

Missouri Revised Statutes

Chapter 144 Sales and Use Tax

- [←Chapter: 143](#)
- [Chapter: 145→](#) August 28, 2015

Nonseverability clause.

[144.008](#). Notwithstanding the provisions of section [1.140](#) to the contrary, the provisions of sections [32.087](#), [144.020](#), [144.021](#), [144.069](#), [144.071](#), [144.440](#), [144.450](#), [144.455](#), [144.525](#), [144.610](#), [144.613](#), and [144.615](#), as amended by this act*, shall be nonseverable, and if any provision is for any reason held to be invalid, such decision shall invalidate all of the remaining provisions of sections** [32.087](#), [144.020](#), [144.021](#), [144.069](#), [144.071](#), [144.440](#), [144.450](#), [144.455](#), [144.525](#), [144.610](#), [144.613](#), and [144.615](#), as amended by this act*.

(L. 2013 H.B. 184 § 1 merged with S.B. 23 § 1 merged with S.B. 99 § 1)

Effective 7-05-13 (S.B. 23)

7-05-13 (S.B. 99)

8-28-13 (H.B. 184)

*"This act" (H.B. 184 merged with S.B. 23 merged with S.B. 99, 2013) contained numerous sections. Consult Disposition of Sections table for a definitive listing.

**Word "section" appears in original rolls of H.B. 184, S.B. 23, and S.B. 99, 2013.

Definitions.

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

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

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

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

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

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

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

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

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

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

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

(11) "Sale at retail" means any transfer made by any person engaged in business as defined herein of the ownership of, or title to, tangible personal property to the purchaser, for use or consumption and not for resale in any form as tangible personal property, for a valuable

consideration; except that, for the purposes of sections [144.010](#) to [144.525](#) and the tax imposed thereby: (i) purchases of tangible personal property made by duly licensed physicians, dentists, optometrists and veterinarians and used in the practice of their professions shall be deemed to be purchases for use or consumption and not for resale; and (ii) the selling of computer printouts, computer output or microfilm or microfiche and computer-assisted photo compositions to a purchaser to enable the purchaser to obtain for his or her own use the desired information contained in such computer printouts, computer output on microfilm or microfiche and computer-assisted photo compositions shall be considered as the sale of a service and not as the sale of tangible personal property. Where necessary to conform to the context of sections [144.010](#) to [144.525](#) and the tax imposed thereby, the term "sale at retail" shall be construed to embrace:

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

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

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

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

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

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

(12) "Seller" means a person selling or furnishing tangible personal property or rendering services, on the receipts from which a tax is imposed pursuant to section [144.020](#);

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

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

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

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

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

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

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

2. For purposes of the taxes imposed under sections [144.010](#) to [144.525](#), and any other provisions of law pertaining to sales or use taxes which incorporate the provisions of sections [144.010](#) to [144.525](#) by reference, the term "manufactured homes" shall have the same meaning given it in section [700.010](#).

3. Sections [144.010](#) to [144.525](#) may be known and quoted as the "Sales Tax Law".

(RSMo 1939 § 11407, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1947 V. I p. 535, A.L. 1974 H.B. 1593, A.L. 1975 S.B. 92, A.L. 1977 S.B. 367, A.L. 1978 H.B. 1634, A.L. 1979 H.B. 59, S.B. 218, et al., A.L. 1981 S.B. 200, A.L. 1985 S.B. 152, A.L. 1988 H.B. 1335 merged with H.B. 1400, A.L. 1993 S.B. 52, A.L. 1996 H.B. 1466, A.L. 1998 S.B. 627 merged with S.B. 936, A.L. 1999 H.B. 516, A.L. 2001 S.B. 234, A.L. 2005 S.B. 355, A.L. 2011 S.B. 356, A.L. 2013 S.B. 23)

Sale at retail not to include certain transfers.

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

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

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

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

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

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

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

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

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

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

(10) The purchase by persons operating eating or food service establishments, of items of a nonreusable nature which are furnished to the customers of such establishments with or in conjunction with the retail sales of their food or beverage. Such items shall include, but not be limited to, wrapping or packaging materials and nonreusable paper, wood, plastic and aluminum articles

such as containers, trays, napkins, dishes, silverware, cups, bags, boxes, straws, sticks and toothpicks;

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

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

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

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

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

(13) Charges for initiation fees or dues to:

(a) Fraternal beneficiaries societies, or domestic fraternal societies, orders or associations operating under the lodge system a substantial part of the activities of which are devoted to religious, charitable, scientific, literary, educational or fraternal purposes; or

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

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

(L. 1973 H.B. 46, A.L. 1979 S.B. 218, et al., A.L. 1985 S.B. 152, A.L. 1992 H.B. 1155 merged with S.B. 831, A.L. 1996 H.B. 1237, A.L. 2008 S.B. 788)

*Section 144.748 was repealed by S.B. 981, 1996.

Sales of tangible property to vending machine owners or operators deemed a sale at retail subject to certain sales tax, exceptions.

[144.012](#). 1. Notwithstanding any other provision of law to the contrary, any sale of tangible personal property, other than photocopies, cigarettes, cigars, or other tobacco-related products, by a vendor through a vending machine located in the state of Missouri shall be deemed a sale at retail occurring at the location of the vending machine through which the tangible personal property is sold. Such sale by the vendor shall be subject to the provisions of sections [66.600](#) to 66.635, sections [67.500](#) to [67.545](#), [67.547](#), [67.548](#), [67.550](#) to 67.580, [67.581](#), [67.582](#), [67.590](#) to 67.596, [67.671](#) to [67.685](#), [67.700](#) to [67.729](#), [67.730](#) to [67.739](#), [67.782](#), sections [92.400](#) to [92.420](#), sections [94.500](#) to 94.570, [94.577](#), [94.600](#) to [94.655](#), [94.700](#) to [94.755](#), sections [144.010](#) to [144.510](#), and

144.600 to 144.745. For the purpose of transactions covered under this section, "gross receipts" means the net invoice price of the property vended during the reporting period multiplied by one hundred thirty-five percent. All local sales taxes shall be based on the location of the vending machines from which the tangible personal property is sold.

2. The taxes required by the sections listed in subsection 1 of this section are to be reported directly to the director of revenue and remitted by the vendor selling tangible personal property.

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

(1) "Net invoice price", the cost of the products, including freight, less any timely payment discounts, with no allowance for spoilage or loss;

(2) "Vending machine", a coin or currency operated device which is used to sell tangible personal property without requiring the vendor's physical attention at the time of sale;

(3) "Vendor", the person who owns the tangible personal property sold in the vending machine.

4. In addition to the exemptions granted under the provisions of section 144.030, there is hereby specifically exempted from the provisions of sections 66.600 to 66.635, sections 67.500 to 67.545, 67.547, 67.548, 67.550 to 67.580, 67.581, 67.582, 67.590 to 67.596, 67.671 to 67.685, 67.700 to 67.729, 67.730 to 67.739, 67.782, sections 92.400 to 92.420, sections 94.500 to 94.570, 94.577, 94.600 to 94.655, 94.700 to 94.755, sections 144.010 to 144.510, and 144.600 to 144.745, and from computation of the tax levied, assessed or payable under sections 66.600 to 66.635, sections 67.500 to 67.545, 67.547, 67.548, 67.550 to 67.580, 67.581, 67.582, 67.590 to 67.596, 67.671 to 67.685, 67.700 to 67.729, 67.730 to 67.739, 67.782, sections 92.400 to 92.420, sections 94.500 to 94.570, 94.577, 94.600 to 94.655, 94.700 to 94.755, sections 144.010 to 144.510, and 144.600 to 144.745, all sales by a vendor of tangible personal property from vending machines located on the premises of any organization, institution or school whose sales are exempt under subdivision (19) of subsection 2 of section 144.030.

(L. 1988 H.B. 1400, A.L. 1989 H.B. 35, et al.)

Effective 7-1-89

Tax imposed in accordance with federal Mobile Telecommunications Sourcing Act.

144.013. Notwithstanding any other provision of this chapter, the tax imposed on mobile telecommunications services pursuant to section 144.020 shall be imposed in accordance with the federal Mobile Telecommunications Sourcing Act, 4 U.S.C. Sections 116 through 124, as amended. All terms used in this section shall have the same meaning attributed to them by the federal Mobile Telecommunications Sourcing Act, 4 U.S.C. 124, as amended.

(L. 2002 H.B. 1890)

Effective 8-01-02

Food, retail sales of, rate of tax, revenue deposited in schooldistrict trust fund--definition of food.

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

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

purpose of this section, except for vending machine sales, the term "food" shall not include food or drink sold by any establishment where the gross receipts derived from the sale of food prepared by such establishment for immediate consumption on or off the premises of the establishment constitutes more than eighty percent of the total gross receipts of that establishment, regardless of whether such prepared food is consumed on the premises of that establishment, including, but not limited to, sales of food by any restaurant, fast food restaurant, delicatessen, eating house, or cafe.

(L. 1997 H.B. 491, A.L. 1999 H.B. 548, A.L. 2007 S.B. 613 Revision)

Promulgation of rules.

[144.015](#). No rule or portion of a rule promulgated under the authority of this chapter shall become effective unless it has been promulgated pursuant to the provisions of section [536.024](#).

(L. 1993 S.B. 52, A.L. 1995 S.B. 3)

Resale of tangible personal property, exempt or excluded from sales and use tax, when--intent of exclusion.

[144.018](#). 1. Notwithstanding any other provision of law to the contrary, except as provided under subsection 2 or 3 of this section, when a purchase of tangible personal property or service subject to tax is made for the purpose of resale, such purchase shall be either exempt or excluded under this chapter if the subsequent sale is:

- (1) Subject to a tax in this or any other state;
- (2) For resale;
- (3) Excluded from tax under this chapter;
- (4) Subject to tax but exempt under this chapter; or
- (5) Exempt from the sales tax laws of another state, if the subsequent sale is in such other state.

The purchase of tangible personal property by a taxpayer shall not be deemed to be for resale if such property is used or consumed by the taxpayer in providing a service on which tax is not imposed by subsection 1 of section [144.020](#), except purchases made in fulfillment of any obligation under a defense contract with the United States government.

2. For purposes of subdivision (2) of subsection 1 of section [144.020](#), a place of amusement, entertainment or recreation, including games or athletic events, shall remit tax on the amount paid for admissions or seating accommodations, or fees paid to, or in such place of amusement, entertainment or recreation. Any subsequent sale of such admissions or seating accommodations shall not be subject to tax if the initial sale was an arms length transaction for fair market value with an unaffiliated entity. If the sale of such admissions or seating accommodations is exempt or excluded from payment of sales and use taxes, the provisions of this subsection shall not require the place of amusement, entertainment, or recreation to remit tax on that sale.

3. For purposes of subdivision (6) of subsection 1 of section [144.020](#), a hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car, tourist cabin, tourist camp, or other place in which rooms, meals, or drinks are regularly served to the public shall remit tax on the amount of sales or charges for all rooms, meals, and drinks furnished at such hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car, tourist cabin, tourist camp, or other place in which rooms, meals, or drinks are regularly served to the public. Any subsequent sale of such rooms, meals, or drinks shall not be subject to tax if the initial sale was an arms length transaction for fair market value with an unaffiliated entity. If the sale of such rooms, meals, or drinks is exempt or excluded from payment of sales and use taxes, the provisions of this subsection shall not require the hotel, motel, tavern, inn, restaurant, eating house, drugstore, dining car, tourist cabin, tourist camp,

or other place in which rooms, meals, or drinks are regularly served to the public to remit tax on that sale.

4. The provisions of this section are intended to reject and abrogate earlier case law interpretations of the state's sales and use tax law with regard to sales for resale as extended in *Music City Centre Management, LLC v. Director of Revenue*, 295 S.W.3d 465, (Mo. 2009) and *ICC Management, Inc. v. Director of Revenue*, 290 S.W.3d 699, (Mo. 2009). The provisions of this section are intended to clarify the exemption or exclusion of purchases for resale from sales and use taxes as originally enacted in this chapter.

(L. 2010 S.B. 928, A.L. 2011 H.B. 315)

Rate of tax--tickets, notice of sales tax.

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

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

(2) A tax equivalent to four percent of the amount paid for admission and seating accommodations, or fees paid to, or in any place of amusement, entertainment or recreation, games and athletic events;

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

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

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

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

(7) A tax equivalent to four percent of the amount paid or charged for intrastate tickets by every person operating a railroad, sleeping car, dining car, express car, boat, airplane and such buses and

trucks as are licensed by the division of motor carrier and railroad safety of the department of economic development of Missouri, engaged in the transportation of persons for hire;

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

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

2. All tickets sold which are sold under the provisions of sections [144.010](#) to [144.525](#) which are subject to the sales tax shall have printed, stamped or otherwise endorsed thereon, the words "This ticket is subject to a sales tax."

(RSMo 1939 § 11408, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1947 V. I p. 546, A.L. 1963 p. 195, A.L. 1965 p. 261, A.L. 1972 S.B. 407, A.L. 1975 S.B. 92, A.L. 1979 S.B. 218, et al., A.L. 1982 Adopted by Initiative, Proposition C, November 2, 1982, A.L. 1985 H.B. 280, et al., A.L. 1996 H.B. 1098, A.L. 1998 S.B. 627, A.L. 2001 H.B. 933, A.L. 2011 S.B. 356, A.L. 2013 H.B. 184 merged with S.B. 23 merged with S.B. 99, A.L. 2015 H.B. 517 & 754)

CROSS REFERENCE:

Nonseverability clause, [144.008](#)

(2014) Provision imposing sales tax upon gross receipts from untethered hot air balloon rides is preempted to extent of conflict with federal Anti-Head Tax prohibition against tax or charge on gross receipts from individual's travel in air commerce. *Balloons Over the Rainbow v. Director of Revenue*, 427 S.W.3d 815 (Mo. banc).

