

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 905
95TH GENERAL ASSEMBLY

Reported from the Committee on Ways and Means, March 4, 2010, with recommendation that the Senate Committee Substitute do pass.

4461S.03C

TERRY L. SPIELER, Secretary.

AN ACT

To repeal sections 32.087, 67.576, 67.582, 67.584, 67.671, 67.678, 67.1303, 67.1545, 67.1959, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 144.010, 144.014, 144.030, 144.049, 144.100, 144.625, 144.655, 144.805, 221.407, 238.235, 238.410, and 644.032, RSMo, and to enact in lieu thereof thirty-one new sections relating to the implementation of the streamlined sales and use tax agreement.

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

Section A. Sections 32.087, 67.576, 67.582, 67.584, 67.671, 67.678, 67.1303, 67.1545, 67.1959, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 144.010, 144.014, 144.030, 144.049, 144.100, 144.625, 144.655, 144.805, 221.407, 238.235, 238.410, and 644.032, RSMo, are repealed and thirty-one new sections enacted in lieu thereof, to be known as sections 32.070, 32.087, 67.576, 67.582, 67.584, 67.671, 67.678, 67.1303, 67.1545, 67.1959, 67.2000, 67.2030, 67.2525, 67.2530, 94.578, 94.605, 94.660, 94.705, 144.010, 144.014, 144.030, 144.049, 144.100, 144.625, 144.655, 144.805, 221.407, 238.235, 238.410, and 644.032, to read as follows:

32.070. The department of revenue shall promulgate rules necessary to implement the provisions of the streamlined sales and use tax agreement. Any rule or portion of a rule, as that term is defined in section 536.010 that is created under the authority delegated in this section shall become effective only if it complies with and is subject to all of the provisions of chapter 536, and, if applicable, section 536.028. This section and chapter 536 are nonseverable and if any of

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

8 **the powers vested with the general assembly pursuant to chapter 536,**
9 **to review, to delay the effective date, or to disapprove and annul a rule**
10 **are subsequently held unconstitutional, then the grant of rulemaking**
11 **authority and any rule proposed or adopted after August 28, 2010, shall**
12 **be invalid and void.**

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

7 2. Any local sales tax so adopted shall become effective on the first day
8 of the second calendar quarter after the director of revenue receives notice of
9 adoption of the local sales tax, except as provided in subsection 18 of this section.

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

18 4. The brackets required to be established by the director of revenue
19 under the provisions of section 144.285, RSMo, shall be based upon the sum of
20 the combined rate of the state sales tax and all local sales taxes imposed under
21 the provisions of the local sales tax law.

22 5. The ordinance or order imposing a local sales tax under the local sales
23 tax law shall impose upon all sellers a tax for the privilege of engaging in the
24 business of selling tangible personal property or rendering taxable services at
25 retail to the extent and in the manner provided in sections 144.010 to 144.525,
26 RSMo, and the rules and regulations of the director of revenue issued pursuant
27 thereto; except that the rate of the tax shall be the sum of the combined rate of
28 the state sales tax or state highway use tax and all local sales taxes imposed
29 under the provisions of the local sales tax law.

30 6. On and after the effective date of any local sales tax imposed under the
31 provisions of the local sales tax law, the director of revenue shall perform all

32 functions incident to the administration, collection, enforcement, and operation
33 of the tax, and the director of revenue shall collect in addition to the sales tax for
34 the state of Missouri all additional local sales taxes authorized under the
35 authority of the local sales tax law. All local sales taxes imposed under the local
36 sales tax law together with all taxes imposed under the sales tax law of the state
37 of Missouri shall be collected together and reported upon such forms and under
38 such administrative rules and regulations as may be prescribed by the director
39 of revenue.

40 7. All applicable provisions contained in sections 144.010 to 144.525,
41 RSMo, governing the state sales tax and section 32.057, the uniform
42 confidentiality provision, shall apply to the collection of any local sales tax
43 imposed under the local sales tax law except as modified by the local sales tax
44 law.

45 8. All exemptions granted to agencies of government, organizations,
46 persons and to the sale of certain articles and items of tangible personal property
47 and taxable services under the provisions of sections 144.010 to 144.525, RSMo,
48 as these sections now read and as they may hereafter be amended, it being the
49 intent of this general assembly to ensure that the same sales tax exemptions
50 granted from the state sales tax law also be granted under the local sales tax law,
51 are hereby made applicable to the imposition and collection of all local sales taxes
52 imposed under the local sales tax law.

53 9. The same sales tax permit, exemption certificate and retail certificate
54 required by sections 144.010 to 144.525, RSMo, for the administration and
55 collection of the state sales tax shall satisfy the requirements of the local sales
56 tax law, and no additional permit or exemption certificate or retail certificate
57 shall be required; except that the director of revenue may prescribe a form of
58 exemption certificate for an exemption from any local sales tax imposed by the
59 local sales tax law.

60 10. All discounts allowed the retailer under the provisions of the state
61 sales tax law for the collection of and for payment of taxes under the provisions
62 of the state sales tax law are hereby allowed and made applicable to any local
63 sales tax collected under the provisions of the local sales tax law.

64 11. The penalties provided in section 32.057 and sections 144.010 to
65 144.525, RSMo, for a violation of the provisions of those sections are hereby made
66 applicable to violations of the provisions of the local sales tax law.

67 12. (1) For the purposes of any local sales tax imposed by an ordinance

68 or order under the local sales tax law, all sales, except the sale of motor vehicles,
69 trailers, boats, and outboard motors, shall be deemed to be consummated at the
70 place [of business of the retailer unless the tangible personal property sold is
71 delivered by the retailer or his agent to an out-of-state destination. In the event
72 a retailer has more than one place of business in this state which participates in
73 the sale, the sale shall be deemed to be consummated at the place of business of
74 the retailer where the initial order for the tangible personal property is taken,
75 even though the order must be forwarded elsewhere for acceptance, approval of
76 credit, shipment or billing. A sale by a retailer's agent or employee shall be
77 deemed to be consummated at the place of business from which he works] **where**
78 **the tangible personal property is received by the purchaser.**

79 (2) For the purposes of any local sales tax imposed by an ordinance or
80 order under the local sales tax law, all sales of motor vehicles, trailers, boats, and
81 outboard motors shall be deemed to be consummated at the residence of the
82 purchaser and not at the place of business of the retailer, or the place of business
83 from which the retailer's agent or employee works.

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

89 13. Local sales taxes imposed pursuant to the local sales tax law on the
90 purchase and sale of motor vehicles, trailers, boats, and outboard motors shall not
91 be collected and remitted by the seller, but shall be collected by the director of
92 revenue at the time application is made for a certificate of title, if the address of
93 the applicant is within a taxing entity imposing a local sales tax under the local
94 sales tax law.

95 14. The director of revenue and any of his deputies, assistants and
96 employees who have any duties or responsibilities in connection with the
97 collection, deposit, transfer, transmittal, disbursement, safekeeping, accounting,
98 or recording of funds which come into the hands of the director of revenue under
99 the provisions of the local sales tax law shall enter a surety bond or bonds
100 payable to any and all taxing entities in whose behalf such funds have been
101 collected under the local sales tax law in the amount of one hundred thousand
102 dollars for each such tax; but the director of revenue may enter into a blanket
103 bond covering himself and all such deputies, assistants and employees. The cost

104 of any premium for such bonds shall be paid by the director of revenue from the
105 share of the collections under the sales tax law retained by the director of
106 revenue for the benefit of the state.

107 15. The director of revenue shall annually report on his management of
108 each trust fund which is created under the local sales tax law and administration
109 of each local sales tax imposed under the local sales tax law. He shall provide
110 each taxing entity imposing one or more local sales taxes authorized by the local
111 sales tax law with a detailed accounting of the source of all funds received by him
112 for the taxing entity. Notwithstanding any other provisions of law, the state
113 auditor shall annually audit each trust fund. A copy of the director's report and
114 annual audit shall be forwarded to each taxing entity imposing one or more local
115 sales taxes.

116 16. Within the boundaries of any taxing entity where one or more local
117 sales taxes have been imposed, if any person is delinquent in the payment of the
118 amount required to be paid by him under the local sales tax law or in the event
119 a determination has been made against him for taxes and penalty under the local
120 sales tax law, the limitation for bringing suit for the collection of the delinquent
121 tax and penalty shall be the same as that provided in sections 144.010 to 144.525,
122 RSMo. Where the director of revenue has determined that suit must be filed
123 against any person for the collection of delinquent taxes due the state under the
124 state sales tax law, and where such person is also delinquent in payment of taxes
125 under the local sales tax law, the director of revenue shall notify the taxing entity
126 in the event any person fails or refuses to pay the amount of any local sales tax
127 due so that appropriate action may be taken by the taxing entity.

128 17. Where property is seized by the director of revenue under the
129 provisions of any law authorizing seizure of the property of a taxpayer who is
130 delinquent in payment of the tax imposed by the state sales tax law, and where
131 such taxpayer is also delinquent in payment of any tax imposed by the local sales
132 tax law, the director of revenue shall permit the taxing entity to join in any sale
133 of property to pay the delinquent taxes and penalties due the state and to the
134 taxing entity under the local sales tax law. The proceeds from such sale shall
135 first be applied to all sums due the state, and the remainder, if any, shall be
136 applied to all sums due such taxing entity.

137 18. If a local sales tax has been in effect for at least one year under the
138 provisions of the local sales tax law and voters approve reimposition of the same
139 local sales tax at the same rate at an election as provided for in the local sales

140 tax law prior to the date such tax is due to expire, the tax so reimposed shall
141 become effective the first day of the first calendar quarter after the director
142 receives a certified copy of the ordinance, order or resolution accompanied by a
143 map clearly showing the boundaries thereof and the results of such election,
144 provided that such ordinance, order or resolution and all necessary accompanying
145 materials are received by the director at least thirty days prior to the expiration
146 of such tax. Any administrative cost or expense incurred by the state as a result
147 of the provisions of this subsection shall be paid by the city or county reimposing
148 such tax.

149 **19. If the boundaries of a city in which a sales tax has been**
150 **imposed shall thereafter be changed or altered, the city clerk shall**
151 **forward to the director of revenue by United States registered mail or**
152 **certified mail a certified copy of the ordinance adding or detaching**
153 **territory from the city within ten days of adoption of the**
154 **ordinance. The ordinance shall reflect the effective date of the**
155 **ordinance and shall be accompanied by a map of the city clearly**
156 **showing the territory added or detached from the city**
157 **boundaries. Upon receipt of the ordinance and map, the tax imposed**
158 **under the local sales tax law shall be effective in the added territory or**
159 **abolished in the detached territory on the first day of the second**
160 **calendar quarter after the director of revenue receives notice of the**
161 **boundary change.**

67.576. 1. The following provisions shall govern the collection of the tax
2 imposed by the provisions of sections 67.571 to 67.577:

3 (1) All applicable provisions contained in sections 144.010 to 144.510,
4 RSMo, governing the state sales tax and section 32.057, RSMo, the uniform
5 confidentiality provision, shall apply to the collection of the tax imposed by the
6 provisions of sections 67.571 to 67.577;

7 (2) All exemptions granted to agencies of government, organizations, and
8 persons under the provisions of sections 144.010 to 144.510, RSMo, are hereby
9 made applicable to the imposition and collection of the tax imposed by sections
10 67.571 to 67.577.

11 2. The same sales tax permit, exemption certificate and retail certificate
12 required by sections 144.010 to 144.510, RSMo, for the administration and
13 collection of the state sales tax shall satisfy the requirements of sections 67.571
14 to 67.577, and no additional permit or exemption certificate or retail certificate

15 shall be required; except that, the director of revenue may prescribe a form of
16 exemption certificate for an exemption from the tax imposed by sections 67.571
17 to 67.577.

18 3. All discounts allowed the retailer pursuant to the provisions of the
19 state sales tax law for the collection of and for payment of taxes pursuant to that
20 act are hereby allowed and made applicable to any taxes collected pursuant to the
21 provisions of sections 67.571 to 67.577.

22 4. The penalties provided in section 32.057, RSMo, and sections 144.010
23 to 144.510, RSMo, for a violation of those acts are hereby made applicable to
24 violations of the provisions of sections 67.571 to 67.577.

25 5. [For the purposes of the sales tax imposed by an order pursuant to
26 sections 67.571 to 67.577, all retail sales shall be deemed to be consummated at
27 the place of business of the retailer.] **Except as provided in sections 67.571**
28 **to 67.577, all provisions of sections 32.085 and 32.087 shall apply to the**
29 **tax imposed under section 67.571 to 67.577.**

67.582. 1. The governing body of any county, except a county of the first
2 class with a charter form of government with a population of greater than four
3 hundred thousand inhabitants, is hereby authorized to impose, by ordinance or
4 order, a sales tax in the amount of up to one-half of one percent on all retail sales
5 made in such county which are subject to taxation under the provisions of
6 sections 144.010 to 144.525, RSMo, for the purpose of providing law enforcement
7 services for such county. The tax authorized by this section shall be in addition
8 to any and all other sales taxes allowed by law, except that no ordinance or order
9 imposing a sales tax under the provisions of this section shall be effective unless
10 the governing body of the county submits to the voters of the county, at a county
11 or state general, primary or special election, a proposal to authorize the governing
12 body of the county to impose a tax.

13 2. The ballot of submission shall contain, but need not be limited to, the
14 following language:

15 (1) If the proposal submitted involves only authorization to impose the tax
16 authorized by this section the ballot shall contain substantially the following:

17 Shall the county of (county's name) impose a countywide sales tax
18 of (insert amount) for the purpose of providing law enforcement services
19 for the county?

20 YES NO

21 If you are in favor of the question, place an "X" in the box opposite "YES". If you

22 are opposed to the question, place an "X" in the box opposite "NO"; or

23 (2) If the proposal submitted involves authorization to enter into
24 agreements to form a regional jail district and obligates the county to make
25 payments from the tax authorized by this section the ballot shall contain
26 substantially the following:

27 Shall the county of (county's name) be authorized to enter into
28 agreements for the purpose of forming a regional jail district and obligating the
29 county to impose a countywide sales tax of (insert amount) to fund
30 dollars of the costs to construct a regional jail and to fund the costs to
31 operate a regional jail, with any funds in excess of that necessary to construct
32 and operate such jail to be used for law enforcement purposes?

33 YES NO

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

36 If a majority of the votes cast on the proposal by the qualified voters voting
37 thereon are in favor of the proposal submitted pursuant to subdivision (1) of this
38 subsection, then the ordinance or order and any amendments thereto shall be in
39 effect on the first day of the second **calendar** quarter [immediately following the
40 election approving the proposal] **after the director of revenue receives**
41 **notification of adoption of the local sales tax.** If the constitutionally
42 required percentage of the voters voting thereon are in favor of the proposal
43 submitted pursuant to subdivision (2) of this subsection, then the ordinance or
44 order and any amendments thereto shall be in effect on the first day of the second
45 **calendar** quarter [immediately following the election approving the proposal]
46 **after the director of revenue receives notification of adoption of the**
47 **local sales tax.** If a proposal receives less than the required majority, then the
48 governing body of the county shall have no power to impose the sales tax herein
49 authorized unless and until the governing body of the county shall again have
50 submitted another proposal to authorize the governing body of the county to
51 impose the sales tax authorized by this section and such proposal is approved by
52 the required majority of the qualified voters voting thereon. However, in no event
53 shall a proposal pursuant to this section be submitted to the voters sooner than
54 twelve months from the date of the last proposal pursuant to this section.

55 3. All revenue received by a county from the tax authorized under the
56 provisions of this section shall be deposited in a special trust fund and shall be
57 used solely for providing law enforcement services for such county for so long as

58 the tax shall remain in effect. Revenue placed in the special trust fund may also
59 be utilized for capital improvement projects for law enforcement facilities and for
60 the payment of any interest and principal on bonds issued for said capital
61 improvement projects.

62 4. Once the tax authorized by this section is abolished or is terminated by
63 any means, all funds remaining in the special trust fund shall be used solely for
64 providing law enforcement services for the county. Any funds in such special
65 trust fund which are not needed for current expenditures may be invested by the
66 governing body in accordance with applicable laws relating to the investment of
67 other county funds.

68 5. All sales taxes collected by the director of revenue under this section
69 on behalf of any county, less one percent for cost of collection which shall be
70 deposited in the state's general revenue fund after payment of premiums for
71 surety bonds as provided in section 32.087, RSMo, shall be deposited in a special
72 trust fund, which is hereby created, to be known as the "County Law Enforcement
73 Sales Tax Trust Fund". The moneys in the county law enforcement sales tax
74 trust fund shall not be deemed to be state funds and shall not be commingled
75 with any funds of the state. The director of revenue shall keep accurate records
76 of the amount of money in the trust and which was collected in each county
77 imposing a sales tax under this section, and the records shall be open to the
78 inspection of officers of the county and the public. Not later than the tenth day
79 of each month the director of revenue shall distribute all moneys deposited in the
80 trust fund during the preceding month to the county which levied the tax; such
81 funds shall be deposited with the county treasurer of each such county, and all
82 expenditures of funds arising from the county law enforcement sales tax trust
83 fund shall be by an appropriation act to be enacted by the governing body of each
84 such county. Expenditures may be made from the fund for any law enforcement
85 functions authorized in the ordinance or order adopted by the governing body
86 submitting the law enforcement tax to the voters.

87 6. The director of revenue may authorize the state treasurer to make
88 refunds from the amounts in the trust fund and credited to any county for
89 erroneous payments and overpayments made, and may redeem dishonored checks
90 and drafts deposited to the credit of such counties. If any county abolishes the
91 tax, **the repeal of such tax shall become effective December thirty-first**
92 **of the calendar year in which such abolishment was approved.** The
93 county shall notify the director of revenue of the action at least ninety days prior

94 to the effective date of the repeal and the director of revenue may order retention
 95 in the trust fund, for a period of one year, of two percent of the amount collected
 96 after receipt of such notice to cover possible refunds or overpayment of the tax
 97 and to redeem dishonored checks and drafts deposited to the credit of such
 98 accounts. After one year has elapsed after the effective date of abolition of the
 99 tax in such county, the director of revenue shall remit the balance in the account
 100 to the county and close the account of that county. The director of revenue shall
 101 notify each county of each instance of any amount refunded or any check
 102 redeemed from receipts due the county.

103 7. Except as modified in this section, all provisions of sections 32.085 and
 104 32.087, RSMo, shall apply to the tax imposed under this section.

67.584. 1. The governing body of any county of the first classification with
 2 more than one hundred ninety-eight thousand but less than one hundred
 3 ninety-eight thousand two hundred inhabitants is hereby authorized to impose,
 4 by ordinance or order, a sales tax in the amount of up to one-half percent on all
 5 retail sales made in such county which are subject to taxation pursuant to
 6 sections 144.010 to 144.525, RSMo, for the purpose of providing law enforcement
 7 services for such county. The tax authorized by this section shall be in addition
 8 to any and all other sales taxes allowed by law, except that no ordinance or order
 9 imposing a sales tax pursuant to this section shall be effective unless the
 10 governing body of the county submits to the voters of the county, at a county or
 11 state general, primary, or special election, a proposal to authorize the governing
 12 body of the county to impose a tax.

13 2. If the proposal submitted involves only authorization to impose the tax
 14 authorized by this section, the ballot of submission shall contain, but need not be
 15 limited to, the following language:

16 "Shall the county of (county's name) impose a countywide sales
 17 tax of (insert amount) for the purpose of providing law enforcement
 18 services for the county?"

19 YES NO

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

22 If a majority of the votes cast on the proposal by the qualified voters voting
 23 thereon are in favor of the proposal submitted pursuant to this subsection, then
 24 the ordinance or order and any amendments thereto shall be in effect on the first
 25 day of the second **calendar** quarter [immediately following the election

26 approving the proposal] **after the director of revenue receives notification**
27 **of adoption of the local sales tax.** If a proposal receives less than the
28 required majority, then the governing body of the county shall have no power to
29 impose the sales tax herein authorized unless and until the governing body of the
30 county shall again have submitted another proposal to authorize the governing
31 body of the county to impose the sales tax authorized by this section and such
32 proposal is approved by the required majority of the qualified voters voting
33 thereon. However, in no event shall a proposal pursuant to this section be
34 submitted to the voters sooner than twelve months from the date of the last
35 proposal pursuant to this section.

36 3. Twenty-five percent of the revenue received by a county treasurer from
37 the tax authorized pursuant to this section shall be deposited in a special trust
38 fund and shall be used solely by a prosecuting attorney's office for such county for
39 so long as the tax shall remain in effect. The remainder of revenue shall be
40 deposited in the county law enforcement sales tax trust fund established
41 pursuant to section 67.582 of the county levying the tax pursuant to this
42 section. The revenue derived from the tax imposed pursuant to this section shall
43 be used for public law enforcement services only. No revenue derived from the
44 tax imposed pursuant to this section shall be used for any private contractor
45 providing law enforcement services or for any private jail.

46 4. Once the tax authorized by this section is abolished or is terminated by
47 any means, all funds remaining in the prosecuting attorney's trust fund shall be
48 used solely by a prosecuting attorney's office for the county. Any funds in such
49 special trust fund which are not needed for current expenditures may be invested
50 by the governing body in accordance with applicable laws relating to the
51 investment of other county funds.

52 5. All sales taxes collected by the director of revenue pursuant to this
53 section on behalf of any county, less one percent for cost of collection which shall
54 be deposited in the state's general revenue fund after payment of premiums for
55 surety bonds as provided in section 32.087, RSMo, shall be deposited in a special
56 trust fund, which is hereby created, to be known as the "County Prosecuting
57 Attorney's Office Sales Tax Trust Fund" or in the county law enforcement sales
58 tax trust fund, pursuant to the deposit ratio in subsection 3 of this section. The
59 moneys in the trust funds shall not be deemed to be state funds and shall not be
60 commingled with any funds of the state. The director of revenue shall keep
61 accurate records of the amount of money in the trusts and which was collected in

62 each county imposing a sales tax pursuant to this section, and the records shall
63 be open to the inspection of officers of the county and the public. Not later than
64 the tenth day of each month the director of revenue shall distribute all moneys
65 deposited in the trust funds during the preceding month to the county which
66 levied the tax; such funds shall be deposited with the county treasurer of each
67 such county, and all expenditures of funds arising from either trust fund shall be
68 by an appropriation act to be enacted by the governing body of each such
69 county. Expenditures may be made from the funds for any functions authorized
70 in the ordinance or order adopted by the governing body submitting the tax to the
71 voters.

72 6. The director of revenue may authorize the state treasurer to make
73 refunds from the amounts in the trust funds and credited to any county for
74 erroneous payments and overpayments made, and may redeem dishonored checks
75 and drafts deposited to the credit of such counties. If any county abolishes the
76 tax, **the repeal of such tax shall become effective December thirty-first**
77 **of the calendar year in which such abolishment was approved.** The
78 county shall notify the director of revenue of the action at least ninety days before
79 the effective date of the repeal and the director of revenue may order retention
80 in the appropriate trust fund, for a period of one year, of two percent of the
81 amount collected after receipt of such notice to cover possible refunds or
82 overpayments of the tax and to redeem dishonored checks and drafts deposited
83 to the credit of such accounts. After one year has elapsed after the effective date
84 of abolition of the tax in such county, the director of revenue shall remit the
85 balance in the account to the county and close the account of that county
86 established pursuant to this section. The director of revenue shall notify each
87 county of each instance of any amount refunded or any check redeemed from
88 receipts due the county.

89 7. Except as modified in this section, all provisions of sections 32.085 and
90 32.087, RSMo, shall apply to the tax imposed pursuant to this section.

67.671. 1. The governing body of any county, except first class counties
2 other than first class counties without charter form of government not adjoining
3 any other first class county unless such first class county contains part of a city
4 with a population over four hundred and fifty thousand, and except as otherwise
5 provided in subsection 4 or subsection 7 of this section may, by a majority vote,
6 impose a tourism sales tax throughout or in any portion of the county for the
7 promotion of tourism as provided in this act, but such tax shall not become

8 effective unless the governing body of the county submits to the voters of the
 9 county, at a public election, a proposal to authorize the county to impose a tax
 10 under the provisions of sections 67.671 to 67.685.

11 2. The ballot of submission shall be in substantially the following form:

12 Shall the county of (Insert the name of the county) impose
 13 a tourism sales tax of (Insert rate of percent) percent in certain
 14 areas of the county?

15 YES NO

16 If a majority of the votes cast on the proposal by the qualified voters voting
 17 thereon are in favor of the proposal, then the tax shall be in effect **on the first**
 18 **day of the second calendar quarter after the director of revenue**
 19 **receives notification of adoption of the local sales tax.** If a majority of the
 20 votes cast by the qualified voters voting are opposed to the proposal, then the
 21 governing body of the county shall have no power to impose the tax authorized
 22 by sections 67.671 to 67.685, unless and until the governing body of the county
 23 shall again have submitted another proposal to authorize the governing body of
 24 the county to impose the tax, and such proposal is approved by a majority of the
 25 qualified voters voting thereon.

