date when the  
3 remittance becomes due, the vendor may deduct and retain an amount equal to  
4 two percent thereof.] **The provisions of section 144.140 relating to the**  
5 **allowance for timely remittance of payment shall be applicable to the**  
6 **tax levied under sections 144.600 to 144.745.**

144.752. 1. **For the purposes of this section, the following terms**  
2 **shall mean:**

3           (1) "Marketplace facilitator", a person that:

4           (a) Facilitates a retail sale by a marketplace seller by listing or  
5 advertising for sale by the marketplace seller in any forum, tangible  
6 personal property or services that are subject to tax under this chapter;  
7 and

8           (b) Either directly or indirectly through agreements or  
9 arrangements with third parties collecting payment from the purchaser  
10 and transmitting such payment to the marketplace seller regardless of  
11 whether the marketplace facilitator receives compensation or other  
12 consideration in exchange for its services.

13 A marketplace facilitator is a seller and shall comply with the  
14 provisions of this chapter. A marketplace facilitator does not include  
15 a person who provides internet advertising services, or product listing,  
16 and does not collect payment from the purchaser and transmit payment  
17 to the marketplace seller, and does not include a person with respect  
18 to the provision of travel agency services or the operation of a  
19 marketplace or that portion of a marketplace that enables consumers  
20 to receive travel agency services. For the purposes of this subdivision,  
21 "travel agency services" means facilitating, for a commission, fee, or  
22 other consideration, vacation or travel packages, rental car or other  
23 travel reservations, tickets for domestic or foreign travel by air, rail,  
24 ship, bus, or other medium of transportation, or hotel or other lodging  
25 accommodations;

26           (2) "Marketplace seller", a seller that makes sales through any  
27 electronic marketplace operated by a marketplace facilitator;

28           (3) "Person", any individual, firm, copartnership, joint venture,  
29 association, corporation, municipal or private, whether organized for  
30 profit or not, state, county, political subdivision, state department,  
31 commission, board, bureau or agency, except the department of  
32 transportation, estate, trust, business trust, receiver or trustee  
33 appointed by the state or federal court, syndicate, or any other group  
34 or combination acting as a unit;

35           (4) "Purchaser", any person who is the recipient for a valuable  
36 consideration of any sale of tangible personal property acquired for  
37 use, storage, or consumption in this state;

38           (5) "Retail sale", the same meaning as defined under sections  
39 144.010 and 144.011, excluding motor vehicles, trailers, motorcycles,

40 mopeds, motortricycles, boats, and outboard motors required to be  
41 titled under the laws of the state and subject to tax under subdivision  
42 (9) of subsection 1 of section 144.020;

43 (6) "Seller", a person selling or furnishing tangible personal  
44 property or rendering services on the receipts from which a tax is  
45 imposed under section 144.020.

46 2. (1) By no later than January 1, 2022, marketplace facilitators  
47 that reach the threshold provided under subdivision (7) of section  
48 144.612 shall register with the department to collect and remit sales  
49 and use tax, as applicable, on sales made through the marketplace  
50 facilitator's marketplace by or on behalf of a marketplace seller that  
51 are purchased in or delivered into the state, whether by the  
52 marketplace facilitator or another person, and regardless of whether  
53 the marketplace seller for whom sales are facilitated possesses a retail  
54 sales license or would have been required to collect sales or use tax had  
55 the sale not been facilitated by the marketplace facilitator. Such retail  
56 sales shall include those made directly by the marketplace facilitator  
57 and shall also include those retail sales made by marketplace sellers  
58 through the marketplace facilitator's marketplace. The collection and  
59 reporting requirements of this subsection shall not apply to retail sales  
60 other than those made through a marketplace facilitator's  
61 marketplace. Nothing in this section shall be construed to limit or  
62 prohibit the ability of a marketplace facilitator and a marketplace  
63 seller to enter into agreements regarding the fulfillment of the  
64 requirements of this chapter.

65 (2) All taxable sales made through a marketplace facilitator's  
66 marketplace by or on behalf of a marketplace seller shall be deemed to  
67 be consummated at the location in this state to which the item is  
68 shipped or delivered, or at which possession is taken by the purchaser.