Imposition of tax--seller's duties--modification of taxable status of tangible personal property or services, notification of sellers, when, manner.

[144.021](#). 1. The purpose and intent of sections [144.010](#) to [144.510](#) is to impose a tax upon the privilege of engaging in the business, in this state, of selling tangible personal property and those services listed in section [144.020](#) and for the privilege of titling new and used motor vehicles, trailers, boats, and outboard motors purchased or acquired for use on the highways or waters of this state which are required to be registered under the laws of the state of Missouri. Except as otherwise provided, the primary tax burden is placed upon the seller making the taxable sales of property or service and is levied at the rate provided for in section [144.020](#). Excluding subdivision (9) of subsection 1 of section [144.020](#) and sections [144.070](#), [144.440](#) and [144.450](#), the extent to which a seller is required to collect the tax from the purchaser of the taxable property or service is governed by section [144.285](#) and in no way affects sections [144.080](#) and [144.100](#), which require all sellers to

report to the director of revenue their "gross receipts", defined herein to mean the aggregate amount of the sales price of all sales at retail, and remit tax at four percent of their gross receipts.

2. If any item of tangible personal property or service determined to be taxable under the sales tax law or the compensating use tax law is modified by a decision or order of:

- (1) The director of revenue;
- (2) The administrative hearing commission; or
- (3) A court of competent jurisdiction;

which changes which items of tangible personal property or services are taxable, and a reasonable person would not have expected the decision or order based solely on prior law or regulation, all affected sellers shall be notified by the department of revenue before such modification shall take effect for such sellers. Failure of the department of revenue to notify a seller shall relieve such seller of liability for taxes that would be due under the modification until the seller is notified. The waiver of liability for taxes under this subsection shall only apply to sellers actively selling the type of tangible personal property or service affected by the decision on the date the decision or order is made or handed down and shall not apply to any seller that has previously remitted tax on the tangible personal property or taxable services subject to the decision or order or to any seller that had prior notice that the seller must collect and remit the tax.

3. The notification required by subsection 2 of this section shall be delivered by United States mail, electronic mail, or other secure electronic means of direct communications. The department of revenue shall update its website with information regarding modifications in sales tax law but such updates shall not constitute a notification required by subsection 2 of this section.

(L. 1965 p. 261, A.L. 1982 Adopted by Initiative, Proposition C, November 2, 1982, A.L. 2013 H.B. 184 merged with S.B. 23 merged with S.B. 99, A.L. 2015 S.B. 18)

CROSS REFERENCE:

Nonseverability clause, [144.008](#)

Transactions involving trade-in or rebate, how computed--exceptions--definitions--agricultural use, allowance.

[144.025](#). 1. Notwithstanding any other provisions of law to the contrary, in any retail sale other than retail sales governed by subsections 4 and 5 of this section, where any article on which sales or use tax has been paid, credited, or otherwise satisfied or which was exempted or excluded from sales or use tax is taken in trade as a credit or part payment on the purchase price of the article being sold, the tax imposed by sections [144.020](#) and [144.440](#) shall be computed only on that portion of the purchase price which exceeds the actual allowance made for the article traded in or exchanged, if there is a bill of sale or other record showing the actual allowance made for the article traded in or exchanged. Where the purchaser of a motor vehicle, trailer, boat or outboard motor receives a rebate from the seller or manufacturer, the tax imposed by sections [144.020](#) and [144.440](#) shall be computed only on that portion of the purchase price which exceeds the amount of the rebate, if there is a bill of sale or other record showing the actual rebate given by the seller or manufacturer. Where the trade-in or exchange allowance plus any applicable rebate exceeds the purchase price of the purchased article there shall be no sales or use tax owed. This section shall also apply to motor vehicles, trailers, boats, and outboard motors sold by the owner or holder of the properly assigned certificate of ownership if the seller purchases or contracts to purchase a subsequent motor vehicle, trailer, boat, or outboard motor within one hundred eighty days before or after the date of the sale of the original article and a bill of sale showing the paid sale price is presented to the department of revenue at the time of licensing. A copy of the bill of sale shall be left with the licensing office. Where the subsequent motor vehicle, trailer, boat, or outboard motor is titled more than one hundred eighty days after the sale of the original motor vehicle, trailer, boat, or

outboard motor, the allowance pursuant to this section shall be made if the person titling such article establishes that the purchase or contract to purchase was finalized prior to the expiration of the one hundred eighty-day period.

2. As used in this section, the term "boat" includes all motorboats and vessels, as the terms "motorboat" and "vessel" are defined in section [306.010](#).

3. As used in this section, the term "motor vehicle" includes motor vehicles as defined in section [301.010](#), recreational vehicles as defined in section [700.010](#), or a combination of a truck as defined in section [301.010](#), and a trailer as defined in section [301.010](#).

4. The provisions of subsection 1 of this section shall not apply to retail sales of manufactured homes in which the purchaser receives a document known as the "Manufacturer's Statement of Origin" for purposes of obtaining a title to the manufactured home from the department of revenue of this state or from the appropriate agency or officer of any other state.

5. Any purchaser of a motor vehicle or trailer used for agricultural use by the purchaser shall be allowed to use as an allowance to offset the sales and use tax liability towards the purchase of the motor vehicle or trailer any grain or livestock produced or raised by the purchaser. The director of revenue may prescribe forms for compliance with this subsection.

(L. 1963 p. 195, A.L. 1977 S.B. 367, A.L. 1979 S.B. 218, et al., A.L. 1985 H.B. 280, et al., S.B. 152, A.L. 1986 H.B. 957, A.L. 1994 S.B. 477, et al., A.L. 1998 S.B. 936, A.L. 2003 H.B. 600, A.L. 2004 S.B. 1233, et al. merged with S.B. 1394, A.L. 2005 H.B. 487)

Items replaced due to theft or casualty loss, credit against salestaxes allowed, when.

[144.027](#). 1. When a motor vehicle, trailer, boat or outboard motor for which all sales or use tax has been paid is replaced due to theft or a casualty loss in excess of the value of the unit, the director shall permit the amount of the insurance proceeds plus any owner's deductible obligation, as certified by the insurance company, to be a credit against the purchase price of another motor vehicle, trailer, boat or outboard motor which is purchased or is contracted to purchase within one hundred eighty days of the date of payment by the insurance company as a replacement motor vehicle, trailer, boat or outboard motor. As used in this section, the term "boat" includes all motorboats and vessels, as the terms "motorboat" and "vessel" are defined in section [306.010](#).

2. If the owner of a motor vehicle, trailer, boat or outboard motor as described in subsection 1 of this section does not have insurance coverage for the motor vehicle, trailer, boat or outboard motor, the director shall permit the fair market value of the motor vehicle, trailer, boat or outboard motor as determined by the Kelly Blue Book, NADA Used Car Guide, Abos Blue Book or the average of two appraisals from licensed motor vehicle or boat dealers to be a credit against the purchase price of a replacement motor vehicle, trailer, boat or outboard motor which is purchased or is contracted to purchase within one hundred eighty days of the date of such loss as certified by a law enforcement agency or such other evidence as the director may require as proof of the date of loss of the motor vehicle, trailer, boat or outboard motor.

(L. 1983 1st Ex. Sess. H.B. 10, A.L. 1986 H.B. 957, A.L. 1990 S.B. 494, A.L. 1998 S.B. 936)

Exemptions from state and local sales and use taxes.

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

2. There are also specifically exempted from the provisions of the local sales tax law as defined in section [32.085](#), section [238.235](#), and sections [144.010](#) to [144.525](#) and [144.600](#) to [144.761](#) and from the computation of the tax levied, assessed or payable pursuant to the local sales tax law as defined in section [32.085](#), section [238.235](#), and sections [144.010](#) to [144.525](#) and [144.600](#) to [144.745](#):

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(23) All sales made to any private not-for-profit elementary or secondary school, all sales of feed additives, medications or vaccines administered to livestock or poultry in the production of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber, all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as defined in section [142.028](#), natural gas, propane, and electricity used by an eligible new generation cooperative or an eligible new generation

processing entity as defined in section [348.432](#), and all sales of farm machinery and equipment, other than airplanes, motor vehicles and trailers, and any freight charges on any exempt item. As used in this subdivision, the term "feed additives" means tangible personal property which, when mixed with feed for livestock or poultry, is to be used in the feeding of livestock or poultry. As used in this subdivision, the term "pesticides" includes adjuvants such as crop oils, surfactants, wetting agents and other assorted pesticide carriers used to improve or enhance the effect of a pesticide and the foam used to mark the application of pesticides and herbicides for the production of crops, livestock or poultry. As used in this subdivision, the term "farm machinery and equipment" means new or used farm tractors and such other new or used farm machinery and equipment and repair or replacement parts thereon and any accessories for and upgrades to such farm machinery and equipment, rotary mowers used exclusively for agricultural purposes, and supplies and lubricants used exclusively, solely, and directly for producing crops, raising and feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for ultimate sale at retail, including field drain tile, and one-half of each purchaser's purchase of diesel fuel therefor which is:

(a) Used exclusively for agricultural purposes;

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

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

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

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

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

(c) Each person making domestic use purchases of services or property and who uses any portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day of the fourth month following the year of purchase, and without assessment, notice or demand, file a return and pay sales tax on that portion of nondomestic purchases. Each person making nondomestic purchases of services or property and who uses any portion of the services or property so purchased for domestic use, and each person making domestic purchases on behalf of occupants of residential apartments or condominiums through a single or master meter, including service for common areas and facilities and vacant units, under a nonresidential utility service rate classification may, between the first day of the first month and the fifteenth day of the fourth month

following the year of purchase, apply for credit or refund to the director of revenue and the director shall give credit or make refund for taxes paid on the domestic use portion of the purchase. The person making such purchases on behalf of occupants of residential apartments or condominiums shall have standing to apply to the director of revenue for such credit or refund;

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

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

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

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

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

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

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

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

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

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

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

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

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

purchases on behalf of such entity shall maintain a copy of the entity's exemption certificate as evidence of the exemption. If the exemption certificate issued by the exempt entity to the contractor is later determined by the director of revenue to be invalid for any reason and the contractor has accepted the certificate in good faith, neither the contractor or the exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result of use of the invalid exemption certificate. Materials shall be exempt from all state and local sales and use taxes when purchased by a contractor for the purpose of fabricating tangible personal property which is used in fulfilling a contract for the purpose of constructing, repairing or remodeling facilities for the following:

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

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

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

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

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

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

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

(43) All sales of motor fuel, as defined in section [142.800](#), used in any watercraft, as defined in section [306.010](#);

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

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

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

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

(RSMo 1939 § 11409, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1949 p. 620, A.L. 1961 p. 623, A.L. 1965 p. 265, A.L. 1967 p. 226, A.L. 1967 1st Ex. Sess. p. 879, A.L. 1969 p. 253, A.L. 1977 S.B. 104, A.L. 1979 H.B. 726, S.B. 218, et al., A.L. 1980 H.B. 1812, A.L. 1982 S.B. 471, A.L. 1983 1st Ex. Sess. H.B. 9, A.L. 1985 S.B. 363, A.L. 1986 S.B. 669, et al. merged with S.B. 437 merged with H.B. 1554 Revision, A.L. 1988 H.B. 1629 merged with S.B. 709, A.L. 1989 H.B. 35, et al., A.L. 1991 H.B. 39 & 41, A.L. 1994 S.B. 477, et al., A.L. 1995 H.B. 414, A.L. 1996 H.B. 1237 merged with H.B. 1466, A.L. 1997 H.B. 491, A.L. 1998 S.B. 936, A.L. 1999 H.B. 516, A.L. 2003 H.B. 600 merged with S.B. 11, A.L. 2004 H.B. 795, et al. merged with H.B. 1182, A.L. 2005 H.B. 186 merged with S.B. 68 merged with S.B. 196 merged with S.B. 355, A.L. 2007 S.B. 22 merged with S.B. 30 merged with S.B. 613 Revision, A.L. 2007 1st Ex. Sess. H.B. 1, A.L. 2008 H.B. 1670 merged with S.B. 930 & 947, A.L. 2010 H.B. 1442 merged with S.B. 928, A.L. 2011 H.B. 458 merged with S.B. 284 merged with S.B. 356, A.L. 2012 H.B. 1402 merged with S.B. 470 merged with S.B. 480, A.L. 2013 S.B. 23, A.L. 2014 H.B. 2029, A.L. 2015 H.B. 517 & 754 merged with S.B. 231)

CROSS REFERENCE:

Economy rate telephone service exemption, [660.149](#)

Cities or counties may impose sales tax on utilities--determination of domestic use.

[144.032](#). The provisions of section [144.030](#) to the contrary notwithstanding, any city imposing a sales tax under the provisions of sections [94.500](#) to 94.570*, or any county imposing a sales tax under the provisions of sections [66.600](#) to 66.635**, or any county imposing a sales tax under the provisions of sections [67.500](#) to [67.729](#), or any hospital district imposing a sales tax under the provisions of section [205.205](#)*** may by ordinance impose a sales tax upon all sales of metered water services, electricity, electrical current and natural, artificial or propane gas, wood, coal, or home heating oil for domestic use only. Such tax shall be administered by the department of revenue and assessed by the retailer in the same manner as any other city, county, or hospital district sales tax. Domestic use shall be determined in the same manner as the determination of domestic use for exemption of such sales from the state sales tax under the provisions of section [144.030](#).