26 3. Except as otherwise provided in subsection 4 or subsection 7 of this
 27 section, the tourism tax may be imposed at a rate of not more than seven-eighths
 28 of one percent on the receipts from the sale at retail of certain tangible personal
 29 property or taxable services within that part of the county for which such tax has
 30 been adopted, as specified in section 67.674.

31 4. The governing body of any third class county which adjoins the
 32 Mississippi River and which also adjoins one or more first class counties without
 33 a charter form of government and which has a population of not more than
 34 sixteen thousand inhabitants according to the 1980 decennial census may, by a
 35 majority vote, impose:

36 (1) A tourism sales tax on the sale of all food and beverages sold for
 37 consumption on the premises of all restaurants, bars, taverns, or other
 38 establishments which are primarily used to provide food and beverage services;

39 (2) A tourism sales tax upon the rent or lease charges paid by transient
 40 guests of hotels, motels, condominiums, houseboats, and space rented in
 41 campgrounds;

42 (3) Or both.

43 The tax may be imposed throughout or in any portion of the county for the

44 promotion of tourism as provided in sections 67.671 to 67.685 but such tax shall
 45 not become effective unless the governing body of the county submits to the voters
 46 of the county, at a public election, a proposal to authorize the county to impose
 47 the tax.

48 5. The ballot of submission shall be in substantially the following form:

49 Shall the county of (Insert name of county) impose a tourism
 50 sales tax of (Insert rate of percent) percent on the sale or rental
 51 of (Insert type of property or service) in certain areas of the
 52 county?

53 YES NO

54 If a majority of the votes cast on the proposal by the qualified voters voting
 55 thereon are in favor of the proposal, then the tax shall be in effect. If a majority
 56 of the votes cast by the qualified voters voting are opposed to the proposal, then
 57 the governing body of the county shall have no power to impose the tax unless
 58 and until the governing body of the county shall again have submitted another
 59 proposal to authorize the governing body of the county to impose the tax, and
 60 such proposal is approved by a majority of the qualified voters voting
 61 thereon. The tourism tax may be imposed at a rate of not more than two percent
 62 on the receipts from the sale or rental at retail of certain tangible personal
 63 property or taxable services as provided in this subsection within that part of the
 64 county for which such tax has been adopted.

65 6. Within ten days after a vote in favor of the adoption of a tourism sales
 66 tax by the voters of any such county, the governing body of the county shall make
 67 its order imposing the tax. The tax shall become effective on the first day of the
 68 **[first] second** calendar quarter after [such order is made; provided that in any
 69 first class county with a population of at least eighty thousand but less than one
 70 hundred thousand, the tax shall become effective on the first day of the first
 71 month which begins more than thirty days after such order is made, and such tax
 72 shall be collected by the department of revenue in the same manner as prescribed
 73 in section 32.087, RSMo, except as otherwise provided in this section] **the**
 74 **director of revenue receives notification of adoption of such tax.**

75 7. In any county which has any part of a Corps of Engineers lake with a
 76 shoreline of at least eight hundred miles and not exceeding a shoreline of nine
 77 hundred miles, the tourism tax may be imposed at a rate of not more than two
 78 percent on the receipts from the sale at retail of certain tangible personal
 79 property or taxable services, subject to tax pursuant to chapter 144, RSMo, within

80 that portion of the county for which such tax has been adopted. All areas in such
81 county imposing a tourism tax eligible to do so under the provisions of this
82 section shall be contiguous with all other areas which adopt the tax.

83 [8. All tourism sales tax collected pursuant to subsection 7 of this section
84 shall be collected and administered by the county collector as provided in section
85 67.680 and deposited in the "County Advertising and Tourism Sales Tax Trust
86 Fund" created in such section.]

67.678. 1. The following provisions shall govern the collection of the tax
2 imposed by the provisions of sections 67.671 to 67.685:

3 (1) All applicable provisions contained in sections 144.010 to 144.510,
4 RSMo, governing the state sales tax and section 32.057, RSMo, the uniform
5 confidentiality provision, shall apply to the collection of the tax imposed by the
6 provisions of sections 67.671 to 67.685, except as modified in sections 67.671 to
7 67.685;

8 (2) All exemptions granted to agencies of government, organizations, and
9 persons under the provisions of sections 144.010 to 144.510, RSMo, are hereby
10 made applicable to the imposition and collection of the tax imposed by sections
11 67.671 to 67.685.

12 2. The same sales tax permit, exemption certificate and retail certificate
13 required by sections 144.010 to 144.510, RSMo, for the administration and
14 collection of the state sales tax shall satisfy the requirements of sections 67.671
15 to 67.685, and no additional permit or exemption certificate or retail certificate
16 shall be required; except that, the director of revenue may prescribe a form of
17 exemption certificate for an exemption from the tax imposed by sections 67.671
18 to 67.685.

19 3. All discounts allowed the retailer under the provisions of the state sales
20 tax law for the collection of and for payment of taxes under that act are hereby
21 allowed and made applicable to any taxes collected under the provisions of
22 sections 67.671 to 67.685.

23 4. The penalties provided in sections 32.057 and 144.010 to 144.510,
24 RSMo, for a violation of those acts are hereby made applicable to violations of the
25 provisions of sections 67.671 to 67.685.

26 [5. For the purposes of the tourism sales tax imposed by an order
27 pursuant to sections 67.671 to 67.685, all retail sales shall be deemed to be
28 consummated at the place of business of the retailer.]

67.1303. 1. The governing body of any home rule city with more than one

2 hundred fifty-one thousand five hundred but less than one hundred fifty-one
3 thousand six hundred inhabitants, any home rule city with more than forty-five
4 thousand five hundred but less than forty-five thousand nine hundred inhabitants
5 and the governing body of any city within any county of the first classification
6 with more than one hundred four thousand six hundred but less than one
7 hundred four thousand seven hundred inhabitants and the governing body of any
8 county of the third classification without a township form of government and with
9 more than forty thousand eight hundred but less than forty thousand nine
10 hundred inhabitants or any city within such county may impose, by order or
11 ordinance, a sales tax on all retail sales made in the city or county which are
12 subject to sales tax under chapter 144, RSMo. In addition, the governing body
13 of any county of the first classification with more than eighty-five thousand nine
14 hundred but less than eighty-six thousand inhabitants or the governing body of
15 any home rule city with more than seventy-three thousand but less than
16 seventy-five thousand inhabitants may impose, by order or ordinance, a sales tax
17 on all retail sales made in the city or county which are subject to sales tax under
18 chapter 144, RSMo. The tax authorized in this section shall not be more than
19 one-half of one percent. The order or ordinance imposing the tax shall not become
20 effective unless the governing body of the city or county submits to the voters of
21 the city or county at a state general or primary election a proposal to authorize
22 the governing body to impose a tax under this section. The tax authorized in this
23 section shall be in addition to all other sales taxes imposed by law, and shall be
24 stated separately from all other charges and taxes.

25 2. The ballot of submission for the tax authorized in this section shall be
26 in substantially the following form:

27 Shall (insert the name of the city or county) impose a
28 sales tax at a rate of (insert rate of percent) percent for economic
29 development purposes?

30 YES NO

31 If a majority of the votes cast on the question by the qualified voters voting
32 thereon are in favor of the question, then the tax shall become effective on the
33 first day of the second calendar quarter [following the calendar quarter in which
34 the election was held. If a majority of the votes cast on the question by the
35 qualified voters voting thereon are opposed to the question, then the tax shall not
36 become effective unless and until the question is resubmitted under this section
37 to the qualified voters and such question is approved by a majority of the

38 qualified voters voting on the question, provided that no proposal shall be
39 resubmitted to the voters sooner than twelve months from the date of the
40 submission of the last proposal] **after the director of revenue receives**
41 **notification of adoption of the local sales tax. If a majority of the votes**
42 **cast on the question by the qualified voters voting on the question are**
43 **opposed, then the tax shall not become effective unless the question is**
44 **resubmitted under this section to the qualified voters and such**
45 **question is approved by a majority of the qualified voters voting on the**
46 **question. No proposal shall be resubmitted to the voters sooner than**
47 **twelve months from the date of the submission of the last proposal.**

48 3. No revenue generated by the tax authorized in this section shall be
49 used for any retail development project. At least twenty percent of the revenue
50 generated by the tax authorized in this section shall be used solely for projects
51 directly related to long-term economic development preparation, including, but
52 not limited to, the following:

- 53 (1) Acquisition of land;
- 54 (2) Installation of infrastructure for industrial or business parks;
- 55 (3) Improvement of water and wastewater treatment capacity;
- 56 (4) Extension of streets;
- 57 (5) Providing matching dollars for state or federal grants;
- 58 (6) Marketing;
- 59 (7) Providing grants and low-interest loans to companies for job training,
60 equipment acquisition, site development, and infrastructure. Not more than
61 twenty-five percent of the revenue generated may be used annually for
62 administrative purposes, including staff and facility costs.

63 4. All revenue generated by the tax shall be deposited in a special trust
64 fund and shall be used solely for the designated purposes. If the tax is repealed,
65 all funds remaining in the special trust fund shall continue to be used solely for
66 the designated purposes. Any funds in the special trust fund which are not
67 needed for current expenditures may be invested by the governing body in
68 accordance with applicable laws relating to the investment of other city or county
69 funds.

70 5. **The director of revenue may authorize the state treasurer to**
71 **make refunds from the amounts in the trust fund and credited to any**
72 **city or county for erroneous payments in the trust fund and credited**
73 **to any city or county for erroneous payments and overpayments made,**

74 and may redeem dishonored checks and drafts deposited to the credit
75 of such counties. If any city or county abolishes the tax authorized
76 under this section, the repeal of such tax shall become effective
77 December thirty-first of the calendar year in which such abolishment
78 was approved. Each city or county shall notify the director of revenue
79 at least ninety days prior to the effective date of the expiration of the
80 sales tax authorized by this section and the director of revenue may
81 order retention in the trust fund, for a period of one year, of two
82 percent of the amount collected after receipt of such notice to cover
83 possible refunds or overpayment of such tax and to redeem dishonored
84 checks and drafts deposited to the credit of such accounts. After one
85 year has elapsed after the date of expiration of the tax authorized by
86 this section in such city or county, the director of revenue shall remit
87 the balance in the account to the city or county and close the account
88 of that city or county. The director of revenue shall notify each city or
89 county of each instance of any amount refunded or any check redeemed
90 from receipts due the city or county.

91 6. Any city or county imposing the tax authorized in this section shall
92 establish an economic development tax board. The board shall consist of eleven
93 members, to be appointed as follows:

94 (1) Two members shall be appointed by the school boards whose districts
95 are included within any economic development plan or area funded by the sales
96 tax authorized in this section. Such members shall be appointed in any manner
97 agreed upon by the affected districts;

98 (2) One member shall be appointed, in any manner agreed upon by the
99 affected districts, to represent all other districts levying ad valorem taxes within
100 the area selected for an economic development project or area funded by the sales
101 tax authorized in this section, excluding representatives of the governing body of
102 the city or county;

103 (3) One member shall be appointed by the largest public school district in
104 the city or county;

105 (4) In each city or county, five members shall be appointed by the chief
106 elected officer of the city or county with the consent of the majority of the
107 governing body of the city or county;

108 (5) In each city, two members shall be appointed by the governing body
109 of the county in which the city is located. In each county, two members shall be

110 appointed by the governing body of the county.

111 At the option of the members appointed by a city or county the members who are
112 appointed by the school boards and other taxing districts may serve on the board
113 for a term to coincide with the length of time an economic development project,
114 plan, or designation of an economic development area is considered for approval
115 by the board, or for the definite terms as provided in this subsection. If the
116 members representing school districts and other taxing districts are appointed for
117 a term coinciding with the length of time an economic development project, plan,
118 or area is approved, such term shall terminate upon final approval of the project,
119 plan, or designation of the area by the governing body of the city or county. If
120 any school district or other taxing jurisdiction fails to appoint members of the
121 board within thirty days of receipt of written notice of a proposed economic
122 development plan, economic development project, or designation of an economic
123 development area, the remaining members may proceed to exercise the power of
124 the board. Of the members first appointed by the city or county, three shall be
125 designated to serve for terms of two years, three shall be designated to serve for
126 a term of three years, and the remaining members shall be designated to serve
127 for a term of four years from the date of such initial appointments. Thereafter,
128 the members appointed by the city or county shall serve for a term of four years,
129 except that all vacancies shall be filled for unexpired terms in the same manner
130 as were the original appointments.

131 [6.] 7. The board, subject to approval of the governing body of the city or
132 county, shall develop economic development plans, economic development
133 projects, or designations of an economic development area, and shall hold public
134 hearings and provide notice of any such hearings. The board shall vote on all
135 proposed economic development plans, economic development projects, or
136 designations of an economic development area, and amendments thereto, within
137 thirty days following completion of the hearing on any such plan, project, or
138 designation, and shall make recommendations to the governing body within
139 ninety days of the hearing concerning the adoption of or amendment to economic
140 development plans, economic development projects, or designations of an economic
141 development area.

142 [7.] 8. The board shall report at least annually to the governing body of
143 the city or county on the use of the funds provided under this section and on the
144 progress of any plan, project, or designation adopted under this section.

145 [8.] 9. The governing body of any city or county that has adopted the

146 sales tax authorized in this section may submit the question of repeal of the tax
 147 to the voters on any date available for elections for the city or county. The ballot
 148 of submission shall be in substantially the following form:

149 Shall (insert the name of the city or county) repeal
 150 the sales tax imposed at a rate of (insert rate of percent) percent for economic
 151 development purposes?

152 YES NO

153 If a majority of the votes cast on the proposal are in favor of repeal, that repeal
 154 shall become effective on December thirty-first of the calendar year in which such
 155 repeal was approved. If a majority of the votes cast on the question by the
 156 qualified voters voting thereon are opposed to the repeal, then the sales tax
 157 authorized in this section shall remain effective until the question is resubmitted
 158 under this section to the qualified voters of the city or county, and the repeal is
 159 approved by a majority of the qualified voters voting on the question.

160 **[9.] 10.** Whenever the governing body of any city or county that has
 161 adopted the sales tax authorized in this section receives a petition, signed by ten
 162 percent of the registered voters of the city or county voting in the last
 163 gubernatorial election, calling for an election to repeal the sales tax imposed
 164 under this section, the governing body shall submit to the voters a proposal to
 165 repeal the tax. If a majority of the votes cast on the question by the qualified
 166 voters voting thereon are in favor of the repeal, that repeal shall become effective
 167 on December thirty-first of the calendar year in which such repeal was approved.
 168 If a majority of the votes cast on the question by the qualified voters voting
 169 thereon are opposed to the repeal, then the tax shall remain effective until the
 170 question is resubmitted under this section to the qualified voters and the repeal
 171 is approved by a majority of the qualified voters voting on the
 172 question. **Effective January 1, 2010, if the city or county abolishes the**
 173 **tax, the city or county shall notify the director of revenue of the action**
 174 **at least one hundred twenty days prior to the effective date of the**
 175 **repeal.**

176 **11.** After the effective date of any tax imposed under the
 177 provisions of this section, the director of revenue shall perform all
 178 functions incident to the administration, collection, enforcement, and
 179 operation of the tax and collect, in addition to the sales tax for the
 180 state of Missouri, the additional tax authorized under this section. The
 181 tax imposed under this section and the tax imposed under the sales tax

182 law of the state of Missouri shall be collected together and reported
183 upon such forms and under such administrative rules and regulations
184 as may be prescribed by the director of revenue.

185 **12. There is hereby created the "Economic Development Sales**
186 **Tax Trust Fund", which shall consist of all sales tax revenue collected**
187 **under this section. The state treasurer's office shall be custodian of the**
188 **trust fund, and moneys in the trust fund shall be used solely for the**
189 **purposes authorized in this section. Moneys in the trust fund shall be**
190 **considered nonstate funds under article IV, section 15, of the Missouri**
191 **constitution. The state treasurer shall invest moneys in the trust fund**
192 **in the same manner as other funds are invested. Any interest and**
193 **moneys earned on such investments shall be credited to the trust**
194 **fund. All sales taxes collected by the director of revenue under this**
195 **section on behalf of the city or county, less one percent for the cost of**
196 **collection which shall be deposited in the state's general revenue fund**
197 **after payment of premiums for surety bonds as provided in section**
198 **32.087, RSMo, shall be deposited in the trust fund. The director of**
199 **revenue shall keep accurate records of the amount of moneys in the**
200 **trust fund that was collected in the city or county imposing a sales tax**
201 **under this section, and the records shall be open to the inspection of**
202 **the officers of each city or county and the general public. Not later**
203 **than the tenth day of each month, the director of revenue shall**
204 **distribute all moneys deposited in the trust fund during the preceding**
205 **month to the city or county.**

206 **13. Except as provided in this section, all provisions of sections**
207 **32.085 and 32.087, RSMo, shall apply to the tax imposed under this**
208 **section.**

67.1545. 1. Any district formed as a political subdivision may impose by
2 resolution a district sales and use tax on all retail sales made in such district
3 which are subject to taxation pursuant to sections 144.010 to 144.525, RSMo,
4 except sales of motor vehicles, trailers, boats or outboard motors and sales to or
5 by [public utilities and] providers of communications, cable, or video
6 services. Any sales and use tax imposed pursuant to this section may be imposed
7 in increments of one-eighth of one percent, up to a maximum of one
8 percent. Such district sales and use tax may be imposed for any district purpose
9 designated by the district in its ballot of submission to its qualified voters; except
10 that, no resolution adopted pursuant to this section shall become effective unless

11 the board of directors of the district submits to the qualified voters of the district,
12 by mail-in ballot, a proposal to authorize a sales and use tax pursuant to this
13 section. If a majority of the votes cast by the qualified voters on the proposed
14 sales tax are in favor of the sales tax, then the resolution is adopted. If a
15 majority of the votes cast by the qualified voters are opposed to the sales tax,
16 then the resolution is void.

17 2. The ballot shall be substantially in the following form:

18 Shall the (insert name of district) Community Improvement
19 District impose a community improvement districtwide sales and use tax at the
20 maximum rate of (insert amount) for a period of (insert
21 number) years from the date on which such tax is first imposed for the purpose
22 of providing revenue for (insert general description
23 of the purpose)?

24 YES NO

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

27 3. Within ten days after the qualified voters have approved the imposition
28 of the sales and use tax, the district shall, in accordance with section 32.087,
29 RSMo, notify the director of the department of revenue. The sales and use tax
30 authorized by this section shall become effective on the first day of the second
31 calendar quarter after the director of the department of revenue receives notice
32 of the adoption of such tax.

33 4. [The director of the department of revenue shall collect any tax adopted
34 pursuant to this section pursuant to section 32.087, RSMo.

35 **5.] After the effective date of any tax imposed under the**
36 **provisions of this section, the director of revenue shall perform all**
37 **functions incident to the administration, collection, enforcement, and**
38 **operation of the tax and collect, in addition to the sales tax for the**
39 **state of Missouri, the additional tax authorized under the authority of**
40 **this section. The tax imposed under this section and the tax imposed**
41 **under the sales tax law of the state of Missouri shall be collected**
42 **together and reported upon such forms and under such administrative**
43 **rules and regulations as may be prescribed by the director of revenue.**

44 5. All sales taxes collected by the director of revenue under this
45 section on behalf of any district, less one percent for the cost of
46 collection, which shall be deposited in the state's general revenue fund

47 after payment of premiums for surety bonds as provided in section
48 32.087, RSMo, shall be deposited with the state treasurer in a special
49 trust fund, which is hereby created, to be known as the "Community
50 Improvement District Trust Fund". The moneys in the community
51 improvement district tax trust fund shall not be deemed to be state
52 funds and shall not be commingled with any funds of the state. The
53 director of revenue shall keep accurate records of the amount of money
54 in the trust fund which was collected in each district imposing a sales
55 tax under this section, and the records shall be open to the inspection
56 of officers of each district and the general public. Not later than the
57 tenth day of each month, the director of revenue shall distribute all
58 moneys deposited in the trust fund during the preceding month by
59 distributing to the district treasurer, or such other officer as may be
60 designated by district ordinance or order, of each district imposing the
61 tax authorized by this section, the sum, as certified by the director of
62 revenue, due the district.

63 6. In each district in which a sales and use tax is imposed pursuant to
64 this section, every retailer shall add such additional tax imposed by the district
65 to such retailer's sale price, and when so added such tax shall constitute a part
66 of the purchase price, shall be a debt of the purchaser to the retailer until paid
67 and shall be recoverable at law in the same manner as the purchase price.

68 [6.] 7. In order to allow retailers to collect and report the sales and use
69 tax authorized by this section as well as all other sales and use taxes required by
70 law in the simplest and most efficient manner possible, a district may establish
71 appropriate brackets to be used in the district imposing a tax pursuant to this
72 section in lieu of the brackets provided in section 144.285, RSMo.

73 [7.] 8. The penalties provided in sections 144.010 to 144.525, RSMo, shall
74 apply to violations of this section.

75 [8.] 9. All revenue received by the district from a sales and use tax
76 imposed pursuant to this section which is designated for a specific purpose shall
77 be deposited into a special trust fund and expended solely for such
78 purpose. Upon the expiration of any sales and use tax adopted pursuant to this
79 section, all funds remaining in the special trust fund shall continue to be used
80 solely for the specific purpose designated in the resolution adopted by the
81 qualified voters. Any funds in such special trust fund which are not needed for
82 current expenditures may be invested by the board of directors pursuant to

83 applicable laws relating to the investment of other district funds.

84 [9.] 10. A district may repeal by resolution any sales and use tax imposed
85 pursuant to this section before the expiration date of such sales and use tax
86 unless the repeal of such sales and use tax will impair the district's ability to
87 repay any liabilities the district has incurred, moneys the district has borrowed
88 or obligation the district has issued to finance any improvements or services
89 rendered for the district.

90 [10.] 11. Notwithstanding the provisions of chapter 115, RSMo, an
91 election for a district sales and use tax under this section shall be conducted in
92 accordance with the provisions of this section.

93 12. **Except as provided in this section, all provisions of sections**
94 **32.085 and 32.087, RSMo, shall apply to the tax imposed under this**
95 **section.**

67.1959. 1. The board, by a majority vote, may submit to the residents
2 of such district a tax of not more than one percent on all retail sales, except sales
3 of [food as defined in section 144.014, RSMo, sales of] new or used motor
4 vehicles[, trailers, boats, or other outboard motors, all utilities, telephone and
5 wireless services, and sales of funeral services], made **on or after January 1,**
6 **2010,** within the district which are subject to taxation pursuant to the provisions
7 of sections 144.010 to 144.525, RSMo. Upon the written request of the board to
8 the election authority of the county in which a majority of the area of the district
9 is situated, such election authority shall submit a proposition to the residents of
10 such district at a municipal or statewide primary or general election, or at a
11 special election called for that purpose. Such election authority shall give legal
12 notice as provided in chapter 115, RSMo.

13 2. Such proposition shall be submitted to the voters of the district in
14 substantially the following form at such election:

15 Shall the Tourism Community Enhancement District impose a sales tax
16 of (insert amount) for the purpose of promoting tourism in the district?

17 YES NO

18 If you are in favor of the question, place an "X" in the box opposite "YES". If you
19 are opposed to the question, place an "X" in the box opposite "NO". If a majority
20 of the votes cast on the proposal by the qualified voters of the proposed district
21 voting thereon are in favor of the proposal, then the order shall become effective
22 on the first day of the second calendar quarter after the director of revenue
23 receives notice of adoption of the tax. If the proposal receives less than the

24 required majority, then the board shall have no power to impose the sales tax
25 authorized pursuant to this section unless and until the board shall again have
26 submitted another proposal to authorize the board to impose the sales tax
27 authorized by this section and such proposal is approved by the required majority
28 of the qualified voters of the district.

67.2000. 1. This section shall be known as the "Exhibition Center and
2 Recreational Facility District Act".

