

SECOND REGULAR SESSION  
[TRULY AGREED TO AND FINALLY PASSED]  
CONFERENCE COMMITTEE SUBSTITUTE NO. 2 FOR  
HOUSE COMMITTEE SUBSTITUTE FOR

# SENATE BILL NO. 693

97TH GENERAL ASSEMBLY

2014

5185S.05T

---

---

## AN ACT

To repeal sections 99.845, 135.700, 143.041, 143.071, 143.191, 143.451, 144.030, 144.044, 144.610, 285.230, 285.232, 285.233, and 285.234, RSMo, and to enact in lieu thereof twenty-two new sections relating to taxation, with existing penalty provisions.

---

---

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

Section A. Sections 99.845, 135.700, 143.041, 143.071, 143.191, 143.451, 144.030, 144.044, 144.610, 285.230, 285.232, 285.233, and 285.234, RSMo, are repealed and twenty-two new sections enacted in lieu thereof, to be known as sections 67.585, 67.1367, 99.845, 135.700, 137.133, 143.041, 143.071, 143.191, 143.451, 144.030, 144.044, 144.610, 144.1030, 190.270, 190.275, 190.280, 190.285, 190.286, 285.230, 285.232, 285.233, and 285.234, to read as follows:

**67.585. 1. The governing body of any county of the first classification with more than two hundred thousand but fewer than two hundred sixty thousand inhabitants, through the creation of a recreational and community center district which shall include only the area encompassed by the portion of a school district located within that county having an average daily attendance for the 2012-2013 school year between eleven thousand and twelve thousand students and any public park located wholly or partially within that portion of the school district, upon voter approval as outlined in subsections 2 and 3 of this section, shall impose, by order or ordinance, a sales tax on all retail sales made within the recreational and community center district**

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

12 which are subject to sales tax under chapter 144. The tax authorized  
13 in this section shall not exceed one half of one percent and shall be  
14 imposed for the purpose of funding the construction, maintenance, and  
15 operation of and the purchase of equipment for community centers and  
16 other purposes of recreation and wellness as determined by the board  
17 which is established in subsection 8 of this section. The tax authorized  
18 in this section shall be in addition to all other sales taxes imposed by  
19 law and shall be stated separately from all other charges and taxes.

20       2. (1) No such order or ordinance adopted under subsection 1 of  
21 this section shall become effective unless the governing body of the  
22 county submits to the voters residing within the recreational and  
23 community center district on any date available for elections in the  
24 county, a proposal to authorize the governing body of the county to  
25 impose a tax under this section; or

26       (2) If the governing body of the county receives a petition signed  
27 by at least ten percent of the registered voters of the county within the  
28 recreational and community center district who voted in the last  
29 gubernatorial election calling for an election to impose a tax under this  
30 section, the governing body shall submit to the voters of the county  
31 within the recreational and community center district on any date  
32 available for elections in the county, a proposal to authorize the  
33 governing body of the county to impose a tax under this section; or

34       (3) If the governing body of a special charter city with more than  
35 twenty-nine thousand but fewer than thirty-two thousand inhabitants,  
36 and a governing body of a home rule city with more than four hundred  
37 thousand inhabitants and located in more than one county, jointly  
38 request, the governing body of the county shall submit to the voters of  
39 the county within the recreational and community center district on  
40 any date available for elections in the county, a proposal to authorize  
41 the governing body of the county to impose a tax under this section.

42 All costs associated with placing such a question to the voters within  
43 the recreational and community center district shall be borne by the  
44 cities referenced in subdivision (3) of subsection 2 of this section. If  
45 such tax is authorized by the voters of the recreational and community  
46 center district, the cost may be reimbursed to such cities upon  
47 implementation of the tax.

48       3. The ballot of submission shall contain, but need not be limited

49 to, the following language:

50           Shall the county of ..... (county's name) impose a sales tax of .....  
51 (insert amount) within the boundaries of the ..... (insert name) school  
52 district for the purpose of funding the construction, repair,  
53 improvement, maintenance, and operation of and purchase of  
54 equipment for community centers and other recreational facilities and  
55 programs?

56 If a majority of the votes cast on the question by the qualified voters  
57 voting thereon are in favor of the question, then the tax shall become  
58 effective on the first day of the second calendar quarter. If a majority  
59 of the votes cast on the question by the qualified voters voting thereon  
60 are opposed to the question, then the tax shall not become effective  
61 unless and until the question is resubmitted under this section to the  
62 qualified voters and such question is approved by the requisite  
63 majority of the qualified voters voting on the question. In no event  
64 shall a proposal under this section be submitted to the voters sooner  
65 than twelve months from the date of the last proposal under this  
66 section.

67           4. Except as modified in this section, all provisions of sections  
68 32.085 and 32.087 shall apply to the tax imposed under this section.

69           5. All revenue collected under this section by the director of the  
70 department of revenue on behalf of any county, except for one percent  
71 for the cost of collection which shall be deposited in the state's general  
72 revenue fund after payment of premiums for surety bonds as provided  
73 in section 32.087, shall be deposited in a special trust fund, which is  
74 hereby created and shall be known as the "Recreational and Community  
75 Center District Sales Tax Trust Fund", and shall be used solely for the  
76 designated purposes. Moneys in the fund shall not be deemed to be  
77 state funds and shall not be commingled with any funds of the  
78 state. The director may make refunds from the amounts in the fund  
79 and credited to the county for erroneous payments and overpayments  
80 made and may redeem dishonored checks and drafts deposited to the  
81 credit of such county.

82           6. A question of repeal of the sales tax authorized in this section  
83 shall be submitted to the voters on any date available for elections in  
84 the county, of the recreational and community center district by the  
85 governing body of any county that has adopted the sales tax authorized

86 in this section if:

87 (1) The board authorized in subsection 8 of this section requests  
88 such; or

89 (2) A petition signed by a number of registered voters of the  
90 county within the recreational and community center district equal to  
91 at least ten percent of the number of registered voters of the county  
92 within the recreational and community center district voting in the last  
93 gubernatorial election is received requesting such.

94 If a majority of the votes cast on the question by the qualified voters  
95 voting thereon are in favor of the repeal, that repeal shall become  
96 effective on December thirty-first of the calendar year in which such  
97 repeal was approved. If less than a majority of the votes cast on the  
98 question by the qualified voters voting thereon are in favor of the  
99 repeal, then the sales tax authorized in this section shall remain  
100 effective until the question is resubmitted under this section to the  
101 qualified voters. In no event shall a proposal under this section be  
102 submitted to the voters sooner than twelve months from the date of the  
103 last proposal under this section. No tax imposed pursuant to this  
104 section for the purpose of retiring bonds, as authorized in subsection  
105 8 in this section, may be terminated until all such bonds have been  
106 retired.

107 7. If the tax is repealed or terminated by any means, all funds  
108 remaining in the special trust fund shall continue to be used solely for  
109 the designated purposes, and the county shall notify the director of the  
110 department of revenue of the action at least ninety days before the  
111 effective date of the repeal, and the director may order retention in the  
112 trust fund, for a period of one year, of two percent of the amount  
113 collected after receipt of such notice to cover possible refunds or  
114 overpayment of the tax and to redeem dishonored checks and drafts  
115 deposited to the credit of such accounts. After one year has elapsed  
116 after the effective date of abolition of the tax in such county, the  
117 director shall remit the balance in the account to the county and close  
118 the account of that county. The director shall notify each county of  
119 each instance of any amount refunded or any check redeemed from  
120 receipts due to the county.

121 8. A board shall be established to administer the powers and  
122 duties as provided in this section. The board may issue debt for the

123 district as authorized under section 67.798. All board members shall be  
124 residents of the recreational and community center district. The board  
125 shall consist of eight members as follows:

126 (1) Four members appointed by the mayor of a home rule city  
127 with more than four hundred thousand inhabitants and located in more  
128 than one county, with two of the first members appointed for a  
129 two-year term and the other two members appointed for a four-year  
130 term. Thereafter, each appointment shall be for a four-year term;

131 (2) Four members appointed by the mayor of a special charter  
132 city with more than twenty-nine thousand but fewer than thirty-two  
133 thousand inhabitants, with two of the first members appointed for a  
134 two-year term and the other two members appointed for a four-year  
135 term. Thereafter, each appointment shall be for a four-year term.

136 A board member may be removed by the mayor who appointed him or  
137 her, at any time during his or her term, for reasons of excessive  
138 absence at regularly scheduled board meetings. The mayor shall  
139 appoint a replacement member to serve for the remainder of the  
140 current term. No member may serve more than two full terms. A  
141 partial term shall not be considered a term.

67.1367. 1. The governing body of any county of the third  
2 classification without a township form of government and with more  
3 than eighteen thousand but fewer than twenty thousand inhabitants  
4 and with a city of the fourth classification with more than eight  
5 thousand but fewer than nine thousand inhabitants as the county seat  
6 may impose a tax on the charges for all sleeping rooms paid by the  
7 transient guests of hotels or motels situated in the county or a portion  
8 thereof, which shall be no more than six percent per occupied room per  
9 night, except that such tax shall not become effective unless the  
10 governing body of the county submits to the voters of the county at a  
11 state general or primary election, a proposal to authorize the governing  
12 body of the county to impose a tax pursuant to this section. The tax  
13 authorized by this section shall be in addition to the charge for the  
14 sleeping room and shall be in addition to any and all taxes imposed by  
15 law and the proceeds of such tax shall be used by the county solely for  
16 the promotion of tourism. Such tax shall be stated separately from all  
17 other charges and taxes.

18 2. The ballot of submission for the tax authorized in this section

19 shall be in substantially the following form:

20           **Shall (insert the name of the county) impose a tax on the charges**  
21 **for all sleeping rooms paid by the transient guests of hotels and motels**  
22 **situated in (name of county) at a rate of (insert rate of percent) percent**  
23 **for the sole purpose of promoting tourism?**

24                            YES                            NO

25           **3. As used in this section, "transient guests" means a person or**  
26 **persons who occupy a room or rooms in a hotel or motel for thirty-one**  
27 **days or less during any calendar quarter.**

99.845. 1. A municipality, either at the time a redevelopment project is  
2 approved or, in the event a municipality has undertaken acts establishing a  
3 redevelopment plan and redevelopment project and has designated a  
4 redevelopment area after the passage and approval of sections 99.800 to 99.865  
5 but prior to August 13, 1982, which acts are in conformance with the procedures  
6 of sections 99.800 to 99.865, may adopt tax increment allocation financing by  
7 passing an ordinance providing that after the total equalized assessed valuation  
8 of the taxable real property in a redevelopment project exceeds the certified total  
9 initial equalized assessed valuation of the taxable real property in the  
10 redevelopment project, the ad valorem taxes, and payments in lieu of taxes, if  
11 any, arising from the levies upon taxable real property in such redevelopment  
12 project by taxing districts and tax rates determined in the manner provided in  
13 subsection 2 of section 99.855 each year after the effective date of the ordinance  
14 until redevelopment costs have been paid shall be divided as follows:

15           (1) That portion of taxes, penalties and interest levied upon each taxable  
16 lot, block, tract, or parcel of real property which is attributable to the initial  
17 equalized assessed value of each such taxable lot, block, tract, or parcel of real  
18 property in the area selected for the redevelopment project shall be allocated to  
19 and, when collected, shall be paid by the county collector to the respective  
20 affected taxing districts in the manner required by law in the absence of the  
21 adoption of tax increment allocation financing;

22           (2) (a) Payments in lieu of taxes attributable to the increase in the  
23 current equalized assessed valuation of each taxable lot, block, tract, or parcel of  
24 real property in the area selected for the redevelopment project and any  
25 applicable penalty and interest over and above the initial equalized assessed  
26 value of each such unit of property in the area selected for the redevelopment  
27 project shall be allocated to and, when collected, shall be paid to the municipal