(L. 1979 S.B. 218, et al. § 2, A.L. 1986 S.B. 669, et al., A.L. 1987 H.B. 89, A.L. 2011 H.B. 111 merged with S.B. 117)

Effective 6-09-11(S.B. 117)

7-08-11 (H.B. 111)

*Section 94.570 was repealed by H.B. 29, 1991.

**Section 66.635 was repealed by H.B. 29, 1991.

***Section 206.165 appears in original rolls of S.B. 117, 2011, an incorrect reference.

Exemption, advertising and advertising products.

144.034. The sales of advertising by legal newspapers pursuant to chapter 493, advertising agencies, broadcast stations, and standardized outdoor billboard advertising shall be considered the sale of a service and not the sale of tangible personal property. Purchases of tangible personal property which are for use in producing advertising by the businesses listed in the preceding sentence shall be deemed to be purchases for use or consumption and not for resale. In addition to the exemptions granted under the provisions of section 144.030, the sale of services as defined in this section shall be specifically exempted from the provisions of sections 66.600 to 66.635, sections 67.500 to 67.545, sections 92.400 to 92.420, sections 94.500 to 94.570, sections 94.600 to 94.655, sections 94.700 to 94.755, and sections 144.010 to 144.510 and 144.600 to 144.745 and from the computation of the tax levied, assessed or payable under sections 66.600 to 66.635, sections 67.500 to 67.545, sections 92.400 to 92.420, sections 94.500 to 94.570, sections 94.600 to 94.655, sections 94.700 to 94.755, and sections 144.010 to 144.510 and 144.600 to 144.745.

(L. 1982 S.B. 475 § 1, A.L. 1983 1st Ex. Sess. H.B. 9)

Effective 1-5-84

Exemption for retail sales made through the use of federal food stamp coupons.

144.037. In addition to the exemptions granted under the provisions of section 144.030, there is hereby specifically exempted from the provisions of sections 66.600 to 66.635, sections 67.500 to 67.545, sections 67.671 to 67.685, sections 67.700 to 67.729, sections 92.400 to 92.420, sections 94.500 to 94.570, sections 94.600 to 94.655, sections 94.700 to 94.755, and sections 144.010 to 144.510 and 144.600 to 144.745, and from the computation of the tax levied, assessed or payable under sections 66.600 to 66.635, sections 67.500 to 67.545, sections 67.671 to 67.685, sections 67.700 to 67.729, sections 92.400 to 92.420, sections 94.500 to 94.570, sections 94.600 to 94.655, sections 94.700 to 94.755, and sections 144.010 to 144.510 and 144.600 to 144.745, all sales at retail made through the use of federal food stamp coupons.

(L. 1986 H.B. 910 & 1165 § 1)

Effective on 10-1-86 or upon date approved by the U.S. Secretary of Agriculture, whichever date is later

Exemption for retail sales made through the use of women, infants and children program vouchers.

144.038. In addition to the exemptions granted under the provisions of section 144.030, there is hereby specifically exempted from the provisions of sections 66.600 to 66.635, sections 67.500 to 67.545, sections 67.671 to 67.685, sections 67.700 to 67.729, sections 92.400 to 92.420, sections 94.500 to 94.570, sections 94.600 to 94.655, sections 94.700 to 94.755, and sections 144.010 to 144.510 and 144.600 to 144.745, and from the computation of the tax levied, assessed or payable under sections 66.600 to 66.635, sections 67.500 to 67.545, sections 67.671 to 67.685, sections 67.700 to 67.729, sections 92.400 to 92.420, sections 94.500 to 94.570, sections 94.600 to 94.655, sections 94.700 to 94.755, and sections 144.010 to 144.510 and 144.600 to 144.745, all sales at retail for which federal government coupons or vouchers under the supplemental feeding for women, infants and children program are used as payment.

(L. 1986 H.B. 910 & 1165 § 2)

Effective upon passage by U.S. Congress of a law requiring sales tax exemption for WIC program purchases

Exemption, purchases by state legislator, when.

144.039. In addition to the exemptions granted under the provisions of section 144.030, there shall also be specifically exempted from the provisions of sections 66.600 to 66.635, sections 67.500 to 67.545, 67.547, 67.581, 67.582, 67.671 to 67.685, 67.700 to 67.729, 67.730 to 67.739, 67.782, sections 92.400 to 92.420, sections 94.500 to 94.570, 94.600 to 94.655, 94.700 to 94.755, and

sections [144.010](#) to [144.510](#) and [144.600](#) to [144.745](#) and from the computation of the tax levied, assessed or payable under sections [66.600](#) to 66.635, sections [67.500](#) to [67.545](#), [67.547](#), [67.581](#), [67.582](#), [67.671](#) to [67.685](#), [67.700](#) to [67.729](#), [67.730](#) to [67.739](#), [67.782](#), sections [92.400](#) to [92.420](#), sections [94.500](#) to 94.570, [94.600](#) to [94.655](#), [94.700](#) to [94.755](#), and sections [144.010](#) to [144.510](#) and [144.600](#) to [144.745](#), purchases of all tangible personal property made by, or on behalf of, a state senator or state representative if such purchases are made from funds in such state senator's or state representative's state expense account.

(L. 1988 H.B. 957 & 1571 § 2)

Light aircraft, definitions--exemption from sales tax, when.

[144.043](#). 1. As used in this section, the following terms mean:

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

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

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

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

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

(L. 1994 H.B. 1578 § 1)

Effective 10-1-94

New manufactured homes and modular units--partial sales tax exemption--sale of used manufactured home, exemption.

[144.044](#). 1. As used in this section, the following terms mean:

(1) "Sale of a modular unit", a transfer of a modular unit as defined in section [700.010](#);

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

section [700.010](#), for purposes of allowing such person to obtain a title to the manufactured home from the department of revenue of this state or the appropriate agency or officer of any other state;

(3) "Sale of a used manufactured home", any subsequent sale of a manufactured home as defined in section [700.010](#), which does not qualify as "new" as defined in subdivision (9) of section [700.010](#).

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

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

4. In addition to the exemptions granted under the provisions of section [144.030](#), the sale of a used manufactured home as defined in this section shall be specifically exempted from the provisions of sections [238.235](#) and [238.410](#), the local sales tax law as defined in section [32.085](#), sections [144.010](#) to [144.525](#) and [144.600](#) to [144.761](#), and from the computation of the tax levied, assessed, or payable under sections [238.235](#) and [238.410](#), the local sales tax law as defined in section [32.085](#), sections [144.010](#) to [144.525](#) and [144.600](#) to [144.761](#), and section [238.235](#).

(L. 1994 S.B. 477, et al. § 2, A.L. 2005 H.B. 186, A.L. 2015 H.B. 111)

Transfer of transcripts, depositions, exhibits, computer disks prepared by a court reporter are a nontaxable service nontangible property--farm machinery nontaxable.

[144.045](#). 1. Notwithstanding any other provision of law to the contrary, the department of revenue shall not consider the transfer for consideration of court transcripts, depositions, compressed transcripts, exhibits, computer disks containing any such item, or copies of any such item which are prepared by a court reporter as tangible personal property, but rather as a nontaxable service for purposes of administrative interpretation. In addition, the department of revenue shall, for purposes of administrative interpretation, consider as nontaxable any machinery or equipment meeting the definition of "farm machinery" under subdivision (23)* of subsection 2 of section [144.030](#), whether or not such machinery or equipment is attached to a vehicle or real property.

2. In addition to the exemptions granted under the provisions of section [144.030](#), there shall also be specifically exempted from the provisions of sections [144.010](#) to [144.525](#), sections [144.600](#) to [144.748](#), section [238.235](#), and from the provisions of any local sales tax law, as defined in section [32.085](#), and from the computation of the tax levied, assessed or payable under sections [144.010](#) to [144.525](#), sections [144.600](#) to [144.748](#), section [238.235](#), and under any local sales tax law, as defined in section [32.085](#), all sales of court transcripts, depositions, compressed transcripts, exhibits, computer disks containing any such item, and all copies of any such item, which are prepared by a court reporter.

(L. 1995 H.B. 414 § 3 merged with S.B. 374 § 1 subsec. 1)

*Statutory reference to subdivision (22) of subsection 2 of section [144.030](#) changed to subdivision (23) of subsection 2 of section [144.030](#) to comply with section [3.060](#).

Exemption for electrical current to battery manufacturers, when.

[144.046](#). In addition to the exemptions granted under the provisions of section [144.030](#), there is hereby specifically exempted from the provisions of sections [144.010](#) to [144.525](#) and sections [144.600](#) to 144.748 and from the computation of the tax levied, assessed or payable under sections [144.010](#) to [144.525](#) and sections [144.600](#) to 144.748, the sale at retail of separately measured electrical current to manufacturers of batteries in this state for conversion to stored chemical energy in new lead-acid storage batteries solely for the purpose of providing an initial charge in such batteries during the manufacturing process but not for the purpose of recharging any previously manufactured batteries. The sale at retail of such separately measured electrical current described in this section shall not be exempted from any local sales tax imposed under a local sales tax law, as defined in section [32.085](#).

(L. 1995 H.B. 414)

Effective 1-1-96

Aircraft used only for applying agricultural chemicals to be considered farm machinery, exempt from sales and use tax.

[144.047](#). Notwithstanding any other provision of law to the contrary, for purposes of department of revenue administrative interpretation, all sales of aircraft used solely for aerial application of agricultural chemicals shall be considered farm machinery and therefore, exempt from state and local sales and use tax, as provided for other farm machinery in subdivision (23)* of subsection 2 of section [144.030](#).

(L. 1995 S.B. 374 § 3)

*Statutory reference to subdivision (22) of subsection 2 of section [144.030](#) changed to subdivision (23) of subsection 2 of section [144.030](#) to comply with section [3.060](#).

Sales tax holiday for clothing, personal computers, and school supplies, when.

[144.049](#). 1. For purposes of this section, the following terms mean:

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

(2) "Personal computers", a laptop, desktop, or tower computer system which consists of a central processing unit, random access memory, a storage drive, a display monitor, and a keyboard and devices designed for use in conjunction with a personal computer, such as a disk drive, memory module, compact disk drive, daughterboard, digitizer, microphone, modem, motherboard, mouse, multimedia speaker, printer, scanner, single-user hardware, single-user operating system, soundcard, or video card;

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

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

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

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

5. This section applies to sales of items bought for personal use only.

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

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

(L. 2003 S.B. 11, A.L. 2005 H.B. 64, A.L. 2015 H.B. 517 & 754)

Additional to other taxes--exceptions.

[144.050](#). The tax imposed by sections [144.010](#) to [144.510](#) shall be in addition to any and all other taxes and licenses except as herein otherwise provided.

(RSMo 1939 § 11410, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865)

Farm machinery and equipment exempt from state and local sales and use tax, when.

[144.053](#). 1. As used in this section, "machinery and equipment" means new or used farm tractors and such other new or used machinery and equipment and repair or replacement parts thereon, and supplies and lubricants used exclusively, solely, and directly for the planting, harvesting, processing, or transporting of a forestry product.

2. Notwithstanding any other provision of law to the contrary, for purposes of department of revenue administrative interpretation, all machinery and equipment used solely for the planting, harvesting, processing, or transporting of a forestry product shall be considered farm machinery, and shall be exempt from state and local sales and use tax, as provided for other farm machinery in section [144.030](#). For purposes of the exemption in section [144.063](#), the planting, harvesting, processing, or transporting of a forestry product is deemed an agricultural purpose.

(L. 2008 S.B. 931)

Additional sales tax exemptions for various industries and political subdivisions.

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

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

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

2. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.761, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, electrical energy and gas, whether natural, artificial, or propane, water, coal, and energy sources, chemicals, machinery, equipment, and materials used or consumed in the manufacturing, processing, compounding, mining, or producing of any product, or used or consumed in the processing of recovered materials, or used in research and development related to manufacturing, processing, compounding, mining, or producing any product. The exemptions granted in this subsection shall not apply to local sales taxes as defined in section 32.085 and the provisions of this subsection shall be in addition to any state and local sales tax exemption provided in section 144.030.

3. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, all utilities, machinery, and equipment used or consumed directly in television or radio broadcasting and all sales and purchases of tangible personal property, utilities, services, or any other transaction that would otherwise be subject to the state or local sales or use tax when such sales are made to or purchases are made by a contractor for use in fulfillment of any obligation under a defense contract with the United States government, and all sales and leases of tangible personal property by any county, city, incorporated town, or village, provided such sale or lease is authorized under chapter 100, and such transaction is certified for sales tax exemption by the department of economic development, and tangible personal property used for railroad infrastructure brought into this state for processing, fabrication, or other modification for use outside the state in the regular course of business.

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

5. In addition to all other exemptions granted under this chapter, there is hereby specifically exempted from the provisions of sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, and from the computation of the tax levied, assessed, or payable under sections 144.010 to 144.525 and 144.600 to 144.761, and section 238.235, and the local sales tax law as defined in section 32.085, all materials, manufactured goods, machinery and parts, electrical energy and gas, whether natural, artificial or propane, water, coal and other energy sources, chemicals, soaps, detergents, cleaning and sanitizing agents, and other ingredients and materials inserted by commercial or industrial laundries

to treat, clean, and sanitize textiles in facilities which process at least five hundred pounds of textiles per hour and at least sixty thousand pounds per week.