3 2. Whenever not less than fifty owners of real property located within any
4 county of the first classification with more than seventy-one thousand three
5 hundred but less than seventy-one thousand four hundred inhabitants, or any
6 county of the first classification with more than one hundred ninety-eight
7 thousand but less than one hundred ninety-nine thousand two hundred
8 inhabitants, or any county of the first classification with more than eighty-five
9 thousand nine hundred but less than eighty-six thousand inhabitants, or any
10 county of the second classification with more than fifty-two thousand six hundred
11 but less than fifty-two thousand seven hundred inhabitants, or any county of the
12 first classification with more than one hundred four thousand six hundred but
13 less than one hundred four thousand seven hundred inhabitants, or any county
14 of the third classification without a township form of government and with more
15 than seventeen thousand nine hundred but less than eighteen thousand
16 inhabitants, or any county of the first classification with more than thirty-seven
17 thousand but less than thirty-seven thousand one hundred inhabitants, or any
18 county of the third classification without a township form of government and with
19 more than twenty-three thousand five hundred but less than twenty-three
20 thousand six hundred inhabitants, or any county of the third classification
21 without a township form of government and with more than nineteen thousand
22 three hundred but less than nineteen thousand four hundred inhabitants, or any
23 county of the first classification with more than two hundred forty thousand three
24 hundred but less than two hundred forty thousand four hundred inhabitants,
25 desire to create an exhibition center and recreational facility district, the property
26 owners shall file a petition with the governing body of each county located within
27 the boundaries of the proposed district requesting the creation of the
28 district. The district boundaries may include all or part of the counties described
29 in this section. The petition shall contain the following information:

30 (1) The name and residence of each petitioner and the location of the real
31 property owned by the petitioner;

32 (2) A specific description of the proposed district boundaries, including a
33 map illustrating the boundaries; and

34 (3) The name of the proposed district.

35 3. Upon the filing of a petition pursuant to this section, the governing
36 body of any county described in this section may, by resolution, approve the
37 creation of a district. Any resolution to establish such a district shall be adopted
38 by the governing body of each county located within the proposed district, and
39 shall contain the following information:

40 (1) A description of the boundaries of the proposed district;

41 (2) The time and place of a hearing to be held to consider establishment
42 of the proposed district;

43 (3) The proposed sales tax rate to be voted on within the proposed district;
44 and

45 (4) The proposed uses for the revenue generated by the new sales tax.

46 4. Whenever a hearing is held as provided by this section, the governing
47 body of each county located within the proposed district shall:

48 (1) Publish notice of the hearing on two separate occasions in at least one
49 newspaper of general circulation in each county located within the proposed
50 district, with the first publication to occur not more than thirty days before the
51 hearing, and the second publication to occur not more than fifteen days or less
52 than ten days before the hearing;

53 (2) Hear all protests and receive evidence for or against the establishment
54 of the proposed district; and

55 (3) Rule upon all protests, which determinations shall be final.

56 5. Following the hearing, if the governing body of each county located
57 within the proposed district decides to establish the proposed district, it shall
58 adopt an order to that effect; if the governing body of any county located within
59 the proposed district decides to not establish the proposed district, the boundaries
60 of the proposed district shall not include that county. The order shall contain the
61 following:

62 (1) The description of the boundaries of the district;

63 (2) A statement that an exhibition center and recreational facility district
64 has been established;

65 (3) The name of the district;

66 (4) The uses for any revenue generated by a sales tax imposed pursuant
67 to this section; and

68 (5) A declaration that the district is a political subdivision of the state.

69 6. A district established pursuant to this section may, at a general,
70 primary, or special election, submit to the qualified voters within the district
71 boundaries a sales tax of one-fourth of one percent, for a period not to exceed
72 twenty-five years, on all retail sales within the district, which are subject to
73 taxation pursuant to sections 144.010 to 144.525, RSMo, to fund the acquisition,
74 construction, maintenance, operation, improvement, and promotion of an
75 exhibition center and recreational facilities. The ballot of submission shall be in
76 substantially the following form:

77 Shall the (name of district) impose a sales tax of one-fourth of one
78 percent to fund the acquisition, construction, maintenance, operation,
79 improvement, and promotion of an exhibition center and recreational facilities,
80 for a period of (insert number of years)?

81 YES NO

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

84 If a majority of the votes cast in the portion of any county that is part of the
85 proposed district favor the proposal, then the sales tax shall become effective in
86 that portion of the county that is part of the proposed district on the first day of
87 the [first] **second** calendar quarter [immediately following the election] **after**
88 **the director of revenue receives notification of adoption of the local**
89 **sales tax**. If a majority of the votes cast in the portion of a county that is a part
90 of the proposed district oppose the proposal, then that portion of such county
91 shall not impose the sales tax authorized in this section until after the county
92 governing body has submitted another such sales tax proposal and the proposal
93 is approved by a majority of the qualified voters voting thereon.

94 However, if a sales tax proposal is not approved, the governing body of the county
95 shall not resubmit a proposal to the voters pursuant to this section sooner than
96 twelve months from the date of the last proposal submitted pursuant to this
97 section. If the qualified voters in two or more counties that have contiguous
98 districts approve the sales tax proposal, the districts shall combine to become one
99 district.

100 7. There is hereby created a board of trustees to administer any district
101 created and the expenditure of revenue generated pursuant to this section
102 consisting of four individuals to represent each county approving the district, as
103 provided in this subsection. The governing body of each county located within the

104 district, upon approval of that county's sales tax proposal, shall appoint four
105 members to the board of trustees; at least one shall be an owner of a nonlodging
106 business located within the taxing district, or their designee, at least one shall
107 be an owner of a lodging facility located within the district, or their designee, and
108 all members shall reside in the district except that one nonlodging business
109 owner, or their designee, and one lodging facility owner, or their designee, may
110 reside outside the district. Each trustee shall be at least twenty-five years of age
111 and a resident of this state. Of the initial trustees appointed from each county,
112 two shall hold office for two years, and two shall hold office for four
113 years. Trustees appointed after expiration of the initial terms shall be appointed
114 to a four-year term by the governing body of the county the trustee represents,
115 with the initially appointed trustee to remain in office until a successor is
116 appointed, and shall take office upon being appointed. Each trustee may be
117 reappointed. Vacancies shall be filled in the same manner in which the trustee
118 vacating the office was originally appointed. The trustees shall not receive
119 compensation for their services, but may be reimbursed for their actual and
120 necessary expenses. The board shall elect a chair and other officers necessary for
121 its membership. Trustees may be removed if:

122 (1) By a two-thirds vote, the board moves for the member's removal and
123 submits such motion to the governing body of the county from which the trustee
124 was appointed; and

125 (2) The governing body of the county from which the trustee was
126 appointed, by a majority vote, adopts the motion for removal.

127 8. The board of trustees shall have the following powers, authority, and
128 privileges:

129 (1) To have and use a corporate seal;

130 (2) To sue and be sued, and be a party to suits, actions, and proceedings;

131 (3) To enter into contracts, franchises, and agreements with any person
132 or entity, public or private, affecting the affairs of the district, including contracts
133 with any municipality, district, or state, or the United States, and any of their
134 agencies, political subdivisions, or instrumentalities, for the funding, including
135 without limitation interest rate exchange or swap agreements, planning,
136 development, construction, acquisition, maintenance, or operation of a single
137 exhibition center and recreational facilities or to assist in such
138 activity. "Recreational facilities" means locations explicitly designated for public
139 use where the primary use of the facility involves participation in hobbies or

140 athletic activities;

141 (4) To borrow money and incur indebtedness and evidence the same by
142 certificates, notes, or debentures, to issue bonds and use any one or more lawful
143 funding methods the district may obtain for its purposes at such rates of interest
144 as the district may determine. Any bonds, notes, and other obligations issued or
145 delivered by the district may be secured by mortgage, pledge, or deed of trust of
146 any or all of the property and income of the district. Every issue of such bonds,
147 notes, or other obligations shall be payable out of property and revenues of the
148 district and may be further secured by other property of the district, which may
149 be pledged, assigned, mortgaged, or a security interest granted for such payment,
150 without preference or priority of the first bonds issued, subject to any agreement
151 with the holders of any other bonds pledging any specified property or
152 revenues. Such bonds, notes, or other obligations shall be authorized by
153 resolution of the district board, and shall bear such date or dates, and shall
154 mature at such time or times, but not in excess of thirty years, as the resolution
155 shall specify. Such bonds, notes, or other obligations shall be in such
156 denomination, bear interest at such rate or rates, be in such form, either coupon
157 or registered, be issued as current interest bonds, compound interest bonds,
158 variable rate bonds, convertible bonds, or zero coupon bonds, be issued in such
159 manner, be payable in such place or places, and be subject to redemption as such
160 resolution may provide, notwithstanding section 108.170, RSMo. The bonds,
161 notes, or other obligations may be sold at either public or private sale, at such
162 interest rates, and at such price or prices as the district shall determine;

163 (5) To acquire, transfer, donate, lease, exchange, mortgage, and encumber
164 real and personal property in furtherance of district purposes;

165 (6) To refund any bonds, notes, or other obligations of the district without
166 an election. The terms and conditions of refunding obligations shall be
167 substantially the same as those of the original issue, and the board shall provide
168 for the payment of interest at not to exceed the legal rate, and the principal of
169 such refunding obligations in the same manner as is provided for the payment of
170 interest and principal of obligations refunded;

171 (7) To have the management, control, and supervision of all the business
172 and affairs of the district, and the construction, installation, operation, and
173 maintenance of district improvements therein; to collect rentals, fees, and other
174 charges in connection with its services or for the use of any of its facilities;

175 (8) To hire and retain agents, employees, engineers, and attorneys;

176 (9) To receive and accept by bequest, gift, or donation any kind of
177 property;

178 (10) To adopt and amend bylaws and any other rules and regulations not
179 in conflict with the constitution and laws of this state, necessary for the carrying
180 on of the business, objects, and affairs of the board and of the district; and

181 (11) To have and exercise all rights and powers necessary or incidental
182 to or implied from the specific powers granted by this section.

183 9. [There is hereby created the "Exhibition Center and Recreational
184 Facility District Sales Tax Trust Fund", which shall consist of all sales tax
185 revenue collected pursuant to this section. The director of revenue shall be
186 custodian of the trust fund, and moneys in the trust fund shall be used solely for
187 the purposes authorized in this section. Moneys in the trust fund shall be
188 considered nonstate funds pursuant to section 15, article IV, Constitution of
189 Missouri. The director of revenue shall invest moneys in the trust fund in the
190 same manner as other funds are invested. Any interest and moneys earned on
191 such investments shall be credited to the trust fund. All sales taxes collected by
192 the director of revenue pursuant to this section on behalf of the district, less one
193 percent for the cost of collection which shall be deposited in the state's general
194 revenue fund after payment of premiums for surety bonds as provided in section
195 32.087, RSMo, shall be deposited in the trust fund. The director of revenue shall
196 keep accurate records of the amount of moneys in the trust fund which was
197 collected in the district imposing a sales tax pursuant to this section, and the
198 records shall be open to the inspection of the officers of each district and the
199 general public. Not later than the tenth day of each month, the director of
200 revenue shall distribute all moneys deposited in the trust fund during the
201 preceding month to the district. The director of revenue may authorize refunds
202 from the amounts in the trust fund and credited to the district for erroneous
203 payments and overpayments made, and may redeem dishonored checks and drafts
204 deposited to the credit of the district.

205 10. The sales tax authorized by this section is in addition to all other
206 sales taxes allowed by law.] **After the effective date of any tax imposed**
207 **under the provisions of this section, the director of revenue shall**
208 **perform all functions incident to the administration, collection,**
209 **enforcement, and operation of the tax and collect, in addition to the**
210 **sales tax for the state of Missouri, the additional tax authorized under**
211 **the authority of this section. The tax imposed under this section and**

212 the tax imposed under the sales tax law of the state of Missouri shall be
213 collected together and reported upon such forms and under such
214 administrative rules and regulations as may be prescribed by the
215 director of revenue.

216 10. All sales taxes collected by the director of revenue under this
217 section on behalf of any district, less one percent for the cost of
218 collection, which shall be deposited in the state's general revenue fund
219 after payment of premiums for surety bonds as provided in section
220 32.087, RSMo, shall be deposited with the state treasurer in a special
221 trust fund, which is hereby created, to be known as the "Exhibition
222 Center and Recreational Facility District Trust Fund". The moneys in
223 the exhibition center and recreational facilities tax trust fund shall not
224 be deemed to be state funds and shall not be commingled with any
225 funds of the state. The director of revenue shall keep accurate records
226 of the amount of money in the trust fund that was collected in each
227 district imposing a sales tax under this section, and the records shall
228 be open to the inspection of officers of each district and the general
229 public. Not later than the tenth day of each month, the director of
230 revenue shall distribute all moneys deposited in the trust fund during
231 the preceding month by distributing to the district treasurer, or such
232 other officer as may be designated by district ordinance or order, of
233 each district imposing the tax authorized by this section, the sum, as
234 certified by the director of revenue, due the district.

235 11. The director of revenue may authorize the state treasurer to
236 make refunds from the amounts in the trust fund and credited to any
237 city or county for erroneous payments and overpayments made, and
238 may redeem dishonored checks and drafts deposited to the credit of
239 such counties. If any city or county abolishes the tax authorized under
240 this section, the repeal of such tax shall become effective December
241 thirty-first of the calendar year in which such abolishment was
242 approved. Each city or county shall notify the director of revenue at
243 least ninety days prior to the effective date of the expiration of the
244 sales tax authorized by this section and the director of revenue may
245 order retention in the trust fund, for a period of one year, of two
246 percent of the amount collected after receipt of such notice to cover
247 possible refunds or overpayment of such tax and to redeem dishonored
248 checks and drafts deposited to the credit of such accounts. After one

249 year has elapsed after the date of expiration of the tax authorized by
 250 this section in such city or county, the director of revenue shall remit
 251 the balance in the account to the city or county and close the account
 252 of that city or county. The director of revenue shall notify each city or
 253 county of each instance of any amount refunded or any check redeemed
 254 from receipts due the city or county.

255 12. Except as modified in this section, all provisions of sections 32.085
 256 and 32.087, RSMo, apply to the sales tax imposed pursuant to this section.

257 [11.] 13. Any sales tax imposed pursuant to this section shall not extend
 258 past the initial term approved by the voters unless an extension of the sales tax
 259 is submitted to and approved by the qualified voters in each county in the manner
 260 provided in this section. Each extension of the sales tax shall be for a period not
 261 to exceed twenty years. The ballot of submission for the extension shall be in
 262 substantially the following form:

263 Shall the (name of district) extend the sales tax of one-fourth of one
 264 percent for a period of (insert number of years) years to fund the acquisition,
 265 construction, maintenance, operation, improvement, and promotion of an
 266 exhibition center and recreational facilities?

267 YES NO

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

270 If a majority of the votes cast favor the extension, then the sales tax shall remain
 271 in effect at the rate and for the time period approved by the voters. If a sales tax
 272 extension is not approved, the district may submit another sales tax proposal as
 273 authorized in this section, but the district shall not submit such a proposal to the
 274 voters sooner than twelve months from the date of the last extension submitted.

275 [12.] 14. Once the sales tax authorized by this section is abolished or
 276 terminated by any means, all funds remaining in the trust fund shall be used
 277 solely for the purposes approved in the ballot question authorizing the sales
 278 tax. The sales tax shall not be abolished or terminated while the district has any
 279 financing or other obligations outstanding; provided that any new financing, debt,
 280 or other obligation or any restructuring or refinancing of an existing debt or
 281 obligation incurred more than ten years after voter approval of the sales tax
 282 provided in this section or more than ten years after any voter-approved
 283 extension thereof shall not cause the extension of the sales tax provided in this
 284 section or cause the final maturity of any financing or other obligations

285 outstanding to be extended. Any funds in the trust fund which are not needed
286 for current expenditures may be invested by the district in the securities
287 described in subdivisions (1) to (12) of subsection 1 of section 30.270, RSMo, or
288 repurchase agreements secured by such securities. If the district abolishes the
289 sales tax, the district shall notify the director of revenue of the action at least
290 ninety days before the effective date of the repeal, and the director of revenue
291 may order retention in the trust fund, for a period of one year, of two percent of
292 the amount collected after receipt of such notice to cover possible refunds or
293 overpayment of the sales tax and to redeem dishonored checks and drafts
294 deposited to the credit of such accounts. After one year has elapsed after the
295 effective date of abolition of the sales tax in the district, the director of revenue
296 shall remit the balance in the account to the district and close the account of the
297 district. The director of revenue shall notify the district of each instance of any
298 amount refunded or any check redeemed from receipts due the district.

299 [13.] 15. In the event that the district is dissolved or terminated by any
300 means, the governing bodies of the counties in the district shall appoint a person
301 to act as trustee for the district so dissolved or terminated. Before beginning the
302 discharge of duties, the trustee shall take and subscribe an oath to faithfully
303 discharge the duties of the office, and shall give bond with sufficient security,
304 approved by the governing bodies of the counties, to the use of the dissolved or
305 terminated district, for the faithful discharge of duties. The trustee shall have
306 and exercise all powers necessary to liquidate the district, and upon satisfaction
307 of all remaining obligations of the district, shall pay over to the county treasurer
308 of each county in the district and take receipt for all remaining moneys in
309 amounts based on the ratio the levy of each county bears to the total levy for the
310 district in the previous three years or since the establishment of the district,
311 whichever time period is shorter. Upon payment to the county treasurers, the
312 trustee shall deliver to the clerk of the governing body of any county in the
313 district all books, papers, records, and deeds belonging to the dissolved district.

67.2030. 1. The governing authority of any city of the fourth classification
2 with more than one thousand six hundred but less than one thousand seven
3 hundred inhabitants and located in any county of the first classification with
4 more than seventy-three thousand seven hundred but less than seventy-three
5 thousand eight hundred inhabitants is hereby authorized to impose, by ordinance
6 or order, a sales tax in the amount not to exceed one-half of one percent on all
7 retail sales made in such city which are subject to taxation pursuant to sections

8 144.010 to 144.525, RSMo, for the promotion of tourism in such city. The tax
9 authorized by this section shall be in addition to any and all other sales taxes
10 allowed by law, except that no ordinance or order imposing a sales tax pursuant
11 to this section shall be effective unless the governing authority of the city submits
12 to the qualified voters of the city, at any municipal or state general, primary, or
13 special election, a proposal to authorize the governing authority of the city to
14 impose a tax.

15 2. The ballot of submission shall be in substantially the following form:

16 "Shall the city of (city's name) impose a citywide sales tax of (insert
17 amount) for the purpose of promoting tourism in the city?"

18 YES NO

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

21 If a majority of the votes cast on the proposal by the qualified voters voting
22 thereon are in favor of the proposal, then the ordinance or order and any
23 amendments thereto shall be in effect on the first day of the [first] **second**
24 calendar quarter immediately [following notification to] **after** the director of the
25 department of revenue [of the election approving the proposal] **receives**
26 **notification of adoption of the local sales tax**. If a proposal receives less
27 than the required majority, then the governing authority of the city shall have no
28 power to impose the sales tax unless and until the governing authority of the city
29 has submitted another proposal to authorize the imposition of the sales tax
30 authorized by this section and such proposal is approved by the required majority
31 of the qualified voters voting thereon. However, in no event shall a proposal
32 pursuant to this section be submitted to the voters sooner than twelve months
33 from the date of the last proposal pursuant to this section.

34 3. [On and after the effective date of any tax authorized in this section,
35 the city may adopt one of the two following provisions for the collection and
36 administration of the tax:

37 (1) The city may adopt rules and regulations for the internal collection of
38 such tax by the city officers usually responsible for collection and administration
39 of city taxes; or

40 (2) The city may enter into an agreement with the director of revenue of
41 the state of Missouri for the purpose of collecting the tax authorized in this
42 section. In the event any city enters into an agreement with the director of
43 revenue of the state of Missouri for the collection of the tax authorized in this

44 section, the director of revenue shall perform all functions incident to the
45 administration, collection, enforcement, and operation of such tax, and the
46 director of revenue shall collect the additional tax authorized in this section. The
47 tax authorized in this section shall be collected and reported upon such forms and
48 under such administrative rules and regulations as may be prescribed by the
49 director of revenue, and the director of revenue shall retain an amount not to
50 exceed one percent for cost of collection.

51 4. If a tax is imposed by a city pursuant to this section, the city may
52 collect a penalty of one percent and interest not to exceed two percent per month
53 on unpaid taxes which shall be considered delinquent thirty days after the last
54 day of each quarter.] **After the effective date of any tax imposed under the**
55 **provisions of this section, the director of revenue shall perform all**
56 **functions incident to the administration, collection, enforcement, and**
57 **operation of the tax and collect, in addition to the sales tax for the**
58 **state of Missouri, the additional tax authorized under the authority of**
59 **this section. The tax imposed under this section and the tax imposed**
60 **under the sales tax law of the state of Missouri shall be collected**
61 **together and reported upon such forms and under such administrative**
62 **rules and regulations as may be prescribed by the director of revenue.**

63 4. There is hereby created the "City Tourism Sales Tax Trust
64 Fund", which shall consist of all sales tax revenue collected pursuant
65 to this section. The state treasurer's office shall be custodian of the
66 trust fund, and moneys in the trust fund shall be used solely for the
67 purposes authorized in this section. Moneys in the trust fund shall be
68 considered nonstate funds under article IV, section 15, of the Missouri
69 Constitution. The state treasurer shall invest moneys in the trust fund
70 in the same manner as other funds are invested. Any interest and
71 moneys earned on such investments shall be credited to the trust
72 fund. All sales taxes collected by the director of revenue under this
73 section on behalf of the city, less one percent for the cost of collection,
74 which shall be deposited in the state's general revenue fund after
75 payment of premiums for surety bonds as provided in section 32.087
76 shall be deposited in the trust fund. The director of revenue shall keep
77 accurate records of the amount of moneys in the trust fund that was
78 collected in the city imposing a sales tax under this section, and the
79 records shall be open to the inspection of the officers of each city and
80 the general public. Not later than the tenth day of each month, the

81 **director of revenue shall distribute all moneys deposited in the trust**
 82 **fund during the preceding month to the city. The director of revenue**
 83 **may authorize refunds from the amounts in the trust fund and credited**
 84 **to the city or county for erroneous payments and overpayments made,**
 85 **and may redeem dishonored checks and drafts deposited to the credit**
 86 **of the city.**

87 5. (1) The governing authority of any city that has adopted any sales tax
 88 pursuant to this section shall, upon filing of a petition calling for the repeal of
 89 such sales tax signed by at least ten percent of the qualified voters in the city,
 90 submit the question of repeal of the sales tax to the qualified voters at any
 91 primary or general election. The ballot of submission shall be in substantially the
 92 following form:

93 Shall (insert name of city) repeal the sales tax of (insert rate of
 94 percent) percent for tourism purposes now in effect in (insert name of city)?

95 YES NO

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

98 If a majority of the votes cast on the proposal are in favor of repeal, that repeal
 99 shall become effective on December thirty-first of the calendar year in which such
 100 repeal was approved. **Effective January 1, 2010, if the city or county**
 101 **abolishes the tax, the city or county shall notify the director of revenue**
 102 **of the action at least one hundred twenty days prior to the effective**
 103 **date of the repeal.**

104 (2) Once the tax is repealed as provided in this section, all funds
 105 remaining in any trust fund or account established to receive revenues generated
 106 by the tax shall be used solely for the original stated purpose of the tax. Any
 107 funds which are not needed for current expenditures may be invested by the
 108 governing authority in accordance with applicable laws relating to the investment
 109 of other city funds.

110 (3) The governing authority of a city repealing a tax pursuant to this
 111 section shall notify the director of revenue of the action at least forty-five days
 112 before the effective date of the repeal and the director of revenue may order
 113 retention in any trust fund created in the state treasury associated with the tax,
 114 for a period of one year, of two percent of the amount collected after receipt of
 115 such notice to cover refunds or overpayment of the tax and to redeem dishonored
 116 checks and drafts deposited to the credit of such accounts. After one year has

117 elapsed after the effective date of repeal of the tax in the city, the director of
118 revenue shall remit the balance in the trust fund to the city and close the account
119 of that city. The director of revenue shall notify each city of each instance of any
120 amount refunded or any check redeemed from receipts due the city.

121 (4) In the event that the repeal of a sales tax pursuant to this section
122 dissolves or terminates a taxing district, the governing authority of the city shall
123 appoint a person to act as trustee for the district so dissolved or
124 terminated. Before beginning the discharge of duties, the trustee shall take and
125 subscribe an oath to faithfully discharge the duties of the office, and shall give
126 bond with sufficient security, approved by the governing authority of the city, to
127 the use of the dissolved or terminated district, for the faithful discharge of
128 duties. The trustee shall have and exercise all powers necessary to liquidate the
129 district, and upon satisfaction of all remaining obligations of the district, shall
130 pay over to the city treasurer or the equivalent official and take receipt for all
131 remaining moneys. Upon payment to the city treasurer, the trustee shall deliver
132 to the clerk of the governing authority of the city all books, papers, records, and
133 deeds belonging to the dissolved district.

134 6. Except as modified in this Bill, all provisions of sections 32.085 and
135 32.087, RSMo, shall apply to the tax imposed pursuant to this section.