69 3. Marketplace facilitators that are required to collect sales and  
70 use tax under this section shall report and remit the tax separately  
71 from any sales and use tax collected by the marketplace facilitator, or  
72 by affiliates of the marketplace facilitator, which the marketplace  
73 facilitator would have been required to collect and remit under the  
74 provisions of this chapter prior to January 1, 2022. Such tax shall be  
75 reported and remitted on a marketplace facilitator return to be  
76 developed and published by the department. Marketplace facilitators

77 shall maintain records of all sales delivered to a location in the state,  
78 including copies of invoices showing the purchaser, address, purchase  
79 amount, and sales and use tax collected. Such records shall be made  
80 available for review and inspection upon request by the department.

81 4. Marketplace facilitators who properly collect and remit to the  
82 department in a timely manner sales and use tax on sales in accordance  
83 with the provisions of this section by or on behalf of marketplace  
84 sellers shall be eligible for any discount provided under this chapter.

85 5. A marketplace facilitator shall provide the purchaser with a  
86 statement or invoice showing that the sales or use tax was collected  
87 and shall be remitted on the purchaser's behalf.

88 6. Any taxpayer who remits sales or use tax under this section  
89 shall be entitled to refunds or credits to the same extent and in the  
90 same manner provided for in section 144.190 for taxes collected and  
91 remitted under this section. Nothing in this section shall relieve a  
92 purchaser of the obligation to remit sales or use tax for any retail sale  
93 taxable under this chapter for which a marketplace facilitator or  
94 marketplace seller does not collect and remit the sales or use tax.

95 7. Except as provided under subsections 8 to 10 of this section,  
96 marketplace facilitators shall be subject to the penalty provisions,  
97 procedures, and reporting requirements provided under the provisions  
98 of this chapter.

99 8. No class action shall be brought against a marketplace  
100 facilitator in any court in this state on behalf of purchasers arising  
101 from or in any way related to an overpayment of sales or use tax  
102 collected on retail sales facilitated by a marketplace facilitator,  
103 regardless of whether that claim is characterized as a tax refund  
104 claim. Nothing in this subsection shall affect a purchaser's right to  
105 seek a refund as provided under section 144.190.

106 9. An audit performed by the department under this chapter  
107 shall only be performed on a marketplace facilitator for sales made by  
108 marketplace sellers but facilitated by the marketplace facilitator. The  
109 department shall not audit a marketplace seller for sales facilitated by  
110 a marketplace facilitator except to the extent a marketplace facilitator  
111 seeks relief from liability under the provisions of paragraph (a) of  
112 subdivision (1) of subsection 10 of this section.

113 10. (1) A marketplace facilitator shall be relieved from liability

114 under this section for the failure to collect and remit the correct  
115 amount of sales or use tax on retail sales facilitated for marketplace  
116 sellers under the following circumstances:

117 (a) To the extent that the marketplace facilitator demonstrates  
118 to the satisfaction of the department that the error was due to  
119 insufficient or incorrect information given to the marketplace  
120 facilitator by the marketplace seller; provided, however, that a  
121 marketplace facilitator shall not be relieved of liability under this  
122 paragraph if the marketplace facilitator and the marketplace seller are  
123 affiliated;

124 (b) To the extent that the marketplace facilitator demonstrates  
125 to the satisfaction of the department that:

126 a. The marketplace facilitator is not the seller and that the  
127 marketplace facilitator and marketplace seller are not affiliated;

128 b. The retail sale was facilitated for a marketplace seller through  
129 a marketplace operated by the marketplace facilitator; and

130 c. The failure to collect and remit the correct amount of sales or  
131 use tax was due to an error other than an error in sourcing the sale  
132 under the provisions of this chapter.

133 (2) The relief from liability provided under subdivision (1) of this  
134 subsection shall not exceed the following percentage of the total sales  
135 and use tax due on retail sales facilitated by a marketplace facilitator  
136 for marketplace sellers and sourced to this state during a calendar  
137 year, which such retail sales shall not include retail sales made directly  
138 by the marketplace facilitator or affiliates of the marketplace  
139 facilitator:

140 (a) For retail sales made or facilitated during the 2022 calendar  
141 year, four percent;

142 (b) For retail sales made or facilitated during the 2023 calendar  
143 year, two percent;

144 (c) For retail sales made or facilitated during the 2024 calendar  
145 year, one percent; and

146 (d) For retail sales made or facilitated for all years beginning  
147 January 1, 2025, zero percent.