(L. 2007 S.B. 30, A.L. 2009 H.B. 683, A.L. 2015 S.B. 20)

*Effective 10-16-15, see § [21.250](#). S.B. 20 was vetoed on July 10, 2015. The veto was overridden September 16, 2015.

All tangible personal property on U.S. munitions list, exempt from state and local sales and use tax.

[144.057](#). In addition to the exemptions granted under this chapter, there shall also be specifically exempted from state and local sales and use taxes defined, levied, or calculated under section [32.085](#), sections [144.010](#) to [144.525](#), sections [144.600](#) to [144.761](#), or section [238.235](#), all tangible personal property included on the United States munitions list, as provided in 22 CFR 121.1, sold to or purchased by any foreign government or agency or instrumentality of such foreign government which is used for a governmental purpose.

(L. 2008 H.B. 2058 merged with S.B. 718 merged with S.B. 1073 § 144.059)

Purchaser to pay sales tax--refusal, a misdemeanor--exception.

[144.060](#). It shall be the duty of every person making any purchase or receiving any service upon which a tax is imposed by sections [144.010](#) to [144.510](#) to pay, to the extent possible under the provisions of section [144.285](#), the amount of such tax to the person making such sale or rendering such service. Any person who shall willfully and intentionally refuse to pay such tax shall be guilty of a misdemeanor. The provisions of this section shall not apply to any person making any purchase or sale of a motor vehicle subject to sales tax as provided by the Missouri sales tax law, unless such person making the sale is a motor vehicle dealer authorized to collect and remit sales tax pursuant to subsection 8 of section [144.070](#).

(RSMo 1939 § 11412, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1947 V. II p. 431, A.L. 1951 p. 854, A.L. 1965 p. 261, A.L. 2009 H.B. 683)

Construction materials, exemption allowed, when--exemption certificate, form, content, purpose--effect--entity having unauthorized exemption certificate, effect.

[144.062](#). 1. With respect to exempt sales at retail of tangible personal property and materials for the purpose of constructing, repairing or remodeling facilities for:

(1) A county, other political subdivision or instrumentality thereof exempt from taxation under subdivision (10) of Section 39 of Article III of the Constitution of Missouri; or

(2) An organization sales to which are exempt from taxation under the provisions of subdivision (20)* of subsection 2 of section [144.030](#); or

(3) Any institution of higher education supported by public funds or any private not-for-profit institution of higher education, exempt from taxation under subdivision (21)* of subsection 2 of section [144.030](#); or

(4) Any private not-for-profit elementary or secondary school exempt from taxation under subdivision (23)* of subsection 2 of section [144.030](#); or

(5) Any authority exempt from taxation under subdivision (40)* of subsection 2 of section [144.030](#); or

(6) After June 30, 2007, the department of transportation or the state highways and transportation commission;

hereinafter collectively referred to as exempt entities, such exemptions shall be allowed for such purchases if the purchases are related to the entities' exempt functions and activities. In

addition, the sales shall not be rendered nonexempt nor shall any material supplier or contractor be obligated to pay, collect or remit sales tax with respect to such purchases made by or on behalf of an exempt entity due to such purchases being billed to or paid for by a contractor or the exempt entity contracting with any entity to render any services in relation to such purchases, including but not limited to selection of materials, ordering, pickup, delivery, approval on delivery, taking of delivery, transportation, storage, assumption of risk of loss to materials or providing warranties on materials as specified by contract, use of materials or other purchases for construction of the building or other facility, providing labor, management services, administrative services, design or technical services or advice to the exempt entity, whether or not the contractor or other entity exercises dominion or control in any other manner over the materials in conjunction with services or labor provided to the exempt entity.

2. When any exempt entity contracts for the purpose of constructing, repairing or remodeling facilities, and purchases of tangible personal property and materials to be incorporated into or consumed in the construction of the project are to be made on a tax-exempt basis, such entity shall furnish to the contractor an exemption certificate authorizing such purchases for the construction, repair or remodeling project. The form and content of such project exemption certificate shall be approved by the director of revenue. The project exemption certificate shall include but not be limited to:

- (1) The exempt entity's name, address, Missouri tax identification number and signature of authorized representative;
- (2) The project location, description, and unique identification number;
- (3) The date the contract is entered into, which is the earliest date materials may be purchased for the project on a tax-exempt basis;
- (4) The estimated project completion date; and
- (5) The certificate expiration date.

Such certificate is renewable for a given project at the option of the exempt entity, only for the purpose of revising the certificate expiration date as necessary to complete the project.

3. The contractor shall furnish the certificate prescribed in subsection 2 of this section to all subcontractors, and any contractor purchasing materials shall present such certificate to all material suppliers as authorization to purchase, on behalf of the exempt entity, all tangible personal property and materials to be incorporated into or consumed in the construction of that project and no other on a tax-exempt basis. Such suppliers shall execute to the purchasing contractor invoices bearing the name of the exempt entity and the project identification number. Nothing in this section shall be deemed to exempt the purchase of any construction machinery, equipment or tools used in constructing, repairing or remodeling facilities for the exempt entity. All invoices for all personal property and materials purchased under a project exemption certificate shall be retained by the purchasing contractor for a period of five years and shall be subject to audit by the director of revenue.

4. Any excess resalable tangible personal property or materials which were purchased for the project by a contractor under a project exemption certificate but which were not incorporated into or consumed in the construction of the project shall either be returned to the supplier for credit or the appropriate sales or use tax on such excess property or materials shall be reported on a return and paid by such contractor not later than the due date of the contractor's Missouri sales or use tax return following the month in which it was determined that the materials were not to be used in the project.

5. No contractor or material supplier shall, upon audit, be required to pay tax on tangible personal property and materials incorporated into or consumed in the construction of the project due

to the failure of the exempt entity to revise the certificate expiration date as necessary to complete any work required by the contract. If it is determined that tax is owed on such property and materials due to the failure of the exempt entity to revise such certificate expiration date, the exempt entity shall be liable for the tax owed.

6. If an entity issues exemption certificates for the purchase of tangible personal property and materials which are incorporated into or consumed in the construction of its project and such entity is found not to have had the authority granted by this section to issue such exemption certificates, then such entity shall be liable for the tax owed on such personal property and materials. In addition, if an entity which does have the authority granted by this section to issue exemption certificates issues such certificates for the purchase of tangible personal property and materials which are incorporated into or consumed in the construction of a project, or part of a project, which is found not to be related to such entity's exempt functions and activities, then such entity shall be liable for the tax owed on such personal property and materials.

(L. 1988 H.B. 957 & 1571 § 1, A.L. 1994 S.B. 477, et al., A.L. 1998 S.B. 558, A.L. 2007 S.B. 22)

*Statutory references changed to comply with section [3.060](#).

Fencing materials and motor fuel used for agricultural purposes exempt from state and local sales and use tax.

[144.063](#). In addition to the exemptions granted under this chapter, there shall also be specifically exempted from state and local sales and use taxes defined, levied, or calculated under section [32.085](#), sections [144.010](#) to [144.525](#), sections [144.600](#) to [144.761](#), or section [238.235](#), all sales of fencing materials used for agricultural purposes, and the purchase of motor fuel, as defined in section [142.800](#), therefor which is used for agricultural purposes.

(L. 2008 S.B. 931)

Firearms or ammunition, limitation on sales tax levied.

[144.064](#). No sales tax levied under this chapter on any firearms or ammunition shall be levied at a rate that is higher than the sales tax levied under this chapter or any other excise tax levied on any sporting goods or equipment or any hunting equipment.

(L. 2011 H.B. 294, et al.)

Sales of motor vehicles, trailers, boats and outboard motors imposed at address of owner-- some leases deemed imposed at address of lessee.

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

(L. 1986 H.B. 1367 & 1573 § 1, A.L. 1996 H.B. 1223, A.L. 2013 H.B. 184 merged with S.B. 23 merged with S.B. 99)

Effective 7-05-13 (S.B. 23)

7-05-13 (S.B. 99)

8-28-13 (H.B. 184)

CROSS REFERENCE:

Nonseverability clause, [144.008](#)

(2012) Section does not authorize a county to impose a sales tax on a boat, outboard motor, and trailer that a Missouri resident purchased out of state and transported to Missouri. *Street v. Director of Revenue*, 361 S.W.3d 355 (Mo.banc).

Purchase or lease of motor vehicles, trailers, boats and outboardmotors, tax on--option granted lessor--application to act asleasing company.

[144.070](#). 1. At the time the owner of any new or used motor vehicle, trailer, boat, or outboard motor which was acquired in a transaction subject to sales tax under the Missouri sales tax law makes application to the director of revenue for an official certificate of title and the registration of the motor vehicle, trailer, boat, or outboard motor as otherwise provided by law, the owner shall present to the director of revenue evidence satisfactory to the director of revenue showing the purchase price exclusive of any charge incident to the extension of credit paid by or charged to the applicant in the acquisition of the motor vehicle, trailer, boat, or outboard motor, or that no sales tax was incurred in its acquisition, and if sales tax was incurred in its acquisition, the applicant shall pay or cause to be paid to the director of revenue the sales tax provided by the Missouri sales tax law in addition to the registration fees now or hereafter required according to law, and the director of revenue shall not issue a certificate of title for any new or used motor vehicle, trailer, boat, or outboard motor subject to sales tax as provided in the Missouri sales tax law until the tax levied for the sale of the same under sections [144.010](#) to [144.510](#) has been paid as provided in this section or is registered under the provisions of subsection 5 of this section.

2. As used in subsection 1 of this section, the term "purchase price" shall mean the total amount of the contract price agreed upon between the seller and the applicant in the acquisition of the motor vehicle, trailer, boat, or outboard motor, regardless of the medium of payment therefor.

3. In the event that the purchase price is unknown or undisclosed, or that the evidence thereof is not satisfactory to the director of revenue, the same shall be fixed by appraisalment by the director.

4. The director of the department of revenue shall endorse upon the official certificate of title issued by the director upon such application an entry showing that such sales tax has been paid or that the motor vehicle, trailer, boat, or outboard motor represented by such certificate is exempt from sales tax and state the ground for such exemption.

5. Any person, company, or corporation engaged in the business of renting or leasing motor vehicles, trailers, boats, or outboard motors, which are to be used exclusively for rental or lease purposes, and not for resale, may apply to the director of revenue for authority to operate as a leasing company. Any company approved by the director of revenue may pay the tax due on any motor vehicle, trailer, boat, or outboard motor as required in section [144.020](#) at the time of registration thereof or in lieu thereof may pay a sales tax as provided in sections [144.010](#), [144.020](#), [144.070](#) and [144.440](#). A sales tax shall be charged to and paid by a leasing company which does not exercise the option of paying in accordance with section [144.020](#), on the amount charged for each rental or lease agreement while the motor vehicle, trailer, boat, or outboard motor is domiciled in this state. Any motor vehicle, trailer, boat, or outboard motor which is leased as the result of a contract executed in this state shall be presumed to be domiciled in this state.

6. Any corporation may have one or more of its divisions separately apply to the director of revenue for authorization to operate as a leasing company, provided that the corporation:

(1) Has filed a written consent with the director authorizing any of its divisions to apply for such authority;

(2) Is authorized to do business in Missouri;

(3) Has agreed to treat any sale of a motor vehicle, trailer, boat, or outboard motor from one of its divisions to another of its divisions as a sale at retail;

(4) Has registered under the fictitious name provisions of sections [417.200](#) to [417.230](#) each of its divisions doing business in Missouri as a leasing company; and

(5) Operates each of its divisions on a basis separate from each of its other divisions. However, when the transfer of a motor vehicle, trailer, boat or outboard motor occurs within a corporation which holds a license to operate as a motor vehicle or boat dealer pursuant to sections [301.550](#) to [301.573](#) the provisions in subdivision (3) of this subsection shall not apply.

7. If the owner of any motor vehicle, trailer, boat, or outboard motor desires to charge and collect sales tax as provided in this section, the owner shall make application to the director of revenue for a permit to operate as a motor vehicle, trailer, boat, or outboard motor leasing company. The director of revenue shall promulgate rules and regulations determining the qualifications of such a company, and the method of collection and reporting of sales tax charged and collected. Such regulations shall apply only to owners of motor vehicles, trailers, boats, or outboard motors, electing to qualify as motor vehicle, trailer, boat, or outboard motor leasing companies under the provisions of subsection 5 of this section, and no motor vehicle renting or leasing, trailer renting or leasing, or boat or outboard motor renting or leasing company can come under sections [144.010](#), [144.020](#), [144.070](#) and [144.440](#) unless all motor vehicles, trailers, boats, and outboard motors held for renting and leasing are included.