28 treasurer who shall deposit such payment in lieu of taxes into a special fund  
29 called the "Special Allocation Fund" of the municipality for the purpose of paying  
30 redevelopment costs and obligations incurred in the payment thereof. **Beginning**  
31 **August 28, 2014, if the voters in a taxing district vote to approve an**  
32 **increase in such taxing district's levy rate for ad valorem tax on real**  
33 **property, any additional revenues generated within an existing**  
34 **redevelopment project area that are directly attributable to the newly**  
35 **voter-approved incremental increase in such taxing district's levy rate**  
36 **shall not be considered payments in lieu of taxes subject to deposit into**  
37 **a special allocation fund without the consent of such taxing**  
38 **district. Revenues will be considered directly attributable to a newly**  
39 **voter-approved incremental increase to the extent that they are**  
40 **generated from the difference between the taxing district's actual levy**  
41 **rate currently imposed and the maximum voter-approved levy rate at**  
42 **the time that the redevelopment project was adopted.** Payments in lieu  
43 of taxes which are due and owing shall constitute a lien against the real estate  
44 of the redevelopment project from which they are derived and shall be collected  
45 in the same manner as the real property tax, including the assessment of  
46 penalties and interest where applicable. The municipality may, in the ordinance,  
47 pledge the funds in the special allocation fund for the payment of such costs and  
48 obligations and provide for the collection of payments in lieu of taxes, the lien of  
49 which may be foreclosed in the same manner as a special assessment lien as  
50 provided in section 88.861. No part of the current equalized assessed valuation  
51 of each lot, block, tract, or parcel of property in the area selected for the  
52 redevelopment project attributable to any increase above the total initial  
53 equalized assessed value of such properties shall be used in calculating the  
54 general state school aid formula provided for in section 163.031 until such time  
55 as all redevelopment costs have been paid as provided for in this section and  
56 section 99.850;

57 (b) Notwithstanding any provisions of this section to the contrary, for  
58 purposes of determining the limitation on indebtedness of local government  
59 pursuant to Article VI, Section 26(b) of the Missouri Constitution, the current  
60 equalized assessed value of the property in an area selected for redevelopment  
61 attributable to the increase above the total initial equalized assessed valuation  
62 shall be included in the value of taxable tangible property as shown on the last  
63 completed assessment for state or county purposes;

64 (c) The county assessor shall include the current assessed value of all  
65 property within the taxing district in the aggregate valuation of assessed property  
66 entered upon the assessor's book and verified pursuant to section 137.245, and  
67 such value shall be utilized for the purpose of the debt limitation on local  
68 government pursuant to Article VI, Section 26(b) of the Missouri Constitution;

69 (3) For purposes of this section, "levies upon taxable real property in such  
70 redevelopment project by taxing districts" shall not include the blind pension fund  
71 tax levied under the authority of Article III, Section 38(b) of the Missouri  
72 Constitution, or the merchants' and manufacturers' inventory replacement tax  
73 levied under the authority of subsection 2 of Section 6 of Article X of the Missouri  
74 Constitution, except in redevelopment project areas in which tax increment  
75 financing has been adopted by ordinance pursuant to a plan approved by vote of  
76 the governing body of the municipality taken after August 13, 1982, and before  
77 January 1, 1998.

78 2. In addition to the payments in lieu of taxes described in subdivision (2)  
79 of subsection 1 of this section, for redevelopment plans and projects adopted or  
80 redevelopment projects approved by ordinance after July 12, 1990, and prior to  
81 August 31, 1991, fifty percent of the total additional revenue from taxes, penalties  
82 and interest imposed by the municipality, or other taxing districts, which are  
83 generated by economic activities within the area of the redevelopment project over  
84 the amount of such taxes generated by economic activities within the area of the  
85 redevelopment project in the calendar year prior to the adoption of the  
86 redevelopment project by ordinance, while tax increment financing remains in  
87 effect, but excluding taxes imposed on sales or charges for sleeping rooms paid by  
88 transient guests of hotels and motels, taxes levied pursuant to section 70.500,  
89 licenses, fees or special assessments other than payments in lieu of taxes and any  
90 penalty and interest thereon, or, effective January 1, 1998, taxes levied pursuant  
91 to section 94.660, for the purpose of public transportation, shall be allocated to,  
92 and paid by the local political subdivision collecting officer to the treasurer or  
93 other designated financial officer of the municipality, who shall deposit such  
94 funds in a separate segregated account within the special allocation fund. Any  
95 provision of an agreement, contract or covenant entered into prior to July 12,  
96 1990, between a municipality and any other political subdivision which provides  
97 for an appropriation of other municipal revenues to the special allocation fund  
98 shall be and remain enforceable.

99 3. In addition to the payments in lieu of taxes described in subdivision (2)



100 of subsection 1 of this section, for redevelopment plans and projects adopted or  
101 redevelopment projects approved by ordinance after August 31, 1991, fifty percent  
102 of the total additional revenue from taxes, penalties and interest which are  
103 imposed by the municipality or other taxing districts, and which are generated  
104 by economic activities within the area of the redevelopment project over the  
105 amount of such taxes generated by economic activities within the area of the  
106 redevelopment project in the calendar year prior to the adoption of the  
107 redevelopment project by ordinance, while tax increment financing remains in  
108 effect, but excluding personal property taxes, taxes imposed on sales or charges  
109 for sleeping rooms paid by transient guests of hotels and motels, taxes levied  
110 pursuant to section 70.500, taxes levied for the purpose of public transportation  
111 pursuant to section 94.660, taxes imposed on sales pursuant to subsection 2 of  
112 section 67.1712 for the purpose of operating and maintaining a metropolitan park  
113 and recreation district, licenses, fees or special assessments other than payments  
114 in lieu of taxes and penalties and interest thereon, any sales tax imposed by a  
115 county with a charter form of government and with more than six hundred  
116 thousand but fewer than seven hundred thousand inhabitants, for the purpose of  
117 sports stadium improvement or levied by such county under section 238.410 for  
118 the purpose of the county transit authority operating transportation facilities, or  
119 for redevelopment plans and projects adopted or redevelopment projects approved  
120 by ordinance after August 28, 2013, taxes imposed on sales under and pursuant  
121 to section **67.700 or** 650.399 for the purpose of emergency communication  
122 systems, shall be allocated to, and paid by the local political subdivision collecting  
123 officer to the treasurer or other designated financial officer of the municipality,  
124 who shall deposit such funds in a separate segregated account within the special  
125 allocation fund. **Beginning August 28, 2014, if the voters in a taxing**  
126 **district vote to approve an increase in such taxing district's sales tax**  
127 **or use tax, other than the renewal of an expiring sales or use tax, any**  
128 **additional revenues generated within an existing redevelopment**  
129 **project area that are directly attributable to the newly voter-approved**  
130 **incremental increase in such taxing district's levy rate shall not be**  
131 **considered economic activity taxes subject to deposit into a special**  
132 **allocation fund without the consent of such taxing district.**

133 4. Beginning January 1, 1998, for redevelopment plans and projects  
134 adopted or redevelopment projects approved by ordinance and which have  
135 complied with subsections 4 to 12 of this section, in addition to the payments in

136 lieu of taxes and economic activity taxes described in subsections 1, 2 and 3 of  
137 this section, up to fifty percent of the new state revenues, as defined in subsection  
138 8 of this section, estimated for the businesses within the project area and  
139 identified by the municipality in the application required by subsection 10 of this  
140 section, over and above the amount of such taxes reported by businesses within  
141 the project area as identified by the municipality in their application prior to the  
142 approval of the redevelopment project by ordinance, while tax increment  
143 financing remains in effect, may be available for appropriation by the general  
144 assembly as provided in subsection 10 of this section to the department of  
145 economic development supplemental tax increment financing fund, from the  
146 general revenue fund, for distribution to the treasurer or other designated  
147 financial officer of the municipality with approved plans or projects.

148         5. The treasurer or other designated financial officer of the municipality  
149 with approved plans or projects shall deposit such funds in a separate segregated  
150 account within the special allocation fund established pursuant to section 99.805.

151         6. No transfer from the general revenue fund to the Missouri  
152 supplemental tax increment financing fund shall be made unless an appropriation  
153 is made from the general revenue fund for that purpose. No municipality shall  
154 commit any state revenues prior to an appropriation being made for that  
155 project. For all redevelopment plans or projects adopted or approved after  
156 December 23, 1997, appropriations from the new state revenues shall not be  
157 distributed from the Missouri supplemental tax increment financing fund into the  
158 special allocation fund unless the municipality's redevelopment plan ensures that  
159 one hundred percent of payments in lieu of taxes and fifty percent of economic  
160 activity taxes generated by the project shall be used for eligible redevelopment  
161 project costs while tax increment financing remains in effect. This account shall  
162 be separate from the account into which payments in lieu of taxes are deposited,  
163 and separate from the account into which economic activity taxes are deposited.

164         7. In order for the redevelopment plan or project to be eligible to receive  
165 the revenue described in subsection 4 of this section, the municipality shall  
166 comply with the requirements of subsection 10 of this section prior to the time the  
167 project or plan is adopted or approved by ordinance. The director of the  
168 department of economic development and the commissioner of the office of  
169 administration may waive the requirement that the municipality's application be  
170 submitted prior to the redevelopment plan's or project's adoption or the  
171 redevelopment plan's or project's approval by ordinance.

172 8. For purposes of this section, "new state revenues" means:

173 (1) The incremental increase in the general revenue portion of state sales  
174 tax revenues received pursuant to section 144.020, excluding sales taxes that are  
175 constitutionally dedicated, taxes deposited to the school district trust fund in  
176 accordance with section 144.701, sales and use taxes on motor vehicles, trailers,  
177 boats and outboard motors and future sales taxes earmarked by law. In no event  
178 shall the incremental increase include any amounts attributable to retail sales  
179 unless the municipality or authority has proven to the Missouri development  
180 finance board and the department of economic development and such entities  
181 have made a finding that the sales tax increment attributable to retail sales is  
182 from new sources which did not exist in the state during the baseline year. The  
183 incremental increase in the general revenue portion of state sales tax revenues  
184 for an existing or relocated facility shall be the amount that current state sales  
185 tax revenue exceeds the state sales tax revenue in the base year as stated in the  
186 redevelopment plan as provided in subsection 10 of this section; or

187 (2) The state income tax withheld on behalf of new employees by the  
188 employer pursuant to section 143.221 at the business located within the project  
189 as identified by the municipality. The state income tax withholding allowed by  
190 this section shall be the municipality's estimate of the amount of state income tax  
191 withheld by the employer within the redevelopment area for new employees who  
192 fill new jobs directly created by the tax increment financing project.

193 9. Subsection 4 of this section shall apply only to blighted areas located  
194 in enterprise zones, pursuant to sections 135.200 to 135.256, blighted areas  
195 located in federal empowerment zones, or to blighted areas located in central  
196 business districts or urban core areas of cities which districts or urban core areas  
197 at the time of approval of the project by ordinance, provided that the enterprise  
198 zones, federal empowerment zones or blighted areas contained one or more  
199 buildings at least fifty years old; and

200 (1) Suffered from generally declining population or property taxes over the  
201 twenty-year period immediately preceding the area's designation as a project area  
202 by ordinance; or

203 (2) Was a historic hotel located in a county of the first classification  
204 without a charter form of government with a population according to the most  
205 recent federal decennial census in excess of one hundred fifty thousand and  
206 containing a portion of a city with a population according to the most recent  
207 federal decennial census in excess of three hundred fifty thousand.