148 (3) To the extent that a marketplace facilitator is relieved of  
149 liability for the collection of sales and use tax under this subsection,  
150 the marketplace seller for whom the marketplace facilitator has made

151 or facilitated the sale shall also be relieved of liability under this  
152 subsection.

153 (4) The department shall determine the manner in which a  
154 marketplace facilitator or marketplace seller shall apply for and claim  
155 the relief from liability provided for under this subsection.

156 11. The department may grant a waiver from the requirements  
157 of this section if a marketplace facilitator demonstrates to the  
158 satisfaction of the department that all of its marketplace sellers are  
159 already registered under the provisions of this chapter to collect and  
160 remit sales and use tax. If such waiver is granted, the sales or use tax  
161 due shall be collected and remitted by the marketplace seller. The  
162 department shall develop guidelines by rule that establish the criteria  
163 for obtaining a waiver, the process and procedure for a marketplace  
164 facilitator or marketplace seller to apply for a waiver, and the process  
165 for providing notice to an affected marketplace facilitator and  
166 marketplace seller of a waiver obtained under the provisions of this  
167 subsection. Any rule or portion of a rule, as that term is defined in  
168 section 536.010, that is created under the authority delegated in this  
169 section shall become effective only if it complies with and is subject to  
170 all of the provisions of chapter 536 and, if applicable, section  
171 536.028. This section and chapter 536 are nonseverable and if any of  
172 the powers vested with the general assembly pursuant to chapter 536  
173 to review, to delay the effective date, or to disapprove and annul a rule  
174 are subsequently held unconstitutional, then the grant of rulemaking  
175 authority and any rule proposed or adopted after January 1, 2022, shall  
176 be invalid and void.

177 12. For the purposes of this section, a marketplace facilitator  
178 shall not include a third party financial institution appointed by a  
179 merchant or a marketplace facilitator to handle various forms of  
180 payment transactions, such as processing credit cards and debit cards,  
181 and whose sole activity with respect to marketplace sales is to facilitate  
182 the payment transactions between two parties.

144.757. 1. Any county or municipality, except municipalities within a  
2 county having a charter form of government with a population in excess of nine  
3 hundred thousand, may, by a majority vote of its governing body, impose a local  
4 use tax if a local sales tax is imposed as defined in section 32.085 at a rate equal  
5 to the rate of the local sales tax in effect in such county or municipality; provided,

6 however, that no ordinance or order enacted pursuant to sections 144.757 to  
7 144.761 shall be effective unless the governing body of the county or municipality  
8 submits to the voters thereof at a municipal, county or state general, primary or  
9 special election a proposal to authorize the governing body of the county or  
10 municipality to impose a local use tax pursuant to sections 144.757 to  
11 144.761. Municipalities within a county having a charter form of government  
12 with a population in excess of nine hundred thousand may, upon voter approval  
13 received pursuant to paragraph (b) of subdivision (2) of subsection 2 of this  
14 section, impose a local use tax at the same rate as the local municipal sales tax  
15 with the revenues from all such municipal use taxes to be distributed pursuant  
16 to subsection 4 of section 94.890. The municipality shall within thirty days of the  
17 approval of the use tax imposed pursuant to paragraph (b) of subdivision (2) of  
18 subsection 2 of this section select one of the distribution options permitted in  
19 subsection 4 of section 94.890 for distribution of all municipal use taxes.

20 2. (1) The ballot of submission, except for counties and municipalities  
21 described in subdivisions (2) and (3) of this subsection, shall contain substantially  
22 the following language:

23 Shall the \_\_\_\_\_ (county or municipality's name) impose a local use  
24 tax at the same rate as the total local sales tax rate, [currently  
25 \_\_\_\_\_ (insert percent),] provided that if the local sales tax rate is  
26 reduced or raised by voter approval, the local use tax rate shall  
27 also be reduced or raised by the same action? [A use tax return  
28 shall not be required to be filed by persons whose purchases from  
29 out-of-state vendors do not in total exceed two thousand dollars in  
30 any calendar year.] **Approval of this question will eliminate  
31 the disparity in tax rates collected by local and out-of-state  
32 sellers by imposing the same rate on all sellers.**

33  YES  NO

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

37 (2) (a) The ballot of submission in a county having a charter form of  
38 government with a population in excess of nine hundred thousand shall contain  
39 substantially the following language:

40 For the purposes of enhancing county and municipal public safety,  
41 parks, and job creation and enhancing local government services,

42 shall the county be authorized to collect a local use tax equal to the  
 43 total of the existing county sales tax rate [of (insert tax rate)],  
 44 provided that if the county sales tax is repealed, reduced or raised  
 45 by voter approval, the local use tax rate shall also be repealed,  
 46 reduced or raised by the same voter action? Fifty percent of the  
 47 revenue shall be used by the county throughout the county for  
 48 improving and enhancing public safety, park improvements, and  
 49 job creation, and fifty percent shall be used for enhancing local  
 50 government services. The county shall be required to make  
 51 available to the public an audited comprehensive financial report  
 52 detailing the management and use of the countywide portion of the  
 53 funds each year.

54 A use tax is the equivalent of a sales tax on purchases from  
 55 out-of-state sellers by in-state buyers and on certain taxable  
 56 business transactions. [A use tax return shall not be required to  
 57 be filed by persons whose purchases from out-of-state vendors do  
 58 not in total exceed two thousand dollars in any calendar year.]

59 **Approval of this question will eliminate the disparity in**  
 60 **tax rates collected by local and out-of-state sellers by**  
 61 **imposing the same rate on all sellers.**

62  YES  NO

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

66 (b) The ballot of submission in a municipality within a county having a  
 67 charter form of government with a population in excess of nine hundred thousand  
 68 shall contain substantially the following language:

69 Shall the municipality be authorized to impose a local use tax at  
 70 the same rate as the local sales tax by a vote of the governing body,  
 71 provided that if any local sales tax is repealed, reduced or raised  
 72 by voter approval, the respective local use tax shall also be  
 73 repealed, reduced or raised by the same action? [A use tax return  
 74 shall not be required to be filed by persons whose purchases from  
 75 out-of-state vendors do not in total exceed two thousand dollars in  
 76 any calendar year.] **Approval of this question will eliminate**  
 77 **the disparity in tax rates collected by local and out-of-state**



78 **sellers by imposing the same rate on all sellers.**

79  YES  NO

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

83 (3) The ballot of submission in any city not within a county shall contain  
84 substantially the following language:

85 Shall the \_\_\_\_\_ (city name) impose a local use tax at the same rate  
86 as the local sales tax, [currently at a rate of \_\_\_\_\_ (insert  
87 percent)] which includes the capital improvements sales tax and  
88 the transportation tax, provided that if any local sales tax is  
89 repealed, reduced or raised by voter approval, the respective local  
90 use tax shall also be repealed, reduced or raised by the same  
91 action? [A use tax return shall not be required to be filed by  
92 persons whose purchases from out-of-state vendors do not in total  
93 exceed two thousand dollars in any calendar year.] **Approval of  
94 this question will eliminate the disparity in tax rates  
95 collected by local and out-of-state sellers by imposing the  
96 same rate on all sellers.**

97  YES  NO

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

101 (4) If any of such ballots are submitted on August 6, 1996, and if a  
102 majority of the votes cast on the proposal by the qualified voters voting thereon  
103 are in favor of the proposal, then the ordinance or order and any amendments  
104 thereto shall be in effect October 1, 1996, provided the director of revenue  
105 receives notice of adoption of the local use tax on or before August 16, 1996. If  
106 any of such ballots are submitted after December 31, 1996, and if a majority of  
107 the votes cast on the proposal by the qualified voters voting thereon are in favor  
108 of the proposal, then the ordinance or order and any amendments thereto shall  
109 be in effect on the first day of the calendar quarter which begins at least  
110 forty-five days after the director of revenue receives notice of adoption of the local  
111 use tax. If a majority of the votes cast by the qualified voters voting are opposed  
112 to the proposal, then the governing body of the county or municipality shall have  
113 no power to impose the local use tax as herein authorized unless and until the

114 governing body of the county or municipality shall again have submitted another  
115 proposal to authorize the governing body of the county or municipality to impose  
116 the local use tax and such proposal is approved by a majority of the qualified  
117 voters voting thereon.