67.2525. 1. Each member of the board of directors shall have the
2 following qualifications:

3 (1) As to those subdistricts in which there are registered voters, a resident
4 registered voter in the subdistrict that he or she represents, or be a property
5 owner or, as to those subdistricts in which there are not registered voters who are
6 residents, a property owner or representative of a property owner in the
7 subdistrict he or she represents;

8 (2) Be at least twenty-one years of age and a registered voter in the
9 district.

10 2. The district shall be subdivided into at least five but not more than
11 fifteen subdistricts, which shall be represented by one representative on the
12 district board of directors. All board members shall have terms of four years,
13 including the initial board of directors. All members shall take office upon being
14 appointed and shall remain in office until a successor is appointed by the mayor
15 or chairman of the municipality in which the district is located, or elected by the
16 property owners in those subdistricts without registered voters.

17 3. For those subdistricts which contain one or more registered voters, the

18 mayor or chairman of the city, town, or village shall, with the consent of the
19 governing body, appoint a registered voter residing in the subdistrict to the board
20 of directors.

21 4. For those subdistricts which contain no registered voters, the property
22 owners who collectively own one or more parcels of real estate comprising more
23 than half of the land situated in each subdistrict shall meet and shall elect a
24 representative to serve upon the board of directors. The clerk of the city, town,
25 or village in which the petition was filed shall, unless waived in writing by all
26 property owners in the subdistrict, give notice by causing publication to be made
27 once a week for two consecutive weeks in a newspaper of general circulation in
28 the county, the last publication of which shall be at least ten days before the day
29 of the meeting required by this section, to call a meeting of the owners of real
30 property within the subdistrict at a day and hour specified in a public place in
31 the city, town, or village in which the petition was filed for the purpose of electing
32 members of the board of directors.

33 5. The property owners, when assembled, shall organize by the election
34 of a temporary chairman and secretary of the meeting who shall conduct the
35 election. An election shall be conducted for each subdistrict, with the eligible
36 property owners voting in that subdistrict. At the election, each acre of real
37 property within the subdistrict shall represent one share, and each owner,
38 including corporations and other entities, may have one vote in person or for
39 every acre of real property owned by such person within the subdistrict. Each
40 voter which is not an individual shall determine how to cast its vote as provided
41 for in its articles of incorporation, articles of organization, articles of partnership,
42 bylaws, or other document which sets forth an appropriate mechanism for the
43 determination of the entity's vote. If a voter has no such mechanism, then its
44 vote shall be cast as determined by a majority of the persons who run the
45 day-to-day affairs of the voter. The results of the meeting shall be certified by the
46 temporary chairman and secretary to the municipal clerk if the district is
47 established by a municipality described in this section, or to the circuit clerk if
48 the district is established by a circuit court.

49 6. Successor boards shall be appointed or elected, depending upon the
50 presence or absence of resident registered voters, by the mayor or chairman of a
51 city, town, or village described in this section, or the property owners as set forth
52 above; provided, however, that elections held by the property owners after the
53 initial board is elected shall be certified to the municipal clerk of the city, town,

54 or village where the district is located and the board of directors of the district.

55 7. Should a vacancy occur on the board of directors, the mayor or
56 chairman of the city, town, or village if there are registered voters within the
57 subdistrict, or a majority of the owners of real property in a subdistrict if there
58 are not registered voters in the subdistrict, shall have the authority to appoint
59 or elect, as set forth in this section, an interim director to complete any unexpired
60 term of a director caused by resignation or disqualification.

61 8. The board shall possess and exercise all of the district's legislative and
62 executive powers, including:

63 (1) The power to fund, promote and provide educational, civic, musical,
64 theatrical, cultural, concerts, lecture series, and related or similar entertainment
65 events or activities, and fund, promote, plan, design, construct, improve,
66 maintain, and operate public improvements, transportation projects, and related
67 facilities within the district;

68 (2) The power to accept and disburse tax or other revenue collected in the
69 district; and

70 (3) The power to receive property by gift or otherwise.

71 9. Within thirty days after the selection of the initial directors, the board
72 shall meet. At its first meeting and annually thereafter the board shall elect a
73 chairman from its members.

74 10. The board shall appoint an executive director, district secretary,
75 treasurer, and such other officers or employees as it deems necessary.

76 11. At the first meeting, the board, by resolution, shall define the first and
77 subsequent fiscal years of the district, and shall adopt a corporate seal.

78 12. A simple majority of the board shall constitute a quorum. If a quorum
79 exists, a majority of those voting shall have the authority to act in the name of
80 the board, and approve any board resolution.

81 13. At the first meeting, the board, by resolution, shall receive the
82 certification of the election regarding the sales tax, and may impose the sales tax
83 in all subdistricts approving the imposing sales tax. In those subdistricts that
84 approve the sales tax, the sales tax shall become effective on the first day of the
85 **[first] second** calendar quarter **[immediately following the action by the district**
86 **board of directors imposing the tax] after the director of revenue receives**
87 **notification of adoption of the local sales tax.**

88 14. Each director shall devote such time to the duties of the office as the
89 faithful discharge thereof may require and be reimbursed for his or her actual

90 expenditures in the performance of his or her duties on behalf of the
91 district. Directors may be compensated, but such compensation shall not exceed
92 one hundred dollars per month.

93 15. In addition to all other powers granted by sections 67.2500 to 67.2530,
94 the district shall have the following general powers:

95 (1) To sue and be sued in its own name, and to receive service of process,
96 which shall be served upon the district secretary;

97 (2) To fix compensation of its employees and contractors;

98 (3) To enter into contracts, franchises, and agreements with any person
99 or entity, public or private, affecting the affairs of the district, including contracts
100 with any municipality, district, or state, or the United States, and any of their
101 agencies, political subdivisions, or instrumentalities, for the funding, including
102 without limitation, interest rate exchange or swap agreements, planning,
103 development, construction, acquisition, maintenance, or operation of a district
104 facility or to assist in such activity;

105 (4) To acquire, develop, construct, equip, transfer, donate, lease, exchange,
106 mortgage, and encumber real and personal property in furtherance of district
107 purposes;

108 (5) To collect and disburse funds for its activities;

109 (6) To collect taxes and other revenues;

110 (7) To borrow money and incur indebtedness and evidence the same by
111 certificates, notes, bonds, debentures, or refunding of any such obligations for the
112 purpose of paying all or any part of the cost of land, construction, development,
113 or equipping of any facilities or operations of the district;

114 (8) To own or lease real or personal property for use in connection with
115 the exercise of powers pursuant to this subsection;

116 (9) To provide for the election or appointment of officers, including a
117 chairman, treasurer, and secretary. Officers shall not be required to be residents
118 of the district, and one officer may hold more than one office;

119 (10) To hire and retain agents, employees, engineers, and attorneys;

120 (11) To enter into entertainment contracts binding the district and artists,
121 agencies, or performers, management contracts, contracts relating to the booking
122 of entertainment and the sale of tickets, and all other contracts which relate to
123 the purposes of the district;

124 (12) To contract with a local government, a corporation, partnership, or
125 individual regarding funding, promotion, planning, designing, constructing,

126 improving, maintaining, or operating a project or to assist in such activity;

127 (13) To contract for transfer to a city, town, or village such district
128 facilities and improvements free of cost or encumbrance on such terms set forth
129 by contract;

130 (14) To exercise such other powers necessary or convenient for the district
131 to accomplish its purposes which are not inconsistent with its express powers.

132 16. A district may at any time authorize or issue notes, bonds, or other
133 obligations for any of its powers or purposes. Such notes, bonds, or other
134 obligations:

135 (1) Shall be in such amounts as deemed necessary by the district,
136 including costs of issuance thereof;

137 (2) Shall be payable out of all or any portion of the revenues or other
138 assets of the district;

139 (3) May be secured by any property of the district which may be pledged,
140 assigned, mortgaged, or otherwise encumbered for payment;

141 (4) Shall be authorized by resolution of the district, and if issued by the
142 district, shall bear such date or dates, and shall mature at such time or times,
143 but not in excess of forty years, as the resolution shall specify;

144 (5) Shall be in such denomination, bear interest at such rates, be in such
145 form, be issued as current interest bonds, compound interest bonds, variable rate
146 bonds, convertible bonds, or zero coupon bonds, be issued in such manner, be
147 payable in such place or places and subject to redemption as such resolution may
148 provide; and

149 (6) May be sold at either public or private sale, at such interest rates, and
150 at such price or prices as the district shall determine.

151 The provisions of this subsection are applicable to the district notwithstanding
152 the provisions of section 108.170, RSMo.

67.2530. 1. Any note, bond, or other indebtedness of the district may be
2 refunded at any time by the district by issuing refunding bonds in such amount
3 as the district may deem necessary. Such bonds shall be subject to and shall
4 have the benefit of the foregoing provisions regarding notes, bonds, and other
5 obligations. Without limiting the generality of the foregoing, refunding bonds
6 may include amounts necessary to finance any premium, unpaid interest, and
7 costs of issuance in connection with the refunding bonds. Any such refunding
8 may be effected whether the bonds to be refunded then shall have matured or
9 thereafter shall mature, either by sale of the refunding bonds and the application

10 of the proceeds thereof to the payment of the obligations being refunded or the
11 exchange of the refunding bonds for the obligations being refunded with the
12 consent of the holders of the obligations being refunded.

13 2. Notes, bonds, or other indebtedness of the district shall be exclusively
14 the responsibility of the district payable solely out of the district funds and
15 property and shall not constitute a debt or liability of the state of Missouri or any
16 agency or political subdivision of the state. Any notes, bonds, or other
17 indebtedness of the district shall state on their face that they are not obligations
18 of the state of Missouri or any agency or political subdivision thereof other than
19 the district.

20 3. Any district may by resolution impose a district sales tax of up to
21 one-half of one percent on all retail sales made in such district that are subject
22 to taxation pursuant to the provisions of sections 144.010 to 144.525,
23 RSMo. Upon voter approval, and receiving the necessary certifications from the
24 governing body of the municipality in which the district is located, or from the
25 circuit court if the district was formed by the circuit court, the board of directors
26 shall have the power to impose a sales tax at its first meeting, or any meeting
27 thereafter. Voter approval of the question of the imposing sales tax shall be in
28 accordance with section 67.2520. [The sales tax shall become effective in those
29 subdistricts that approve the sales tax on the first day of the first calendar
30 quarter immediately following the passage of a resolution by the board of
31 directors imposing the sales tax.

32 4. In each district in which a sales tax has been imposed in the manner
33 provided by this section, every retailer shall add the tax imposed by the district
34 pursuant to this section to the retailer's sale price, and when so added, such tax
35 shall constitute a part of the price, shall be a debt of the purchaser to the retailer
36 until paid, and shall be recoverable at law in the same manner as the purchase
37 price.

38 5. In order to permit sellers required to collect and report the sales tax
39 authorized by this section to collect the amount required to be reported and
40 remitted, but not to change the requirements of reporting or remitting tax or to
41 serve as a levy of the tax, and in order to avoid fractions of pennies, the district
42 may establish appropriate brackets which shall be used in the district imposing
43 a tax pursuant to this section in lieu of those brackets provided in section
44 144.285, RSMo.

45 6.] 4. All revenue received by a district from the sales tax authorized by

46 this section shall be deposited in a special trust fund and shall be used solely for
47 the purposes of the district. Any funds in such special trust fund which are not
48 needed for the district's current expenditures may be invested by the district
49 board of directors in accordance with applicable laws relating to the investment
50 of other district funds.

51 [7.] 5. The sales tax may be imposed at a rate of up to one-half of one
52 percent on the receipts from the sale at retail of all tangible personal property or
53 taxable services at retail within the district adopting such tax, if such property
54 and services are subject to taxation by the state of Missouri pursuant to the
55 provisions of sections 144.010 to 144.525, RSMo. Any district sales tax imposed
56 pursuant to this section shall be imposed at a rate that shall be uniform
57 throughout the subdistricts approving the sales tax.

58 [8. The resolution imposing the sales tax pursuant to this section shall
59 impose upon all sellers a tax for the privilege of engaging in the business of
60 selling tangible personal property or rendering taxable services at retail to the
61 extent and in the manner provided in sections 144.010 to 144.525, RSMo, and the
62 rules and regulations of the director of revenue issued pursuant thereto; except
63 that the rate of the tax shall be the rate imposed by the resolution as the sales
64 tax and the tax shall be reported and returned to and collected by the district.

65 9. (1) On and after the effective date of any sales tax imposed pursuant
66 to this section, the district shall perform all functions incident to the
67 administration, collection, enforcement, and operation of the tax. The sales tax
68 imposed pursuant to this section shall be collected and reported upon such forms
69 and under such administrative rules and regulations as may be prescribed by the
70 district.

71 (2)] 6. After the effective date of any tax imposed under the
72 provisions of this section, the director of revenue shall perform all
73 functions incident to the administration, collection, enforcement, and
74 operation of the tax and collect, in addition to the sales tax for the
75 state of Missouri, the additional tax authorized under the authority of
76 this section. The tax imposed under this section and the tax imposed
77 under the sales tax law of the state of Missouri shall be collected
78 together and reported upon such forms and under such administrative
79 rules and regulations as may be prescribed by the director of revenue.

80 7. All sales taxes collected by the director of revenue under this
81 section on behalf of any district, less one percent for the cost of

82 collection, which shall be deposited in the state's general revenue fund
83 after payment of premiums for surety bonds as provided in section
84 32.087 shall be deposited with the state treasurer in a special trust
85 fund, which is hereby created, to be known as the "Theater, Cultural
86 Arts, and Entertainment District Trust Fund". The moneys in the
87 theater, cultural arts, and entertainment tax trust fund shall not be
88 deemed to be state funds and shall not be commingled with any funds
89 of the state. The director of revenue shall keep accurate records of the
90 amount of money in the trust fund that was collected in each district
91 imposing a sales tax under this section, and the records shall be open
92 to the inspection of officers of each district and the general public. Not
93 later than the tenth day of each month, the director of revenue shall
94 distribute all moneys deposited in the trust fund during the preceding
95 month by distributing to the district treasurer, or such other officer as
96 may be designated by the district ordinance or order, of each district
97 imposing the tax authorized by this section, the sum, as certified by the
98 director of revenue, due the district.

99 8. All [such] sales taxes [collected by the district] shall be deposited by
100 the district in a special fund to be expended for the purposes authorized in this
101 section. The district shall keep accurate records of the amount of money which
102 was collected pursuant to this section, and the records shall be open to the
103 inspection of officers of each district and the general public.

104 [(3) The district may contract with the municipality that the district is
105 within for the municipality to collect any revenue received by the district and,
106 after deducting the cost of such collection, but not to exceed one percent of the
107 total amount collected, deposit such revenue in a special trust account. Such
108 revenue and interest may be applied by the municipality to expenses, costs, or
109 debt service of the district at the direction of the district as set forth in a contract
110 between the municipality and the district.

111 10. (1) All applicable provisions contained in sections 144.010 to 144.525,
112 RSMo, governing the state sales tax, sections 32.085 and 32.087, RSMo, and
113 section 32.057, RSMo, the uniform confidentiality provision, shall apply to the
114 collection of the tax imposed by this section, except as modified in this section.

115 (2) All exemptions granted to agencies of government, organizations,
116 persons, and to the sale of certain articles and items of tangible personal property
117 and taxable services pursuant to the provisions of sections 144.010 to 144.525,

118 RSMo, are hereby made applicable to the imposition and collection of the tax
119 imposed by this section.

120 (3) The same sales tax permit, exemption certificate, and retail certificate
121 required by sections 144.010 to 144.525, RSMo, for the administration and
122 collection of the state sales tax shall satisfy the requirements of this section, and
123 no additional permit or exemption certificate or retail certificate shall be
124 required; except that the district may prescribe a form of exemption certificate for
125 an exemption from the tax imposed by this section.

126 (4) All discounts allowed the retailer pursuant to the provisions of the
127 state sales tax laws for the collection of and for payment of taxes pursuant to
128 such laws are hereby allowed and made applicable to any taxes collected pursuant
129 to the provisions of this section.

130 (5) The penalties provided in section 32.057, RSMo, and sections 144.010
131 to 144.525, RSMo, for violation of those sections are hereby made applicable to
132 violations of this section.

133 (6) For the purpose of a sales tax imposed by a resolution pursuant to this
134 section, all retail sales shall be deemed to be consummated at the place of
135 business of the retailer unless the tangible personal property sold is delivered by
136 the retailer or the retailer's agent to an out-of-state destination or to a common
137 carrier for delivery to an out-of-state destination. In the event a retailer has
138 more than one place of business in this state which participates in the sale, the
139 sale shall be deemed to be consummated at the place of business of the retailer
140 where the initial order for the tangible personal property is taken, even though
141 the order must be forwarded elsewhere for acceptance, approval of credit,
142 shipment, or billing. A sale by a retailer's employee shall be deemed to be
143 consummated at the place of business from which the employee works.

144 (7)] **9.** Subsequent to the initial approval by the voters and
145 implementation of a sales tax in the district, the rate of the sales tax may be
146 increased, but not to exceed a rate of one-half of one percent on retail sales as
147 provided in this subsection. The election shall be conducted in accordance with
148 section 67.2520; provided, however, that the district board of directors may place
149 the question of the increase of the sales tax before the voters of the district by
150 resolution, and the municipal clerk of the city, town, or village which originally
151 conducted the incorporation of the district, or the circuit clerk of the court which
152 originally conducted the incorporation of the district, shall conduct the
153 subsequent election. In subsequent elections, the election judges shall certify the

154 election results to the district board of directors. The ballot of submission shall
155 be in substantially the following form:

156 Shall (name of district) increase the (insert
157 amount) percent district sales tax now in effect to..... (insert amount) in
158 the (name of district)?

159 YES NO

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

162 If a majority of the votes cast on the proposal by the qualified voters of the
163 district voting thereon are in favor of the increase, the increase shall become
164 effective [December thirty-first of the calendar year in which such increase was
165 approved] **on the first day of the second calendar quarter after the**
166 **director of revenue receives notification of the local sales tax increase.**

167 [11.] **10.** (1) There shall not be any election as provided for in this
168 section while the district has any financing or other obligations outstanding.

169 (2) The board, when presented with a petition signed by at least one-third
170 of the registered voters in a district that voted in the last gubernatorial election,
171 or signed by at least two-thirds of property owners of the district, calling for an
172 election to dissolve and repeal the tax shall submit the question to the voters
173 using the same procedure by which the imposing tax was voted. The ballot of
174 submission shall be in substantially the following form:

175 Shall (name of district) dissolve and repeal the
176 (insert amount) percent district sales tax now in effect in the (name
177 of district)?

178 YES NO

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

181 Such subsequent elections for the repeal of the sales tax shall be conducted in
182 accordance with section 67.2520; provided, however, that the district board of
183 directors may place the question of the repeal of the sales tax before the voters
184 of the district, and the municipal clerk of the city, town, or village which
185 originally conducted the incorporation of the district, or the circuit clerk of the
186 court which originally conducted the incorporation of the district, shall conduct
187 the subsequent election. In subsequent elections the election judges shall certify
188 the election results to the district board of directors.

189 (3) If a majority of the votes cast on the proposal by the qualified voters

190 of the district voting thereon are in favor of repeal, that repeal shall become
 191 effective December thirty-first of the calendar year in which such repeal was
 192 approved or after the repayment of the district's indebtedness, whichever occurs
 193 later. **Effective January 1, 2010, if the district abolishes the tax, the**
 194 **district shall notify the director of revenue of the action at least one**
 195 **hundred twenty days prior to the effective date of the repeal.**

196 [12.] 11. (1) At such time as the board of directors of the district
 197 determines that further operation of the district is not in the best interests of the
 198 inhabitants of the district, and that the district should dissolve, the board shall
 199 submit for a vote in an election held throughout the district the question of
 200 whether the district should be abolished. The question shall be submitted in
 201 substantially the following form:

202 Shall the theater, cultural arts, and entertainment district be
 203 abolished?

204 YES NO

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

207 (2) The district board shall not propose the question to abolish the district
 208 while there are outstanding claims or causes of action pending against the
 209 district, while the district liabilities exceed its assets, while indebtedness of the
 210 district is outstanding, or while the district is insolvent, in receivership or under
 211 the jurisdiction of the bankruptcy court. Prior to submitting the question to
 212 abolish the district to a vote of the entire district, the state auditor shall audit
 213 the district to determine the financial status of the district, and whether the
 214 district may be abolished pursuant to law. The vote on the abolition of the
 215 district shall be conducted by the municipal clerk of the city, town, or village in
 216 which the district is located. The procedure shall be the same as in section
 217 67.2520, except that the question shall be determined by the qualified voters of
 218 the entire district. No individual subdistrict may be abolished, except at such
 219 time as the district is abolished.

220 (3) While the district still exists, it shall continue to accrue all revenues
 221 to which it is entitled at law.

222 (4) Upon receipt by the board of directors of the district of the certification
 223 by the city, town, or village in which the district is located that the majority of
 224 those voting within the entire district have voted to abolish the district, and if the
 225 state auditor has determined that the district's financial condition is such that

226 it may be abolished pursuant to law, then the board of directors of the district
227 shall:

228 (a) Sell any remaining district real or personal property it wishes, and
229 then transfer the proceeds and any other real or personal property owned by the
230 district to the city, town, or village in which the district is located, including
231 revenues due and owing the district, for its further use and disposition;

232 (b) Terminate the employment of any remaining district employees, and
233 otherwise conclude its affairs;

234 (c) At a public meeting of the district, declare by a resolution of the board
235 of directors passed by a majority vote that the district has been abolished
236 effective that date;

237 (d) Cause copies of that resolution under seal to be filed with the
238 secretary of state and the city, town, or village in which the district is located.
239 Upon the completion of the final act specified in this subsection, the legal
240 existence of the district shall cease.

241 (5) The legal existence of the district shall not cease for a period of two
242 years after voter approval of the abolition.

243 **12. Except as provided in this section, all provisions of sections**
244 **32.085 and 32.087 shall apply to the tax imposed under this section.**

94.578. 1. In addition to the sales tax authorized in section 94.577, the
2 governing body of any home rule city with more than one hundred fifty-one
3 thousand five hundred but less than one hundred fifty-one thousand six hundred
4 inhabitants is hereby authorized to impose, by order or ordinance, a sales tax on
5 all retail sales made within the city which are subject to sales tax under chapter
6 144, RSMo. The tax authorized in this section may be imposed at a rate of
7 one-eighth, one-fourth, three-eighths, or one-half of one percent, but shall not
8 exceed one-half of one percent, shall not be imposed for longer than three years,
9 and shall be imposed solely for the purpose of funding the construction, operation,
10 and maintenance of capital improvements in the city's center city. The governing
11 body may issue bonds for the funding of such capital improvements, which will
12 be retired by the revenues received from the sales tax authorized by this
13 section. The order or ordinance shall not become effective unless the governing
14 body of the city submits to the voters residing within the city at a state or
15 municipal general, primary, or special election a proposal to authorize the
16 governing body of the city to impose a tax under this section. The tax authorized
17 in this section shall be in addition to all other sales taxes imposed by law, and

18 shall be stated separately from all other charges and taxes.

19 2. The ballot submission for the tax authorized in this section shall be in
20 substantially the following form:

21 Shall (insert the name of the city) impose a sales tax
22 at a rate of(insert rate of percent) percent for a capital improvements
23 purposes in the city's center city for a period of (insert number of years,
24 not to exceed three) years?

25 YES NO

26 If a majority of the votes cast on the question by the qualified voters voting
27 thereon are in favor of the question, then the tax shall become effective on the
28 first day of the second calendar quarter after the director of revenue receives
29 notice of the adoption of the sales tax. If a majority of the votes cast on the
30 question by the qualified voters voting thereon are opposed to the question, then
31 the tax shall not become effective unless and until the question is resubmitted
32 under this section to the qualified voters and such question is approved by a
33 majority of the qualified voters voting on the question. In no case shall a tax be
34 resubmitted to the qualified voters of the city sooner than twelve months from the
35 date of the proposal under this section.

36 3. Any sales tax imposed under this section shall be administered,
37 collected, enforced, and operated as required in [section] **sections 32.085 and**
38 **32.087**, RSMo. All revenue generated by the tax shall be deposited in a special
39 trust fund and shall be used solely for the designated purposes. If the tax is
40 repealed, all funds remaining in the special trust fund shall continue to be used
41 solely for the designated purposes. Any funds in the special trust fund which are
42 not needed for current expenditures shall be invested in the same manner as
43 other funds are invested. Any interest and moneys earned on such investments
44 shall be credited to the fund.

45 4. The director of revenue may authorize the state treasurer to make
46 refunds from the amounts in the trust fund and credited to any city for erroneous
47 payments and overpayments made, and may redeem dishonored checks and drafts
48 deposited to the credit of such cities. If any city abolishes the tax, the city shall
49 notify the director of revenue of the action at least ninety days before the effective
50 date of the repeal, and the director of revenue may order retention in the trust
51 fund, for a period of one year, of two percent of the amount collected after receipt
52 of such notice to cover possible refunds or overpayment of the tax and to redeem
53 dishonored checks and drafts deposited to the credit of such accounts. After one

54 year has elapsed after the effective date of abolition of the tax in such city, the
55 director of revenue shall remit the balance in the account to the city and close the
56 account of that city. The director of revenue shall notify each city of each
57 instance of any amount refunded.