208           10. The initial appropriation of up to fifty percent of the new state  
209 revenues authorized pursuant to subsections 4 and 5 of this section shall not be  
210 made to or distributed by the department of economic development to a  
211 municipality until all of the following conditions have been satisfied:

212           (1) The director of the department of economic development or his or her  
213 designee and the commissioner of the office of administration or his or her  
214 designee have approved a tax increment financing application made by the  
215 municipality for the appropriation of the new state revenues. The municipality  
216 shall include in the application the following items in addition to the items in  
217 section 99.810:

218           (a) The tax increment financing district or redevelopment area, including  
219 the businesses identified within the redevelopment area;

220           (b) The base year of state sales tax revenues or the base year of state  
221 income tax withheld on behalf of existing employees, reported by existing  
222 businesses within the project area prior to approval of the redevelopment project;

223           (c) The estimate of the incremental increase in the general revenue  
224 portion of state sales tax revenue or the estimate for the state income tax  
225 withheld by the employer on behalf of new employees expected to fill new jobs  
226 created within the redevelopment area after redevelopment;

227           (d) The official statement of any bond issue pursuant to this subsection  
228 after December 23, 1997;

229           (e) An affidavit that is signed by the developer or developers attesting  
230 that the provisions of subdivision (1) of subsection 1 of section 99.810 have been  
231 met and specifying that the redevelopment area would not be reasonably  
232 anticipated to be developed without the appropriation of the new state revenues;

233           (f) The cost-benefit analysis required by section 99.810 includes a study  
234 of the fiscal impact on the state of Missouri; and

235           (g) The statement of election between the use of the incremental increase  
236 of the general revenue portion of the state sales tax revenues or the state income  
237 tax withheld by employers on behalf of new employees who fill new jobs created  
238 in the redevelopment area;

239           (h) The name, street and mailing address, and phone number of the mayor  
240 or chief executive officer of the municipality;

241           (i) The street address of the development site;

242           (j) The three-digit North American Industry Classification System number  
243 or numbers characterizing the development project;

- 244 (k) The estimated development project costs;
- 245 (l) The anticipated sources of funds to pay such development project costs;
- 246 (m) Evidence of the commitments to finance such development project  
247 costs;
- 248 (n) The anticipated type and term of the sources of funds to pay such  
249 development project costs;
- 250 (o) The anticipated type and terms of the obligations to be issued;
- 251 (p) The most recent equalized assessed valuation of the property within  
252 the development project area;
- 253 (q) An estimate as to the equalized assessed valuation after the  
254 development project area is developed in accordance with a development plan;
- 255 (r) The general land uses to apply in the development area;
- 256 (s) The total number of individuals employed in the development area,  
257 broken down by full-time, part-time, and temporary positions;
- 258 (t) The total number of full-time equivalent positions in the development  
259 area;
- 260 (u) The current gross wages, state income tax withholdings, and federal  
261 income tax withholdings for individuals employed in the development area;
- 262 (v) The total number of individuals employed in this state by the  
263 corporate parent of any business benefitting from public expenditures in the  
264 development area, and all subsidiaries thereof, as of December thirty-first of the  
265 prior fiscal year, broken down by full-time, part-time, and temporary positions;
- 266 (w) The number of new jobs to be created by any business benefitting from  
267 public expenditures in the development area, broken down by full-time, part-time,  
268 and temporary positions;
- 269 (x) The average hourly wage to be paid to all current and new employees  
270 at the project site, broken down by full-time, part-time, and temporary positions;
- 271 (y) For project sites located in a metropolitan statistical area, as defined  
272 by the federal Office of Management and Budget, the average hourly wage paid  
273 to nonmanagerial employees in this state for the industries involved at the  
274 project, as established by the United States Bureau of Labor Statistics;
- 275 (z) For project sites located outside of metropolitan statistical areas, the  
276 average weekly wage paid to nonmanagerial employees in the county for  
277 industries involved at the project, as established by the United States  
278 Department of Commerce;
- 279 (aa) A list of other community and economic benefits to result from the

280 project;

281 (bb) A list of all development subsidies that any business benefitting from  
282 public expenditures in the development area has previously received for the  
283 project, and the name of any other granting body from which such subsidies are  
284 sought;

285 (cc) A list of all other public investments made or to be made by this state  
286 or units of local government to support infrastructure or other needs generated  
287 by the project for which the funding pursuant to this section is being sought;

288 (dd) A statement as to whether the development project may reduce  
289 employment at any other site, within or without the state, resulting from  
290 automation, merger, acquisition, corporate restructuring, relocation, or other  
291 business activity;

292 (ee) A statement as to whether or not the project involves the relocation  
293 of work from another address and if so, the number of jobs to be relocated and the  
294 address from which they are to be relocated;

295 (ff) A list of competing businesses in the county containing the  
296 development area and in each contiguous county;

297 (gg) A market study for the development area;

298 (hh) A certification by the chief officer of the applicant as to the accuracy  
299 of the development plan;

300 (2) The methodologies used in the application for determining the base  
301 year and determining the estimate of the incremental increase in the general  
302 revenue portion of the state sales tax revenues or the state income tax withheld  
303 by employers on behalf of new employees who fill new jobs created in the  
304 redevelopment area shall be approved by the director of the department of  
305 economic development or his or her designee and the commissioner of the office  
306 of administration or his or her designee. Upon approval of the application, the  
307 director of the department of economic development or his or her designee and  
308 the commissioner of the office of administration or his or her designee shall issue  
309 a certificate of approval. The department of economic development may request  
310 the appropriation following application approval;

311 (3) The appropriation shall be either a portion of the estimate of the  
312 incremental increase in the general revenue portion of state sales tax revenues  
313 in the redevelopment area or a portion of the estimate of the state income tax  
314 withheld by the employer on behalf of new employees who fill new jobs created  
315 in the redevelopment area as indicated in the municipality's application,

316 approved by the director of the department of economic development or his or her  
317 designee and the commissioner of the office of administration or his or her  
318 designee. At no time shall the annual amount of the new state revenues  
319 approved for disbursements from the Missouri supplemental tax increment  
320 financing fund exceed thirty-two million dollars;

321 (4) Redevelopment plans and projects receiving new state revenues shall  
322 have a duration of up to fifteen years, unless prior approval for a longer term is  
323 given by the director of the department of economic development or his or her  
324 designee and the commissioner of the office of administration or his or her  
325 designee; except that, in no case shall the duration exceed twenty-three years.

326 11. In addition to the areas authorized in subsection 9 of this section, the  
327 funding authorized pursuant to subsection 4 of this section shall also be available  
328 in a federally approved levee district, where construction of a levee begins after  
329 December 23, 1997, and which is contained within a county of the first  
330 classification without a charter form of government with a population between  
331 fifty thousand and one hundred thousand inhabitants which contains all or part  
332 of a city with a population in excess of four hundred thousand or more  
333 inhabitants.

334 12. There is hereby established within the state treasury a special fund  
335 to be known as the "Missouri Supplemental Tax Increment Financing Fund", to  
336 be administered by the department of economic development. The department  
337 shall annually distribute from the Missouri supplemental tax increment financing  
338 fund the amount of the new state revenues as appropriated as provided in the  
339 provisions of subsections 4 and 5 of this section if and only if the conditions of  
340 subsection 10 of this section are met. The fund shall also consist of any gifts,  
341 contributions, grants or bequests received from federal, private or other  
342 sources. Moneys in the Missouri supplemental tax increment financing fund shall  
343 be disbursed per project pursuant to state appropriations.

344 13. Redevelopment project costs may include, at the prerogative of the  
345 state, the portion of salaries and expenses of the department of economic  
346 development and the department of revenue reasonably allocable to each  
347 redevelopment project approved for disbursements from the Missouri  
348 supplemental tax increment financing fund for the ongoing administrative  
349 functions associated with such redevelopment project. Such amounts shall be  
350 recovered from new state revenues deposited into the Missouri supplemental tax  
351 increment financing fund created under this section.

352           14. For redevelopment plans or projects approved by ordinance that result  
353 in net new jobs from the relocation of a national headquarters from another state  
354 to the area of the redevelopment project, the economic activity taxes and new  
355 state tax revenues shall not be based on a calculation of the incremental increase  
356 in taxes as compared to the base year or prior calendar year for such  
357 redevelopment project, rather the incremental increase shall be the amount of  
358 total taxes generated from the net new jobs brought in by the national  
359 headquarters from another state. In no event shall this subsection be construed  
360 to allow a redevelopment project to receive an appropriation in excess of up to  
361 fifty percent of the new state revenues.

135.700. **1.** For all tax years beginning on or after January 1, 1999, a  
2 grape grower or wine producer shall be allowed a tax credit against the state tax  
3 liability incurred pursuant to chapter 143, exclusive of the provisions relating to  
4 the withholding of tax as provided in sections 143.191 to 143.265, in an amount  
5 equal to twenty-five percent of the purchase price of all new **and used** equipment  
6 and materials used directly in the growing of grapes or the production of wine in  
7 the state. Each grower or producer shall apply to the department of economic  
8 development and specify the total amount of such new equipment and materials  
9 purchased during the calendar year. The department of economic development  
10 shall certify to the department of revenue the amount of such tax credit to which  
11 a grape grower or wine producer is entitled pursuant to this section. The  
12 provisions of this section notwithstanding, a grower or producer may only apply  
13 for and receive the credit authorized by this section for five tax periods.

14           **2. For the taxable years beginning on or after August 28, 2014,**  
15 **the total amount of tax credits allowed under subsection 1 of this**  
16 **section shall not exceed two hundred thousand dollars annually.**

**137.133. In any county with a charter form of government and**  
2 **with more than nine hundred fifty thousand inhabitants, any**  
3 **correspondence by the assessor with a taxpayer requesting information**  
4 **from the taxpayer shall include the following statement in bold,**  
5 **fourteen point font: "Disclosure of information requested on this**  
6 **document is voluntary and not required by law. Any information**  
7 **disclosed may become public record.".** The provisions of this section  
8 **shall not apply to requests for information required to be disclosed**  
9 **under sections 137.092 and 137.155.**

143.041. **1.** A tax is hereby imposed for every taxable year on the income



2 of every nonresident individual which is derived from sources within this  
3 state. The tax shall be that amount which bears the same ratio to the tax  
4 applicable to the individual if he would have been a resident as (A) his Missouri  
5 nonresident adjusted gross income as determined under section 143.181 (Missouri  
6 adjusted gross income derived from sources within this state) bears to (B) his  
7 Missouri adjusted gross income derived from all sources.

8 **2. The provisions of this section shall not apply to out-of-state**  
9 **businesses or out-of-state employees operating under sections 190.270**  
10 **to 190.285.**

143.071. 1. For all tax years beginning before September 1, 1993, a tax  
2 is hereby imposed upon the Missouri taxable income of corporations in an amount  
3 equal to five percent of Missouri taxable income.

4 2. For all tax years beginning on or after September 1, 1993, a tax is  
5 hereby imposed upon the Missouri taxable income of corporations in an amount  
6 equal to six and one-fourth percent of Missouri taxable income.

7 **3. The provisions of this section shall not apply to out-of-state**  
8 **businesses operating under sections 190.270 to 190.285.**

143.191. 1. Every employer maintaining an office or transacting any  
2 business within this state and making payment of any wages taxable under  
3 sections 143.011 to 143.998 to a resident or nonresident individual shall deduct  
4 and withhold from such wages for each payroll period the amount provided in  
5 subsection 3 of this section.

6 2. The term "wages" referred to in subsection 1 of this section means  
7 wages as defined by section 3401(a) of the Internal Revenue Code of 1986, as  
8 amended. The term "employer" means any person, firm, corporation, association,  
9 fiduciary of any kind, or other type of organization for whom an individual  
10 performs service as an employee, except that if the person or organization for  
11 whom the individual performs service does not have control of the payment of  
12 compensation for such service, the term "employer" means the person having  
13 control of the payment of the compensation. The term includes the United States,  
14 this state, other states, and all agencies, instrumentalities, and subdivisions of  
15 any of them.

16 3. The method of determining the amount to be withheld shall be  
17 prescribed by regulations of the director of revenue. The prescribed table,  
18 percentages, or other method shall result, so far as practicable, in withholding  
19 from the employee's wages during each calendar year an amount substantially

20 equivalent to the tax reasonably estimated to be due from the employee under  
21 sections 143.011 to 143.998 with respect to the amount of such wages included in  
22 his Missouri adjusted gross income during the calendar year.

23           4. For purposes of this section an employee shall be entitled to the same  
24 number of personal and dependency withholding exemptions as the number of  
25 exemptions to which he is entitled for federal income tax withholding purposes.  
26 An employer may rely upon the number of federal withholding exemptions  
27 claimed by the employee, except where the employee provides the employer with  
28 a form claiming a different number of withholding exemptions in this state.

29           5. The director of revenue may enter into agreements with the tax  
30 departments of other states (which require income tax to be withheld from the  
31 payment of wages) so as to govern the amounts to be withheld from the wages of  
32 residents of such states under this section. Such agreements may provide for  
33 recognition of anticipated tax credits in determining the amounts to be withheld  
34 and, under regulations prescribed by the director of revenue, may relieve  
35 employers in this state from withholding income tax on wages paid to nonresident  
36 employees. The agreements authorized by this subsection are subject to the  
37 condition that the tax department of such other states grant similar treatment  
38 to residents of this state.

39           6. The director of revenue shall enter into agreements with the Secretary  
40 of the Treasury of the United States or with the appropriate secretaries of the  
41 respective branches of the Armed Forces of the United States for the withholding,  
42 as required by subsections 1 and 2 of this section, of income taxes due the state  
43 of Missouri on wages or other payments for service in the armed services of the  
44 United States or on payments received as retirement or retainer pay of any  
45 member or former member of the Armed Forces entitled to such pay.