8. Beginning July 1, 2010, any motor vehicle dealer licensed under section [301.560](#) engaged in the business of selling motor vehicles or trailers may apply to the director of revenue for authority to collect and remit the sales tax required under this section on all motor vehicles sold by the motor vehicle dealer. A motor vehicle dealer receiving authority to collect and remit the tax is subject to all provisions under sections [144.010](#) to [144.525](#). Any motor vehicle dealer authorized to collect and remit sales taxes on motor vehicles under this subsection shall be entitled to deduct and retain an amount equal to two percent of the motor vehicle sales tax pursuant to section [144.140](#). Any amount of the tax collected under this subsection that is retained by a motor vehicle dealer pursuant to section [144.140](#) shall not constitute state revenue. In no event shall revenues from the general revenue fund or any other state fund be utilized to compensate motor vehicle dealers for their role in collecting and remitting sales taxes on motor vehicles. In the event this subsection or any portion thereof is held to violate Article IV, Section 30(b) of the Missouri Constitution, no motor vehicle dealer shall be authorized to collect and remit sales taxes on motor vehicles under this section. No motor vehicle dealer shall seek compensation from the state of Missouri or its agencies if a court of competent jurisdiction declares that the retention of two percent of the motor vehicle sales tax is unconstitutional and orders the return of such revenues.

(RSMo 1939 § 11412, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1947 V. II p. 431, A.L. 1951 p. 854, A.L. 1961 p. 627, A.L. 1974 H.B. 1593, A.L. 1975 S.B. 92, A.L. 1977 S.B. 367, A.L. 1985 H.B. 280, et al., A.L. 1997 H.B. 394, A.L. 2009 H.B. 683, A.L. 2011 S.B. 356)

Rescission of sale requires tax refund, when.

[144.071](#). 1. In all cases where the purchaser of a motor vehicle, trailer, boat or outboard motor rescinds the sale of that motor vehicle, trailer, boat or outboard motor and receives a refund of the purchase price and returns the motor vehicle, trailer, boat or outboard motor to the seller within sixty calendar days from the date of the sale, any tax paid to the department of revenue shall be refunded to the purchaser upon proper application to the director of revenue.

2. In any rescission whereby a seller reacquires title to the motor vehicle, trailer, boat or outboard motor sold by him and the reacquisition is within sixty calendar days from the date of the original sale, the person reacquiring the motor vehicle, trailer, boat or outboard motor shall be entitled to a refund of any tax paid as a result of the reacquisition of the motor vehicle, trailer, boat or outboard motor, upon proper application to the director of revenue.

3. Any city or county tax refunds shall be deducted by the director of revenue from the next remittance made to that city or county.

4. Each claim for refund must be made within one year after payment of the tax on which the refund is claimed.

5. As used in this section, the term "boat" includes all motorboats and vessels as the terms "motorboat" and "vessel" are defined in section [306.010](#).

(L. 1977 S.B. 367, A.L. 1990 S.B. 494, A.L. 2013 H.B. 184 merged with S.B. 23 merged with S.B. 99)

Effective 7-05-13 (S.B. 23)

7-05-13 (S.B. 99)

8-28-13 (H.B. 184)

CROSS REFERENCE:

Nonseverability clause, [144.008](#)

Seller responsible for tax--rules--returns--advertising absorption oftax, stated on invoice or receipt--violation, penalty.

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

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

3. Where the aggregate amount levied and imposed upon a seller by section [144.020](#) is less than forty-five dollars in a calendar quarter, the director of revenue shall by regulation permit the seller to file a return for a calendar year. The return shall be filed and the taxes paid on or before January thirty-first of the succeeding year.

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

5. Any person may advertise or hold out or state to the public or to any customer directly that the tax or any part thereof imposed by sections [144.010](#) to [144.525](#), and required to be collected by the person, will be assumed or absorbed by the person, provided that the amount of tax assumed or

absorbed shall be stated on any invoice or receipt for the property sold or service rendered. Any person violating any of the provisions of this section shall be guilty of a misdemeanor. This subsection shall not apply to any retailer prohibited from collecting and remitting sales tax under section [66.630](#).

(RSMo 1939 § 11411, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1947 V. I p. 553, A.L. 1947 V. II p. 431, A.L. 1951 p. 854, A.L. 1963 p. 198, A.L. 1965 p. 261, A.L. 1969 H.B. 537, A.L. 1979 S.B. 218, et al., A.L. 1994 S.B. 477, et al., A.L. 1998 H.B. 1301, A.L. 2015 H.B. 517 & 754)

*Word "and" appears in original rolls.

Quarter-monthly remittance, when--deemed filed on time,when--quarter-monthly defined--underpayment, penalty,exceptions--electronic funds payment system authorized.

[144.081](#). 1. The director of revenue, by regulation, may require a seller to timely remit the unpaid state sales tax for each quarter-monthly period, only if the seller's aggregate state sales tax was ten thousand dollars or more in each of at least six months during the prior twelve months. The term "state sales tax" as used in this section means the tax imposed by sections [144.010](#) to [144.510](#) and the additional sales tax imposed by Sections 43(a) to 43(c) and 47(a) to 47(c) of Article IV of the Missouri Constitution and does not include any sales taxes imposed by political subdivisions of the state pursuant to other provisions of law.

2. The director may increase the monthly requirement to more than ten thousand dollars or otherwise narrow the application of the quarter-monthly remittance system authorized by this section. The director may not require the remittance of state sales taxes more often than monthly unless authorized by this section.

3. A remittance shall be timely if mailed as provided in section [143.851](#) within three banking days after the end of the quarter-monthly period or if received by the director or deposited in a depository designated by the director within four banking days after the end of the quarter-monthly period.

4. The unpaid amount shall be after a reduction for the compensation provided by section [144.140](#). The unpaid amount at the end of a quarter-monthly period shall not include unpaid amounts for a prior quarter-monthly period only if the seller made a remittance with respect to the prior quarter-monthly period. The excess, if any, of a remittance over the actual amount for a period shall be applied in order of time to each of the seller's succeeding remittances with respect to the same return period.

5. For purposes of this section, "quarter-monthly period" means:

- (1) The first seven days of a calendar month;
- (2) The eighth to fifteenth day of a calendar month;
- (3) The sixteenth to twenty-second day of a calendar month; and
- (4) The portion following the twenty-second of a calendar month.

6. (1) In the case of an underpayment of any amount required to be paid pursuant to this section, a seller shall be liable for a penalty in lieu of all other penalties, interest or additions to tax imposed by this chapter for violating this section. The penalty shall be five percent of the amount of the underpayment determined under subdivision (2) of this subsection.

(2) The amount of the underpayment shall be the excess of:

- (a) Ninety percent of the unpaid amount at the end of a quarter-monthly period, over
- (b) The amount, if any, of the timely remittance for the quarter-monthly period.

7. (1) The penalty with respect to any quarter-monthly period shall not be imposed if the seller's timely remittance for the quarter-monthly period equals or exceeds one-fourth of the average monthly state sales tax liability of the seller for the preceding calendar year. The month of highest liability and the month of lowest liability shall be excluded in computing the average. This subdivision shall apply only to a seller who had a state sales tax liability for at least six months of the previous calendar year.

(2) The penalty shall not be imposed if the seller establishes that the failure to make a timely remittance of at least ninety percent was due to reasonable cause, and not due to willful neglect.

(3) The penalty shall not be imposed against any seller for the first two months the seller is obligated to make quarter-monthly remittance of state sales taxes.

8. Tax amounts remitted under this section shall be treated as payments on the seller's monthly return required by sections [144.080](#) and [144.090](#). Tax amounts remitted under this section shall be deemed to have been paid on the last day prescribed for filing the return. The preceding sentence shall apply in computing compensation under section [144.140](#), interest, penalties and additions to tax and for purposes of all sections of this chapter, except this section.

9. The director of revenue may prescribe the use of an electronic funds payment system for the payment of sales and use taxes by any seller subject to the requirement of quarter-monthly remittance as provided in this section.

(L. 1983 1st Ex. Sess. H.B. 10, A.L. 1986 S.B. 669, et al., A.L. 2003 H.B. 600)

Effective 7-01-03

Retail sales license required for all collectors of tax--prerequisite to issuance of city or county occupation license--prerequisite for sales at retail--statement of no tax due required.

[144.083](#). 1. The director of revenue shall require all persons who are responsible for the collection of taxes under the provisions of section [144.080](#) to procure a retail sales license at no cost to the licensee which shall be prominently displayed at the licensee's place of business, and the license is valid until revoked by the director or surrendered by the person to whom issued when sales are discontinued. The director shall issue the retail sales license within ten working days following the receipt of a properly completed application. Any person applying for a retail sales license or reinstatement of a revoked sales tax license who owes any tax under sections [144.010](#) to [144.510](#) or sections [143.191](#) to [143.261](#) must pay the amount due plus interest and penalties before the department may issue the applicant a license or reinstate the revoked license. All persons beginning business subsequent to August 13, 1986, and who are required to collect the sales tax shall secure a retail sales license prior to making sales at retail. Such license may, after ten days' notice, be revoked by the director of revenue only in the event the licensee shall be in default for a period of sixty days in the payment of any taxes levied under section [144.020](#) or sections [143.191](#) to [143.261](#). Notwithstanding the provisions of section [32.057](#) in the event of revocation, the director of revenue may publish the status of the business account including the date of revocation in a manner as determined by the director.

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

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

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

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

(L. 1961 p. 629 § 1, A.L. 1965 p. 261, A.L. 1986 S.B. 669, et al., A.L. 2004 S.B. 1394, A.L. 2007 S.B. 30)

CROSS REFERENCE:

Injunction or writs of attachment authorized for businesses or transient employer not in compliance, [144.512](#)

Retail sales licensee to give bond, when--cash bond deposit and refund--licensee in default has option to provide letter of creditor certificate of deposit.

[144.087](#). 1. The director of revenue shall require all applicants for retail sales licenses and all licensees in default in filing a return and paying their taxes when due to file a bond in an amount to be determined by the director, which may be a corporate surety bond or a cash bond, but such bond shall not be more than three times the average monthly tax liability of the taxpayer, estimated in the case of a new applicant, otherwise based on the previous twelve months' experience. At such time as the director of revenue shall deem the amount of a bond required by this section to be insufficient to cover the average monthly tax liability of a given taxpayer, he may require such taxpayer to adjust the amount of the bond to the level satisfactory to the director which will cover the amount of such liability. The director shall, after a reasonable period of satisfactory tax compliance for two years from the initial date of bonding, release such taxpayer from the bonding requirement as set forth in this section. All itinerant or temporary businesses shall be required to procure the license and post the bond required under the provisions of sections [144.083](#) and [144.087](#) prior to the selling of goods at retail, and in the event that such business is to be conducted for less than one month, the amount of the bond shall be determined by the director.

2. All cash bonds shall be deposited by the director of revenue into the state general revenue fund, and shall be released to the taxpayer pursuant to subsection 1 of this section from funds appropriated by the general assembly for such purpose. If appropriated funds are available, the commissioner of administration and the state treasurer shall cause such refunds to be paid within thirty days of the receipt of a warrant request for such payment from the director of the department of revenue.

3. An applicant or licensee in default may, in lieu of filing any bond required under this section, provide the director of revenue with an irrevocable letter of credit, as defined in section [400.5-103](#), issued by any state or federally chartered financial institution, in an amount to be determined by the director or may obtain a certificate of deposit issued by any state or federally chartered financial institution, in an amount to be determined by the director, where such certificate of deposit is

pledged to the department of revenue until released by the director in the same manner as bonds are released pursuant to subsection 1 of this section. As used in this subsection, the term "certificate of deposit" means a certificate representing any deposit of funds in a state or federally chartered financial institution for a specified period of time which earns interest at a fixed or variable rate, where such funds cannot be withdrawn prior to a specified time without forfeiture of some or all of the earned interest.

(L. 1961 p. 629 § 2, A.L. 1974 H.B. 978, A.L. 1982 S.B. 471, A.L. 1983 1st Ex. Sess. H.B. 10, A.L. 1985 H.B. 321, A.L. 1986 S.B. 669, et al., A.L. 1990 H.B. 960, A.L. 1994 S.B. 477, et al.)

Director may require monthly or annual returns instead of quarterly--when due.

[144.090](#). 1. The director of revenue, if deemed necessary in order to ensure payment to or facilitate the collection by the state of the amount of taxes, or if the revenue needs of the state demand it, may require returns and payment of the amount of taxes for monthly or annual periods instead of calendar quarters.

2. In all cases where monthly or annual payments are required by the director of revenue under the provisions of this section, such payments shall be made on or before the last day of each month following the period in which the tax is required to be collected. The provisions of this subsection shall not apply when the taxpayer is required to file a monthly or annual return due to the amount of sales taxes collected during the reporting period pursuant to section [144.080](#).

(L. 1947 V. I p. 553 § 11411A, A.L. 1951 p. 854, A.L. 1961 p. 630, A.L. 1963 p. 198, A.L. 1979 S.B. 218, et al., A.L. 1994 S.B. 477, et al.)

Effective 12-31-94, and shall apply to all tax periods beginning on or after 1-1-95 (S.B. 477 § C, 1994)

Returns filed with the director--charge and time sales--correction of errors, procedures.

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

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

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

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

an amended return, no refund or credit shall be allowed unless an application for refund or credit is properly completed and submitted to the director pursuant to section [144.190](#).

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

(RSMo 1939 § 11416, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1947 V. I p. 553, A.L. 1947 V. II p. 431, A. 1949 S.B. 1027, A.L. 1951 p. 854, A.L. 1957 p. 803, A.L. 1965 p. 261, A.L. 1974 H.B. 1593, A.L. 1994 S.B. 477, et al.)

Effective 12-31-94, and shall apply to all tax periods beginning on or after 1-1-95 (S.B. 477 § C, 1994)

*Word "it" does not appear in original rolls.

Returns kept four years--destroyed, when.