118           3. The local use tax may be imposed at the same rate as the local sales  
119 tax then currently in effect in the county or municipality upon all transactions  
120 which are subject to the taxes imposed pursuant to sections 144.600 to 144.745  
121 within the county or municipality adopting such tax; provided, however, that if  
122 any local sales tax is repealed or the rate thereof is reduced or raised by voter  
123 approval, the local use tax shall also be deemed to be repealed, reduced or  
124 raised by the same action repealing, reducing or raising the local sales tax.

125           4. For purposes of sections 144.757 to 144.761, the use tax may be  
126 referred to or described as the equivalent of a sales tax on purchases made from  
127 out-of-state sellers by in-state buyers and on certain intrabusiness  
128 transactions. Such a description shall not change the classification, form or  
129 subject of the use tax or the manner in which it is collected.

          [144.069. All sales taxes associated with the titling of motor  
2           vehicles, trailers, boats and outboard motors under the laws of  
3           Missouri shall be imposed at the rate in effect at the location of the  
4           address of the owner thereof, and all sales taxes associated with  
5           the titling of vehicles under leases of over sixty-day duration of  
6           motor vehicles, trailers, boats and outboard motors shall be  
7           imposed at the rate in effect, unless the vehicle, trailer, boat or  
8           motor has been registered and sales taxes have been paid prior to  
9           the consummation of the lease agreement at the location of the  
10          address of the lessee thereof on the date the lease is consummated,  
11          and all applicable sales taxes levied by any political subdivision  
12          shall be collected and remitted on such sales from the purchaser or  
13          lessee by the state department of revenue on that basis.]

          [144.517. In addition to the exemptions granted pursuant  
2           to section 144.030, there shall also be exempted from state sales  
3           and use taxes all sales of textbooks, as defined by section 170.051,  
4           when such textbook is purchased by a student who possesses proof  
5           of current enrollment at any Missouri public or private university,  
6           college or other postsecondary institution of higher learning  
7           offering a course of study leading to a degree in the liberal arts,

8 humanities or sciences or in a professional, vocational or technical  
9 field, provided that the books which are exempt from state sales  
10 tax are those required or recommended for a class. Upon request  
11 the institution or department must provide at least one list of  
12 textbooks to the bookstore each semester. Alternately, the student  
13 may provide to the bookstore a list from the instructor, department  
14 or institution of his or her required or recommended  
15 textbooks. This exemption shall not apply to any locally imposed  
16 sales or use tax.]

[144.605. The following words and phrases as used in  
2 sections 144.600 to 144.745 mean and include:

3 (1) "Calendar quarter", the period of three consecutive  
4 calendar months ending on March thirty-first, June thirtieth,  
5 September thirtieth or December thirty-first;

6 (2) "Engages in business activities within this state"  
7 includes:

8 (a) Maintaining or having a franchisee or licensee operating  
9 under the seller's trade name in this state if the franchisee or  
10 licensee is required to collect sales tax pursuant to sections 144.010  
11 to 144.525;

12 (b) Soliciting sales or taking orders by sales agents or  
13 traveling representatives;

14 (c) A vendor is presumed to engage in business activities  
15 within this state if any person, other than a common carrier acting  
16 in its capacity as such, that has substantial nexus with this state:

17 a. Sells a similar line of products as the vendor and does so  
18 under the same or a similar business name;

19 b. Maintains an office, distribution facility, warehouse, or  
20 storage place, or similar place of business in the state to facilitate  
21 the delivery of property or services sold by the vendor to the  
22 vendor's customers;

23 c. Delivers, installs, assembles, or performs maintenance  
24 services for the vendor's customers within the state;

25 d. Facilitates the vendor's delivery of property to customers  
26 in the state by allowing the vendor's customers to pick up property  
27 sold by the vendor at an office, distribution facility, warehouse,

28 storage place, or similar place of business maintained by the person  
29 in the state; or

30 e. Conducts any other activities in the state that are  
31 significantly associated with the vendor's ability to establish and  
32 maintain a market in the state for the sales;

33 (d) The presumption in paragraph (c) may be rebutted by  
34 demonstrating that the person's activities in the state are not  
35 significantly associated with the vendor's ability to establish or  
36 maintain a market in this state for the vendor's sales;

37 (e) Notwithstanding paragraph (c), a vendor shall be  
38 presumed to engage in business activities within this state if the  
39 vendor enters into an agreement with one or more residents of this  
40 state under which the resident, for a commission or other  
41 consideration, directly or indirectly refers potential customers,  
42 whether by a link on an internet website, an in-person oral  
43 presentation, telemarketing, or otherwise, to the vendor, if the  
44 cumulative gross receipts from sales by the vendor to customers in  
45 the state who are referred to the vendor by all residents with this  
46 type of an agreement with the vendor is in excess of ten thousand  
47 dollars during the preceding twelve months;