46           7. Subject to appropriations for the purpose of implementing this section,  
47 the director of revenue shall comply with provisions of the laws of the United  
48 States as amended and the regulations promulgated thereto in order that all  
49 residents of this state receiving monthly retirement income as a civil service  
50 annuitant from the federal government taxable by this state may have withheld  
51 monthly from any such moneys, whether pension, annuities or otherwise, an  
52 amount for payment of state income taxes as required by state law, but such  
53 withholding shall not be less than twenty-five dollars per quarter.

54           **8. The provisions of this section shall not apply to out-of-state**  
55 **businesses operating under sections 190.270 to 190.285.**

143.451. 1. Missouri taxable income of a corporation shall include all  
2 income derived from sources within this state.

3         2. A corporation described in subdivision (1) of subsection 1 of section  
4 143.441 shall include in its Missouri taxable income all income from sources  
5 within this state, including that from the transaction of business in this state and  
6 that from the transaction of business partly done in this state and partly done in  
7 another state or states. However:

8         (1) Where income results from a transaction partially in this state and  
9 partially in another state or states, and income and deductions of the portion in  
10 the state cannot be segregated, then such portions of income and deductions shall  
11 be allocated in this state and the other state or states as will distribute to this  
12 state a portion based upon the portion of the transaction in this state and the  
13 portion in such other state or states.

14         (2) The taxpayer may elect to compute the portion of income from all  
15 sources in this state in the following manner, or the manner set forth in  
16 subdivision (3) of this subsection:

17         (a) The income from all sources shall be determined as provided,  
18 excluding therefrom the figures for the operation of any bridge connecting this  
19 state with another state.

20         (b) The amount of sales which are transactions wholly in this state shall  
21 be added to one-half of the amount of sales which are transactions partly within  
22 this state and partly without this state, and the amount thus obtained shall be  
23 divided by the total sales or in cases where sales do not express the volume of  
24 business, the amount of business transacted wholly in this state shall be added  
25 to one-half of the amount of business transacted partly in this state and partly  
26 outside this state and the amount thus obtained shall be divided by the total  
27 amount of business transacted, and the net income shall be multiplied by the  
28 fraction thus obtained, to determine the proportion of income to be used to arrive  
29 at the amount of Missouri taxable income. The investment or reinvestment of its  
30 own funds, or sale of any such investment or reinvestment, shall not be  
31 considered as sales or other business transacted for the determination of said  
32 fraction.

33         (c) For the purposes of this subdivision, a transaction involving the sale  
34 of tangible property is:

35         a. "Wholly in this state" if both the seller's shipping point and the  
36 purchaser's destination point are in this state;

37           b. "Partly within this state and partly without this state" if the seller's  
38 shipping point is in this state and the purchaser's destination point is outside  
39 this state, or the seller's shipping point is outside this state and the purchaser's  
40 destination point is in this state;

41           c. Not "wholly in this state" or not "partly within this state and partly  
42 without this state" only if both the seller's shipping point and the purchaser's  
43 destination point are outside this state.

44           (d) For purposes of this subdivision:

45           a. The purchaser's destination point shall be determined without regard  
46 to the FOB point or other conditions of the sale; and

47           b. The seller's shipping point is determined without regard to the location  
48 of the seller's principle office or place of business.

49           (3) The taxpayer may elect to compute the portion of income from all  
50 sources in this state in the following manner:

51           (a) The income from all sources shall be determined as provided,  
52 excluding therefrom the figures for the operation of any bridge connecting this  
53 state with another state;

54           (b) The amount of sales which are transactions in this state shall be  
55 divided by the total sales, and the net income shall be multiplied by the fraction  
56 thus obtained, to determine the proportion of income to be used to arrive at the  
57 amount of Missouri taxable income. The investment or reinvestment of its own  
58 funds, or sale of any such investment or reinvestment, shall not be considered as  
59 sales or other business transacted for the determination of said fraction;

60           (c) For the purposes of this subdivision, a transaction involving the sale  
61 of tangible property is:

62           a. "In this state" if the purchaser's destination point is in this state;

63           b. Not "in this state" if the purchaser's destination point is outside this  
64 state;

65           (d) For purposes of this subdivision, the purchaser's destination point  
66 shall be determined without regard to the FOB point or other conditions of the  
67 sale and shall not be in this state if the purchaser received the tangible personal  
68 property from the seller in this state for delivery to the purchaser's location  
69 outside this state;

70           **(e) For the purposes of this subdivision, a transaction involving**  
71 **the sale other than the sale of tangible property is "in this state" if the**  
72 **taxpayer's market for the sales is in this state. The taxpayer's market**

73 for sales is in this state:

74 a. In the case of sale, rental, lease, or license of real property, if  
75 and to the extent the property is located in this state;

76 b. In the case of rental, lease, or license of tangible personal  
77 property, if and to the extent the property is located in this state;

78 c. In the case of sale of a service, if and to the extent the benefit  
79 of the service is delivered to a purchaser location in this state; and

80 d. In the case of intangible property:

81 (i) That is rented, leased, or licensed, if and to the extent the  
82 property is used in this state by the rentee, lessee, or licensee, provided  
83 that intangible property utilized in marketing a good or service to a  
84 consumer is "used in this state" if that good or service is purchased by  
85 a consumer who is in this state. Franchise fees or royalties received  
86 for the rent, lease, license, or use of a trade name, trademark, service  
87 mark, or franchise system or provides a right to conduct business  
88 activity in a specific geographic area are "used in this state" to the  
89 extent the franchise location is in this state; and

90 (ii) That is sold, if and to the extent the property is used in this  
91 state, provided that:

92 i. A contract right, government license, or similar intangible  
93 property that authorizes the holder to conduct a business activity in a  
94 specific geographic area is "used in this state" if the geographic area  
95 includes all or part of this state;

96 ii. Receipts from intangible property sales that are contingent on  
97 the productivity, use, or disposition of the intangible property shall be  
98 treated as receipts from the rental, lease, or licensing of such  
99 intangible property under item (i) of this subparagraph; and

100 iii. All other receipts from a sale of intangible property shall be  
101 excluded from the numerator and denominator of the sales factor;

102 (f) If the state or states of assignment under paragraph (e) of this  
103 subdivision cannot be determined, the state or states of assignment  
104 shall be reasonably approximated;

105 (g) If the state of assignment cannot be determined under  
106 paragraph (e) of this subdivision or reasonably approximated under  
107 paragraph (f) of this subdivision, such sales shall be excluded from the  
108 denominator of the sales factor;

109 (h) The director may prescribe such rules and regulations as

110 **necessary or appropriate to carry out the purposes of this section.**

111 (4) For purposes of this subsection, the following words shall, unless the  
112 context otherwise requires, have the following meaning:

113 (a) "Administration services" include, but are not limited to, clerical, fund  
114 or shareholder accounting, participant record keeping, transfer agency,  
115 bookkeeping, data processing, custodial, internal auditing, legal and tax services  
116 performed for an investment company;

117 (b) "Affiliate", the meaning as set forth in 15 U.S.C. Section 80a-2(a)(3)(C),  
118 as may be amended from time to time;

119 (c) "Distribution services" include, but are not limited to, the services of  
120 advertising, servicing, marketing, underwriting or selling shares of an investment  
121 company, but, in the case of advertising, servicing or marketing shares, only  
122 where such service is performed by a person who is, or in the case of a closed end  
123 company, was, either engaged in the services of underwriting or selling  
124 investment company shares or affiliated with a person that is engaged in the  
125 service of underwriting or selling investment company shares. In the case of an  
126 open end company, such service of underwriting or selling shares must be  
127 performed pursuant to a contract entered into pursuant to 15 U.S.C. Section 80a-  
128 15(b), as from time to time amended;

129 (d) "Investment company", any person registered under the federal  
130 Investment Company Act of 1940, as amended from time to time, (the act) or a  
131 company which would be required to register as an investment company under  
132 the act except that such person is exempt to such registration pursuant to Section  
133 80a-3(c)(1) of the act;

134 (e) "Investment funds service corporation" includes any corporation or S  
135 corporation doing business in the state which derives more than fifty percent of  
136 its gross income in the ordinary course of business from the provision directly or  
137 indirectly of management, distribution or administration services to or on behalf  
138 of an investment company or from trustees, sponsors and participants of employee  
139 benefit plans which have accounts in an investment company. An investment  
140 funds service corporation shall include any corporation or S corporation providing  
141 management services as an investment advisory firm registered under Section  
142 203 of the Investment Advisors Act of 1940, as amended from time to time,  
143 regardless of the percentage of gross revenues consisting of fees from  
144 management services provided to or on behalf of an investment company;

145 (f) "Management services" include but are not limited to, the rendering of

146 investment advice directly or indirectly to an investment company making  
147 determinations as to when sales and purchases of securities are to be made on  
148 behalf of the investment company, or the selling or purchasing of securities  
149 constituting assets of an investment company, and related activities, but only  
150 where such activity or activities are performed:

151       a. Pursuant to a contract with the investment company entered into  
152 pursuant to 15 U.S.C. Section 80a-15(a), as from time to time amended;

153       b. For a person that has entered into such contract with the investment  
154 company; or

155       c. For a person that is affiliated with a person that has entered into such  
156 contract with an investment company;

157       (g) "Qualifying sales", gross income derived from the provision directly or  
158 indirectly of management, distribution or administration services to or on behalf  
159 of an investment company or from trustees, sponsors and participants of employee  
160 benefit plans which have accounts in an investment company. For purposes of  
161 this section, "gross income" is defined as that amount of income earned from  
162 qualifying sources without deduction of expenses related to the generation of such  
163 income;

164       (h) "Residence", presumptively the fund shareholder's mailing address on  
165 the records of the investment company. If, however, the investment company or  
166 the investment funds service corporation has actual knowledge that the fund  
167 shareholder's primary residence or principal place of business is different than  
168 the fund shareholder's mailing address such presumption shall not control. To  
169 the extent an investment funds service corporation does not have access to the  
170 records of the investment company, the investment funds service corporation may  
171 employ reasonable methods to determine the investment company fund  
172 shareholder's residence.

173       (5) Notwithstanding other provisions of law to the contrary, qualifying  
174 sales of an investment funds service corporation, or S corporation, shall be  
175 considered wholly in this state only to the extent that the fund shareholders of  
176 the investment companies, to which the investment funds service corporation, or  
177 S corporation, provide services, are resided in this state. Wholly in this state  
178 qualifying sales of an investment funds service corporation, or S corporation, shall  
179 be determined as follows:

180       (a) By multiplying the investment funds service corporation's total dollar  
181 amount of qualifying sales from services provided to each investment company by

182 a fraction, the numerator of which shall be the average of the number of shares  
183 owned by the investment company's fund shareholders resided in this state  
184 at the beginning of and at the end of the investment company's taxable year that  
185 ends with or within the investment funds service corporation's taxable year, and  
186 the denominator of which shall be the average of the number of shares owned by  
187 the investment company's fund shareholders everywhere at the beginning of and  
188 at the end of the investment company's taxable year that ends with or within the  
189 investment funds service corporation's taxable year;

190 (b) A separate computation shall be made to determine the wholly in this  
191 state qualifying sales from each investment company. The qualifying sales for  
192 each investment company shall be multiplied by the respective percentage of each  
193 fund, as calculated pursuant to paragraph (a) of this subdivision. The product of  
194 this equation shall result in the wholly in this state qualifying sales. The  
195 qualifying sales for each investment company which are not wholly in this state  
196 will be considered wholly without this state;

197 (c) To the extent an investment funds service corporation has sales which  
198 are not qualifying sales, those nonqualified sales shall be apportioned to this  
199 state based on the methodology utilized by the investment funds service  
200 corporation without regard to this subdivision.

201 3. Any corporation described in subdivision (1) of subsection 1 of section  
202 143.441 organized in this state or granted a permit to operate in this state for the  
203 transportation or care of passengers shall report its gross earnings within the  
204 state on intrastate business and shall also report its gross earnings on all  
205 interstate business done in this state which report shall be subject to inquiry for  
206 the purpose of determining the amount of income to be included in Missouri  
207 taxable income. The previous sentence shall not apply to a railroad.