[144.115](#). The director of revenue shall keep sales and use tax returns on file in his custody for a period of four years after the sales or use tax becomes due. At the end of four years, the director of revenue may destroy the returns; but no return shall be destroyed until the tax has been paid. The director of revenue, at the end of two years, may cause the returns to be reproduced and destroyed in the manner provided by sections [109.120](#) to [109.140](#).

(L. 1957 p. 802 § 1)

Retail sales tax license, administrative penalty for failure to obtain--burden of proof required by the department.

[144.118](#). 1. Any business or individual engaged in the business of selling of tangible personal property within the state without a valid Missouri retail sales tax license shall be assessed a penalty in the amount of up to five hundred dollars for the first day and one hundred dollars for each day thereafter, not to exceed ten thousand dollars, in addition to any other penalties or interest as prescribed in chapter 144. For the first twenty days this penalty shall not apply to persons opening a business in the state of Missouri for the first time.

2. The department of revenue must show by a preponderance of evidence that the business or individual did, in fact, operate without a valid Missouri retail sales tax license before final assessment of the penalties as prescribed in subsection 1 of this section can be made.

(L. 1986 S.B. 669, et al. § 1)

CROSS REFERENCE:

Injunction or writs of attachment authorized for businesses or transient employer not in compliance, [144.512](#)

Records of department of revenue and certain counties may be inspected and audited by political subdivisions imposing taxes--request, procedure--charge.

[144.121](#). 1. Notwithstanding the provisions of section [32.057](#), any county or other political subdivision imposing a sales tax which is administered by the state department of revenue, and any political subdivision which is part of group A or group B, as defined in section [66.620](#), may inspect or audit any and all records of the state director of revenue pertaining to the administration, collection and enforcement of its sales taxes, or, in the case of a political subdivision which is a part of group A or group B, of the sales taxes imposed pursuant to sections [66.600](#) to [66.630](#) and section [94.577](#) or [94.850](#) to [94.857](#). The request for inspection or audit of sales tax records and reports shall be made by written application signed by the chief executive of the county or other political subdivision and shall be filed with the director of revenue. The date for the inspection or audit shall be determined by the director of revenue and the inspection or audit shall be performed in the premises of the director

of revenue and during normal office hours. The date set shall be no more than thirty days after receipt by the director of revenue of such written application. The director of revenue shall notify the county or other political subdivision in writing of the date and place for the inspection or audit. Any county or other political subdivision may make as many requests for inspection of the sales tax records as it deems necessary. The director of revenue may make a charge of not more than fifty dollars per day for each of the facilities of the department which are used in connection with such an inspection or audit. The director of revenue is authorized to provide reports of sales tax data to any county or other political subdivision filing requests according to the provisions of this section and section [32.057](#).

2. If the duties of the director of revenue with respect to the allocation, division and distribution of sales and use tax proceeds determined to be due within a county of the first classification having a charter form of government and having a population of nine hundred thousand or more inhabitants are delegated to the county as provided in section [66.601](#), any city, town or village within such county may inspect and audit all records of the county relating to allocation, division and distribution of sales and use tax proceeds in the same manner and on the same conditions as provided for taxing entities in subsection 1 of this section.

(L. 1973 H.B. 46, A.L. 1979 H.B. 296, A.L. 1980 S.B. 910, A.L. 1993 H.B. 618, A.L. 1994 S.B. 685)

Effective 5-10-94

Records of department of revenue, political subdivision ineligible to require disclosure--effect of abuse of confidentiality--city may inspect county records.

[144.122](#). Any county or other political subdivision in violation of the provisions of sections [32.057](#), [144.121](#) and [144.122](#) as determined by the director of revenue shall be ineligible to require disclosure of information from the state director of revenue; provided, however, that nothing herein shall be construed to prohibit a county imposing a sales tax pursuant to sections [66.600](#) to [66.635](#) from allowing any political subdivision which is a part of group B, as defined in section [66.620](#), to inspect* such sales tax information on the premises of the county seat of such county at such times as may be set by the chief executive officer of such county.

(L. 1973 H.B. 46, A.L. 1980 S.B. 910)

Effective 1-1-81

*Word "inspection" appears in original rolls.

Refunds to purchasers, deduction.

[144.130](#). Refunds made by the person during the preceding calendar month or calendar quarter to purchasers, on account of tangible personal property, substances, services and things returned to the persons shall be allowed as a deduction from the gross receipts required to be stated in the returns filed with the director of revenue; provided, the person had theretofore included the said refunded receipts in a return made by such person and had paid the amount imposed by sections [144.010](#) to [144.510](#) with respect thereto; provided, the seller has returned to the purchaser any and all tax previously paid by the purchaser at the time of the purchase.

(RSMo 1939 § 11418, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1947 V. I p. 553)

Seller may retain two percent of tax.

[144.140](#). From every remittance to the director of revenue made on or before the date when the same becomes due, the person required to remit the same shall be entitled to deduct and retain an amount equal to two percent thereof.

(RSMo 1939 § 11431, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1961 p. 630, A.L. 1963 p. 195)

Withholding of tax money in case of sale of business--director to send statements to certain persons, when--secured creditors, priority, exempt from tax liability.

144.150. 1. If any person required to remit a tax levied hereunder or his successors shall sell all or substantially all of his or their business or stock of goods or shall quit the business, such person or successor shall file a final return under oath within fifteen days after the date of selling or quitting business.

2. If any person required to remit a tax levied hereunder or his successors shall contract to sell all or substantially all of his or their business, the seller shall request from the director of revenue a statement or certificate as provided in subsection 4 of this section. The seller shall present such statement or certificate to the purchaser prior to consummation of the sale and secure the purchaser's signature thereon as validation of receipt. Failure to comply with this provision shall result in the seller being liable for an additional penalty equal to twenty-five percent of the seller's delinquency at the time of the sale. The provisions of this section to the contrary notwithstanding, this additional penalty shall be the sole liability of the seller and shall not be a liability of the purchaser.

3. Except as provided in subsections 4, 5 and 6 of this section, all successors, if any, shall be required to withhold sufficient of the purchase money to cover the amount of such taxes and interest, additions to tax or penalties due and unpaid until such time as the former owner or predecessor, whether immediate or not, shall produce a receipt from the director of revenue showing that the taxes have been paid, or a certificate stating that no taxes are due. If the purchaser of a business or stock of goods shall fail to withhold the purchase money as provided in this section and remit at the time of purchase all amounts so withheld to the director to pay all unpaid taxes, interest, additions to tax and penalties due from the former owner or predecessor, the purchaser shall be personally liable for the payment of the taxes, interest, additions to tax and penalties accrued and unpaid on account of the operation of the business by the former owner and person.

4. The director of revenue shall, notwithstanding the provisions of section 32.057, upon written request, furnish within fifteen business days from the receipt of such request by certified mail, return receipt requested, or such other methods as may be mutually agreed upon, to any owner, successor, secured creditor, purchaser, or in the case of a proposed purchaser if joined in writing by the owner, a statement showing the amount of taxes, interest, additions to tax or penalties due and owing or a certificate showing that no taxes, interest, additions to tax or penalties are due under this chapter, including the date of the last payment for such taxes, interest, additions to tax or penalties as shown by the records of the director of revenue. The person obtaining a certificate from the director of revenue under this section may rely on such certificate for a period of one hundred twenty days.

5. A secured creditor who shall enforce a lien against a business or a stock and goods of a business subject to the provisions of this chapter shall be entitled to obtain from the director of revenue a statement of sales tax due and the status of the sales tax payments from the director of revenue in accordance with subsection 4 of this section. If the director of revenue does not respond within fifteen business days from the date of receipt of such request by the secured creditor seeking to enforce its lien, it shall be conclusively presumed that all such sales taxes have been paid as to the secured creditor or any successor of the secured creditor, whether such successor be immediate or not. Nothing in this section shall eliminate the liability of the owner of the business owing sales tax from the liability to pay such sales tax. Any purchaser who acquires the business or stock of goods as a result of an enforcement action by a creditor, including the creditor, shall be exempt from the liability set forth in subsection 3 of this section, whether such purchaser be immediate or subsequent thereto.

6. Any such creditor who shall enforce a lien against the business or stock of goods subject to the provisions of this section shall be entitled to be paid the principal sums due, all accrued interest to the date of payment, and the expenses of enforcing the lien of the secured creditor including its attorney's fees. The balance, if any, shall be paid to creditors having a priority interest thereto under the laws of the state of Missouri or the United States of America. Any balance then remaining, up to the amount of the tax, interest, additions to tax and penalties then due, shall be remitted to the director of revenue as provided by this section. Nothing in this section shall affect the priority of any lien filed by the director of revenue against the former owner or predecessor.

7. Mailing of notices or requests, by first class mail, postage prepaid, certified with return receipt requested, or such other methods as may be mutually agreed upon, shall be prima facie evidence that the party to whom it is addressed received the correspondence, notice or request.

(RSMo 1939 § 11436, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1961 p. 630, A.L. 1987 S.B. 282, A.L. 1990 H.B. 960, A.L. 1994 S.B. 477, et al.)

Effective 12-31-94, and shall apply to all tax periods beginning on or after 1-1-95 (S.B. 477 § C, 1994)

Limitation on time period to assess liability of transferee--deatheffect--transferee defined.

144.155. 1. The liability at law or in equity of a transferee of property of a taxpayer for any tax, addition to tax, penalty or interest due under sections 144.010 to 144.510 and 144.600 to 144.745, shall be assessed, paid and collected in the same manner and subject to the same provisions and limitations as in the case of the tax to which the liability relates except as hereinafter provided in this section. The term "transferee" includes donee, heir, legatee, devisee and distributee.

2. In the case of the liability of an initial transferee, the period of limitation for assessment of any liability expires one year after the expiration of the period of limitation against the transferor; in the case of the liability of a transferee of a transferee, it expires one year after the expiration of the period of limitation against the preceding transferee, but not more than three years after the expiration of the period of limitation for assessment against the original transferor.

3. If, before the expiration of the time provided in this section for the assessment of the liability, the director of revenue and the transferee have consented in writing to its assessment after such time, the liability may be assessed at any time prior to the expiration of the period agreed upon or an extension thereof.

4. If any person is deceased, the period of limitation for assessment against such person shall be the period that would be in effect had death not occurred.

(L. 1983 1st Ex. Sess. H.B. 10)

Effective 1-1-84

Violations in collecting, penalty.

144.157. 1. Any person required to collect, truthfully account for and pay over any tax imposed by sections 67.1170 to 67.1180, sections 94.800 to 94.825, and sections 144.010 to 144.525 and 144.600 to 144.745 who willfully fails to collect such tax or truthfully account for and pay over such tax or willfully attempts in any manner to evade or defeat the tax or the payment thereof, or who shall willfully and knowingly overcharge or overcollect such tax with intent to make claim to any such overcharged or overcollected amounts under section 144.190, shall, in addition to other penalties provided by law, be liable to a penalty equal to the total amount of the tax evaded, or not collected, or not accounted for and paid over, or overcharged or overcollected.

2. For purposes of this section, the term "person" includes an individual or an officer or employee of any corporation, including an administratively dissolved corporation or a foreign corporation that has had its certificate of authority revoked, or a member or employee of any

partnership, who, as such officer, employee or member, is under a duty to perform the act in respect of which the violation occurs.

3. Any officers, directors, or statutory trustees of any corporation, including administratively dissolved corporations or foreign corporations that have had their certificate of authority revoked, subject to the provisions of sections [144.010](#) to [144.745](#), who has the direct control, supervision or responsibility for filing returns and making payment of the amount of tax imposed in accordance with sections [144.010](#) to [144.745](#), and who fails to file such return or make payment of all taxes due with the director of revenue shall be personally assessed for such amounts, including interest, additions to tax and penalties thereon. This assessment shall be imposed only in the event that the assessment on the corporation is final, and such corporation fails to pay such amounts to the director of revenue. Notice shall be given of the director of revenue's intent to make the assessment against such officers, directors, statutory trustees or employees. The personal liability of such officers, directors, statutory trustees or employees as provided in this section shall survive the administrative dissolution of the corporation or, if a foreign corporation, the revocation of the corporation's certificate of authority.

(L. 1983 1st Ex. Sess. H.B. 10, A.L. 1990 H.B. 960, A.L. 1991 H.B. 219, A.L. 1994 S.B. 477, et al., A.L. 2000 H.B. 1659 merged with S.B. 724, A.L. 2004 S.B. 1394)

Extension of time by director for payment of tax.

[144.160](#). The director of revenue for good cause may extend, for not to exceed sixty days, the time for making any return or paying any tax required under the provisions of sections [144.010](#) to [144.510](#).

(RSMo 1939 § 11419, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865)

Interest on delinquent taxes--rate.

[144.170](#). All taxes not paid to the director of revenue by the person required to remit the same on the date when the same becomes due and payable to the director of revenue shall bear interest at the rate determined by section [32.065](#) from and after such date until paid.

(RSMo 1939 § 11430, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1972 S.B. 407, A.L. 1982 H.B. 1351, et al.)

Refund of overpayments--claim for refund--time for making claims--paid to whom--direct pay agreement for certain purchasers--special rules for error corrections--refund not allowed, when--taxes paid more than once, effect of.

[144.190](#). 1. If a tax has been incorrectly computed by reason of a clerical error or mistake on the part of the director of revenue, such fact shall be set forth in the records of the director of revenue, and the amount of the overpayment shall be credited on any taxes then due from the person legally obligated to remit the tax pursuant to sections [144.010](#) to [144.525](#), and the balance shall be refunded to the person legally obligated to remit the tax, such person's administrators or executors, as provided for in section [144.200](#).