58 5. The governing body of any city that has adopted the sales tax
59 authorized in this section may submit the question of repeal of the tax to the
60 voters on any date available for elections for the city. The ballot of submission
61 shall be in substantially the following form:

62 Shall (insert the name of the city) repeal the sales
63 tax imposed at a rate of (insert rate of percent) percent for capital
64 improvements purposes in the city's center city?

65 YES NO

66 If a majority of the votes cast on the proposal are in favor of repeal, that repeal
67 shall become effective on December thirty-first of the calendar year in which such
68 repeal was approved. If a majority of the votes cast on the question by the
69 qualified voters voting thereon are opposed to the repeal, then the sales tax
70 authorized in this section shall remain effective until the question is resubmitted
71 under this section to the qualified voters, and the repeal is approved by a
72 majority of the qualified voters voting on the question. **Effective January 1,**
73 **2010, if the city or county abolishes the tax, the city or county shall**
74 **notify the director of revenue of the action at least one hundred twenty**
75 **days prior to the effective date of the repeal.**

76 6. Whenever the governing body of any city that has adopted the sales tax
77 authorized in this section receives a petition, signed by ten percent of the
78 registered voters of the city voting in the last gubernatorial election, calling for
79 an election to repeal the sales tax imposed under this section, the governing body
80 shall submit to the voters of the city a proposal to repeal the tax. If a majority
81 of the votes cast on the question by the qualified voters voting thereon are in
82 favor of the repeal, that repeal shall become effective on December thirty-first of
83 the calendar year in which such repeal was approved. If a majority of the votes
84 cast on the question by the qualified voters voting thereon are opposed to the
85 repeal, then the tax shall remain effective until the question is resubmitted under
86 this section to the qualified voters and the repeal is approved by a majority of the
87 qualified voters voting on the question.

88 7. **Except as provided in this section, all provisions of section**
89 **32.085 and 32.087 apply to the sales tax imposed under this section.**

94.605. 1. Any city as defined in section 94.600 may by a majority vote
2 of its governing body impose a sales tax for transportation purposes enumerated
3 in sections 94.600 to 94.655.

4 2. The sales tax may be imposed at a rate not to exceed one-half of one
5 percent on the receipts from the sale at retail of all tangible personal property or
6 taxable services at retail within any city adopting such tax, if such property and
7 services are subject to taxation by the state of Missouri under the provisions of
8 sections 144.010 to 144.525, RSMo.

9 3. With respect to any tax increment financing plan originally approved
10 by ordinance of the city council after March 31, 2009, in any home rule city with
11 more than four hundred thousand inhabitants and located in more than one
12 county, any three-eighths of one cent sales tax imposed under sections 94.600 to
13 94.655 shall not be considered economic activity taxes as such term is defined
14 under sections 99.805 and 99.918, RSMo, and tax revenues derived from such
15 taxes shall not be subject to allocation under the provisions of subsection 3 of
16 section 99.845, RSMo, or subsection 4 of section 99.957, RSMo. Any one-eighth
17 of one cent sales tax imposed in such city under sections 94.600 to 94.655 for
18 constructing and operating a light-rail transit system shall not be considered
19 economic activity taxes as such term is defined under sections 99.805 and 99.918,
20 RSMo, and tax revenues derived from such tax shall not be subject to allocation
21 under the provisions of subsection 3 of section 99.845, RSMo, or subsection 4 of
22 section 99.957, RSMo.

23 [4. If the boundaries of a city in which such sales tax has been imposed
24 shall thereafter be changed or altered, the city or county clerk shall forward to
25 the director of revenue by United States registered mail or certified mail a
26 certified copy of the ordinance adding or detaching territory from the city. The
27 ordinance shall reflect the effective date thereof, and shall be accompanied by a
28 map of the city clearly showing the territory added thereto or detached
29 therefrom. Upon receipt of the ordinance and map, the tax imposed by sections
30 94.600 to 94.655 shall be effective in the added territory or abolished in the
31 detached territory on the effective date of the change of the city boundary.]

94.660. 1. The governing body of any city not within a county and any
2 county of the first classification having a charter form of government with a
3 population of over nine hundred thousand inhabitants may propose, by ordinance
4 or order, a transportation sales tax of up to one percent for submission to the
5 voters of that city or county at an authorized election date selected by the

6 governing body.

7 2. Any sales tax approved under this section shall be imposed on the
8 receipts from the sale at retail of all tangible personal property or taxable
9 services within the city or county adopting the tax, if such property and services
10 are subject to taxation by the state of Missouri under sections 144.010 to 144.525,
11 RSMo.

12 3. The ballot of submission shall contain, but need not be limited to, the
13 following language:

14 Shall the county/city of(county's or city's name)
15 impose a county/city-wide sales tax of.....percent for the purpose of providing
16 a source of funds for public transportation purposes?

17 YES NO

18 Except as provided in subsection 4 of this section, if a majority of the votes cast
19 in that county or city not within a county on the proposal by the qualified voters
20 voting thereon are in favor of the proposal, then the tax shall go into effect on the
21 first day of the [next] **second** calendar quarter beginning after [its adoption and
22 notice to] the director of revenue[, but no sooner than thirty days after such
23 adoption and notice] **receives notice of adoption of the local sales tax**. If
24 a majority of the votes cast in that county or city not within a county by the
25 qualified voters voting are opposed to the proposal, then the additional sales tax
26 shall not be imposed in that county or city not within a county unless and until
27 the governing body of that county or city not within a county shall have
28 submitted another proposal to authorize the local option transportation sales tax
29 authorized in this section, and such proposal is approved by a majority of the
30 qualified voters voting on it. In no event shall a proposal pursuant to this section
31 be submitted to the voters sooner than twelve months from the date of the last
32 proposal.

33 4. No tax shall go into effect under this section in any city not within a
34 county or any county of the first classification having a charter form of
35 government with a population over nine hundred thousand inhabitants unless
36 and until both such city and such county approve the tax.

37 5. The provisions of subsection 4 of this section requiring both the city
38 and county to approve a transportation sales tax before a transportation sales tax
39 may go into effect in either jurisdiction shall not apply to any transportation sales
40 tax submitted to and approved by the voters in such city or such county on or
41 after August 28, 2007.

42 6. All sales taxes collected by the director of revenue under this section
43 on behalf of any city or county, less one percent for cost of collection which shall
44 be deposited in the state's general revenue fund after payment of premiums for
45 surety bonds, shall be deposited with the state treasurer in a special trust fund,
46 which is hereby created, to be known as the "County Public Transit Sales Tax
47 Trust Fund". The sales taxes shall be collected as provided in section 32.087,
48 RSMo. The moneys in the trust fund shall not be deemed to be state funds and
49 shall not be commingled with any funds of the state. The director of revenue
50 shall keep accurate records of the amount of money in the trust fund which was
51 collected in each city or county approving a sales tax under this section, and the
52 records shall be open to inspection by officers of the city or county and the
53 public. Not later than the tenth day of each month the director of revenue shall
54 distribute all moneys deposited in the trust fund during the preceding month to
55 the city or county which levied the tax, and such funds shall be deposited with
56 the treasurer of each such city or county and all expenditures of funds arising
57 from the county public transit sales tax trust fund shall be by an appropriation
58 act to be enacted by the governing body of each such county or city not within a
59 county.

60 7. The revenues derived from any transportation sales tax under this
61 section shall be used only for the planning, development, acquisition,
62 construction, maintenance and operation of public transit facilities and systems
63 other than highways.

64 8. The director of revenue may authorize the state treasurer to make
65 refunds from the amount in the trust fund and credited to any city or county for
66 erroneous payments and overpayments made, and may redeem dishonored checks
67 and drafts deposited to the credit of such cities or counties. If any city or county
68 abolishes the tax, the city or county shall notify the director of revenue of the
69 action at least ninety days prior to the effective date of the repeal and the
70 director of revenue may order retention in the trust fund, for a period of one year,
71 of two percent of the amount collected after receipt of such notice to cover possible
72 refunds or overpayment of the tax and to redeem dishonored checks and drafts
73 deposited to the credit of such accounts. After one year has elapsed after the
74 effective date of abolition of the tax in such city or county, the director of revenue
75 shall authorize the state treasurer to remit the balance in the account to the city
76 or county and close the account of that city or county. The director of revenue
77 shall notify each city or county of each instance of any amount refunded or any

78 check redeemed from receipts due the city or county.

94.705. 1. Any city may by a majority vote of its governing body impose
 2 a sales tax for transportation purposes enumerated in sections 94.700 to 94.755,
 3 and issue bonds for transportation purposes which shall be retired by the
 4 revenues received from the sales tax authorized by this section. The tax
 5 authorized by this section shall be in addition to any and all other sales taxes
 6 allowed by law. No ordinance imposing a sales tax pursuant to the provisions of
 7 this section shall become effective unless the council or other governing body
 8 submits to the voters of the city, at a city or state general, primary, or special
 9 election, a proposal to authorize the council or other governing body of the city
 10 to impose such a sales tax and, if such tax is to be used to retire bonds authorized
 11 pursuant to this section, to authorize such bonds and their retirement by such
 12 tax; except that no vote shall be required in any city that imposed and collected
 13 such tax under sections 94.600 to 94.655, before January 5, 1984. The ballot of
 14 the submission shall contain, but is not limited to, the following language:

15 (1) If the proposal submitted involves only authorization to impose the tax
 16 authorized by this section, the following language:

17 Shall the city of (city's name) impose a sales tax of
 18 (insert amount) for transportation purposes?

19 YES NO

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

22 (2) If the proposal submitted involves authorization to issue bonds and
 23 repay such bonds with revenues from the tax authorized by this section, the
 24 following language:

25 Shall the city of (city's name) issue bonds in the amount of
 26 (insert amount) for transportation purposes and impose a sales tax of
 27 (insert amount) to repay such bonds?

28 YES NO

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

31 If a majority of the votes cast on the proposal, provided in subdivision (1) of this
 32 subsection, by the qualified voters voting thereon are in favor of the proposal,
 33 then the ordinance and any amendments thereto shall be in effect. If the
 34 four-sevenths majority of the votes, as required by the Missouri Constitution,
 35 article VI, section 26, cast on the proposal, provided in subdivision (2) of this

36 subsection to issue bonds and impose a sales tax to retire such bonds, by the
37 qualified voters voting thereon are in favor of the proposal, then the ordinance
38 and any amendments thereto shall be in effect. If a majority of the votes cast on
39 the proposal, as provided in subdivision (1) of this subsection, by the qualified
40 voters voting thereon are opposed to the proposal, then the council or other
41 governing body of the city shall have no power to impose the tax authorized in
42 subdivision (1) of this subsection unless and until the council or other governing
43 body of the city submits another proposal to authorize the council or other
44 governing body of the city to impose the tax and such proposal is approved by a
45 majority of the qualified voters voting thereon. If more than three-sevenths of the
46 votes cast by the qualified voters voting thereon are opposed to the proposal, as
47 provided in subdivision (2) of this subsection to issue bonds and impose a sales
48 tax to retire such bonds, then the council or other governing body of the city shall
49 have no power to issue any bonds or to impose the tax authorized in subdivision
50 (2) of this subsection unless and until the council or other governing body of the
51 city submits another proposal to authorize the council or other governing body of
52 the city to issue such bonds or impose the tax to retire such bonds and such
53 proposal is approved by four-sevenths of the qualified voters voting thereon.

54 2. No incorporated municipality located wholly or partially within any
55 first class county operating under a charter form of government and having a
56 population of over nine hundred thousand inhabitants shall impose such a sales
57 tax for that part of the city, town or village that is located within such first class
58 county, in the event such a first class county imposes a sales tax under the
59 provisions of sections 94.600 to 94.655.

60 3. The sales tax may be imposed at a rate not to exceed one-half of one
61 percent on the receipts from the sale at retail of all tangible personal property or
62 taxable services at retail within any city adopting such tax, if such property and
63 services are subject to taxation by the state of Missouri under the provisions of
64 sections 144.010 to 144.525, RSMo.

65 4. [If the boundaries of a city in which such sales tax has been imposed
66 shall thereafter be changed or altered, the city clerk shall forward to the director
67 of revenue by United States registered mail or certified mail a certified copy of
68 the ordinance adding or detaching territory from the city. The ordinance shall
69 reflect the effective date thereof, and shall be accompanied by a map of the city
70 clearly showing the territory added thereto or detached therefrom. Upon receipt
71 of the ordinance and map, the tax imposed by sections 94.700 to 94.755 shall be

72 effective in the added territory or abolished in the detached territory on the
73 effective date of the change of the city boundary.

74 5.] No tax imposed pursuant to this section for the purpose of retiring
75 bonds issued pursuant to this section may be terminated until all of such bonds
76 have been retired.

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

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

8 (2) **"Bundled transaction", is the retail sale of two or more**
9 **products, except real property and services to real property, where the**
10 **products are otherwise distinct and identifiable, and the products are**
11 **sold for one non-itemized price. A "bundled transaction" does not**
12 **include the sale of any products in which the sales price varies, or is**
13 **negotiable, based on the selection by the purchaser of the products**
14 **included in the transaction. "Distinct and identifiable products" does**
15 **not include:**

16 (a) **Packaging, such as containers, boxes, sacks, bags, bottles, or**
17 **other materials such as wrapping, labels, tags, and instruction guides**
18 **that accompany the retail sale of the products and are incidental or**
19 **immaterial to the retail sale thereof. Examples of packaging that are**
20 **incidental or immaterial include grocery sacks, shoe boxes, dry**
21 **cleaning garment bags, and express delivery envelopes and boxes;**

22 (b) **A product provided free of charge with the required purchase**
23 **of another product. A product is provided free of charge if the sales**
24 **price of the product purchased does not vary depending on the**
25 **inclusion of the product provided free of charge;**

26 (c) **Items included in the member state's definition of sales price,**
27 **under appendix C of the agreement. The term "one non-itemized price"**
28 **does not include a price that is separately identified by product on**
29 **binding sales or other supporting sales-related documentation made**
30 **available to the customer in paper or electronic form including, but not**
31 **limited to, an invoice, bill of sale, receipt, contract, service agreement,**

32 lease agreement, periodic notice of rates and services, rate card, or
33 price list. A transaction that otherwise meets the definition of a
34 bundled transaction as defined in this subdivision, is not a bundled
35 transaction if it is:

36 a. The retail sale of tangible personal property and a service
37 where the tangible personal property is essential to the use of the
38 service, and is provided exclusively in connection with the service, and
39 the true object of the transaction is the service; or

40 b. The retail sale of services where one service is provided that
41 is essential to the use of receipt of a second service and the first
42 service is provided exclusively in connection with the second service
43 and the true object of the transaction is the second service; or

44 c. A transaction that includes taxable products and nontaxable
45 products and the purchase price or sales price of the taxable products
46 is de minimis. "De minimis" means the seller's purchase price or sales
47 price of the taxable products is ten percent or less of the total purchase
48 price or sales price of the bundled products.

49 Sellers shall use either the purchase price or the sales price of the
50 products to determine if the taxable products are de minimis. Sellers
51 may not use a combination of the purchase price and sales price of the
52 products to determine if the taxable products are de minimis. Sellers
53 shall use the full term of a service contract to determine if the taxable
54 products are de minimis; or

55 d. The retail sale of exempt tangible personal property and
56 taxable tangible personal property where:

57 i. The transaction included food and food ingredients, drugs,
58 durable medical equipment, mobility enhancing equipment, over-the-
59 counter drugs, prosthetic devices, all as defined in appendix C, or
60 medical supplies; and

61 ii. The seller's purchase price or sales price of the taxable
62 tangible personal property is fifty percent or less of the total purchase
63 price or sales price of the bundled tangible personal property. Sellers
64 may not use a combination of the purchase price and sales price of the
65 tangible personal property when making the fifty percent
66 determination for a transaction;

67 (3) "Business" includes any activity engaged in by any person, or caused
68 to be engaged in by him, with the object of gain, benefit or advantage, either

69 direct or indirect, and the classification of which business is of such character as
70 to be subject to the terms of sections 144.010 to 144.525. The isolated or
71 occasional sale of tangible personal property, service, substance, or thing, by a
72 person not engaged in such business, does not constitute engaging in business
73 within the meaning of sections 144.010 to 144.525 unless the total amount of the
74 gross receipts from such sales, exclusive of receipts from the sale of tangible
75 personal property by persons which property is sold in the course of the partial
76 or complete liquidation of a household, farm or nonbusiness enterprise, exceeds
77 three thousand dollars in any calendar year. The provisions of this subdivision
78 shall not be construed to make any sale of property which is exempt from sales
79 tax or use tax on June 1, 1977, subject to that tax thereafter;

80 **[(3)] (4) "Delivery charges", charges by the seller of personal**
81 **property or services for preparation and delivery to a location**
82 **designated by the purchaser of personal property or services including,**
83 **but not limited to, transportation, shipping, postage, handling, crating,**
84 **and packing;**

85 **(5) "Gross receipts",** except as provided in section 144.012, means the
86 total amount of the sale price of the sales at retail including any services other
87 than charges incident to the extension of credit that are a part of such sales made
88 by the businesses herein referred to, capable of being valued in money, whether
89 received in money or otherwise; except that, the term "gross receipts" shall not
90 include the sale price of property returned by customers when the full sale price
91 thereof is refunded either in cash or by credit. In determining any tax due under
92 sections 144.010 to 144.525 on the gross receipts, charges incident to the
93 extension of credit shall be specifically exempted. For the purposes of sections
94 144.010 to 144.525 the total amount of the sale price above mentioned shall be
95 deemed to be the amount received. It shall also include the lease or rental
96 consideration where the right to continuous possession or use of any article of
97 tangible personal property is granted under a lease or contract and such transfer
98 of possession would be taxable if outright sale were made and, in such cases, the
99 same shall be taxable as if outright sale were made and considered as a sale of
100 such article, and the tax shall be computed and paid by the lessee upon the
101 rentals paid;

102 **(6) "Lease or rental", any transfer of possession or control of**
103 **tangible personal property for a fixed or indeterminate term for**
104 **consideration. A lease or rental may include future options to purchase**

105 or extend;

106 (a) Lease or rental does not include:

107 a. A transfer of possession or control of property under a
108 security agreement or deferred payment plan that requires the transfer
109 of title upon completion of the required payments;

110 b. A transfer or possession or control of property under an
111 agreement that requires the transfer of title upon completion of
112 required payments and payment of an option price does not exceed the
113 greater of one hundred dollars or one percent of the total required
114 payments; or

115 c. Providing tangible personal property along with an operator
116 for a fixed or indeterminate period of time. A condition of this
117 exclusion is that the operator is necessary for the equipment to
118 perform as designed. For the purpose of this subsection, an operator
119 must do more than maintain, inspect, or set-up the tangible personal
120 property;

121 (b) Lease or rental does include agreements covering motor
122 vehicles and trailers where the amount of consideration may be
123 increased or decreased by reference to the amount realized upon sale
124 or disposition of the property as defined in 26 U.S.C. 7701(h)(1), as
125 amended;

126 (c) This definition shall be used for sales and use tax purposes
127 regardless of whether a transaction is characterized as a lease or rental
128 under generally accepted accounting principles, the Internal Revenue
129 Code, the Missouri revised statutes, or other provisions of federal,
130 state, or local law;

131 (d) This definition will be applied only prospectively from the
132 date of adoption and will have no retroactive impact on existing leases
133 or rentals;

134 [(4)] (7) "Livestock", cattle, calves, sheep, swine, ratite birds, including
135 but not limited to, ostrich and emu, aquatic products as defined in section
136 277.024, RSMo, llamas, alpaca, buffalo, elk documented as obtained from a legal
137 source and not from the wild, goats, horses, other equine, or rabbits raised in
138 confinement for human consumption;

139 [(5)] (8) "Motor vehicle leasing company" [shall be], a company obtaining
140 a permit from the director of revenue to operate as a motor vehicle leasing
141 company. Not all persons renting or leasing trailers or motor vehicles need to

142 obtain such a permit; however, no person failing to obtain such a permit may
143 avail itself of the optional tax provisions of subsection 5 of section 144.070, as
144 hereinafter provided;

145 [(6)] (9) "Person" [includes], any individual, firm, copartnership, joint
146 adventure, association, corporation, municipal or private, and whether organized
147 for profit or not, state, county, political subdivision, state department,
148 commission, board, bureau or agency, except the state transportation department,
149 estate, trust, business trust, receiver or trustee appointed by the state or federal
150 court, syndicate, or any other group or combination acting as a unit, and the
151 plural as well as the singular number;

152 (10) "Product that is intended to be sold ultimately for final use
153 or consumption", tangible personal property, or any service that is
154 subject to state or local sales or use taxes, or any tax that is
155 substantially equivalent to these taxes, in this state or any other state;

156 (11) "Purchase price", applies to the measure subject to use tax
157 and has the same meaning as sales price;

158 [(7)] (12) "Purchaser" [means], a person who purchases tangible personal
159 property or to whom are rendered services, receipts from which are taxable under
160 sections 144.010 to 144.525;

161 [(8)] (13) "Research or experimentation activities" [are], the development
162 of an experimental or pilot model, plant process, formula, invention or similar
163 property, and the improvement of existing property of such type. Research or
164 experimentation activities do not include activities such as ordinary testing or
165 inspection of materials or products for quality control, efficiency surveys,
166 advertising promotions or research in connection with literary, historical or
167 similar projects;

168 [(9)] (14) "Sale" or "sales" includes installment and credit sales, and the
169 exchange of properties as well as the sale thereof for money, every closed
170 transaction constituting a sale, and means any transfer, exchange or barter,
171 conditional or otherwise, in any manner or by any means whatsoever, of tangible
172 personal property for valuable consideration and the rendering, furnishing or
173 selling for a valuable consideration any of the substances, things and services
174 herein designated and defined as taxable under the terms of sections 144.010 to
175 144.525;

176 [(10)] (15) "Sale at retail" [means any transfer made by any person
177 engaged in business as defined herein of the ownership of, or title to, tangible

178 personal property to the purchaser, for use or consumption and not for resale in
179 any form as tangible personal property, for a valuable consideration; except that,
180 for the purposes of sections 144.010 to 144.525 and the tax imposed thereby: (i)
181 purchases of tangible personal property made by duly licensed physicians,
182 dentists, optometrists and veterinarians and used in the practice of their
183 professions shall be deemed to be purchases for use or consumption and not for
184 resale; and (ii) the selling of computer printouts, computer output or microfilm
185 or microfiche and computer-assisted photo compositions to a purchaser to enable
186 the purchaser to obtain for his or her own use the desired information contained
187 in such computer printouts, computer output on microfilm or microfiche and
188 computer-assisted photo compositions shall be considered as the sale of a service
189 and not as the sale of tangible personal property], **any sale, lease, or rental**
190 **for any purpose other than for resale, sublease, or subrent. Purchases**
191 **of tangible personal property made by duly licensed physicians,**
192 **dentists, optometrists, and veterinarians and used in the practice of**
193 **their professions shall be deemed to be purchases for use or**
194 **consumption and not for resale.** Where necessary to conform to the context
195 of sections 144.010 to 144.525 and the tax imposed thereby, the term "sale at
196 retail" shall be construed to embrace:

197 (a) Sales of admission tickets, cash admissions, charges and fees to or in
198 places of amusement, entertainment and recreation, games and athletic events;

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

201 (c) Sales of local and long distance telecommunications service to
202 telecommunications subscribers and to others through equipment of
203 telecommunications subscribers for the transmission of messages and
204 conversations, and the sale, rental or leasing of all equipment or services
205 pertaining or incidental thereto;

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

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

211 (f) Sales of tickets by every person operating a railroad, sleeping car,
212 dining car, express car, boat, airplane, and such buses and trucks as are licensed
213 by the division of motor carrier and railroad safety of the department of economic

214 development of Missouri, engaged in the transportation of persons for hire;

215 **(16) "Sales price", applies to the measure subject to sales tax and**
216 **means the total amount of consideration, including cash, credit,**
217 **property, and services, for which personal property or services are**
218 **sold, leased, or rented, valued in money, whether received in money or**
219 **otherwise, without any deduction for the following:**

220 **(a) The seller's cost of the property sold;**

221 **(b) The cost of materials used, labor or service cost, interest,**
222 **losses, all costs of transportation to the seller, all taxes imposed on the**
223 **seller, and any other expense of the seller;**

224 **(c) Charges by the seller for any services necessary to complete**
225 **the sale, other than delivery and installation charges;**

226 **(d) Delivery charges;**

227 **(e) Installation charges; and**

228 **(f) Credit for any trade-in, as determined by state law;**

229 **[(11)] (17) "Seller" means a person selling or furnishing tangible personal**
230 **property or rendering services, on the receipts from which a tax is imposed**
231 **pursuant to section 144.020;**

232 **(18) "Tangible personal property", personal property that can be**
233 **seen, weighed, measured, felt, or touched, or that is in any other**
234 **manner perceptible to the senses. "Tangible personal property"**
235 **includes electricity, water, gas, steam, and prewritten computer**
236 **software;**

237 **[(12)] (19) The noun "tax" means either the tax payable by the purchaser**
238 **of a commodity or service subject to tax, or the aggregate amount of taxes due**
239 **from the vendor of such commodities or services during the period for which he**
240 **or she is required to report his or her collections, as the context may require;**

241 **[(13)] (20) "Telecommunications service", for the purpose of this chapter,**
242 **the transmission of information by wire, radio, optical cable, coaxial cable,**
243 **electronic impulses, or other similar means. As used in this definition,**
244 **"information" means knowledge or intelligence represented by any form of**
245 **writing, signs, signals, pictures, sounds, or any other**
246 **symbols. Telecommunications service does not include the following if such**
247 **services are separately stated on the customer's bill or on records of the seller**
248 **maintained in the ordinary course of business:**

249 **(a) Access to the Internet, access to interactive computer services or**

250 electronic publishing services, except the amount paid for the telecommunications
251 service used to provide such access;

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

253 (c) Private mobile radio services which are not two-way commercial mobile
254 radio services such as wireless telephone, personal communications services or
255 enhanced specialized mobile radio services as defined pursuant to federal law;
256 [or]

257 (d) Cable or satellite television or music services; [and

258 (14) "Product which is intended to be sold ultimately for final use or
259 consumption" means tangible personal property, or any service that is subject to
260 state or local sales or use taxes, or any tax that is substantially equivalent
261 thereto, in this state or any other state.]