208 4. A corporation described in subdivision (2) of subsection 1 of section  
209 143.441 shall include in its Missouri taxable income all income arising from all  
210 sources in this state and all income from each transportation service wholly  
211 within this state, from each service where the only lines of such corporation used  
212 are those in this state, and such proportion of revenue from each service where  
213 the facilities of such corporation in this state and in another state or states are  
214 used, as the mileage used over the lines of such corporation in the state shall  
215 bear to the total mileage used over the lines of such corporation. The taxpayer  
216 may elect to compute the portion of income from all sources within this state in  
217 the following manner:



218 (1) The income from all sources shall be determined as provided;  
219 (2) The amount of investment of such corporation on December thirty-first  
220 of each year in this state in fixed transportation facilities, real estate and  
221 improvements, plus the value on December thirty-first of each year of any fixed  
222 transportation facilities, real estate and improvements in this state leased from  
223 any other railroad shall be divided by the sum of the total amount of investment  
224 of such corporation on December thirty-first of each year in fixed transportation  
225 facilities, real estate and improvements, plus the value on December thirty-first  
226 of each year, of any fixed transportation facilities, real estate and improvements  
227 leased from any other railroad. Where any fixed transportation facilities, real  
228 estate or improvements are leased by more than one railroad, such portion of the  
229 value shall be used by each railroad as the rental paid by each shall bear to the  
230 rental paid by all lessees. The income shall be multiplied by the fraction thus  
231 obtained to determine the proportion to be used to arrive at the amount of  
232 Missouri taxable income.

233 5. A corporation described in subdivision (3) of subsection 1 of section  
234 143.441 shall include in its Missouri taxable income one-half of the net income  
235 from the operation of a bridge between this and another state. If any such bridge  
236 is owned or operated by a railroad corporation or corporations, or by a corporation  
237 owning a railroad corporation using such bridge, then the figures for operation  
238 of such bridge may be included in the return of such railroad or railroads; or if  
239 such bridge is owned or operated by any other corporation which may now or  
240 hereafter be required to file an income tax return, one-half of the income or loss  
241 to such corporation from such bridge may be included in such return by adding  
242 or subtracting same to or from another net income or loss shown by the return.

243 6. A corporation described in subdivision (4) of subsection 1 of section  
244 143.441 shall include in its Missouri taxable income all income arising from all  
245 sources within this state. Income shall include revenue from each telephonic or  
246 telegraphic service rendered wholly within this state; from each service rendered  
247 for which the only facilities of such corporation used are those in this state; and  
248 from each service rendered over the facilities of such corporation in this state and  
249 in other state or states, such proportion of such revenue as the mileage involved  
250 in this state shall bear to the total mileage involved over the lines of said  
251 company in all states. The taxpayer may elect to compute the portion of income  
252 from all sources within this state in the following manner:

253 (1) The income from all sources shall be determined as provided;

254           (2) The amount of investment of such corporation on December thirty-first  
255 of each year in this state in telephonic or telegraphic facilities, real estate and  
256 improvements thereon, shall be divided by the amount of the total investment of  
257 such corporation on December thirty-first of each year in telephonic or telegraphic  
258 facilities, real estate and improvements. The income of the taxpayer shall be  
259 multiplied by fraction thus obtained to determine the proportion to be used to  
260 arrive at the amount of Missouri taxable income.

261           7. From the income determined in subsections 2, 3, 4, 5 and 6 of this  
262 section to be from all sources within this state shall be deducted such of the  
263 deductions for expenses in determining Missouri taxable income as were incurred  
264 in this state to produce such income and all losses actually sustained in this state  
265 in the business of the corporation.

266           8. If a corporation derives only part of its income from sources within  
267 Missouri, its Missouri taxable income shall only reflect the effect of the following  
268 listed deductions to the extent applicable to Missouri. The deductions are: (a)  
269 its deduction for federal income taxes pursuant to section 143.171, and (b) the  
270 effect on Missouri taxable income of the deduction for net operating loss allowed  
271 by Section 172 of the Internal Revenue Code. The extent applicable to Missouri  
272 shall be determined by multiplying the amount that would otherwise affect  
273 Missouri taxable income by the ratio for the year of the Missouri taxable income  
274 of the corporation for the year divided by the Missouri taxable income for the year  
275 as though the corporation had derived all of its income from sources within  
276 Missouri. For the purpose of the preceding sentence, Missouri taxable income  
277 shall not reflect the listed deductions.

278           9. Any investment funds service corporation organized as a corporation  
279 or S corporation which has any shareholders resided in this state shall be  
280 subject to Missouri income tax as provided in this chapter.

144.030. 1. There is hereby specifically exempted from the provisions of  
2 sections 144.010 to 144.525 and from the computation of the tax levied, assessed  
3 or payable pursuant to sections 144.010 to 144.525 such retail sales as may be  
4 made in commerce between this state and any other state of the United States,  
5 or between this state and any foreign country, and any retail sale which the state  
6 of Missouri is prohibited from taxing pursuant to the Constitution or laws of the  
7 United States of America, and such retail sales of tangible personal property  
8 which the general assembly of the state of Missouri is prohibited from taxing or  
9 further taxing by the constitution of this state.

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

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

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

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

44           (4) Motor vehicles registered in excess of fifty-four thousand pounds, and  
45 the trailers pulled by such motor vehicles, that are actually used in the normal

46 course of business to haul property on the public highways of the state, and that  
47 are capable of hauling loads commensurate with the motor vehicle's registered  
48 weight; and the materials, replacement parts, and equipment purchased for use  
49 directly upon, and for the repair and maintenance or manufacture of such  
50 vehicles. For purposes of this subdivision "motor vehicle" and "public highway"  
51 shall have the meaning as ascribed in section 390.020;

52 (5) Replacement machinery, equipment, and parts and the materials and  
53 supplies solely required for the installation or construction of such replacement  
54 machinery, equipment, and parts, used directly in manufacturing, mining,  
55 fabricating or producing a product which is intended to be sold ultimately for  
56 final use or consumption; and machinery and equipment, and the materials and  
57 supplies required solely for the operation, installation or construction of such  
58 machinery and equipment, purchased and used to establish new, or to replace or  
59 expand existing, material recovery processing plants in this state. For the  
60 purposes of this subdivision, a "material recovery processing plant" means a  
61 facility that has as its primary purpose the recovery of materials into a useable  
62 product or a different form which is used in producing a new product and shall  
63 include a facility or equipment which are used exclusively for the collection of  
64 recovered materials for delivery to a material recovery processing plant but shall  
65 not include motor vehicles used on highways. For purposes of this section, the  
66 terms motor vehicle and highway shall have the same meaning pursuant to  
67 section 301.010. Material recovery is not the reuse of materials within a  
68 manufacturing process or the use of a product previously recovered. The material  
69 recovery processing plant shall qualify under the provisions of this section  
70 regardless of ownership of the material being recovered;

71 (6) Machinery and equipment, and parts and the materials and supplies  
72 solely required for the installation or construction of such machinery and  
73 equipment, purchased and used to establish new or to expand existing  
74 manufacturing, mining or fabricating plants in the state if such machinery and  
75 equipment is used directly in manufacturing, mining or fabricating a product  
76 which is intended to be sold ultimately for final use or consumption;

77 (7) Tangible personal property which is used exclusively in the  
78 manufacturing, processing, modification or assembling of products sold to the  
79 United States government or to any agency of the United States government;

80 (8) Animals or poultry used for breeding or feeding purposes, or captive  
81 wildlife;

82 (9) Newsprint, ink, computers, photosensitive paper and film, toner,  
83 printing plates and other machinery, equipment, replacement parts and supplies  
84 used in producing newspapers published for dissemination of news to the general  
85 public;

86 (10) The rentals of films, records or any type of sound or picture  
87 transcriptions for public commercial display;

88 (11) Pumping machinery and equipment used to propel products delivered  
89 by pipelines engaged as common carriers;

90 (12) Railroad rolling stock for use in transporting persons or property in  
91 interstate commerce and motor vehicles licensed for a gross weight of twenty-four  
92 thousand pounds or more or trailers used by common carriers, as defined in  
93 section 390.020, in the transportation of persons or property;

94 (13) Electrical energy used in the actual primary manufacture, processing,  
95 compounding, mining or producing of a product, or electrical energy used in the  
96 actual secondary processing or fabricating of the product, or a material recovery  
97 processing plant as defined in subdivision (5) of this subsection, in facilities  
98 owned or leased by the taxpayer, if the total cost of electrical energy so used  
99 exceeds ten percent of the total cost of production, either primary or secondary,  
100 exclusive of the cost of electrical energy so used or if the raw materials used in  
101 such processing contain at least twenty-five percent recovered materials as  
102 defined in section 260.200. There shall be a rebuttable presumption that the raw  
103 materials used in the primary manufacture of automobiles contain at least  
104 twenty-five percent recovered materials. For purposes of this subdivision,  
105 "processing" means any mode of treatment, act or series of acts performed upon  
106 materials to transform and reduce them to a different state or thing, including  
107 treatment necessary to maintain or preserve such processing by the producer at  
108 the production facility;

109 (14) Anodes which are used or consumed in manufacturing, processing,  
110 compounding, mining, producing or fabricating and which have a useful life of  
111 less than one year;

112 (15) Machinery, equipment, appliances and devices purchased or leased  
113 and used solely for the purpose of preventing, abating or monitoring air pollution,  
114 and materials and supplies solely required for the installation, construction or  
115 reconstruction of such machinery, equipment, appliances and devices;

116 (16) Machinery, equipment, appliances and devices purchased or leased  
117 and used solely for the purpose of preventing, abating or monitoring water

118 pollution, and materials and supplies solely required for the installation,  
119 construction or reconstruction of such machinery, equipment, appliances and  
120 devices;

121 (17) Tangible personal property purchased by a rural water district;

122 (18) All amounts paid or charged for admission or participation or other  
123 fees paid by or other charges to individuals in or for any place of amusement,  
124 entertainment or recreation, games or athletic events, including museums, fairs,  
125 zoos and planetariums, owned or operated by a municipality or other political  
126 subdivision where all the proceeds derived therefrom benefit the municipality or  
127 other political subdivision and do not inure to any private person, firm, or  
128 corporation, provided, however, that a municipality or other political subdivision  
129 may enter into revenue-sharing agreements with private persons, firms, or  
130 corporations providing goods or services, including management services, in or for  
131 the place of amusement, entertainment or recreation, games or athletic events,  
132 and provided further that nothing in this subdivision shall exempt from tax any  
133 amounts retained by any private person, firm, or corporation under such  
134 revenue-sharing agreement;

135 (19) All sales of insulin and prosthetic or orthopedic devices as defined on  
136 January 1, 1980, by the federal Medicare program pursuant to Title XVIII of the  
137 Social Security Act of 1965, including the items specified in Section 1862(a)(12)  
138 of that act, and also specifically including hearing aids and hearing aid supplies  
139 and all sales of drugs which may be legally dispensed by a licensed pharmacist  
140 only upon a lawful prescription of a practitioner licensed to administer those  
141 items, including samples and materials used to manufacture samples which may  
142 be dispensed by a practitioner authorized to dispense such samples and all sales  
143 or rental of medical oxygen, home respiratory equipment and accessories, hospital  
144 beds and accessories and ambulatory aids, all sales or rental of manual and  
145 powered wheelchairs, stairway lifts, Braille writers, electronic Braille equipment  
146 and, if purchased or rented by or on behalf of a person with one or more physical  
147 or mental disabilities to enable them to function more independently, all sales or  
148 rental of scooters, reading machines, electronic print enlargers and magnifiers,  
149 electronic alternative and augmentative communication devices, and items used  
150 solely to modify motor vehicles to permit the use of such motor vehicles by  
151 individuals with disabilities or sales of over-the-counter or nonprescription drugs  
152 to individuals with disabilities, and drugs required by the Food and Drug  
153 Administration to meet the over-the-counter drug product labeling requirements

154 in 21 CFR 201.66, or its successor, as prescribed by a health care practitioner  
155 licensed to prescribe;

156 (20) All sales made by or to religious and charitable organizations and  
157 institutions in their religious, charitable or educational functions and activities  
158 and all sales made by or to all elementary and secondary schools operated at  
159 public expense in their educational functions and activities;

160 (21) All sales of aircraft to common carriers for storage or for use in  
161 interstate commerce and all sales made by or to not-for-profit civic, social, service  
162 or fraternal organizations, including fraternal organizations which have been  
163 declared tax-exempt organizations pursuant to Section 501(c)(8) or (10) of the  
164 1986 Internal Revenue Code, as amended, in their civic or charitable functions  
165 and activities and all sales made to eleemosynary and penal institutions and  
166 industries of the state, and all sales made to any private not-for-profit institution  
167 of higher education not otherwise excluded pursuant to subdivision (20) of this  
168 subsection or any institution of higher education supported by public funds, and  
169 all sales made to a state relief agency in the exercise of relief functions and  
170 activities;