2. If any tax, penalty or interest has been paid more than once, or has been erroneously or illegally collected, or has been erroneously or illegally computed, such sum shall be credited on any taxes then due from the person legally obligated to remit the tax pursuant to sections [144.010](#) to [144.525](#), and the balance, with interest as determined by section [32.065](#), shall be refunded to the person legally obligated to remit the tax, but no such credit or refund shall be allowed unless duplicate copies of a claim for refund are filed within three years from date of overpayment.

3. Every claim for refund must be in writing and signed by the applicant, and must state the specific grounds upon which the claim is founded. Any refund or any portion thereof which is erroneously made, and any credit or any portion thereof which is erroneously allowed, may be recovered in any action brought by the director of revenue against the person legally obligated to

remit the tax. In the event that a tax has been illegally imposed against a person legally obligated to remit the tax, the director of revenue shall authorize the cancellation of the tax upon the director's record.

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

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

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

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

5. Notwithstanding the provisions of section [32.057](#), when a vendor files a refund claim on behalf of a purchaser and such refund claim is denied by the director, notice of such denial and the reason for the denial shall be sent by the director to the vendor and each purchaser whose name and address is submitted with the refund claim form filed by the vendor. A purchaser shall be entitled to appeal the denial of the refund claim within sixty days of the date such notice of denial is mailed by the director as provided in section [144.261](#). The provisions of this subsection shall apply to all refund claims filed after August 28, 2012. The provisions of this subsection allowing a purchaser to appeal the director's decision to deny a refund claim shall also apply to any refund claim denied by the director on or after January 1, 2007, if an appeal of the denial of the refund claim is filed by the purchaser no later than September 28, 2012, and if such claim is based solely on the issue of the exemption of the electronic transmission or delivery of computer software.

6. Notwithstanding the provisions of this section, the director of revenue shall authorize direct-pay agreements to purchasers which have annual purchases in excess of seven hundred fifty thousand dollars pursuant to rules and regulations adopted by the director of revenue. For the purposes of such direct-pay agreements, the taxes authorized pursuant to chapters 66, 67, 70, 92,

94, 162, 190, 238, 321, and 644 shall be remitted based upon the location of the place of business of the purchaser.

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

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

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

(3) Within sixty days of receiving the customer's notice, the home service provider shall review its records and the electronic database or enhanced zip code to determine the customer's correct taxing jurisdiction. If the home service provider determines that the review shows that the amount of tax, assignment of place of primary use or taxing jurisdiction is in error, the home service provider shall correct the error and, at its election, either refund or credit the amount of tax erroneously collected to the customer for a period of up to three years from the last day of the home service provider's sixty-day review period. If the home service provider determines that the review shows that the amount of tax, the assignment of place of primary use or the taxing jurisdiction is correct, the home service provider shall provide a written explanation of its determination to the customer.

8. For all refund claims submitted to the department of revenue on or after September 1, 2003, notwithstanding any provision of this section to the contrary, if a person legally obligated to remit the tax levied pursuant to sections [144.010](#) to [144.525](#) has received a refund of such taxes for a specific issue and submits a subsequent claim for refund of such taxes on the same issue for a tax period beginning on or after the date the original refund check issued to such person, no refund shall be allowed. This subsection shall not apply and a refund shall be allowed if an additional refund claim is filed due to any of the following:

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

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

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

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

10. If any tax was paid more than once, was incorrectly collected, or was incorrectly computed, such sum shall be credited on any taxes then due from the person legally obligated to remit the tax pursuant to sections [144.010](#) to [144.510](#) against any deficiency or tax due discovered through an

audit of the person by the department of revenue through adjustment during the same tax filing period for which the audit applied.

(RSMo 1939 § 11432, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1979 S.B. 218, et al., A.L. 1986 S.B. 669, et al., A.L. 1988 S.B. 586, A.L. 1991 H.B. 219, A.L. 1999 H.B. 139, A.L. 2001 H.B. 816, A.L. 2002 H.B. 1890, A.L. 2003 H.B. 600, A.L. 2012 H.B. 1504)

(2003) Three-year limitations period starts when the taxpayer remits payment of tax on the transactions that generate the issue of overpayment; deadline is not extended by subsequent payments for other transactions even if occurring within the same tax period. *Ford Motor Co. v. Director of Revenue*, 97 S.W.3d 458 (Mo.banc).

Appropriation for refunds.

[144.200](#). It shall be the duty of the general assembly to appropriate and set aside funds sufficient for the use of the director of revenue to make any refund of taxes required by sections [144.010](#) to [144.510](#), by final decision of the administrative hearing commission or by final judgment of court.

(RSMo 1939 § 11441, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1978 S.B. 661)

Burden of proving questionable sale on seller--exemptioncertificates--additional assessment--notice.

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

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

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

(RSMo 1939 § 11420, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1947 V. II p. 431, A.L. 1951 p. 854, A.L. 1961 p. 630, A.L. 1978 S.B. 661, A.L. 1990 H.B. 960, A.L. 1991 H.B. 219)

Effective 5-29-91

Time period for director to make additional assessments--exemptionsheld invalid by supreme court, effects.

[144.220](#). 1. In the case of a fraudulent return or of neglect or refusal to make a return with respect to any tax under this chapter, there is no limitation on the period of time the director has to assess.

2. Where a statute or a rule promulgated by the director has exempted or excepted any person from the payment of tax under this chapter and is thereafter held by a final decision of the Missouri supreme court to be invalid, the director shall not be entitled to make an original or additional assessment of taxes which result from such court decision, nor shall the person be entitled to any refund or credit resulting from such court decision, for any period occurring prior to the date of the court's mandate or the implementation of regulations interpreting such court decision, whichever is later.

3. In other cases, every notice of additional amount proposed to be assessed under this chapter shall be mailed to the person within three years after the return was filed or required to be filed.

4. (1) In those cases in which, within three years prior to June 12, 1990, a statute or a rule promulgated by the director has exempted or excepted any person from the payment of tax under this chapter and such statute or rule promulgated by the director is thereafter held by a final decision of the Missouri supreme court to be invalid, and such decision by the court has created significant claims for credits or refunds among substantial numbers of persons where quantifying such claims would reasonably require additional litigation or auditing by the state, or the amount which would be owed by such persons within the three-year period specified in subsection 3 of this section is not readily determinable with reasonable accuracy because of the lack of records or differing contractual relationships between the sellers and resellers, the director, or any person authorized in writing by him, shall offer to enter into an agreement with any person relating to the liability of such person in respect to the tax imposed by this chapter for any taxable period, which agreement shall contain the terms set out in subdivisions (2) through (5) of this subsection.

(2) The director shall accept as adequate consideration for an agreement the person's agreement to:

(a) Waive all claims for refund or credit of sales or use taxes which claims result from such court decision for tax periods beginning prior to the later of the date of the court's decision holding that the statute or rule promulgated by the director is invalid or the implementation of regulations interpreting that decision;

(b) Not initiate or intervene in as a party, for the two-year period following the date of the agreement, in the administrative hearing commission or any federal or state court, any cause of action attacking the constitutionality or general validity of taxes imposed upon the person by chapter 144; provided, however, that such agreement shall not prevent the person from initiating claims such as those based upon clerical or mathematical errors or double payment and claims based upon the application to the person of exceptions or exemptions provided for by rule or statute and provided further that if, for such two-year period, the person obtains a refund or credit as a result of a decision that the taxes imposed upon the person by chapter 144, are unconstitutional or of general invalidity, the person will take reasonable steps to return to identifiable purchasers from whom the person originally collected the tax under a written or oral contract the moneys refunded or credited and moneys not refunded or credited to identifiable purchasers, except those moneys resulting from vending machine sales, shall be returned to the state treasury less a ten percent fee to be retained by that person; and

(c) Waive the limitation period specified in subsection 3 of this section as to the three-year period preceding the date of the agreement in the event that the person breaches the provisions of this subdivision.

(3) The director shall agree not to seek an original or additional assessment for any period occurring prior to the later of the date of the court's decision holding that the statute or rule promulgated by the director is invalid or the implementation of regulations interpreting that decision except as provided in subdivision (2).

(4) The case shall not be reopened as to matters agreed upon or the agreement modified by any officer, employee, or agent of this state.

(5) Such agreement shall be binding upon the personal representatives, successors, and assigns of the person.

(RSMo 1939 § 11429, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1983 1st Ex. Sess. H.B. 10, A.L. 1990 H.B. 1554)

Effective 6-12-90

Assessed penalty and tax due, when.

[144.230](#). Any amount assessed or any additional amount assessed by the director of revenue under the provisions of sections [144.010](#) to [144.525](#), together with the penalty, if any there be, shall be due and payable from the person to the director of revenue sixty days after the service upon or mailing to the person of notice of such assessment or such additional assessment, except only for such amounts as to which the person has filed a petition for review with the administrative hearing commission.

(RSMo 1939 § 11427, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1978 S.B. 661, A.L. 1983 1st Ex. Sess. H.B. 10, A.L. 1994 S.B. 477, et al.)

Assessment final when, appeal--procedures.

[144.240](#). 1. An additional assessment shall be a final decision of the director of revenue. Notwithstanding the provisions of section [621.050](#) to the contrary, an additional assessment may be appealed to the administrative hearing commission within sixty days after the date the assessment is delivered in person or is sent by certified mail, whichever is earlier.

2. Within sixty days after the date on which an additional assessment is delivered in person or is sent by certified mail, whichever is earlier, the taxpayer may request an informal review of the assessment by the director of revenue. The informal review shall not affect the time within which the taxpayer may appeal the assessment to the administrative hearing commission and any such appeal must be filed within sixty days after the date the assessment is delivered in person or is sent by certified mail, whichever is earlier. If such an informal review is requested by a taxpayer, the director of revenue shall informally review the assessment. The informal review shall not require findings of fact or conclusions of law. If the taxpayer proves to the director's satisfaction that the assessment is incorrect, the assessment shall be cancelled and a revised assessment may be made against the taxpayer for the same period, notwithstanding the provisions of section [144.220](#) to the contrary.

3. The taxpayer may request and the director may enter into a payment agreement with any taxpayer against which an assessment has been made, if the director determines that such agreement is in the best interest of the state.

(RSMo 1939 § 11428, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1978 S.B. 661, A.L. 1994 S.B. 477, et al.)

Failure to file return or pay tax--monetary penalty,assessment--director to estimate delinquency--written notice,how served--penalties for motor vehicles doubled, when.

[144.250](#). 1. In case of failure to file any return required under sections [144.010](#) to [144.525](#) on or before the date prescribed therefor, determined with regard to any extension of time for making a return, unless it is shown that such failure is due to reasonable cause and not the result of willful neglect, evasion or fraudulent intent, there shall be added to the amount required to be shown as tax on such return five percent of the amount of such tax if the failure is not for more than one month, with an additional five percent for each additional month or fraction thereof during which such failure continues, not exceeding twenty-five percent in the aggregate, except that when the gross sales tax exceeds two hundred fifty dollars in any one month, requiring the taxpayer to file a monthly return,

there shall be no late penalty assessed for the first month in which the return is due. For purposes of this section, the amount of tax required to be shown on the return shall be reduced by the amount of any part of the tax which is paid on or before the date prescribed for payment of the tax.

2. In case of failure to pay the full amount of tax required under sections [144.010](#) to [144.525](#) on or before the date prescribed therefor, determined with regard to any extension of time for payment, unless it is shown that such failure is due to reasonable cause and not the result of willful neglect, evasion or fraudulent intent, there shall be added to the tax an amount equal to five percent of the deficiency. If additions to tax are assessed under authority of this subsection, additions to tax may not be assessed by the director under authority of subsection 3 of this section.

3. In the case of failure to pay the full amount of tax required under sections [144.010](#) to [144.525](#) on or before the date prescribed therefor, determined with regard to any extension of time for payment, due to negligence or intentional disregard of rules and regulations, but without intent to defraud, there shall be added to the tax an amount equal to five percent of the deficiency. The director shall, upon request by a taxpayer, apprise the taxpayer of the factual basis for the finding of negligence, or the specific rules or regulations disregarded if the director assesses a penalty under this subsection. Rules or regulations which have been determined to be inconsistent with the laws of this state, by either the courts of this state or the administrative hearing commission, may not be cited as the basis for an addition to tax under this section. If additions to tax are assessed under authority of this subsection, additions to tax may not be assessed by the director under authority of subsection 2 of this section.

4. Except in cases of fraud or evasion, if a person neglects or refuses to make a return and payment as required by sections [144.010](#) to [144.525](#), the director of revenue shall make an estimate based upon any information in his possession or that may come into his possession of the amount of the gross receipts of the delinquent for the period in respect to which he failed to make return and payment, and upon the basis of said estimated amount compute and assess the tax payable by the delinquent; such estimate may be reconstructed for that period of time for which the tax may be collected as prescribed by law.

5. Promptly thereafter, the director of revenue shall give to the delinquent written notice of such estimated assessment, the notice to be served personally or by certified or registered mail at his or its last known address.

6. The penalties and additions to tax authorized under this section shall be in addition to the interest provided for in this chapter.

7. The penalties or additions to tax authorized pursuant to this section for all taxes on motor vehicles, trailers, motorcycles, mopeds, motortricycles, boats, and outboard motors pursuant to subdivision (1) of subsection 1 of section [144.020](#) and section [144.440](#) shall be doubled as of November 1, 2003.