262 **Beginning January 1, 2010, "telecommunications service" shall be**
263 **defined as:**

264 a. "Air-to-ground radiotelephone service", a radio service, as that
265 term is defined in 47 C.F.R. 22.99, in which common carriers are
266 authorized to offer and provide radio telecommunications service for
267 hire to subscribers in aircraft;

268 b. "Ancillary services", services that are associated with or
269 incidental to the provisions of telecommunications services, including
270 but not limited to, detailed telecommunications billing, directory
271 assistance, vertical service, and voice mail services;

272 c. "Call-by-call basis", any method of charging for
273 telecommunications services where the price is measured by individual
274 calls;

275 d. "Communications channel", a physical or virtual path of
276 communications over which signals are transmitted between or among
277 customer channel termination points;

278 e. "Customer", the person or entity that contracts with the seller
279 of telecommunications services. If the end user of telecommunications
280 services is not the contracting party, the end user of the
281 telecommunications service is the customer of the telecommunication
282 service, but this subparagraph only applies to the purpose of sourcing
283 sales of telecommunications under chapter 314. "Customer" does not
284 include a reseller of telecommunications service or for mobile
285 telecommunications service of a serving carrier under an agreement to
286 serve the customer outside the home service provider's licensed service

287 area;

288 f. "Customer channel termination point", the location where the
289 customer either inputs or receives the communication;

290 g. "End user", the person who utilizes the telecommunication
291 service. In case of an entity, "end user" means the individual who
292 utilizes the service on behalf of the entity;

293 h. "Home service provider", the same as that term is defined in
294 Section 124(5) of Public Law 106-252, Mobile Telecommunications
295 Sourcing Act;

296 i. "Mobile telecommunications service", the same as that term is
297 defined in Section 124(7) of Public Law 106-252, Mobile
298 Telecommunications Sourcing Act;

299 j. "Place of primary use", the street address representative of
300 where the customer's use of the telecommunications service primarily
301 occurs, which must be the residential street address or the primary
302 business street address of the customer. In Streamlined Sales and Use
303 Tax Agreement, Page 29, January 13, 2006, the case of mobile
304 telecommunications services, place of primary use must be within the
305 licensed service area of the home service provider;

306 k. "Post-paid calling service", the telecommunications service
307 obtained by making a payment on a call-by-call basis either through the
308 use of a credit card or payment mechanism such as a bank card, travel
309 card, credit card, or debit card, or by charge made to a telephone
310 number which is not associated with the origination or termination of
311 the telecommunications service. A post-paid calling service includes a
312 telecommunications service, except a prepaid wireless calling service,
313 that would be a prepaid calling service except it is not exclusively a
314 telecommunications service;

315 l. "Prepaid calling service", the right to access exclusively
316 telecommunications services, which must be paid for in advance and
317 which enables the origination of calls using an access number or
318 authorization code, whether manually or electronically dialed, and that
319 is sold in predetermined units or dollars of which the number declines
320 with use in a known amount;

321 m. "Prepaid wireless calling service", a telecommunications
322 service that provides the right to utilize mobile wireless services as
323 well as other non-telecommunications services, including the download

324 of digital products delivered electronically, content and ancillary
325 services, which must be paid for in advance that is sold in
326 predetermined units or dollars of which the number declines with use
327 in a known amount;

328 n. "Private communication service", a telecommunications service
329 that entitles the customer to exclusive or priority use of a
330 communications channel or group of channels between or among
331 termination points, regardless of the manner in which such channel or
332 channels are connected, and includes switching capacity, extension
333 lines, stations, and any other associated services that are provided in
334 connection with the use of such channel or channels;

335 o. "Service address":

336 i. The location of the telecommunications equipment to which a
337 customer's call is charged and from which the call originates or
338 terminates, regardless of where the call is billed or paid;

339 ii. If the location in subparagraph n. of this paragraph is not
340 known, service address means the origination point of the signal of the
341 telecommunications services first identified in either the seller's
342 telecommunications system or in information received by the seller
343 from its service provider, where the system used to transport such
344 signals is not that of the seller;

345 iii. If the location in subparagraph n. of this paragraph is not
346 known, the service address means the location of the customer's place
347 of primary use;

348 p. "Telecommunications service", the electronic transmission,
349 conveyance, or routing of voice, data, audio, video, or any other
350 information or signals to a point, or between or among points. The
351 term "telecommunications service" includes such transmission,
352 conveyance, or routing in which computer processing applications are
353 used to act on the form, code, or protocol of the content for purposes
354 of transmission, conveyance, or routing without regard to whether such
355 service is referred to as voice over Internet protocol services or is
356 classified by the Federal Communications Commission as enhanced or
357 value added. "Telecommunications service" does not include:

358 i. Data processing and information services that allow data to be
359 generated, acquired, stored, processed, or retrieved and delivered by
360 an electronic transmission to a purchaser where such purchaser's

361 **primary purpose for the underlying transaction is the processed data**
362 **or information;**

363 **ii. Installation or maintenance of wiring or equipment on a**
364 **customer's premises;**

365 **iii. Tangible personal property;**

366 **iv. Advertising, including but not limited to directory**
367 **advertising;**

368 **v. Billing and collection services provided to third parties;**

369 **vi. Internet access service;**

370 **vii. Radio and television audio and video programming services,**
371 **regardless of the medium, including the furnishing of transmission,**
372 **conveyance, and routing of such services by the programming service**
373 **provider. Radio and television audio and video programming services**
374 **shall include but not be limited to cable service as defined in 47 U.S.C.**
375 **522(6) and audio and video programming services delivered by**
376 **commercial mobile radio service providers, as defined in 47 C.F.R. 20.3;**

377 **viii. Ancillary services; or**

378 **ix. Digital products delivered electronically, including, but not**
379 **limited to, software, music, video, reading materials, or ring tones.**

380 2. For purposes of the taxes imposed under sections 144.010 to 144.525,
381 and any other provisions of law pertaining to sales or use taxes which incorporate
382 the provisions of sections 144.010 to 144.525 by reference, the term
383 "manufactured homes" shall have the same meaning given it in section 700.010,
384 RSMo.

385 3. Sections 144.010 to 144.525 may be known and quoted as the "Sales
386 Tax Law".

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

7 2. For the purposes of this section, the term "food" shall include only
8 [those products and types of food for which food stamps may be redeemed
9 pursuant to the provisions of the Federal Food Stamp Program as contained in
10 7 U.S.C. Section 2012, as that section now reads or as it may be amended

11 hereafter, and shall include food dispensed by or through vending machines] **food**
12 **and food ingredients; food sold through vending machines; and**
13 **prepared food sold in an unheated state by weight or volume as a single**
14 **item without eating utensils, food sold by a seller whose proper**
15 **primary NAICS classification is manufacturing in sector 311 and bakery**
16 **items, including bread, rolls, buns, biscuits, bagels, croissants, pastries,**
17 **donuts, danish, cakes, tortes, pies, tarts, muffins, bars, cookies, and**
18 **tortillas. For purposes of this section, the term "food and food**
19 **ingredients" means substances, whether in liquid, concentrated, solid,**
20 **frozen, dried, or dehydrated form, that are sold for ingestion or**
21 **chewing by humans and are consumed for their taste or nutritional**
22 **value. "Food and food ingredients" does not include alcoholic**
23 **beverages, tobacco, or dietary supplements. For purposes of this**
24 **section, the term "food sold through vending machines" means food**
25 **dispensed from a machine or other mechanical device that accepts**
26 **payment. "Prepared food" means food sold in a heated state or heated**
27 **by the seller; two or more food ingredients mixed or combined by the**
28 **seller for sale as a single item; or food sold with eating utensils**
29 **provided by the seller, including plates, knives, forks, spoons, glasses,**
30 **cups, napkins, or straws. A plate does not include a container or**
31 **packaging used to transport the food. "Prepared food" does not include**
32 **food that is only cut, repackaged, or pasteurized by the seller, and eggs,**
33 **fish, meat, poultry, and foods containing these raw animal foods**
34 **requiring cooking by the consumer as recommended by the Food and**
35 **Drug Administration in chapter 3, part 401.11 of its Food Code so as to**
36 **prevent food borne illnesses. "Alcoholic beverages" means beverages**
37 **that are suitable for human consumption and contain one-half of one**
38 **percent or more of alcohol by volume. "Dietary supplement" means any**
39 **product, other than tobacco, intended to supplement the diet that**
40 **contains one or more of the following dietary ingredients: a vitamin; a**
41 **mineral; an herb or other botanical; an amino acid; a dietary substance**
42 **for use by humans to supplement the diet by increasing the total**
43 **dietary intake; or a concentrate, metabolite, constituent, extract, or**
44 **combination of any ingredient described above; and that is intended for**
45 **ingestion in tablet, capsule, powder, softgel, gelcap, or liquid form, or**
46 **if not intended for ingestion in such a form, is not represented as a**
47 **conventional food and is not represented for use as a sole item of a**

48 **meal or of the diet; and that is required to be labeled as a dietary**
49 **supplement, identifiable by the supplemental facts box found on the**
50 **label and as required pursuant to 21 C.F.R. Section 101.36. "Tobacco"**
51 **means cigarettes, cigars, chewing or pipe tobacco, or any other item**
52 **that contains tobacco.** For the purpose of this section, except for vending
53 machine sales, the term "food" shall not include food or drink sold by any
54 establishment where the gross receipts derived from the sale of food prepared by
55 such establishment for immediate consumption on or off the premises of the
56 establishment constitutes more than eighty percent of the total gross receipts of
57 that establishment, regardless of whether such prepared food is consumed on the
58 premises of that establishment, including, but not limited to, sales of food by any
59 restaurant, fast food restaurant, delicatessen, eating house, or café.

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, RSMo, section 238.235, RSMo, and
12 sections 144.010 to 144.525 and 144.600 to 144.761 and from the computation of
13 the tax levied, assessed or payable pursuant to the local sales tax law as defined
14 in section 32.085, RSMo, section 238.235, RSMo, and sections 144.010 to 144.525
15 and 144.600 to 144.745:

16 (1) Motor fuel or special fuel subject to an excise tax of this state, unless
17 all or part of such excise tax is refunded pursuant to section 142.824, RSMo; or
18 upon the sale at retail of fuel to be consumed in manufacturing or creating gas,
19 power, steam, electrical current or in furnishing water to be sold ultimately at
20 retail; or feed for livestock or poultry; or grain to be converted into foodstuffs
21 which are to be sold ultimately in processed form at retail; or seed, limestone or
22 fertilizer which is to be used for seeding, liming or fertilizing crops which when
23 harvested will be sold at retail or will be fed to livestock or poultry to be sold
24 ultimately in processed form at retail; economic poisons registered pursuant to

25 the provisions of the Missouri pesticide registration law (sections 281.220 to
26 281.310, RSMo) which are to be used in connection with the growth or production
27 of crops, fruit trees or orchards applied before, during, or after planting, the crop
28 of which when harvested will be sold at retail or will be converted into foodstuffs
29 which are to be sold ultimately in processed form at retail;

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

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

45 (4) Replacement machinery, equipment, and parts and the materials and
46 supplies solely required for the installation or construction of such replacement
47 machinery, equipment, and parts, used directly in manufacturing, mining,
48 fabricating or producing a product which is intended to be sold ultimately for
49 final use or consumption; and machinery and equipment, and the materials and
50 supplies required solely for the operation, installation or construction of such
51 machinery and equipment, purchased and used to establish new, or to replace or
52 expand existing, material recovery processing plants in this state. For the
53 purposes of this subdivision, a "material recovery processing plant" means a
54 facility that has as its primary purpose the recovery of materials into a useable
55 product or a different form which is used in producing a new product and shall
56 include a facility or equipment which are used exclusively for the collection of
57 recovered materials for delivery to a material recovery processing plant but shall
58 not include motor vehicles used on highways. For purposes of this section, the
59 terms motor vehicle and highway shall have the same meaning pursuant to
60 section 301.010, RSMo. Material recovery is not the reuse of materials within a

61 manufacturing process or the use of a product previously recovered. The material
62 recovery processing plant shall qualify under the provisions of this section
63 regardless of ownership of the material being recovered;

64 (5) Machinery and equipment, and parts and the materials and supplies
65 solely required for the installation or construction of such machinery and
66 equipment, purchased and used to establish new or to expand existing
67 manufacturing, mining or fabricating plants in the state if such machinery and
68 equipment is used directly in manufacturing, mining or fabricating a product
69 which is intended to be sold ultimately for final use or consumption;

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

73 (7) Animals or poultry used for breeding or feeding purposes;

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

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

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

82 (11) Railroad rolling stock for use in transporting persons or property in
83 interstate commerce and motor vehicles licensed for a gross weight of twenty-four
84 thousand pounds or more or trailers used by common carriers, as defined in
85 section 390.020, RSMo, in the transportation of persons or property;

86 (12) Electrical energy used in the actual primary manufacture, processing,
87 compounding, mining or producing of a product, or electrical energy used in the
88 actual secondary processing or fabricating of the product, or a material recovery
89 processing plant as defined in subdivision (4) of this subsection, in facilities
90 owned or leased by the taxpayer, if the total cost of electrical energy so used
91 exceeds ten percent of the total cost of production, either primary or secondary,
92 exclusive of the cost of electrical energy so used or if the raw materials used in
93 such processing contain at least twenty-five percent recovered materials as
94 defined in section 260.200, RSMo. There shall be a rebuttable presumption that
95 the raw materials used in the primary manufacture of automobiles contain at
96 least twenty-five percent recovered materials. For purposes of this subdivision,

97 "processing" means any mode of treatment, act or series of acts performed upon
98 materials to transform and reduce them to a different state or thing, including
99 treatment necessary to maintain or preserve such processing by the producer at
100 the production facility;

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

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

108 (15) Machinery, equipment, appliances and devices purchased or leased
109 and used solely for the purpose of preventing, abating or monitoring water
110 pollution, and materials and supplies solely required for the installation,
111 construction or reconstruction of such machinery, equipment, appliances and
112 devices;

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

114 (17) All amounts paid or charged for admission or participation or other
115 fees paid by or other charges to individuals in or for any place of amusement,
116 entertainment or recreation, games or athletic events, including museums, fairs,
117 zoos and planetariums, owned or operated by a municipality or other political
118 subdivision where all the proceeds derived therefrom benefit the municipality or
119 other political subdivision and do not inure to any private person, firm, or
120 corporation;

121 (18) All sales of insulin and [prosthetic or] orthopedic devices as defined
122 on January 1, 1980, by the federal Medicare program pursuant to Title XVIII of
123 the Social Security Act of 1965, including the items specified in Section
124 1862(a)(12) of that act, and also specifically including hearing aids and hearing
125 aid supplies and all sales of drugs which may be legally dispensed by a licensed
126 pharmacist only upon a lawful prescription of a practitioner licensed to
127 administer those items, including samples and materials used to manufacture
128 samples which may be dispensed by a practitioner authorized to dispense such
129 samples and all sales of medical oxygen, home respiratory equipment and
130 accessories, hospital beds and accessories and ambulatory aids, all sales of
131 manual and powered wheelchairs, stairway lifts, Braille writers, electronic Braille
132 equipment and, if purchased by or on behalf of a person with one or more physical

133 or mental disabilities to enable them to function more independently, all sales of
134 scooters, reading machines, electronic print enlargers and magnifiers, electronic
135 alternative and augmentative communication devices, and items used solely to
136 modify motor vehicles to permit the use of such motor vehicles by individuals
137 with disabilities or sales of over-the-counter or nonprescription drugs to
138 individuals with disabilities, **except grooming or hygiene products, to**
139 **individuals with disabilities, and all sales of prosthetic devices. For**
140 **purposes of this section, "prosthetic device" means a replacement,**
141 **corrective, or supportive device including repair and replacement parts**
142 **for same worn on or in the body to: artificially replace a missing**
143 **portion of the body; prevent or correct physical deformity or**
144 **malfunction; or support a weak or deformed portion of the**
145 **body. "Prosthetic device" does not include corrective eyeglasses or**
146 **contact lenses. For purposes of this section, "drug" means a compound,**
147 **substance or preparation, and any component of a compound, substance**
148 **or preparation, other than food and food ingredients, dietary**
149 **supplements, or alcoholic beverages: recognized in the official United**
150 **States Pharmacopoeia, official Homeopathic Pharmacopoeia of the**
151 **United States, or official National Formulary, and supplement to any**
152 **of them; or intended for use in the diagnosis, cure, mitigation,**
153 **treatment, or prevention of disease; or intended to affect the structure**
154 **or any function of the body. For purposes of this section, "prescription"**
155 **means an order, formula, or recipe issued in any form of oral, written,**
156 **electronic, or other means of transmission by a duly licensed**
157 **practitioner authorized by the laws of this state. For purposes of this**
158 **section, "over-the-counter-drug" means a drug that contains a label that**
159 **identifies the product as a drug as required by 21 C.F.R. Section**
160 **201.66. The over-the-counter-drug label includes: a drug facts panel; or**
161 **a statement of the active ingredients with a list of those ingredients**
162 **contained in the compound, substance, or preparation. Over-the-**
163 **counter-drug does not include grooming and hygiene**
164 **products. "Grooming and hygiene products" are soaps and cleaning**
165 **solutions, shampoo, toothpaste, mouthwash, antiperspirants, and sun**
166 **tan lotions and screens, regardless of whether the items meet the**
167 **definition of over-the-counter-drugs;**

168 (19) All sales made by or to religious and charitable organizations and
169 institutions in their religious, charitable or educational functions and activities

170 and all sales made by or to all elementary and secondary schools operated at
171 public expense in their educational functions and activities;

172 (20) All sales of aircraft to common carriers for storage or for use in
173 interstate commerce and all sales made by or to not-for-profit civic, social, service
174 or fraternal organizations, including fraternal organizations which have been
175 declared tax-exempt organizations pursuant to Section 501(c)(8) or (10) of the
176 1986 Internal Revenue Code, as amended, in their civic or charitable functions
177 and activities and all sales made to eleemosynary and penal institutions and
178 industries of the state, and all sales made to any private not-for-profit institution
179 of higher education not otherwise excluded pursuant to subdivision (19) of this
180 subsection or any institution of higher education supported by public funds, and
181 all sales made to a state relief agency in the exercise of relief functions and
182 activities;

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

191 (22) All sales made to any private not-for-profit elementary or secondary
192 school, all sales of feed additives, medications or vaccines administered to
193 livestock or poultry in the production of food or fiber, all sales of pesticides used
194 in the production of crops, livestock or poultry for food or fiber, all sales of
195 bedding used in the production of livestock or poultry for food or fiber, all sales
196 of propane or natural gas, electricity or diesel fuel used exclusively for drying
197 agricultural crops, natural gas used in the primary manufacture or processing of
198 fuel ethanol as defined in section 142.028, RSMo, natural gas, propane, and
199 electricity used by an eligible new generation cooperative or an eligible new
200 generation processing entity as defined in section 348.432, RSMo, and all sales
201 of farm machinery and equipment, other than airplanes, motor vehicles and
202 trailers. As used in this subdivision, the term "feed additives" means tangible
203 personal property which, when mixed with feed for livestock or poultry, is to be
204 used in the feeding of livestock or poultry. As used in this subdivision, the term
205 "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and

206 other assorted pesticide carriers used to improve or enhance the effect of a
207 pesticide and the foam used to mark the application of pesticides and herbicides
208 for the production of crops, livestock or poultry. As used in this subdivision, the
209 term "farm machinery and equipment" means new or used farm tractors and such
210 other new or used farm machinery and equipment and repair or replacement
211 parts thereon, and supplies and lubricants used exclusively, solely, and directly
212 for producing crops, raising and feeding livestock, fish, poultry, pheasants,
213 chukar, quail, or for producing milk for ultimate sale at retail, including field
214 drain tile, and one-half of each purchaser's purchase of diesel fuel therefor which
215 is:

216 (a) Used exclusively for agricultural purposes;

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

219 (c) Used directly in producing farm products to be sold ultimately in
220 processed form or otherwise at retail or in producing farm products to be fed to
221 livestock or poultry to be sold ultimately in processed form at retail;

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

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

235 (b) Regulated utility sellers shall determine whether individual purchases
236 are exempt or nonexempt based upon the seller's utility service rate
237 classifications as contained in tariffs on file with and approved by the Missouri
238 public service commission. Sales and purchases made pursuant to the rate
239 classification "residential" and sales to and purchases made by or on behalf of the
240 occupants of residential apartments or condominiums through a single or master
241 meter, including service for common areas and facilities and vacant units, shall

242 be considered as sales made for domestic use and such sales shall be exempt from
243 sales tax. Sellers shall charge sales tax upon the entire amount of purchases
244 classified as nondomestic use. The seller's utility service rate classification and
245 the provision of service thereunder shall be conclusive as to whether or not the
246 utility must charge sales tax;

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

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

267 (25) Excise taxes, collected on sales at retail, imposed by Sections 4041,
268 4061, 4071, 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United
269 States Code. The director of revenue shall promulgate rules pursuant to chapter
270 536, RSMo, to eliminate all state and local sales taxes on such excise taxes;

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

277 (27) All sales made to an interstate compact agency created pursuant to

278 sections 70.370 to 70.441, RSMo, or sections 238.010 to 238.100, RSMo, in the
279 exercise of the functions and activities of such agency as provided pursuant to the
280 compact;

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

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

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

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

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

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

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

303 (35) All sales of feed which are developed for and used in the feeding of
304 pets owned by a commercial breeder when such sales are made to a commercial
305 breeder, as defined in section 273.325, RSMo, and licensed pursuant to sections
306 273.325 to 273.357, RSMo;

307 (36) All purchases by a contractor on behalf of an entity located in another
308 state, provided that the entity is authorized to issue a certificate of exemption for
309 purchases to a contractor under the provisions of that state's laws. For purposes
310 of this subdivision, the term "certificate of exemption" shall mean any document
311 evidencing that the entity is exempt from sales and use taxes on purchases
312 pursuant to the laws of the state in which the entity is located. Any contractor
313 making purchases on behalf of such entity shall maintain a copy of the entity's

314 exemption certificate as evidence of the exemption. If the exemption certificate
315 issued by the exempt entity to the contractor is later determined by the director
316 of revenue to be invalid for any reason and the contractor has accepted the
317 certificate in good faith, neither the contractor or the exempt entity shall be liable
318 for the payment of any taxes, interest and penalty due as the result of use of the
319 invalid exemption certificate. Materials shall be exempt from all state and local
320 sales and use taxes when purchased by a contractor for the purpose of fabricating
321 tangible personal property which is used in fulfilling a contract for the purpose
322 of constructing, repairing or remodeling facilities for the following:

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

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

329 (37) All sales or other transfers of tangible personal property to a lessor
330 who leases the property under a lease of one year or longer executed or in effect
331 at the time of the sale or other transfer to an interstate compact agency created
332 pursuant to sections 70.370 to 70.441, RSMo, or sections 238.010 to 238.100,
333 RSMo;

334 (38) Sales of tickets to any collegiate athletic championship event that is
335 held in a facility owned or operated by a governmental authority or commission,
336 a quasi-governmental agency, a state university or college or by the state or any
337 political subdivision thereof, including a municipality, and that is played on a
338 neutral site and may reasonably be played at a site located outside the state of
339 Missouri. For purposes of this subdivision, "neutral site" means any site that is
340 not located on the campus of a conference member institution participating in the
341 event;

342 (39) All purchases by a sports complex authority created under section
343 64.920, RSMo;

344 (40) Beginning January 1, 2009, but not after January 1, 2015, materials,
345 replacement parts, and equipment purchased for use directly upon, and for the
346 modification, replacement, repair, and maintenance of aircraft, aircraft power
347 plants, and aircraft accessories.