48 (f) The presumption in paragraph (e) may be rebutted by  
49 submitting proof that the residents with whom the vendor has an  
50 agreement did not engage in any activity within the state that was  
51 significantly associated with the vendor's ability to establish or  
52 maintain the vendor's market in the state during the preceding  
53 twelve months. Such proof may consist of sworn written  
54 statements from all of the residents with whom the vendor has an  
55 agreement stating that they did not engage in any solicitation in  
56 the state on behalf of the vendor during the preceding year  
57 provided that such statements were provided and obtained in good  
58 faith;

59 (3) "Maintains a place of business in this state" includes  
60 maintaining, occupying, or using, permanently or temporarily,  
61 directly or indirectly, by whatever name called, an office, place of  
62 distribution, sales or sample room or place, warehouse or storage  
63 place, or other place of business in this state, whether owned or

64 operated by the vendor or by any other person other than a  
65 common carrier acting in its capacity as such;

66 (4) "Person", any individual, firm, copartnership, joint  
67 venture, association, corporation, municipal or private, and  
68 whether organized for profit or not, state, county, political  
69 subdivision, state department, commission, board, bureau or  
70 agency, except the state transportation department, estate, trust,  
71 business trust, receiver or trustee appointed by the state or federal  
72 court, syndicate, or any other group or combination acting as a  
73 unit, and the plural as well as the singular number;

74 (5) "Purchase", the acquisition of the ownership of, or title  
75 to, tangible personal property, through a sale, as defined herein, for  
76 the purpose of storage, use or consumption in this state;

77 (6) "Purchaser", any person who is the recipient for a  
78 valuable consideration of any sale of tangible personal property  
79 acquired for use, storage or consumption in this state;

80 (7) "Sale", any transfer, barter or exchange of the title or  
81 ownership of tangible personal property, or the right to use, store  
82 or consume the same, for a consideration paid or to be paid, and  
83 any transaction whether called leases, rentals, bailments, loans,  
84 conditional sales or otherwise, and notwithstanding that the title  
85 or possession of the property or both is retained for security. For  
86 the purpose of this law the place of delivery of the property to the  
87 purchaser, user, storer or consumer is deemed to be the place of  
88 sale, whether the delivery be by the vendor or by common carriers,  
89 private contractors, mails, express, agents, salesmen, solicitors,  
90 hawkers, representatives, consignors, peddlers, canvassers or  
91 otherwise;

92 (8) "Sales price", the consideration including the charges for  
93 services, except charges incident to the extension of credit, paid or  
94 given, or contracted to be paid or given, by the purchaser to the  
95 vendor for the tangible personal property, including any services  
96 that are a part of the sale, valued in money, whether paid in money  
97 or otherwise, and any amount for which credit is given to the  
98 purchaser by the vendor, without any deduction therefrom on  
99 account of the cost of the property sold, the cost of materials used,

100 labor or service cost, losses or any other expenses whatsoever,  
101 except that cash discounts allowed and taken on sales shall not be  
102 included and "sales price" shall not include the amount charged for  
103 property returned by customers upon rescission of the contract of  
104 sales when the entire amount charged therefor is refunded either  
105 in cash or credit or the amount charged for labor or services  
106 rendered in installing or applying the property sold, the use,  
107 storage or consumption of which is taxable pursuant to sections  
108 144.600 to 144.745. The sales price shall not include usual and  
109 customary delivery charges that are separately stated. In  
110 determining the amount of tax due pursuant to sections 144.600 to  
111 144.745, any charge incident to the extension of credit shall be  
112 specifically exempted;

113 (9) "Selling agent", every person acting as a representative  
114 of a principal, when such principal is not registered with the  
115 director of revenue of the state of Missouri for the collection of the  
116 taxes imposed pursuant to sections 144.010 to 144.525 or sections  
117 144.600 to 144.745 and who receives compensation by reason of the  
118 sale of tangible personal property of the principal, if such property  
119 is to be stored, used, or consumed in this state;