171 (22) All ticket sales made by benevolent, scientific and educational  
172 associations which are formed to foster, encourage, and promote progress and  
173 improvement in the science of agriculture and in the raising and breeding of  
174 animals, and by nonprofit summer theater organizations if such organizations are  
175 exempt from federal tax pursuant to the provisions of the Internal Revenue Code  
176 and all admission charges and entry fees to the Missouri state fair or any fair  
177 conducted by a county agricultural and mechanical society organized and  
178 operated pursuant to sections 262.290 to 262.530;

179 (23) All sales made to any private not-for-profit elementary or secondary  
180 school, all sales of feed additives, medications or vaccines administered to  
181 livestock or poultry in the production of food or fiber, all sales of pesticides used  
182 in the production of crops, livestock or poultry for food or fiber, all sales of  
183 bedding used in the production of livestock or poultry for food or fiber, all sales  
184 of propane or natural gas, electricity or diesel fuel used exclusively for drying  
185 agricultural crops, natural gas used in the primary manufacture or processing of  
186 fuel ethanol as defined in section 142.028, natural gas, propane, and electricity  
187 used by an eligible new generation cooperative or an eligible new generation  
188 processing entity as defined in section 348.432, and all sales of farm machinery  
189 and equipment, other than airplanes, motor vehicles and trailers, and any freight

190 charges on any exempt item. As used in this subdivision, the term "feed  
191 additives" means tangible personal property which, when mixed with feed for  
192 livestock or poultry, is to be used in the feeding of livestock or poultry. As used  
193 in this subdivision, the term "pesticides" includes adjuvants such as crop oils,  
194 surfactants, wetting agents and other assorted pesticide carriers used to improve  
195 or enhance the effect of a pesticide and the foam used to mark the application of  
196 pesticides and herbicides for the production of crops, livestock or poultry. As  
197 used in this subdivision, the term "farm machinery and equipment" means new  
198 or used farm tractors and such other new or used farm machinery and equipment  
199 and repair or replacement parts thereon and any accessories for and upgrades to  
200 such farm machinery and equipment, rotary mowers used exclusively for  
201 agricultural purposes, and supplies and lubricants used exclusively, solely, and  
202 directly for producing crops, raising and feeding livestock, fish, poultry,  
203 pheasants, chukar, quail, or for producing milk for ultimate sale at retail,  
204 including field drain tile, and one-half of each purchaser's purchase of diesel fuel  
205 therefor which is:

206 (a) Used exclusively for agricultural purposes;

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

209 (c) Used directly in producing farm products to be sold ultimately in  
210 processed form or otherwise at retail or in producing farm products to be fed to  
211 livestock or poultry to be sold ultimately in processed form at retail;

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

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

225 (b) Regulated utility sellers shall determine whether individual purchases



226 are exempt or nonexempt based upon the seller's utility service rate  
227 classifications as contained in tariffs on file with and approved by the Missouri  
228 public service commission. Sales and purchases made pursuant to the rate  
229 classification "residential" and sales to and purchases made by or on behalf of the  
230 occupants of residential apartments or condominiums through a single or master  
231 meter, including service for common areas and facilities and vacant units, shall  
232 be considered as sales made for domestic use and such sales shall be exempt from  
233 sales tax. Sellers shall charge sales tax upon the entire amount of purchases  
234 classified as nondomestic use. The seller's utility service rate classification and  
235 the provision of service thereunder shall be conclusive as to whether or not the  
236 utility must charge sales tax;

237 (c) Each person making domestic use purchases of services or property  
238 and who uses any portion of the services or property so purchased for a  
239 nondomestic use shall, by the fifteenth day of the fourth month following the year  
240 of purchase, and without assessment, notice or demand, file a return and pay  
241 sales tax on that portion of nondomestic purchases. Each person making  
242 nondomestic purchases of services or property and who uses any portion of the  
243 services or property so purchased for domestic use, and each person making  
244 domestic purchases on behalf of occupants of residential apartments or  
245 condominiums through a single or master meter, including service for common  
246 areas and facilities and vacant units, under a nonresidential utility service rate  
247 classification may, between the first day of the first month and the fifteenth day  
248 of the fourth month following the year of purchase, apply for credit or refund to  
249 the director of revenue and the director shall give credit or make refund for taxes  
250 paid on the domestic use portion of the purchase. The person making such  
251 purchases on behalf of occupants of residential apartments or condominiums shall  
252 have standing to apply to the director of revenue for such credit or refund;

253 (25) All sales of handcraft items made by the seller or the seller's spouse  
254 if the seller or the seller's spouse is at least sixty-five years of age, and if the total  
255 gross proceeds from such sales do not constitute a majority of the annual gross  
256 income of the seller;

257 (26) Excise taxes, collected on sales at retail, imposed by Sections 4041,  
258 4061, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United  
259 States Code. The director of revenue shall promulgate rules pursuant to chapter  
260 536 to eliminate all state and local sales taxes on such excise taxes;

261 (27) Sales of fuel consumed or used in the operation of ships, barges, or

262 waterborne vessels which are used primarily in or for the transportation of  
263 property or cargo, or the conveyance of persons for hire, on navigable rivers  
264 bordering on or located in part in this state, if such fuel is delivered by the seller  
265 to the purchaser's barge, ship, or waterborne vessel while it is afloat upon such  
266 river;

267 (28) All sales made to an interstate compact agency created pursuant to  
268 sections 70.370 to 70.441 or sections 238.010 to 238.100 in the exercise of the  
269 functions and activities of such agency as provided pursuant to the compact;

270 (29) Computers, computer software and computer security systems  
271 purchased for use by architectural or engineering firms headquartered in this  
272 state. For the purposes of this subdivision, "headquartered in this state" means  
273 the office for the administrative management of at least four integrated facilities  
274 operated by the taxpayer is located in the state of Missouri;

275 (30) All livestock sales when either the seller is engaged in the growing,  
276 producing or feeding of such livestock, or the seller is engaged in the business of  
277 buying and selling, bartering or leasing of such livestock;

278 (31) All sales of barges which are to be used primarily in the  
279 transportation of property or cargo on interstate waterways;

280 (32) Electrical energy or gas, whether natural, artificial or propane, water,  
281 or other utilities which are ultimately consumed in connection with the  
282 manufacturing of cellular glass products or in any material recovery processing  
283 plant as defined in subdivision (5) of this subsection;

284 (33) Notwithstanding other provisions of law to the contrary, all sales of  
285 pesticides or herbicides used in the production of crops, aquaculture, livestock or  
286 poultry;

287 (34) Tangible personal property and utilities purchased for use or  
288 consumption directly or exclusively in the research and development of  
289 agricultural/biotechnology and plant genomics products and prescription  
290 pharmaceuticals consumed by humans or animals;

291 (35) All sales of grain bins for storage of grain for resale;

292 (36) All sales of feed which are developed for and used in the feeding of  
293 pets owned by a commercial breeder when such sales are made to a commercial  
294 breeder, as defined in section 273.325, and licensed pursuant to sections 273.325  
295 to 273.357;

296 (37) All purchases by a contractor on behalf of an entity located in another  
297 state, provided that the entity is authorized to issue a certificate of exemption for

298 purchases to a contractor under the provisions of that state's laws. For purposes  
299 of this subdivision, the term "certificate of exemption" shall mean any document  
300 evidencing that the entity is exempt from sales and use taxes on purchases  
301 pursuant to the laws of the state in which the entity is located. Any contractor  
302 making purchases on behalf of such entity shall maintain a copy of the entity's  
303 exemption certificate as evidence of the exemption. If the exemption certificate  
304 issued by the exempt entity to the contractor is later determined by the director  
305 of revenue to be invalid for any reason and the contractor has accepted the  
306 certificate in good faith, neither the contractor or the exempt entity shall be liable  
307 for the payment of any taxes, interest and penalty due as the result of use of the  
308 invalid exemption certificate. Materials shall be exempt from all state and local  
309 sales and use taxes when purchased by a contractor for the purpose of fabricating  
310 tangible personal property which is used in fulfilling a contract for the purpose  
311 of constructing, repairing or remodeling facilities for the following:

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

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

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

322 (39) Sales of tickets to any collegiate athletic championship event that is  
323 held in a facility owned or operated by a governmental authority or commission,  
324 a quasi-governmental agency, a state university or college or by the state or any  
325 political subdivision thereof, including a municipality, and that is played on a  
326 neutral site and may reasonably be played at a site located outside the state of  
327 Missouri. For purposes of this subdivision, "neutral site" means any site that is  
328 not located on the campus of a conference member institution participating in the  
329 event;

330 (40) All purchases by a sports complex authority created under section  
331 64.920, and all sales of utilities by such authority at the authority's cost that are  
332 consumed in connection with the operation of a sports complex leased to a  
333 professional sports team;

334 (41) Beginning January 1, 2009, but not after January 1, 2015, materials,  
335 replacement parts, and equipment purchased for use directly upon, and for the  
336 modification, replacement, repair, and maintenance of aircraft, aircraft power  
337 plants, and aircraft accessories;

338 (42) Sales of sporting clays, wobble, skeet, and trap targets to any  
339 shooting range or similar places of business for use in the normal course of  
340 business and money received by a shooting range or similar places of business  
341 from patrons and held by a shooting range or similar place of business for  
342 redistribution to patrons at the conclusion of a shooting event.

343 3. Any ruling, agreement, or contract, whether written or oral, express or  
344 implied, between a person and this state's executive branch, or any other state  
345 agency or department, stating, agreeing, or ruling that such person is not  
346 required to collect sales and use tax in this state despite the presence of a  
347 warehouse, distribution center, or fulfillment center in this state that is owned  
348 or operated by the person or an affiliated person shall be null and void unless it  
349 is specifically approved by a majority vote of each of the houses of the general  
350 assembly. For purposes of this subsection, an "affiliated person" means any  
351 person that is a member of the same controlled group of corporations as defined  
352 in Section 1563(a) of the Internal Revenue Code of 1986, as amended, as the  
353 vendor or any other entity that, notwithstanding its form of organization, bears  
354 the same ownership relationship to the vendor as a corporation that is a member  
355 of the same controlled group of corporations as defined in Section 1563(a) of the  
356 Internal Revenue Code, as amended.

357 **4. There shall be no tax under the local sales tax law as defined**  
358 **in section 32.085, section 238.235, and sections 144.010 to 144.525 and**  
359 **144.600 to 144.745 on the titling of motor vehicles with a model year of**  
360 **at least ten years prior to the year in which the motor vehicle is being**  
361 **titled. The exemption authorized under this subsection shall not apply**  
362 **to the titling of motor vehicles with a sale price over fifteen thousand**  
363 **dollars.**

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

2 (1) "Sale of a modular unit", a transfer of a modular unit as defined in  
3 section 700.010;

4 (2) "Sale of a new manufactured home", a transfer of a manufactured  
5 home, as defined in section 700.010, which involves the delivery of the document  
6 known as the manufacturer's statement of origin to a person other than a

7 manufactured home dealer, as dealer is defined in section 700.010, for purposes  
8 of allowing such person to obtain a title to the manufactured home from the  
9 department of revenue of this state or the appropriate agency or officer of any  
10 other state;

11 **(3) "Sale of a used manufactured home", any subsequent sale of**  
12 **a manufactured home as defined in section 700.010, which does not**  
13 **qualify as "new" as defined in subdivision (9) of section 700.010.**

14 2. In the event of the sale of a new manufactured home, forty percent of  
15 the purchase price, as defined in section 700.320, shall be considered the sale of  
16 a service and not the sale of tangible personal property. In addition to the  
17 exemptions granted under the provisions of section 144.030, the sale of services  
18 as defined in this section shall be specifically exempted from the provisions of  
19 sections 238.235 and 238.410, the local sales tax law as defined in section 32.085,  
20 sections 144.010 to 144.525 and 144.600 to [144.745] **144.761**, and from the  
21 computation of the tax levied, assessed or payable under sections 238.235 and  
22 238.410, the local sales tax law as defined in section 32.085, sections 144.010 to  
23 144.525 and 144.600 to [144.745] **144.761**, and section 238.235.