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

2 (1) "Clothing", [any article of wearing apparel, including footwear,

3 intended to be worn on or about the human body. The term shall include but not
4 be limited to cloth and other material used to make school uniforms or other
5 school clothing. Items normally sold in pairs shall not be separated to qualify for
6 the exemption. The term shall not include watches, watchbands, jewelry,
7 handbags, handkerchiefs, umbrellas, scarves, ties, headbands, or belt buckles;
8 and] **all human wearing apparel suitable for general use. The following**
9 **list contains examples and is not intended to be an all-inclusive list:**

10 (a) "Clothing" shall include:

- 11 a. Aprons, household and shop;
- 12 b. Athletic supporters;
- 13 c. Baby receiving blankets;
- 14 d. Bathing suits and caps;
- 15 e. Beach capes and coats;
- 16 f. Boots;
- 17 g. Coats and jackets;
- 18 h. Costumes;
- 19 i. Diapers, children and adult, including disposable diapers;
- 20 j. Ear muffs;
- 21 k. Footlets;
- 22 l. Formal wear;
- 23 m. Garters and garter belts;
- 24 n. Gloves and mittens for general use;
- 25 o. Hats and caps;
- 26 p. Hosiery;
- 27 q. Insoles for shoes;
- 28 r. Lab coats;
- 29 s. Neckties;
- 30 t. Overshoes;
- 31 u. Pantyhose;
- 32 v. Rainwear;
- 33 w. Rubber pants;
- 34 x. Sandals;
- 35 y. Scarves;
- 36 z. Shoes and shoe laces;
- 37 aa. Slippers;
- 38 bb. Sneakers;
- 39 cc. Socks and stockings;

- 40 **dd. Steel-toed shoes;**
41 **ee. Underwear;**
42 **ff. Uniforms, athletic and non-athletic; and**
43 **gg. Wedding apparel;**
44 **(b) Clothing shall not include:**
45 **a. Belt buckles sold separately;**
46 **b. Costume masks sold separately;**
47 **c. Patches and emblems sold separately;**
48 **d. Sewing equipment and supplies, including but not limited to,**
49 **knitting needles, patterns, pins, scissors, sewing machines, sewing**
50 **needles, tape measures, and thimbles; and**
51 **e. Sewing materials that become part of "clothing" including, but**
52 **not limited to, buttons, fabric, lace, thread, yarn, and zippers;**
53 (2) "Personal computers", a laptop, desktop, or tower computer system
54 which consists of a central processing unit, random access memory, a storage
55 drive, a display monitor, and a keyboard and devices designed for use in
56 conjunction with a personal computer, such as a disk drive, memory module,
57 compact disk drive, daughterboard, digitalizer, microphone, modem, motherboard,
58 mouse, multimedia speaker, printer, scanner, single-user hardware, single-user
59 operating system, soundcard, or video card;
60 (3) "School supplies", [any item normally used by students in a standard
61 classroom for educational purposes, including but not limited to textbooks,
62 notebooks, paper, writing instruments, crayons, art supplies, rulers, book bags,
63 backpacks, handheld calculators, chalk, maps, and globes. The term shall not
64 include watches, radios, CD players, headphones, sporting equipment, portable
65 or desktop telephones, copiers or other office equipment, furniture, or
66 fixtures. School supplies shall also include computer software having a taxable
67 value of three hundred fifty dollars or less] **an item commonly used by a**
68 **student in a course of study. The following is an all-inclusive list:**
69 **(a) Binders;**
70 **(b) Book bags;**
71 **(c) Calculators;**
72 **(d) Cellophane tape;**
73 **(e) Blackboard chalk;**
74 **(f) Compasses;**
75 **(g) Composition books;**

- 76 **(h) Crayons;**
- 77 **(i) Erasers;**
- 78 **(j) Folders, expandable, pocket, plastic, and manila;**
- 79 **(k) Glue, paste, and paste sticks;**
- 80 **(l) Highlighters;**
- 81 **(m) Index cards;**
- 82 **(n) Index card boxes;**
- 83 **(o) Legal pads;**
- 84 **(p) Lunch boxes;**
- 85 **(q) Markers;**
- 86 **(r) Notebooks;**
- 87 **(s) Paper, loose leaf ruled notebook paper, copy paper, graph**
- 88 **paper, tracing paper, manila paper, colored paper, poster board, and**
- 89 **construction paper;**
- 90 **(t) Pencil boxes and other school supply boxes;**
- 91 **(u) Pencil sharpeners;**
- 92 **(v) Pencils;**
- 93 **(w) Pens;**
- 94 **(x) Protractors;**
- 95 **(y) Scissors;**
- 96 **(z) Writing tablets;**
- 97 **(aa) School art supply. School art supply is an item commonly**
- 98 **used by a student in a course of study for artwork. The following is an**
- 99 **all-inclusive list:**
- 100 **a. Clay and glazes;**
- 101 **b. Paints, acrylic, tempera, and oil;**
- 102 **c. Paintbrushes for artwork;**
- 103 **d. Sketch and drawing pads;**
- 104 **e. Watercolors;**
- 105 **(bb) School instructional material. School instructional material**
- 106 **is written material commonly used by a student in a course of study as**
- 107 **a reference and to learn the subject being taught. The following is an**
- 108 **all-inclusive list:**
- 109 **a. Reference books;**
- 110 **b. Reference maps and globes;**
- 111 **c. Textbooks; and**
- 112 **d. Workbooks;**

113 **(cc) School computer supply. School computer supply is an item**
114 **commonly used by a student in a course of study in which a computer**
115 **is used. The following is an all-inclusive list:**

116 **a. Computer storage media, diskettes, compact disks;**

117 **b. Handheld electronic schedulers, except devices that are**
118 **cellular phones;**

119 **c. Personal digital assistants, except devices that are cellular**
120 **phones; and**

121 **d. Computer printers and printer supplies for computers, printer**
122 **paper, and printer ink.**

123 2. In each year beginning on or after January 1, 2005, there is hereby
124 specifically exempted from state sales tax law all retail sales of any article of
125 clothing having a taxable value of one hundred dollars or less, all retail sales of
126 school supplies not to exceed fifty dollars per purchase, all computer software
127 with a taxable value of three hundred fifty dollars or less, and all retail sales of
128 personal computers or computer peripheral devices not to exceed three thousand
129 five hundred dollars, during a three-day period beginning at 12:01 a.m. on the
130 first Friday in August and ending at midnight on the Sunday following.

131 3. [If the governing body of any political subdivision adopted an ordinance
132 that applied to the 2004 sales tax holiday to prohibit the provisions of this section
133 from allowing the sales tax holiday to apply to such political subdivision's local
134 sales tax, then, notwithstanding any provision of a local ordinance to the
135 contrary, the 2005 sales tax holiday shall not apply to such political subdivision's
136 local sales tax. However, any such political subdivision may enact an ordinance
137 to allow the 2005 sales tax holiday to apply to its local sales taxes. A political
138 subdivision must notify the department of revenue not less than forty-five
139 calendar days prior to the beginning date of the sales tax holiday occurring in
140 that year of any ordinance or order rescinding an ordinance or order to opt out.

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

143 [5.] 4. This section applies to sales of items bought for personal use only.

144 [6. After the 2005 sales tax holiday, any political subdivision may, by
145 adopting an ordinance or order, choose to prohibit future annual sales tax
146 holidays from applying to its local sales tax. After opting out, the political
147 subdivision may rescind the ordinance or order. The political subdivision must
148 notify the department of revenue not less than forty-five calendar days prior to

149 the beginning date of the sales tax holiday occurring in that year of any ordinance
150 or order rescinding an ordinance or order to opt out.

151 7. This section may not apply to any retailer when less than two percent
152 of the retailer's merchandise offered for sale qualifies for the sales tax
153 holiday. The retailer shall offer a sales tax refund in lieu of the sales tax
154 holiday.]

144.100. 1. Every person making any taxable sales of property or service,
2 except transactions provided for in sections 144.070 and 144.440, individually or
3 by duly authorized officer or agent, shall make and file a written return with the
4 director of revenue in such manner as he may prescribe.

5 2. The returns shall be on blanks designed and furnished by the director
6 of the department of revenue and shall be filed at the times provided in sections
7 144.080 and 144.090. The returns shall show the amount of gross receipts from
8 sales of taxable property and services by the person and the amount of tax due
9 thereon by that person during and for the period covered by the return. With
10 each return, the person shall remit to the director of revenue the full amount of
11 the tax due.

12 3. In case of charge and time sales the gross receipts thereof shall be
13 included as sales in the returns as and when payments are received by the
14 person, without any deduction therefrom whatsoever.

15 4. If an error or omission is discovered in a return or a change be
16 necessary to show the true facts, the error may be corrected, the omission
17 supplied, or the change made in the return next filed with the director for the
18 filing period immediately following the filing period in which the error was made
19 or the omission occurred, as prescribed by law, except that no refund under this
20 chapter shall be allowed for any amount of tax paid by a seller which is based
21 upon charges incident to credit card discounts. Any other omission or error must
22 be corrected by filing an amended return for the erroneously reported period if
23 the amount of tax is less than that originally reported, or an additional return if
24 the amount of tax is greater than that originally reported. An additional return
25 shall be deemed filed on the date the envelope in which it is mailed is postmarked
26 or the date it is received by the director, whichever is earlier. Any payment of
27 tax, interest, penalty or additions to tax shall be deemed filed on the date the
28 envelope containing the payment is postmarked or the date the payment is
29 received by the director, whichever is earlier. If a refund or credit results from
30 the filing of an amended return, no refund or credit shall be allowed unless an

31 application for refund or credit is properly completed and submitted to the
32 director pursuant to section 144.190.

33 5. The amount of gross receipts from sales and the amount of tax due
34 returned by the person, as well as all matters contained in the return, is subject
35 to review and revision in the manner herein provided for the correction of the
36 returns.

37 6. The director of revenue may require any seller to file and
38 remit sales tax electronically.

144.105. 1. Beginning on or before January 1, 2010, the state
2 shall review software submitted to the streamlined sales and use tax
3 governing board for certification as a CAS under Section 501 of the
4 streamlined sales and use tax agreement. Such review shall include a
5 review to determine that the program adequately classifies the state's
6 product-based exemptions. Upon completion of the review, the state
7 shall certify to the governing board its acceptance of the classifications
8 made by the system. The state shall relieve CSPs and model 2 sellers
9 from liability to this state and its local jurisdictions for not collecting
10 sales or use taxes resulting from the CSP or model 2 seller relying on
11 the certification provided by the state.

12 2. The streamlined sales and use tax governing board and this
13 state shall not be responsible for classification of an item or
14 transaction with the product-based exemptions. The relief from
15 liability provided in this section shall not be available for a CSP or
16 model 2 seller that has incorrectly classified an item or transaction into
17 a product-based exemption certified by this state. This subsection shall
18 apply to the individual listing of items or transactions within a product
19 definition approved by the governing board or the state.

20 3. If the state determines that an item or transaction is
21 incorrectly classified as to its taxability, it shall notify the CSP or
22 model 2 seller of the incorrect classification. The CSP or model 2 seller
23 shall have ten days to revise the classification after receipt of notice
24 from the state of the determination. Upon expiration of the ten days,
25 CSP or model 2 seller shall be liable for the failure to collect the
26 correct amount of sales or use taxes due and owing to the state.

27 4. For purposes of this section, the following terms shall mean:

28 (1) "Certified automated system" or "CAS", software certified
29 under the streamlined sales and use tax agreement to calculate the tax

30 **imposed by each jurisdiction on a transaction, determine the amount**
31 **of tax to remit to the appropriate state, and maintain a record of the**
32 **transaction;**

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

37 **(3) "Model 2 seller", a seller that has selected a CAS to perform**
38 **part of its sales and use tax functions, but retains responsibility for**
39 **remitting the tax;**

40 **(4) "Product-based exemption", an exemption based on the**
41 **description of the product and not based on who purchases the product**
42 **or how the purchaser intends to use the product.**

144.625. To secure the payment of the tax, interest and penalties, which
2 may become due from a vendor as provided in sections 144.600 to 144.745, the
3 director of revenue may, where necessary to secure the payment of the tax,
4 interest, and penalties require [all vendors] **a vendor** to file a bond or a letter
5 of credit in an amount to be determined by the director, under the same
6 requirements as provided in section 144.087.

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

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

18 shown on the vendor's quarterly return required by this section.

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

24 4. Except as provided in subsection 5 of this section, every person
25 purchasing tangible personal property, the storage, use or consumption of which
26 is subject to the tax levied by sections 144.600 to 144.748, who has not paid the
27 tax due to a vendor registered in accordance with the provisions of section
28 144.650, shall file with the director of revenue a return for the preceding
29 reporting period in the form and manner that the director of revenue prescribes,
30 showing the total sales price of the tangible property purchased during the
31 preceding reporting period and any other information that the director of revenue
32 deems necessary for the proper administration of sections 144.600 to
33 144.748. The return shall be accompanied by a remittance of the amount of the
34 tax required by sections 144.600 to 144.748 to be paid by the person. Returns
35 shall be signed by the person liable for the tax or such person's duly authorized
36 agent. For purposes of this subsection, the reporting period shall be determined
37 by the director of revenue and may be a calendar quarter or a calendar
38 year. Annual returns and payments required by the director pursuant to this
39 subsection shall be due on or before April fifteenth of the year for the preceding
40 calendar year and quarterly returns and payments shall be due on or before the
41 last day of the month following each calendar period of three months. Upon the
42 taxpayer's request, the director may allow the filing of such returns and payments
43 on a monthly basis. If a taxpayer elects to file a monthly return and payment,
44 such return and payment shall be due on or before the twentieth day of the
45 succeeding month.

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

51 6. Nothing in subsection 5 of this section shall relieve a vendor of liability
52 to collect the tax imposed pursuant to sections 144.600 to 144.748 on the total
53 gross receipts of all sales of tangible personal property used, stored or consumed

54 in this state and to remit all taxes collected to the director of revenue in
55 accordance with the provisions of this section nor shall it relieve a purchaser from
56 paying such taxes to a vendor registered in accordance with the provisions of
57 section 144.650] **Any out-of-state seller, which is not legally required to**
58 **register for use tax in this state, but chooses to collect and remit use**
59 **tax under sections 144.600 to 144.761, shall file a return for the calendar**
60 **year. The return shall be filed and the taxes paid on or before January**
61 **thirty-first of the succeeding year. In the event that any out-of-state**
62 **seller, which is not legally required to register for use tax in this state,**
63 **but chooses to collect and remit use tax under sections 144.600 to**
64 **144.761, has accumulated state and local use tax funds in the amount**
65 **equal to one thousand dollars or more, such vendor shall file a return**
66 **and remit the amount due for the month in which the accumulated**
67 **state and local use tax funds in the amount equal to one thousand**
68 **dollars.**

69 **6. The director of revenue may require any seller to file and**
70 **remit use tax electronically.**

144.805. 1. In addition to the exemptions granted pursuant to the
2 provisions of section 144.030, there shall also be specifically exempted from the
3 provisions of sections 144.010 to 144.525, sections 144.600 to 144.748, and section
4 238.235, RSMo, and the provisions of any local sales tax law, as defined in section
5 32.085, RSMo, and from the computation of the tax levied, assessed or payable
6 pursuant to sections 144.010 to 144.525, sections 144.600 to 144.748, and section
7 238.235, RSMo, and the provisions of any local sales tax law, as defined in section
8 32.085, RSMo, all sales of aviation jet fuel in a given calendar year to common
9 carriers engaged in the interstate air transportation of passengers and cargo, and
10 the storage, use and consumption of such aviation jet fuel by such common
11 carriers, if such common carrier has first paid to the state of Missouri, in
12 accordance with the provisions of this chapter, state sales and use taxes pursuant
13 to the foregoing provisions and applicable to the purchase, storage, use or
14 consumption of such aviation jet fuel in a maximum and aggregate amount of one
15 million five hundred thousand dollars of state sales and use taxes in such
16 calendar year.

17 **2. To qualify for the exemption prescribed in subsection 1 of this section,**
18 **the common carrier shall furnish to the seller a certificate in writing to the effect**
19 **that an exemption pursuant to this section is applicable to the aviation jet fuel**

20 so purchased, stored, used and consumed. The director of revenue shall permit
 21 any such common carrier to enter into a direct-pay agreement with the
 22 department of revenue, pursuant to which such common carrier may pay directly
 23 to the department of revenue any applicable sales and use taxes on such aviation
 24 jet fuel up to the maximum aggregate amount of one million five hundred
 25 thousand dollars in each calendar year. The director of revenue shall adopt
 26 appropriate rules and regulations to implement the provisions of this section, and
 27 to permit appropriate claims for refunds of any excess sales and use taxes
 28 collected in calendar year 1993 or any subsequent year with respect to any such
 29 common carrier and aviation jet fuel.

30 3. The provisions of this section shall apply to all purchases and deliveries
 31 of aviation jet fuel from and after May 10, 1993.

32 4. All sales and use tax revenues upon aviation jet fuel received pursuant
 33 to this chapter, less the amounts specifically designated pursuant to the
 34 constitution or pursuant to section 144.701 for other purposes, shall be deposited
 35 to the credit of the aviation trust fund established pursuant to section 155.090,
 36 RSMo; provided however, the amount of such state sales and use tax revenues
 37 deposited to the credit of such aviation trust fund shall not exceed ten million
 38 dollars in each calendar year.

39 5. The provisions of this section and section 144.807 shall expire on
 40 **[December 31, 2013] January 31, 2010.**

221.407. 1. The commission of any regional jail district may impose, by
 2 order, a sales tax in the amount of one-eighth of one percent, one-fourth of one
 3 percent, three-eighths of one percent, or one-half of one percent on all retail sales
 4 made in such region which are subject to taxation pursuant to the provisions of
 5 sections 144.010 to 144.525, RSMo, for the purpose of providing jail services and
 6 court facilities and equipment for such region. The tax authorized by this section
 7 shall be in addition to any and all other sales taxes allowed by law, except that
 8 no order imposing a sales tax pursuant to this section shall be effective unless the
 9 commission submits to the voters of the district, on any election date authorized
 10 in chapter 115, RSMo, a proposal to authorize the commission to impose a tax.

11 2. The ballot of submission shall contain, but need not be limited to, the
 12 following language:

13 Shall the regional jail district of (counties' names) impose
 14 a region-wide sales tax of (insert amount) for the purpose of providing
 15 jail services and court facilities and equipment for the region?

16

 YES NO

17 If you are in favor of the question, place an "X" in the box opposite "Yes". If you
18 are opposed to the question, place an "X" in the box opposite "No". If a majority
19 of the votes cast on the proposal by the qualified voters of the district voting
20 thereon are in favor of the proposal, then the order and any amendment to such
21 order shall be in effect on the first day of the second **calendar** quarter
22 [immediately following the election approving the proposal] **after the director**
23 **of revenue receives notification of adoption of the local sales tax**. If the
24 proposal receives less than the required majority, the commission shall have no
25 power to impose the sales tax authorized pursuant to this section unless and until
26 the commission shall again have submitted another proposal to authorize the
27 commission to impose the sales tax authorized by this section and such proposal
28 is approved by the required majority of the qualified voters of the district voting
29 on such proposal; however, in no event shall a proposal pursuant to this section
30 be submitted to the voters sooner than twelve months from the date of the last
31 submission of a proposal pursuant to this section.

32 3. All revenue received by a district from the tax authorized pursuant to
33 this section shall be deposited in a special trust fund and shall be used solely for
34 providing jail services and court facilities and equipment for such district for so
35 long as the tax shall remain in effect.

36 4. Once the tax authorized by this section is abolished or terminated by
37 any means, all funds remaining in the special trust fund shall be used solely for
38 providing jail services and court facilities and equipment for the district. Any
39 funds in such special trust fund which are not needed for current expenditures
40 may be invested by the commission in accordance with applicable laws relating
41 to the investment of other county funds.

42 5. All sales taxes collected by the director of revenue pursuant to this
43 section on behalf of any district, less one percent for cost of collection which shall
44 be deposited in the state's general revenue fund after payment of premiums for
45 surety bonds as provided in section 32.087, RSMo, shall be deposited in a special
46 trust fund, which is hereby created, to be known as the "Regional Jail District
47 Sales Tax Trust Fund". The moneys in the regional jail district sales tax trust
48 fund shall not be deemed to be state funds and shall not be commingled with any
49 funds of the state. The director of revenue shall keep accurate records of the
50 amount of money in the trust fund which was collected in each district imposing
51 a sales tax pursuant to this section, and the records shall be open to the

52 inspection of officers of each member county and the public. Not later than the
53 tenth day of each month the director of revenue shall distribute all moneys
54 deposited in the trust fund during the preceding month to the district which
55 levied the tax. Such funds shall be deposited with the treasurer of each such
56 district, and all expenditures of funds arising from the regional jail district sales
57 tax trust fund shall be paid pursuant to an appropriation adopted by the
58 commission and shall be approved by the commission. Expenditures may be
59 made from the fund for any function authorized in the order adopted by the
60 commission submitting the regional jail district tax to the voters.

61 6. The director of revenue may authorize the state treasurer to make
62 refunds from the amounts in the trust fund and credited to any district for
63 erroneous payments and overpayments made, and may redeem dishonored checks
64 and drafts deposited to the credit of such districts. If any district abolishes the
65 tax, the commission shall notify the director of revenue of the action at least
66 ninety days prior to the effective date of the repeal, and the director of revenue
67 may order retention in the trust fund, for a period of one year, of two percent of
68 the amount collected after receipt of such notice to cover possible refunds or
69 overpayment of the tax and to redeem dishonored checks and drafts deposited to
70 the credit of such accounts. After one year has elapsed after the effective date of
71 abolition of the tax in such district, the director of revenue shall remit the
72 balance in the account to the district and close the account of that district. The
73 director of revenue shall notify each district in each instance of any amount
74 refunded or any check redeemed from receipts due the district.

75 7. Except as provided in this section, all provisions of sections 32.085 and
76 32.087, RSMo, shall apply to the tax imposed pursuant to this section.

77 8. The provisions of this section shall expire September 30, 2015.

238.235. 1. (1) Any transportation development district may by
2 resolution impose a transportation development district sales tax on all retail
3 sales made in such transportation development district which are subject to
4 taxation pursuant to the provisions of sections 144.010 to 144.525, RSMo, except
5 such transportation development district sales tax shall not apply to the sale or
6 use of motor vehicles, trailers, boats or outboard motors [nor to all sales of
7 electricity or electrical current, water and gas, natural or artificial, nor to sales
8 of service to telephone subscribers, either local or long distance]. Such
9 transportation development district sales tax may be imposed for any
10 transportation development purpose designated by the transportation

11 development district in its ballot of submission to its qualified voters, except that
12 no resolution enacted pursuant to the authority granted by this section shall be
13 effective unless:

14 (a) The board of directors of the transportation development district
15 submits to the qualified voters of the transportation development district a
16 proposal to authorize the board of directors of the transportation development
17 district to impose or increase the levy of an existing tax pursuant to the
18 provisions of this section; or

19 (b) The voters approved the question certified by the petition filed
20 pursuant to subsection 5 of section 238.207.

21 (2) If the transportation district submits to the qualified voters of the
22 transportation development district a proposal to authorize the board of directors
23 of the transportation development district to impose or increase the levy of an
24 existing tax pursuant to the provisions of paragraph (a) of subdivision (1) of this
25 subsection, the ballot of submission shall contain, but need not be limited to, the
26 following language:

27 Shall the transportation development district of (transportation
28 development district's name) impose a transportation development district-wide
29 sales tax at the rate of (insert amount) for a period of (insert
30 number) years from the date on which such tax is first imposed for the purpose
31 of (insert transportation development purpose)?