120 (10) "Storage", any keeping or retention in this state of  
121 tangible personal property purchased from a vendor, except  
122 property for sale or property that is temporarily kept or retained  
123 in this state for subsequent use outside the state;

124 (11) "Tangible personal property", all items subject to the  
125 Missouri sales tax as provided in subdivisions (1) and (3) of section  
126 144.020;

127 (12) "Taxpayer", any person remitting the tax or who should  
128 remit the tax levied by sections 144.600 to 144.745;

129 (13) "Use", the exercise of any right or power over tangible  
130 personal property incident to the ownership or control of that  
131 property, except that it does not include the temporary storage of  
132 property in this state for subsequent use outside the state, or the  
133 sale of the property in the regular course of business;

134 (14) "Vendor", every person engaged in making sales of  
135 tangible personal property by mail order, by advertising, by agent

136 or peddling tangible personal property, soliciting or taking orders  
137 for sales of tangible personal property, for storage, use or  
138 consumption in this state, all salesmen, solicitors, hawkers,  
139 representatives, consignees, peddlers or canvassers, as agents of  
140 the dealers, distributors, consignors, supervisors, principals or  
141 employers under whom they operate or from whom they obtain the  
142 tangible personal property sold by them, and every person who  
143 maintains a place of business in this state, maintains a stock of  
144 goods in this state, or engages in business activities within this  
145 state and every person who engages in this state in the business of  
146 acting as a selling agent for persons not otherwise vendors as  
147 defined in this subdivision. Irrespective of whether they are  
148 making sales on their own behalf or on behalf of the dealers,  
149 distributors, consignors, supervisors, principals or employers, they  
150 must be regarded as vendors and the dealers, distributors,  
151 consignors, supervisors, principals or employers must be regarded  
152 as vendors for the purposes of sections 144.600 to 144.745.]

2 [144.1000. Sections 144.1000 to 144.1015 shall be known as  
and referred to as the "Simplified Sales and Use Tax  
3 Administration Act".]

2 [144.1003. As used in sections 144.1000 to 144.1015, the  
following terms shall mean:

3 (1) "Agreement", the streamlined sales and use tax  
4 agreement;

5 (2) "Certified automated system", software certified jointly  
6 by the states that are signatories to the agreement to calculate the  
7 tax imposed by each jurisdiction on a transaction, determine the  
8 amount of tax to remit to the appropriate state and maintain a  
9 record of the transaction;

10 (3) "Certified service provider", an agent certified jointly by  
11 the states that are signatories to the agreement to perform all of  
12 the seller's sales tax functions;

13 (4) "Person", an individual, trust, estate, fiduciary,  
14 partnership, limited liability company, limited liability partnership,  
15 corporation or any other legal entity;

16 (5) "Sales tax", any sales tax levied pursuant to this

17 chapter, section 32.085, or any other sales tax authorized by  
18 statute and levied by this state or its political subdivisions;

19 (6) "Seller", any person making sales, leases or rentals of  
20 personal property or services;

21 (7) "State", any state of the United States and the District  
22 of Columbia;

23 (8) "Use tax", the use tax levied pursuant to this chapter.]

[144.1006. For the purposes of reviewing and, if necessary,  
2 amending the agreement embodying the simplification  
3 recommendations contained in section 144.1015, the state may  
4 enter into multistate discussions. For purposes of such discussions,  
5 the state shall be represented by seven delegates, one of whom  
6 shall be appointed by the governor, two members appointed by the  
7 speaker of the house of representatives, one member appointed by  
8 the minority leader of the house of representatives, two members  
9 appointed by the president pro tempore of the senate and one  
10 member appointed by the minority leader of the senate. The  
11 delegates need not be members of the general assembly and at  
12 least one of the delegates appointed by the speaker of the house of  
13 representatives and one member appointed by the president pro  
14 tempore of the senate shall be from the private sector and  
15 represent the interests of Missouri businesses. The delegates shall  
16 recommend to the committees responsible for reviewing tax issues  
17 in the senate and the house of representatives each year any  
18 amendment of state statutes required to be substantially in  
19 compliance with the agreement. Such delegates shall make a  
20 written report by the fifteenth day of January each year regarding  
21 the status of the multistate discussions and upon final adoption of  
22 the terms of the sales and use tax agreement by the multistate  
23 body.]