24 3. In the event of the sale of a new modular unit, forty percent of the  
25 retail sale of the unit or forty percent of the manufacturer's sales price of the unit  
26 if the manufacturer makes a sale to a consumer that is not a retail sale, plus any  
27 carrier charge and freight charges shall be considered the sale of a service and  
28 sixty percent shall be the retail sale of tangible personal property. In addition  
29 to the exemptions granted under the provisions of section 144.030, the sale of  
30 services as defined in this section shall be specifically exempted from the  
31 provisions of sections 238.235 and 238.410, the local sales tax law as defined in  
32 section 32.085, sections 144.010 to 144.525 and 144.600 to [144.745] **144.761**, and  
33 from the computation of the tax levied, assessed, or payable under sections  
34 238.235 and 238.410, the local sales tax law as defined in section 32.085, sections  
35 144.010 to 144.525 and 144.600 to [144.745] **144.761**, and section 238.235.

36 **4. In addition to the exemptions granted under the provisions of**  
37 **section 144.030, the sale of a used manufactured home as defined in this**  
38 **section shall be specifically exempted from the provisions of sections**  
39 **238.235 and 238.410, the local sales tax law as defined in section 32.085,**  
40 **sections 144.010 to 144.525 and 144.600 to 144.761, and from the**  
41 **computation of the tax levied, assessed, or payable under sections**  
42 **238.235 and 238.410, the local sales tax law as defined in section 32.085,**

43 **sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235.**

144.610. 1. A tax is imposed for the privilege of storing, using or  
2 consuming within this state any article of tangible personal property, excluding  
3 motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats, and outboard  
4 motors required to be titled under the laws of the state of Missouri and subject  
5 to tax under subdivision (9) of subsection 1 of section 144.020, purchased on or  
6 after the effective date of sections 144.600 to 144.745 in an amount equivalent to  
7 the percentage imposed on the sales price in the sales tax law in section  
8 144.020. This tax does not apply with respect to the storage, use or consumption  
9 of any article of tangible personal property purchased, produced or manufactured  
10 outside this state until the transportation of the article has finally come to rest  
11 within this state or until the article has become commingled with the general  
12 mass of property of this state.

13 2. Every person storing, using or consuming in this state tangible  
14 personal property subject to the tax in subsection 1 of this section is liable for the  
15 tax imposed by this law, and the liability shall not be extinguished until the tax  
16 is paid to this state, but a receipt from a vendor authorized by the director of  
17 revenue under the rules and regulations that he prescribes to collect the tax,  
18 given to the purchaser in accordance with the provisions of section 144.650,  
19 relieves the purchaser from further liability for the tax to which receipt refers.

20 3. Because this section no longer imposes a Missouri use tax on the  
21 storage, use, or consumption of motor vehicles, trailers, motorcycles, mopeds,  
22 motortricycles, boats, and outboard motors required to be titled under the laws  
23 of the state of Missouri, in that the state sales tax is now imposed on the titling  
24 of such property, the local sales tax, rather than the local use tax, applies.

25 **4. The provisions of this section shall not apply to out-of-state**  
26 **businesses or out-of-state employees operating under sections 190.270**  
27 **to 190.285.**

144.1030. 1. **Notwithstanding sections 144.010, 144.018, and**  
2 **144.020 to the contrary, in the case of a multi-use arena that:**

3 **(1) Is publicly owned, but operated under a contract with a**  
4 **private company;**

5 **(2) Was originally funded in a public-private partnership that**  
6 **included private investment of at least forty million dollars; and**

7 **(3) Is located in a city with a population of more than three**  
8 **hundred thousand inhabitants which is located in more than one**

9 county;

10 "sales at retail" shall not include the amount paid that results in the  
11 first opportunity to purchase or decline tickets for admission to events  
12 at such arena, but does not itself result in admission.

190.270. Sections 190.270 to 190.285 shall be known and may be  
2 cited as the "Facilitating Business Rapid Response to State Declared  
3 Disasters Act".

190.275. As used in sections 190.270 to 190.285, unless the context  
2 clearly indicates otherwise, the following terms mean:

3 (1) "Declared state disaster" or "emergency", a disaster or  
4 emergency event for which a governor's state of emergency  
5 proclamation has been issued or that the President of the United States  
6 has declared to be a major disaster or emergency;

7 (2) "Disaster period", the period of time that begins ten days  
8 before the governor's proclamation of a state of emergency or the  
9 declaration by the President of the United States of a major disaster or  
10 emergency, whichever occurs first, and extending for a period of sixty  
11 calendar days following the end of the period specified in the  
12 proclamation or declaration or sixty calendar days from the  
13 proclamation or declaration if no end is provided. The governor may  
14 extend the disaster period as warranted.

15 (3) "Infrastructure", property and equipment owned or used by  
16 a public utility, communications network, broadband and internet  
17 service provider, cable and video service provider, gas distribution  
18 system, or water pipeline that provides service to more than one  
19 customer or person, including related support facilities. Infrastructure  
20 includes real and personal property such as buildings, offices, power  
21 lines, cable lines, poles, communication lines, pipes, structures, and  
22 equipment;

23 (4) "Out-of-state business", a business entity:

24 (a) That does not have a presence in the state;

25 (b) That does not conduct business in the state;

26 (c) That has no registrations, tax filings, or nexus in the state  
27 before the declared disaster or emergency; and

28 (d) Whose assistance in repairing, renovating, installing, or  
29 building infrastructure related to a declared state disaster or  
30 emergency is requested by the state, a county, city, town, or other

31 political subdivision of the state or a registered business that owns or  
32 uses infrastructure as defined in this section.

33 Out-of-state business includes a business entity that is affiliated with  
34 a registered business solely through common ownership as long as that  
35 business entity does not have any registrations, tax filings, or nexus in  
36 the state before the declared state disaster or emergency.

37 For purposes of this section, a prior registration as an out-of-state  
38 business for a declared disaster or emergency shall not be considered  
39 a registration in this state;

40 (5) "Out-of-state employee", an individual who does not work in  
41 the state except for disaster or emergency related work during a  
42 disaster period;

43 (6) "Registered business", a business entity that is registered or  
44 licensed to do business in the state before the declared state disaster  
45 or emergency.

190.280. 1. An out-of-state business that conducts operations  
2 within the state for purposes of assisting in repairing, renovating,  
3 installing, or building infrastructure related to a declared state  
4 disaster or emergency during the disaster period shall not be  
5 considered to have established a level of presence that would subject  
6 the business or any of its out-of-state employees to any of the following  
7 state or local employment, licensing, or registration requirements:

8 (1) Except as set forth in section 190.285, registration with the  
9 secretary of state;

10 (2) Withholding or income tax registration, filing, or remitting  
11 requirements; and

12 (3) Use tax on equipment used or consumed during the disaster  
13 period if such equipment does not remain in the state after the disaster  
14 period.

15 2. An out-of-state employee shall not be considered to have  
16 established residency or a presence in the state that would require that  
17 person or that person's employer to file and pay income taxes, to be  
18 subjected to tax withholdings, or to file and pay any other state or local  
19 income or withholding tax or fee for work repairing, renovating,  
20 installing, or building infrastructure during the disaster period.

21 3. After the conclusion of a disaster period, an out-of-state  
22 business or out-of-state employee that remains in the state is fully



23 subject to the state or local employment, licensing, or registration  
24 requirements listed in this section or that were otherwise suspended  
25 under sections 190.270 through 190.285 during the disaster period.

190.285. 1. An out-of-state business shall provide notification to  
2 the secretary of state within ten days after entry to the state during a  
3 disaster period that the out-of-state business is in the state for  
4 purposes of responding to the declared state disaster or  
5 emergency. The out-of-state business shall provide to the secretary of  
6 state information related to the out-of-state business including, but not  
7 limited to, the following:

8 (1) Name;  
9 (2) State of domicile;  
10 (3) Principal business address;  
11 (4) Federal employer identification number;  
12 (5) The date when the out-of-state business entered the state; and  
13 (6) Contact information while the out-of-state business is in this  
14 state.

15 2. A registered business shall provide the notification required  
16 in subsection 1 of this section for an affiliate of the registered business  
17 that enters the state as an out-of-state business. The notification under  
18 this subsection also must include contact information for the registered  
19 business in the state.

20 3. An out-of-state business that remains in the state after a  
21 disaster period shall notify the secretary of state within ten days after  
22 the end of the disaster period and shall meet all registration, licensing,  
23 and filing requirements resulting from any business presence or  
24 activity in the state.

25 4. The secretary of state shall provide information received from  
26 out-of-state businesses or registered businesses under this section to  
27 the department of revenue within thirty days after receipt of  
28 notification.

190.286. The provisions of sections 190.270 to 190.285 shall not  
2 grant exemptions authorized by such sections to any out-of-state  
3 business performing work pursuant to a request for bid or request for  
4 proposal by a state agency or political subdivision.

285.230. 1. As used in this section, "transient employer" means an  
2 employer as defined in sections 143.191, 287.030, and 288.032 making payment

3 of wages taxable under chapters 143, 287, and 288 who is not domiciled in this  
4 state and who temporarily transacts any business within the state, but shall not  
5 include any employer who is not subject to Missouri income tax because of the  
6 provisions of 15 U.S.C. 381. The transaction of business shall be considered  
7 temporary at any time it cannot be reasonably expected to continue for a period  
8 of twenty-four consecutive months. Professional athletic teams and professional  
9 entertainers domiciled in a state other than Missouri shall be deemed a  
10 "transient employer" for the purposes of this section, unless the person or entity  
11 who pays compensation to the nonresident entertainer has fully complied with the  
12 provisions of section 143.183 in which case the nonresident entertainer shall not  
13 be considered a transient employer.

14 2. Employers meeting the following criteria shall not be required to file  
15 a financial assurance instrument as required by this section:

16 (1) The principal place of business of the employer must be in a county of  
17 another state which is contiguous to the state of Missouri; and

18 (2) The employer must have been under contract to perform work in  
19 Missouri for at least sixty days cumulatively out of twelve months during each of  
20 the two calendar years immediately preceding the employer's initial application  
21 for exemption from the provisions of this section; and

22 (3) The employer must have in his possession a tax clearance from the  
23 department of revenue and the division of employment security stating that the  
24 employer has faithfully complied with the tax laws of this state during the period  
25 set out in subdivision (2) of this subsection.

26 Within ninety days of August 13, 1988, such employers must obtain initial tax  
27 clearances in accordance with subdivision (3) of this subsection. Any tax  
28 clearance issued under the provisions of this section by the division of  
29 employment security shall be submitted to the department of revenue. On or  
30 before January thirty-first of each year, except January thirty-first following the  
31 year during which the employer first meets these criteria, the employer shall  
32 submit application to the department of revenue and division of employment  
33 security for a renewed tax clearance. Failure to submit such renewal applications  
34 or failure to comply with applicable Missouri taxing and employment security  
35 laws during the period between annual renewal dates or removal of the  
36 employer's principal place of business from a county in another state which is  
37 contiguous to Missouri to a state other than Missouri shall immediately subject  
38 the employer to all provisions of this section. An employer meeting the

39 requirements of this subsection shall still be subject to the provisions of  
40 subsection 5 of this section.

41         3. Every transient employer shall file with the director of revenue a  
42 financial assurance instrument including, but not limited to, a cash bond, a  
43 surety bond, or an irrevocable letter of credit as defined in section 400.5-103  
44 issued by any state or federal financial institution. The financial assurance  
45 instrument shall be in an amount not less than the average estimated quarterly  
46 withholding tax liability of the applicant, but in no case less than five thousand  
47 dollars nor more than twenty-five thousand dollars. Any corporate surety shall  
48 be licensed to do such business in this state and approved by the director of  
49 revenue to act as a surety. The transient employer shall be the principal obligor  
50 and the state of Missouri shall be the obligee. The financial assurance  
51 instrument shall be conditioned upon the prompt filing of true reports and the  
52 payment by such employer to the director of revenue of any and all withholding  
53 taxes which are now or which hereafter may be levied or imposed by the state of  
54 Missouri, upon the employer, together with any and all penalties and interest  
55 thereon, and generally upon the faithful compliance with the provisions of  
56 chapters 143, 287, and 288.