32 YES NO

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

35 If a majority of the votes cast on the proposal by the qualified voters voting
36 thereon are in favor of the proposal, then the resolution and any amendments
37 thereto shall be in effect. If a majority of the votes cast by the qualified voters
38 voting are opposed to the proposal, then the board of directors of the
39 transportation development district shall have no power to impose the sales tax
40 authorized by this section unless and until the board of directors of the
41 transportation development district shall again have submitted another proposal
42 to authorize it to impose the sales tax pursuant to the provisions of this section
43 and such proposal is approved by a majority of the qualified voters voting
44 thereon.

45 (3) [The sales tax authorized by this section shall become effective on the
46 first day of the second calendar quarter after the department of revenue receives

47 notification of the tax.

48 (4) In each transportation development district in which a sales tax has
49 been imposed in the manner provided by this section, every retailer shall add the
50 tax imposed by the transportation development district pursuant to this section
51 to the retailer's sale price, and when so added such tax shall constitute a part of
52 the price, shall be a debt of the purchaser to the retailer until paid, and shall be
53 recoverable at law in the same manner as the purchase price.

54 (5) In order to permit sellers required to collect and report the sales tax
55 authorized by this section to collect the amount required to be reported and
56 remitted, but not to change the requirements of reporting or remitting tax or to
57 serve as a levy of the tax, and in order to avoid fractions of pennies, the
58 transportation development district may establish appropriate brackets which
59 shall be used in the district imposing a tax pursuant to this section in lieu of
60 those brackets provided in section 144.285, RSMo.

61 (6)] All revenue received by a transportation development district from
62 the tax authorized by this section which has been designated for a certain
63 transportation development purpose shall be deposited in a special trust fund and
64 shall be used solely for such designated purpose. Upon the expiration of the
65 period of years approved by the qualified voters pursuant to subdivision (2) of this
66 subsection or if the tax authorized by this section is repealed pursuant to
67 subsection 6 of this section, all funds remaining in the special trust fund shall
68 continue to be used solely for such designated transportation development
69 purpose. Any funds in such special trust fund which are not needed for current
70 expenditures may be invested by the board of directors in accordance with
71 applicable laws relating to the investment of other transportation development
72 district funds.

73 [(7)] (4) The sales tax may be imposed in increments of one-eighth of one
74 percent, up to a maximum of one percent on the receipts from the sale at retail
75 of all tangible personal property or taxable services at retail within the
76 transportation development district adopting such tax, if such property and
77 services are subject to taxation by the state of Missouri pursuant to the
78 provisions of sections 144.010 to 144.525, RSMo, except such transportation
79 development district sales tax shall not apply to the sale or use of motor vehicles,
80 trailers, boats or outboard motors [nor to public utilities]. Any transportation
81 development district sales tax imposed pursuant to this section shall be imposed
82 at a rate that shall be uniform throughout the district.

83 2. The resolution imposing the sales tax pursuant to this section shall
84 impose upon all sellers a tax for the privilege of engaging in the business of
85 selling tangible personal property or rendering taxable services at retail to the
86 extent and in the manner provided in sections 144.010 to 144.525, RSMo, and the
87 rules and regulations of the director of revenue issued pursuant thereto; except
88 that the rate of the tax shall be the rate imposed by the resolution as the sales
89 tax and the tax shall be reported and returned to and collected by the
90 transportation development district.

91 3. [On and after the effective date of any tax imposed pursuant to this
92 section, the director of revenue shall perform all functions incident to the
93 administration, collection, enforcement, and operation of the tax, and the director
94 of revenue shall collect, in addition to all other sales taxes imposed by law, the
95 additional tax authorized pursuant to this section. The tax imposed pursuant to
96 this section and the taxes imposed pursuant to all other laws of the state of
97 Missouri shall be collected together and reported upon such forms and pursuant
98 to such administrative rules and regulations as may be prescribed by the director
99 of revenue.

100 4. (1) All applicable provisions contained in sections 144.010 to 144.525,
101 RSMo, governing the state sales tax, sections 32.085 and 32.087, RSMo, and
102 section 32.057, RSMo, the uniform confidentiality provision, shall apply to the
103 collection of the tax imposed by this section, except as modified in this section.

104 (2) All exemptions granted to agencies of government, organizations,
105 persons and to the sale of certain articles and items of tangible personal property
106 and taxable services pursuant to the provisions of sections 144.010 to 144.525,
107 RSMo, are hereby made applicable to the imposition and collection of the tax
108 imposed by this section.

109 (3) The same sales tax permit, exemption certificate and retail certificate
110 required by sections 144.010 to 144.525, RSMo, for the administration and
111 collection of the state sales tax shall satisfy the requirements of this section, and
112 no additional permit or exemption certificate or retail certificate shall be
113 required; except that the transportation development district may prescribe a
114 form of exemption certificate for an exemption from the tax imposed by this
115 section.

116 (4) All discounts allowed the retailer pursuant to the provisions of the
117 state sales tax laws for the collection of and for payment of taxes pursuant to
118 such laws are hereby allowed and made applicable to any taxes collected pursuant

119 to the provisions of this section.

120 (5) The penalties provided in section 32.057, RSMo, and sections 144.010
121 to 144.525, RSMo, for violation of those sections are hereby made applicable to
122 violations of this section.

123 (6) For the purpose of a sales tax imposed by a resolution pursuant to this
124 section, all retail sales except retail sales of motor vehicles shall be deemed to be
125 consummated at the place of business of the retailer unless the tangible personal
126 property sold is delivered by the retailer or the retailer's agent to an out-of-state
127 destination or to a common carrier for delivery to an out-of-state destination. In
128 the event a retailer has more than one place of business in this state which
129 participates in the sale, the sale shall be deemed to be consummated at the place
130 of business of the retailer where the initial order for the tangible personal
131 property is taken, even though the order must be forwarded elsewhere for
132 acceptance, approval of credit, shipment or billing. A sale by a retailer's
133 employee shall be deemed to be consummated at the place of business from which
134 the employee works.

135 5.] All sales taxes received by the transportation development district
136 shall be deposited by the director of revenue in a special fund to be expended for
137 the purposes authorized in this section. The director of revenue shall keep
138 accurate records of the amount of money which was collected pursuant to this
139 section, and the records shall be open to the inspection of officers of each
140 transportation development district and the general public.

141 [6.] 4. (1) No transportation development district imposing a sales tax
142 pursuant to this section may repeal or amend such sales tax unless such repeal
143 or amendment will not impair the district's ability to repay any liabilities which
144 it has incurred, money which it has borrowed or revenue bonds, notes or other
145 obligations which it has issued or which have been issued by the commission or
146 any local transportation authority to finance any project or projects.

147 (2) Whenever the board of directors of any transportation development
148 district in which a transportation development sales tax has been imposed in the
149 manner provided by this section receives a petition, signed by ten percent of the
150 qualified voters calling for an election to repeal such transportation development
151 sales tax, the board of directors shall, if such repeal will not impair the district's
152 ability to repay any liabilities which it has incurred, money which it has borrowed
153 or revenue bonds, notes or other obligations which it has issued or which have
154 been issued by the commission or any local transportation authority to finance

155 any project or projects, submit to the qualified voters of such transportation
156 development district a proposal to repeal the transportation development sales
157 tax imposed pursuant to the provisions of this section. If a majority of the votes
158 cast on the proposal by the qualified voters voting thereon are in favor of the
159 proposal to repeal the transportation development sales tax, then the resolution
160 imposing the transportation development sales tax, along with any amendments
161 thereto, is repealed. If a majority of the votes cast by the qualified voters voting
162 thereon are opposed to the proposal to repeal the transportation development
163 sales tax, then the ordinance or resolution imposing the transportation
164 development sales tax, along with any amendments thereto, shall remain in
165 effect.

166 **5. After the effective date of any tax imposed under the**
167 **provisions of this section, the director of revenue shall perform all**
168 **functions incident to the administration, collection, enforcement, and**
169 **operation of the tax and collect, in addition to the sales tax for the**
170 **state of Missouri, the additional tax authorized under the authority of**
171 **this section. The tax imposed under this section and the tax imposed**
172 **under the sales tax law of the state of Missouri shall be collected**
173 **together and reported upon such forms and under such administrative**
174 **rules and regulations as may be prescribed by the director of revenue.**

175 **6. All transportation development district sales taxes collected**
176 **by the director of revenue pursuant to this section on behalf of any**
177 **transportation development district, less one percent for cost of**
178 **collection, which shall be deposited in the state's general revenue fund**
179 **after payment of premiums for surety bonds as provided in section**
180 **32.087 shall be deposited with the state treasurer in a transportation**
181 **development district sales tax trust fund. The moneys in such**
182 **transportation development district sales tax trust fund shall not be**
183 **deemed to be state funds and shall not be commingled with any funds**
184 **of the state. The director of revenue shall keep accurate records of the**
185 **amount of money in the trust fund which was collected in each**
186 **transportation development district imposing a transportation**
187 **development district sales tax, and the records shall be open to the**
188 **inspection of officers of the district and to the public. Not later than**
189 **the tenth day of each month the director of revenue shall distribute all**
190 **moneys deposited in the trust fund during the preceding month by**
191 **distributing to the district treasurer, or such other officer as may be**

192 **designated by the transportation development district ordinance or**
 193 **order, of each district imposing the tax authorized by this section, the**
 194 **sum due the district as certified by the director of revenue.**

195 **7. The director of revenue may authorize the state treasurer to**
 196 **make refunds from the amounts in the trust fund and credited to any**
 197 **transportation development district for erroneous payments and**
 198 **overpayments made, and may redeem dishonored checks and drafts**
 199 **deposited to the credit of such counties. If any county abolishes the**
 200 **tax, the repeal of such tax shall become effective December thirty-first**
 201 **of the calendar year in which such abolishment was approved. The**
 202 **transportation development district shall notify the director of revenue**
 203 **of the action at least ninety days prior to the effective date of the**
 204 **repeal, and the director of revenue may order retention in the trust**
 205 **fund, for a period of one year, of two percent of the amount collected**
 206 **after receipt of such notice to cover possible refunds or overpayment**
 207 **of the tax and to redeem dishonored checks and drafts deposited to the**
 208 **credit of such accounts. After one year has elapsed after the effective**
 209 **date of abolition of the tax in such transportation development district,**
 210 **the director of revenue shall authorize the state treasurer to remit the**
 211 **balance in the account to the transportation development district and**
 212 **close the account of that county. The director of revenue shall notify**
 213 **each transportation development district of each instance of any**
 214 **amount refunded or any check redeemed from receipts due the district.**

215 **8. Except as provided in this section, all provisions of sections**
 216 **32.085 and 32.087 shall apply to the tax imposed under this section.**

238.410. 1. Any county transit authority established pursuant to section
 2 238.400 may impose a sales tax of up to one percent on all retail sales made in
 3 such county which are subject to taxation under the provisions of sections 144.010
 4 to 144.525, RSMo. The tax authorized by this section shall be in addition to any
 5 and all other sales taxes allowed by law, except that no sales tax imposed under
 6 the provisions of this section shall be effective unless the governing body of the
 7 county, on behalf of the transit authority, submits to the voters of the county, at
 8 a county or state general, primary or special election, a proposal to authorize the
 9 transit authority to impose a tax.

10 **2. The ballot of submission shall contain, but need not be limited to, the**
 11 **following language:**

12 **Shall the Transit Authority impose a countywide sales tax of**

13 (insert amount) in order to provide revenues for the operation of
14 transportation facilities operated by the transit authority?

15 YES NO

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

18 If a majority of the votes cast on the proposal by the qualified voters voting
19 thereon are in favor of the proposal, then the tax shall become effective on the
20 first day of the second calendar quarter following notification to the department
21 of revenue of adoption of the tax. If a majority of the votes cast by the qualified
22 voters voting are opposed to the proposal, then the transit authority shall have
23 no power to impose the sales tax authorized by this section unless and until
24 another proposal to authorize the transit authority to impose the sales tax
25 authorized by this section has been submitted and such proposal is approved by
26 a majority of the qualified voters voting thereon.

27 3. All revenue received by the transit authority from the tax authorized
28 under the provisions of this section shall be deposited in a special trust fund and
29 shall be used solely by the transit authority for construction, purchase, lease,
30 maintenance and operation of transportation facilities located within the county
31 for so long as the tax shall remain in effect. Any funds in such special trust fund
32 which are not needed for current expenditures may be invested by the transit
33 authority in accordance with applicable laws relating to the investment of county
34 funds.

35 4. No transit authority imposing a sales tax pursuant to this section may
36 repeal or amend such sales tax unless such repeal or amendment is submitted to
37 and approved by the voters of the county in the same manner as provided in
38 subsection 1 of this section for approval of such tax. Whenever the governing
39 body of any county in which a sales tax has been imposed in the manner provided
40 by this section receives a petition, signed by ten percent of the registered voters
41 of such county voting in the last gubernatorial election, calling for an election to
42 repeal such sales tax, the governing body shall submit to the voters of such
43 county a proposal to repeal the sales tax imposed under the provisions of this
44 section. If a majority of the votes cast on the proposal by the registered voters
45 voting thereon are in favor of the proposal to repeal the sales tax, then such sales
46 tax is repealed. If a majority of the votes cast by the registered voters voting
47 thereon are opposed to the proposal to repeal the sales tax, then such sales tax
48 shall remain in effect.

49 5. The sales tax imposed under the provisions of this section shall impose
50 upon all sellers a tax for the privilege of engaging in the business of selling
51 tangible personal property or rendering taxable services at retail to the extent
52 and in the manner provided in sections 144.010 to 144.525, RSMo, and the rules
53 and regulations of the director of revenue issued pursuant thereto; except that
54 the rate of the tax shall be the rate approved pursuant to this section. The
55 amount reported and returned to the director of revenue by the seller shall be
56 computed on the basis of the combined rate of the tax imposed by sections
57 144.010 to 144.525, RSMo, and the tax imposed by this section, plus any amounts
58 imposed under other provisions of law.

59 6. After the effective date of any tax imposed under the provisions of this
60 section, the director of revenue shall perform all functions incident to the
61 administration, collection, enforcement, and operation of the tax, and the director
62 of revenue shall collect in addition to the sales tax for the state of Missouri the
63 additional tax authorized under the authority of this section. The tax imposed
64 under this section and the tax imposed under the sales tax law of the state of
65 Missouri shall be collected together and reported upon such forms and under such
66 administrative rules and regulations as may be prescribed by the director of
67 revenue. In order to permit sellers required to collect and report the sales tax to
68 collect the amount required to be reported and remitted, but not to change the
69 requirements of reporting or remitting tax or to serve as a levy of the tax, and in
70 order to avoid fractions of pennies, the applicable provisions of section 144.285,
71 RSMo, shall apply to all taxable transactions.

72 7. All applicable provisions contained in sections 144.010 to 144.525,
73 RSMo, governing the state sales tax and section 32.057, RSMo, the uniform
74 confidentiality provision, shall apply to the collection of the tax imposed by this
75 section, except as modified in this section. All exemptions granted to agencies of
76 government, organizations, persons and to the sale of certain articles and items
77 of tangible personal property and taxable services under the provisions of sections
78 144.010 to 144.525, RSMo, are hereby made applicable to the imposition and
79 collection of the tax imposed by this section. The same sales tax permit,
80 exemption certificate and retail certificate required by sections 144.010 to
81 144.525, RSMo, for the administration and collection of the state sales tax shall
82 satisfy the requirements of this section, and no additional permit or exemption
83 certificate or retail certificate shall be required; except that the director of
84 revenue may prescribe a form of exemption certificate for an exemption from the

85 tax imposed by this section. All discounts allowed the retailer under the
86 provisions of the state sales tax law for the collection of and for payment of taxes
87 under chapter 144, RSMo, are hereby allowed and made applicable to any taxes
88 collected under the provisions of this section. The penalties provided in section
89 32.057, RSMo, and sections 144.010 to 144.525, RSMo, for a violation of those
90 sections are hereby made applicable to violations of this section.

91 8. [For the purposes of a sales tax imposed pursuant to this section, all
92 retail sales shall be deemed to be consummated at the place of business of the
93 retailer, except for tangible personal property sold which is delivered by the
94 retailer or his agent to an out-of-state destination or to a common carrier for
95 delivery to an out-of-state destination and except for the sale of motor vehicles,
96 trailers, boats and outboard motors, which is provided for in subsection 12 of this
97 section. In the event a retailer has more than one place of business in this state
98 which participates in the sale, the sale shall be deemed to be consummated at the
99 place of business of the retailer where the initial order for the tangible personal
100 property is taken, even though the order must be forwarded elsewhere for
101 acceptance, approval of credit, shipment or billing. A sale by a retailer's
102 employee shall be deemed to be consummated at the place of business from which
103 he works.

104 9.] All sales taxes collected by the director of revenue under this section
105 on behalf of any transit authority, less one percent for cost of collection which
106 shall be deposited in the state's general revenue fund after payment of premiums
107 for surety bonds as provided in this section, shall be deposited in the state
108 treasury in a special trust fund, which is hereby created, to be known as the
109 "County Transit Authority Sales Tax Trust Fund". The moneys in the county
110 transit authority sales tax trust fund shall not be deemed to be state funds and
111 shall not be commingled with any funds of the state. The director of revenue
112 shall keep accurate records of the amount of money in the trust fund which was
113 collected in each transit authority imposing a sales tax under this section, and
114 the records shall be open to the inspection of officers of the county and the
115 public. Not later than the tenth day of each month the director of revenue shall
116 distribute all moneys deposited in the trust fund during the preceding month to
117 the transit authority which levied the tax.

118 [10.] 9. The director of revenue may authorize the state treasurer to
119 make refunds from the amounts in the trust fund and credited to any transit
120 authority for erroneous payments and overpayments made, and may authorize the

121 state treasurer to redeem dishonored checks and drafts deposited to the credit of
122 such transit authorities. If any transit authority abolishes the tax, the transit
123 authority shall notify the director of revenue of the action at least ninety days
124 prior to the effective date of the repeal and the director of revenue may order
125 retention in the trust fund, for a period of one year, of two percent of the amount
126 collected after receipt of such notice to cover possible refunds or overpayment of
127 the tax and to redeem dishonored checks and drafts deposited to the credit of
128 such accounts. After one year has elapsed after the effective date of abolition of
129 the tax in such transit authority, the director of revenue shall authorize the state
130 treasurer to remit the balance in the account to the transit authority and close
131 the account of that transit authority. The director of revenue shall notify each
132 transit authority of each instance of any amount refunded or any check redeemed
133 from receipts due the transit authority. The director of revenue shall annually
134 report on his management of the trust fund and administration of the sales taxes
135 authorized by this section. He shall provide each transit authority imposing the
136 tax authorized by this section with a detailed accounting of the source of all funds
137 received by him for the transit authority.

138 [11.] 10. The director of revenue and any of his deputies, assistants and
139 employees who shall have any duties or responsibilities in connection with the
140 collection, deposit, transfer, transmittal, disbursement, safekeeping, accounting,
141 or recording of funds which come into the hands of the director of revenue under
142 the provisions of this section shall enter a surety bond or bonds payable to any
143 and all transit authorities in whose behalf such funds have been collected under
144 this section in the amount of one hundred thousand dollars; but the director of
145 revenue may enter into a blanket bond or bonds covering himself and all such
146 deputies, assistants and employees. The cost of the premium or premiums for the
147 surety bond or bonds shall be paid by the director of revenue from the share of
148 the collection retained by the director of revenue for the benefit of the state.

149 [12.] 11. Sales taxes imposed pursuant to this section and use taxes on
150 the purchase and sale of motor vehicles, trailers, boats, and outboard motors shall
151 not be collected and remitted by the seller, but shall be collected by the director
152 of revenue at the time application is made for a certificate of title, if the address
153 of the applicant is within a county where a sales tax is imposed under this
154 section. The amounts so collected, less the one percent collection cost, shall be
155 deposited in the county transit authority sales tax trust fund. The purchase or
156 sale of motor vehicles, trailers, boats, and outboard motors shall be deemed to be

157 consummated at the address of the applicant. As used in this subsection, the
158 term "boat" shall only include motorboats and vessels as the terms "motorboat"
159 and "vessel" are defined in section 306.010, RSMo.

160 [13.] 12. In any county where the transit authority sales tax has been
161 imposed, if any person is delinquent in the payment of the amount required to be
162 paid by him under this section or in the event a determination has been made
163 against him for taxes and penalty under this section, the limitation for bringing
164 suit for the collection of the delinquent tax and penalty shall be the same as that
165 provided in sections 144.010 to 144.525, RSMo. Where the director of revenue
166 has determined that suit must be filed against any person for the collection of
167 delinquent taxes due the state under the state sales tax law, and where such
168 person is also delinquent in payment of taxes under this section, the director of
169 revenue shall notify the transit authority to which delinquent taxes are due
170 under this section by United States registered mail or certified mail at least ten
171 days before turning the case over to the attorney general. The transit authority,
172 acting through its attorney, may join in such suit as a party plaintiff to seek a
173 judgment for the delinquent taxes and penalty due such transit authority. In the
174 event any person fails or refuses to pay the amount of any sales tax due under
175 this section, the director of revenue shall promptly notify the transit authority to
176 which the tax would be due so that appropriate action may be taken by the
177 transit authority.

178 [14.] 13. Where property is seized by the director of revenue under the
179 provisions of any law authorizing seizure of the property of a taxpayer who is
180 delinquent in payment of the tax imposed by the state sales tax law, and where
181 such taxpayer is also delinquent in payment of any tax imposed by this section,
182 the director of revenue shall permit the transit authority to join in any sale of
183 property to pay the delinquent taxes and penalties due the state and to the
184 transit authority under this section. The proceeds from such sale shall first be
185 applied to all sums due the state, and the remainder, if any, shall be applied to
186 all sums due such transit authority under this section.

187 [15. The transit authority created under the provisions of sections 238.400
188 to 238.412 shall notify any and all affected businesses of the change in tax rate
189 caused by the imposition of the tax authorized by sections 238.400 to 238.412.

190 [16.] 14. In the event that any transit authority in any county with a
191 charter form of government and with more than two hundred fifty thousand but
192 fewer than three hundred fifty thousand inhabitants submits a proposal in any

193 election to increase the sales tax under this section, and such proposal is
194 approved by the voters, the county shall be reimbursed for the costs of submitting
195 such proposal from the funds derived from the tax levied under this section.

196 **15. Except as provided in sections 238.400 to 238.412, all**
197 **provisions of sections 32.085 and 32.087 shall apply to the tax imposed**
198 **under sections 238.410 to 238.412.**

644.032. 1. The governing body of any municipality or county may
2 impose, by ordinance or order, a sales tax in an amount not to exceed one-half of
3 one percent on all retail sales made in such municipality or county which are
4 subject to taxation under the provisions of sections 144.010 to 144.525,
5 RSMo. The tax authorized by this section and section 644.033 shall be in
6 addition to any and all other sales taxes allowed by law, except that no ordinance
7 or order imposing a sales tax under the provisions of this section and section
8 644.033 shall be effective unless the governing body of the municipality or county
9 submits to the voters of the municipality or county, at a municipal, county or
10 state general, primary or special election, a proposal to authorize the governing
11 body of the municipality or county to impose a tax[, provided, that the tax
12 authorized by this section shall not be imposed on the sales of food, as defined in
13 section 144.014, RSMo, when imposed by any county with a charter form of
14 government and with more than one million inhabitants].

15 2. The ballot of submission shall contain, but need not be limited to, the
16 following language:

17 Shall the municipality (county) of impose a sales tax of
18 (insert amount) for the purpose of providing funding for (insert either
19 storm water control, or local parks, or storm water control and local parks) for the
20 municipality (county)?

21 YES NO

22 If a majority of the votes cast on the proposal by the qualified voters voting
23 thereon are in favor of the proposal, then the ordinance or order and any
24 amendments thereto shall be in effect on the first day of the second quarter after
25 the director of revenue receives notice of adoption of the tax. If a majority of the
26 votes cast by the qualified voters voting are opposed to the proposal, then the
27 governing body of the municipality or county shall not impose the sales tax
28 authorized in this section and section 644.033 until the governing body of the
29 municipality or county resubmits another proposal to authorize the governing
30 body of the municipality or county to impose the sales tax authorized by this

31 section and section 644.033 and such proposal is approved by a majority of the
32 qualified voters voting thereon; however, in no event shall a proposal pursuant
33 to this section and section 644.033 be submitted to the voters sooner than twelve
34 months from the date of the last proposal pursuant to this section and section
35 644.033.

36 3. All revenue received by a municipality or county from the tax
37 authorized under the provisions of this section and section 644.033 shall be
38 deposited in a special trust fund and shall be used to provide funding for storm
39 water control or for local parks, or both, within such municipality or county,
40 provided that such revenue may be used for local parks outside such municipality
41 or county if the municipality or county is engaged in a cooperative agreement
42 pursuant to section 70.220, RSMo.

43 4. Any funds in such special trust fund which are not needed for current
44 expenditures may be invested by the governing body in accordance with
45 applicable laws relating to the investment of other municipal or county funds.

✓
Bill

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