[144.1009. No provision of the agreement authorized by  
2 sections 144.1000 to 144.1015 in whole or in part invalidates or  
3 amends any provision of the law of this state. Implementation of  
4 any condition of this agreement in this state, whether adopted  
5 before, at, or after membership of this state in the agreement, must  
6 be by action of the general assembly. Such report shall be



7 delivered to the governor, the secretary of state, the president pro  
8 tempore of the senate and the speaker of the house of  
9 representatives and shall simultaneously be made publicly  
10 available by the secretary of state to any person requesting a copy.]

[144.1012. Unless five of the seven delegates agree, the  
2 delegates shall not enter into or vote for any streamlined sales and  
3 use tax agreement that:

4 (1) Requires adoption of a definition of any term that would  
5 cause any item or transaction that is now excluded or exempted  
6 from sales or use tax to become subject to sales or use tax;

7 (2) Requires the state of Missouri to fully exempt or fully  
8 apply sales taxes to the sale of food or any other item;

9 (3) Restricts the ability of local governments under statutes  
10 in effect on August 28, 2002, to enact one or more local taxes on  
11 one or more items without application of the tax to all sales within  
12 the taxing jurisdiction, however, restriction of any such taxes  
13 allowed by statutes effective after August 28, 2002, may be  
14 supported;

15 (4) Provides for adoption of any uniform rate structure that  
16 would result in a tax increase for any Missouri taxpayer;

17 (5) Affects the sourcing of sales tax transactions; or

18 (6) Prohibits limitations or thresholds on the application of  
19 sales and use tax rates or prohibits any current sales or use tax  
20 exemption in the state of Missouri, including exemptions that are  
21 based on the value of the transaction or item.]

[144.1015. In addition to the requirements of section  
2 144.1012, the delegates should consider the following features  
3 when deciding whether or not to enter into any streamlined sales  
4 and use tax agreement:

5 (1) The agreement should address the limitation of the  
6 number of state rates over time;

7 (2) The agreement should establish uniform standards for  
8 administration of exempt sales and the form used for filing sales  
9 and use tax returns and remittances;

10 (3) The agreement should require the state to provide a  
11 central, electronic registration system that allows a seller to

12 register to collect and remit sales and use taxes for all signatory  
13 states;

14 (4) The agreement should provide that registration with the  
15 central registration system and the collection of sales and use taxes  
16 in the signatory states will not be used as a factor in determining  
17 whether the seller has nexus with a state for any tax;

18 (5) The agreement should provide for reduction of the  
19 burdens of complying with local sales and use taxes through the  
20 following so long as they do not conflict with the provisions of  
21 section 144.1012:

22 (a) Restricting variances between the state and local tax  
23 bases;

24 (b) Requiring states to administer any sales and use taxes  
25 levied by local jurisdictions within the state so that sellers  
26 collecting and remitting these taxes will not have to register or file  
27 returns with, remit funds to, or be subject to independent audits  
28 from local taxing jurisdictions;

29 (c) Restricting the frequency of changes in the local sales  
30 and use tax rates and setting effective dates for the application of  
31 local jurisdictional boundary changes to local sales and use taxes;  
32 and

33 (d) Providing notice of changes in local sales and use tax  
34 rates and of changes in the boundaries of local taxing jurisdictions;

35 (6) The agreement should outline any monetary allowances  
36 that are to be provided by the states to sellers or certified service  
37 providers. The agreement must allow for a joint public and private  
38 sector study of the compliance cost on sellers and certified service  
39 providers to collect sales and use taxes for state and local  
40 governments under various levels of complexity to be completed by  
41 July 1, 2003;

42 (7) The agreement should require each state to certify  
43 compliance with the terms of the agreement prior to joining and to  
44 maintain compliance, under the laws of the member state, with all  
45 provisions of the agreement while a member, only if the agreement  
46 and any amendment thereto complies with the provisions of section  
47 144.1012;

48                   (8) The agreement should require each state to adopt a  
49                   uniform policy for certified service providers that protects the  
50                   privacy of consumers and maintains the confidentiality of tax  
51                   information; and

52                   (9) The agreement should provide for the appointment of an  
53                   advisory council of private sector representatives and an advisory  
54                   council of nonmember state representatives to consult with in the  
55                   administration of the agreement.]

Section B. Section A of this act shall become effective January 1, 2022.

Unofficial ✓

Bill

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