57         4. Any transient employer who is already otherwise required to file a  
58 financial assurance instrument as a condition of any contract, provided said  
59 financial assurance instrument guarantees payment of all applicable state taxes  
60 and all withholding taxes levied or imposed by the state and provided that such  
61 financial assurance instrument is delivered by certified mail to the department  
62 of revenue by the applicable awarding entity at least fourteen days before the  
63 execution of the contract for the performance of work, may use the same financial  
64 assurance instrument to comply with the provisions of this section. Before such  
65 financial assurance instrument is approved by the awarding entity, the director  
66 of revenue shall be satisfied that such financial assurance instrument is sufficient  
67 to cover all taxes imposed by this state and the director shall so notify the  
68 awarding entity of the decision within the fourteen days prior to the execution of  
69 the contract. Failure to do so by the director shall waive any right to disapprove  
70 such financial assurance instrument. Before a financial assurance instrument is  
71 released by the entity awarding the contract, a tax clearance shall be obtained  
72 from the director of revenue that such transient employer has faithfully complied  
73 with all the tax laws of this state.

74         5. Every transient employer shall certify to the director of revenue that

75 such employer has sufficient workers' compensation insurance either through a  
76 self-insurance program or a policy of workers' compensation insurance issued by  
77 an approved workers' compensation carrier. The self-insurance program shall be  
78 approved by the division of workers' compensation pursuant to section  
79 287.280. The insurance policy shall be in a contract form approved by the  
80 department of insurance, financial institutions and professional registration.

81           6. In the event that liability upon the financial assurance instrument thus  
82 filed by the transient employer shall be discharged or reduced, whether by  
83 judgment rendered, payment made or otherwise, or if in the opinion of the  
84 director of revenue any surety on a bond theretofore given or financial institution  
85 shall have become unsatisfactory or unacceptable, then the director of revenue  
86 may require the employer to file a new financial assurance instrument in the  
87 same form and amount. If such new financial assurance instrument shall be  
88 furnished by such employer as above provided, the director of revenue shall upon  
89 satisfaction of any liability that has accrued, release the surety on the old bond  
90 or financial institution issuing the irrevocable letter of credit.

91           7. Any surety on any bond or financial institution issuing an irrevocable  
92 letter of credit furnished by any transient employer as provided in this section  
93 shall be released and discharged from any and all liability to the state of Missouri  
94 accruing on such bond or irrevocable letter of credit after the expiration of sixty  
95 days from the date upon which such surety or financial institution shall have  
96 lodged with the director of revenue a written request to be released and  
97 discharged; but the request shall not operate to relieve, release or discharge such  
98 surety or financial institution from any liability already accrued or which shall  
99 accrue during and before the expiration of said sixty-day period. The director of  
100 revenue shall promptly on receipt of notice of such request notify the employer  
101 who furnished such bond or irrevocable letter of credit and such employer shall  
102 on or before the expiration of such sixty-day period file with the director of  
103 revenue a new financial assurance instrument satisfactory to the director of  
104 revenue in the amount and form provided in this section.

105           8. Notwithstanding the limitation as to the amount of any financial  
106 assurance instrument fixed by this section, if a transient employer becomes  
107 delinquent in the payment of any tax or tenders a check in payment of tax which  
108 check is returned unpaid because of insufficient funds, the director may demand  
109 an additional instrument of such employer in an amount necessary, in the  
110 judgment of the director, to protect the revenue of the state. The penal sum of

111 the additional instrument and the instrument furnished under the provisions of  
112 the law requiring such instrument may not exceed two quarters' estimated tax  
113 liability.

114 9. For any period when a transient employer fails to meet the  
115 requirements of this section, there shall be added to any deficiency assessed  
116 against a transient employer, in addition to any other addition, interest, and  
117 penalties, an amount equal to twenty-five percent of the deficiency.

118 10. A taxpayer commits the crime of failure to file a financial assurance  
119 instrument if he knowingly fails to comply with the provisions of this section.

120 11. Failure to file a financial assurance instrument is a class A  
121 misdemeanor. Pursuant to section 560.021, a corporation found guilty of failing  
122 to file a financial assurance instrument may be fined up to five thousand dollars  
123 or any higher amount not exceeding twice the amount the employer profited from  
124 the commission of the offense.

125 12. Failing to register with the department of revenue and execute the  
126 financial assurance instrument herein provided, prior to beginning the  
127 performance of any contract, shall prohibit the employer from performing on such  
128 contract until he complies with such requirements.

129 13. Each employer shall keep full and accurate records clearly indicating  
130 the names, occupations, and crafts, if applicable, of every person employed by him  
131 together with an accurate record of the number of hours worked by each employee  
132 and the actual wages paid. The payroll records required to be so kept shall be  
133 open to inspection by any authorized representative of the department of revenue  
134 at any reasonable time and as often as may be necessary and such records shall  
135 not be destroyed or removed from the state for a period of one year following the  
136 completion of the contract in connection with which the records are made.

137 14. The entering into of any contract for the performance of work in the  
138 state of Missouri by any such employer shall be deemed to constitute an  
139 appointment of the secretary of state as registered agent of such employer for  
140 purposes of accepting service of any process, or of any notice or demand required  
141 or permitted by law. The service of any such process, notice or demand, when  
142 served on the secretary of state shall have the same legal force and validity as if  
143 served upon the employer personally within the state.

144 15. In addition, any employer who fails to file a financial assurance  
145 instrument as required by this section shall be prohibited from contracting for or  
146 performing labor on any public works project in this state for a period of one year.

147           16. Whenever a transient employer ceases to engage in activity within the  
148 state it shall be the duty of such transient employer to notify the director of  
149 revenue in writing at least ten days prior to the time the discontinuance takes  
150 effect.

151           **17. The provisions of this section shall not apply to out-of-state**  
152 **businesses operating under sections 190.270 to 190.285.**

          285.232. 1. Subject to the provisions of section 285.230, any county, city,  
2 town, village or any other political subdivision which requires a building permit  
3 for a person to perform certain construction projects shall require a transient  
4 employer to show proof that the employer has been issued a tax clearance and has  
5 filed a financial assurance instrument as required by section 285.230 before such  
6 entity issues a building permit to the transient employer. If any transient  
7 employer obtains a building permit without providing such proof, provides a  
8 fraudulently obtained tax clearance or a fraudulent financial assurance  
9 instrument or through any misrepresentation or any other fraudulent act or in  
10 any way violates the provisions of sections 285.230 to 285.234, the Missouri  
11 department of revenue shall request a temporary restraining order or seek  
12 injunctive relief to immediately prohibit further performance of work by the  
13 transient employer on such contract or project. The court may direct that any  
14 payments due such transient employer be equitably distributed in satisfaction of  
15 the transient employer's obligations pursuant to sections 285.230 to  
16 285.234. Upon issuance of such order by a court of competent jurisdiction, the  
17 person for whom the work is being performed may engage another contractor as  
18 provided by law or any provision of contract and the person shall not be deemed  
19 to be in violation of the contract with such transient employer removed by the  
20 court. Nothing in this section shall be construed to create or constitute a liability  
21 to or a cause of action against a city or county in regard to the issuance of any  
22 license pursuant to this section.

23           2. Any contractor for private or public construction work in this state  
24 which contracts with or otherwise engages a subcontractor, which is deemed a  
25 transient employer as defined in section 285.230, to perform any portion of such  
26 work, shall require such subcontractor to show proof of having filed a financial  
27 assurance instrument with the director of revenue as required by section 285.230  
28 and to show proof that the subcontractor holds a current valid certificate of  
29 insurance for workers' compensation coverage in this state, prior to the  
30 subcontractor performing any work on the project. If the subcontractor is self-

31 insured for purposes of workers' compensation, the contractor shall require proof  
32 that such self-insurance by the subcontractor has been approved by the division  
33 of workers' compensation. The contractor shall not allow the subcontractor to  
34 perform on such contract until proof of compliance as required by this section has  
35 been provided to the contractor. If a subcontractor which is deemed to be a  
36 transient employer has previously submitted proof of compliance as required by  
37 this section to a state agency or political subdivision for which the contract is  
38 being performed as a condition of being qualified to perform work for such agency  
39 or political subdivision, the general contractor shall not be required to obtain the  
40 proofs required by this section. If at any time prior to final payment to a  
41 subcontractor for work performed on a project, a contractor is notified in writing  
42 by the director of revenue or the director of the division of workers' compensation  
43 that a subcontractor is in violation of sections 285.230 to 285.234, the contractor  
44 shall withhold all or part of any payment to the subcontractor under the contract  
45 for payment in satisfaction of the subcontractor's obligations as a transient  
46 employer if so directed by the director of revenue or the director of the division  
47 of workers' compensation. Any contractor withholding payment and paying such  
48 funds in satisfaction of the subcontractor's obligations as a transient employer if  
49 so directed by the director of revenue or the director of the division of workers'  
50 compensation. Any contractor withholding payment and paying such funds in  
51 satisfaction of the subcontractor's obligations as a transient employer shall be  
52 deemed in compliance with the contract with the subcontractor to the extent of  
53 the amount paid to fulfill such obligation and with the laws of this state  
54 regarding timely payment under construction contracts and shall not be subject  
55 to any civil or criminal penalty for withholding such payment.

56 3. Notwithstanding the provision of section 32.057, the Missouri  
57 department of revenue shall at least quarterly submit for publication in the  
58 Missouri Register a list of construction contractors performing work on  
59 construction projects in Missouri who are known by the department to be deemed  
60 transient employers pursuant to section 285.230. The department shall also  
61 update such list monthly and make such list available upon request without cost  
62 to any person.

63 **4. The provisions of this section shall not apply to out-of-state**  
64 **businesses operating under sections 190.270 to 190.285.**

285.233. 1. Any transient employer, as defined in this chapter, failing to  
2 conclusively show at any time that he has complied with the provisions of section

3 285.230, relating to the filing of a financial assurance instrument, shall, before  
4 beginning performance on any contract made with a political subdivision, deposit  
5 with that political subdivision an amount equal to twenty percent of labor costs  
6 as specified in such contract which will be held in escrow by the political  
7 subdivision and payable only to the department of revenue, the division of  
8 employment security or the division of workers' compensation after the actual  
9 amount of tax liability is determined. In the event that labor costs are not  
10 separately stated in the contract, the amount to be held in escrow shall be ten  
11 percent of the contract amount. Any amount remaining in the escrow fund after  
12 payments are made shall be refunded to the contractor. Failure of a political  
13 subdivision to properly escrow funds required under this section will make it  
14 ineligible to receive state funds for public works projects for a period of one year  
15 from the date the infraction is discovered.

16         2. Any transient employer failing to conclusively show at any time that  
17 he has complied with the provisions of section 285.230, relating to the filing of a  
18 financial assurance instrument, shall, before beginning performance on any  
19 contract made with a private entity deposit with that private entity an amount  
20 equal to twenty percent of labor costs as specified in such contract which will be  
21 held in escrow by the private entity and payable only to the department of  
22 revenue, the division of employment security or the division of workers'  
23 compensation after the actual amount of tax liability is determined. In the event  
24 that labor costs are not separately stated in the contract, the amount to be held  
25 in escrow shall be ten percent of the contract amount. Any amount remaining in  
26 the escrow fund after payments are made shall be refunded to the  
27 contractor. Failure of a private entity to properly escrow funds required under  
28 this section shall make such entity liable for the full amount of the state  
29 withholding, workers' compensation, and employment security tax liability  
30 resulting from the transient employers' contract with that private entity.

31         3. In addition to any other penalty, interest, or remedy imposed by this  
32 section, any transient employer that fails to post a financial assurance  
33 instrument or escrow funds as provided for in this section shall be subject to a  
34 writ of attachment as provided for in chapter 521 or any other injunctive relief  
35 provided for by law.

36         **4. The provisions of this section shall not apply to out-of-state**  
37 **businesses or out-of-state employees operating under sections 190.270**  
38 **to 190.285.**



285.234. 1. Every transient employer, as defined in section 285.230 shall  
2 post in a prominent and easily accessible place at the work site a clearly legible  
3 copy of the following:

4 (1) The notice of registration for employer withholding issued to such  
5 transient employer by the director of revenue;

6 (2) Proof of coverage for workers' compensation insurance or self-  
7 insurance signed by the transient employer and verified by the department of  
8 revenue through the records of the division of workers' compensation; and

9 (3) The notice of registration for unemployment insurance issued to such  
10 transient employer by the division of employment security.

11 2. Any transient employer failing to comply with the provisions of this  
12 section shall be liable for a penalty of five hundred dollars per day until the  
13 notices required by this section are posted as provided by this section.

14 **3. The provisions of this section shall not apply to out-of-state**  
15 **businesses operating under sections 190.270 to 190.285.**

✓

Bill

Copy