(RSMo 1939 § 11426, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1978 S.B. 661, A.L. 1979 S.B. 218, et al., A.L. 1986 S.B. 669, et al., A.L. 1994 S.B. 477, et al., A.L. 2003 H.B. 600)

Effective 7-01-03

Review by administrative hearing commission.

[144.261](#). Final decisions of the director under the provisions of this chapter are reviewable by the filing of a petition with the administrative hearing commission in the manner provided in section [621.050](#); except that, notwithstanding the provisions of section [621.050](#) to the contrary, such petition must be filed within sixty days after the mailing or delivery of such decision, whichever is earlier.

(L. 1955 p. 833 § 1, A.L. 1961 p. 630, A.L. 1978 S.B. 661, A.L. 1994 S.B. 477, et al.)

Rulemaking authority.

[144.270](#). For the purpose of more efficiently securing the payment of and accounting for the tax imposed by this chapter, the director of revenue shall make, promulgate and enforce reasonable rules and regulations for the administration and enforcement of the provisions of this chapter.

(RSMo 1939 § 11413, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1947 V. I p. 553, A.L. 1955 p. 829, A.L. 1961 p. 633, A.L. 2008 H.B. 1828 merged with S.B. 979)

Tax brackets to be established by director of revenue--how applied--taxpayer owing more than one political subdivision, distribution, penalties.

[144.285](#). 1. In order to permit sellers required to collect and report the sales tax to collect the amount required to be reported and remitted, but not to change the requirements of reporting or remitting tax or to serve as a levy of the tax, and in order to avoid fractions of pennies, the director of revenue shall establish brackets, showing the amounts of tax to be collected on sales of specified amounts, which shall be applicable to all taxable transactions.

2. In all instances where statements covering taxable purchases are rendered to the taxpayer on a monthly or other periodic basis, the amount of tax shall be determined by applying the applicable tax rate to the taxable purchases represented on the statement, rounded to the nearest whole cent, or by application of the brackets established by the director of revenue, at the option of the retail vendor.

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

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

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

6. If sales tax for one or more local political subdivisions is owed by a taxpayer pursuant to chapter 66, 67, 92, or 94 and that taxpayer remits less than all sales tax due for a filing period specified in section [144.080](#), the director of revenue shall deposit the tax remitted proportionately to each taxing jurisdiction in accordance with the percentage that each such jurisdiction's share of the tax due for the filing period bears to the total tax due from such taxpayer for such period. The unpaid balance due along with penalties and interest shall be similarly prorated among the state and all local jurisdictions for which tax was due during the filing period for which an underpayment occurs. The provisions of this subsection shall apply to all returns or remittances relating to sales made on or after January 1, 1984.

(L. 1961 p. 633, A.L. 1963 p. 195, A.L. 1965 p. 266, A.L. 1977 S.B. 344, A.L. 1978 S.B. 490, A.L. 1982 Adopted by Initiative, Proposition C, November 2, 1982, A.L. 1983 1st Ex. Sess. H.B. 10)

Effective 1-1-84

Duty of director in collecting tax of itinerant seller--security may be required--cash bond, deposit and refund.

[144.290](#). 1. If the director of revenue believes that the collection of any tax or any amount of tax required to be collected and paid under sections [144.010](#) to [144.510](#) to the state by any itinerant seller or other seller having no regularly established place of business, or by any seller who the director of revenue has reason to believe is about to discontinue business and dispose of his property or assets, will be jeopardized by delay, he shall thereupon make a determination of such amount of tax to be collected and paid under sections [144.010](#) to [144.510](#), noting that fact upon such determination and the amount thereof shall be immediately due and payable. Such person

shall have the right to stay collection and prevent the jeopardy assessment from becoming final by filing, within ten days after the date of mailing or issuing the notice of jeopardy assessment, a request for reassessment, accompanied by such reasonable security as the director of revenue may deem necessary to insure compliance with the provisions of sections [144.010](#) to [144.510](#).

2. If a request for reassessment, accompanied by the required security, is filed within a ten-day period, the director of revenue shall reconsider the assessment. The director of revenue's action on the request for reassessment becomes final upon the expiration of thirty days from the date when he mails notice of his action to the person, unless within that thirty-day period such person files a petition for review with the administrative hearing commission under section [144.261](#).

3. In the event that the security filed with the director is in cash, the director shall deposit such security in the state general revenue fund and such security shall be released to the taxpayer pursuant to sections [144.010](#) to [144.050](#) from funds appropriated by the general assembly for such purpose. If appropriated funds are available, the commissioner of administration and the state treasurer shall cause such refunds to be paid within thirty days of the receipt of a warrant request for such payment from the director of the department of revenue.

(RSMo 1939 § 11450, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1978 S.B. 661, A.L. 1983 1st Ex. Sess. H.B. 10)

Effective 1-1-84

Director may demand information.

[144.300](#). For the purpose of carrying out the provisions of sections [144.010](#) to [144.510](#), the director of revenue is hereby authorized and empowered to demand of any agency or department of the state government, or of any officer of any political subdivision of the state, any and all information necessary to properly administer any and all provisions of sections [144.010](#) to [144.510](#).

(RSMo 1939 § 11415, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865)

Records kept by director.

[144.310](#). The director of revenue shall keep a record of every tax, interest, penalty, and security imposed, paid, or deposited under sections [144.010](#) to [144.510](#).

(RSMo 1939 § 11434, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1983 1st Ex. Sess. H.B. 10)

Effective 1-1-84

Records required to be kept.

[144.320](#). Every person engaged in the business as defined in section [144.010](#) of this chapter in this state shall keep such records and books as may be required by title 26, the United States Code, for federal income tax purposes. Such books and records and other papers and documents shall, at all times during business hours of the day, be subject to inspection by the director of revenue or his duly authorized agents and employees. Such books and records shall be preserved for a period of at least three years, unless the director of revenue, in writing, authorized their destruction or disposal at any earlier date.

(RSMo 1939 § 11421, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1977 S.B. 367, A.L. 1986 S.B. 669, et al.)

Examination of records--investigations.

[144.330](#). For the purpose of ascertaining the correctness of any return or for the purpose of determining the amount of tax due from any person, the director of revenue or any employee of the director of revenue designated in writing by the director of revenue, may hold investigations and hearings concerning any matters covered by sections [144.010](#) to [144.510](#), and may examine any

books, papers, records or memoranda bearing upon such sales by any such person and may require within the county where the person resides or does business the attendance of such person or any officer or employee of such person, or of any person having knowledge of such sales, and may take testimony and require proof for his information. In the conduct of any investigation or hearing, neither the director of revenue nor any employee thereof shall be bound by the technical rules of evidence and no informality in any proceeding, or in the manner of taking testimony, shall invalidate any order, decision, rule or regulation made or approved or confirmed by the director of revenue. The director of revenue or any employee thereof holding such investigation shall have power to administer oaths to such person or witnesses.

(RSMo 1939 § 11422, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865)

Exemption from testifying--immunity from prosecution.

[144.340](#). No person shall be excused from testifying or from producing any books, papers, records or memoranda in any investigation or upon any hearing, when ordered to do so by the director of revenue or any employee of the director of revenue, upon the ground that the testimony or evidence, documentary or otherwise, may tend to incriminate him or subject him to a criminal penalty, but no person shall be prosecuted or subjected to any criminal penalty for or on account of any transaction made or thing concerning which he may testify or produce evidence, documentary or otherwise, before the director of revenue or employee of the director of revenue; provided, that such immunity shall extend only to a natural person who, in obedience to a subpoena, gives testimony under oath or produces evidence, documentary or otherwise, under oath. No person so testifying shall be exempt from prosecution and punishment for perjury committed in so testifying.

(RSMo 1939 § 11452, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865)

Penalty for failure to testify.

[144.350](#). If any person summoned as a witness by the director of revenue or such employee of the director of revenue shall fail to obey such summons or shall refuse to testify or answer any material question or shall refuse to produce any book, record, paper or other data when required so to do, he shall be deemed guilty of a misdemeanor and punished as provided by law.

(RSMo 1939 § 11423, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865)

Liens on property, notice to taxpayer, duration effect--improperly filed liens, notice to director, contents--release of lien, procedure--fees--duties of director.

[144.380](#). 1. In any case in which any assessment of tax, interest, additions to tax or penalty imposed under sections [144.010](#) to [144.510](#) has been made and has become final, the director of revenue may file for record in the recorder's office of any county in which the taxpayer owing such tax, interest, additions to tax or penalty resides, owns property or has a place of business a certificate of lien specifying the amount of the tax, additions to tax, interest or penalty due and the name of the person liable for the same. Included in the assessment, the director shall notify the taxpayer of the department's intent to file prior to the filing of such certificate. Such notification shall contain an explanation of the taxpayer's right to protest or contest such proposed assessment. The director shall within twenty days after filing such certificate notify the taxpayer by first class mail postage prepaid.

(1) The lien shall arise on the date such assessment becomes final and shall be continuing and shall attach to real or personal property or interest in real or personal property owned by the taxpayer or acquired in any manner by the taxpayer after the filing of the certificate of lien. Unless sooner released or discharged, the lien shall expire ten years after the certificate of lien was filed, unless within such ten-year period, the certificate of lien has been refiled by the director of revenue with the recorder. Unless sooner released or discharged, a timely refiled certificate of lien shall be treated as if filed on the date of filing of the original certificate of lien and shall expire ten years after the refiled. A certificate of lien may not be refiled more than one time.

(2) If any taxpayer fails to pay any tax, interest, additions to tax or penalties imposed by sections [144.010](#) to [144.525](#) when due and the assessment for which has become final, the director may file for record in the office of the clerk of the circuit court of any county in which the taxpayer resides, or has a place of business, or owns property, a certificate of lien specifying the amount of the tax, interest, additions to tax and penalties due and the name of the liable taxpayer. The clerk of the circuit court shall file such certificate and enter it in the record of the circuit court for judgments and decrees under the procedure prescribed for filing transcripts of judgments. If the taxpayer does not reside, have a place of business or own property in the state of Missouri, the director may file for record a certificate of delinquency in the office of the clerk of the circuit court of Cole County. From the time of the filing of the certificate of lien or certificate of delinquency with the clerk of the circuit court, the amount of the tax, interest, additions to tax and penalties specified therein shall have the full force and effect of a default judgment of the circuit court until satisfied. Execution shall issue at the request of the director of revenue or his agent as is provided in the case of other judgments. No exemption shall be allowed from the levy of an execution issued for such delinquent tax, interest, additions to tax or penalties and no bond shall be required of the director of revenue, his agent or of the sheriff before making the levy.

(3) The remedies in this subsection are cumulative and in addition to other collection methods given the director of revenue. No action taken shall be construed as an election on the part of the state or any of its officers to pursue any remedy or action hereunder to the exclusion of any other remedy or action for which provision is made.

(4) If any certificate of lien has been erroneously or improvidently filed, the taxpayer or any other person affected by the lien may notify the director of revenue. The taxpayer or other affected person shall provide the director with the reasons the filing of the certificate of lien is erroneous or improvident as to such person (including that the affected person's name or other identification is similar to the taxpayer's) and a list of creditors with current addresses who are affected by the department's action. Upon receipt of the creditor list, reasons and verification of the erroneous or improvident filing, the director shall release the lien as to the taxpayer or the affected person, as necessary, and notify all creditors, stating the certificate of lien was filed erroneously or improvidently. If the certificate of lien was erroneously or improvidently filed after August 13, 1987, the director shall forthwith make a determination in writing which shall become a public record in the same place the certificate of lien is noted under subsection 5 of this section that the same be expunged from the record and give written notice thereof, duly certified, by certified mail to the recorder of deeds in the county where the same is recorded and upon receipt by the recorder of deeds of the certification the recorder shall immediately cause such record to be expunged. The director shall take whatever steps are necessary to ensure the lien is expunged. The director shall pay a three-dollar fee charged by the recorder when an erroneously or improvidently filed lien is expunged.

2. The lien imposed under subsection 1 of this section may be wholly or partly released by filing for record in the office of the county recorder a release thereof executed by the director of revenue upon payment of the tax, interest, additions to tax and penalties or upon receipt by the director of revenue of security sufficient to secure payment thereof, or by final judgment holding such certificate of lien to have been erroneously or improvidently imposed.

3. The director may release any part of the property subject to the lien by filing with the county recorder a copy of the original lien document and an affidavit containing a legal description of the property and stating that the property is to be released from the lien. The county recorder shall note the partial release in the same manner as provided in section [443.090](#). The release of any specific property shall not affect in any manner other property subject to lien.

4. Each county recorder shall receive a fee of three dollars which shall be charged for the filing of each certificate of lien and a fee of one dollar and fifty cents for each release of lien filed for record. Such amounts shall be paid to the county recorder from funds appropriated to the

department of revenue for that purpose. The county recorder shall be reimbursed by presenting a statement, showing the number of certificates and releases filed, to the department of revenue each calendar quarter. The department of revenue is authorized to collect an additional penalty from each taxpayer equal to the cost of filing a certificate of lien or release of lien with respect to such taxpayer.

5. The director of revenue shall establish and maintain records for all certificates of lien filed under this section. The director shall also maintain records of all releases of lien filed under this section. The provisions of section [32.057](#) to the contrary notwithstanding, the records prepared by the director under this section, to the extent such information is or may be on file with the recorder, shall be open to public inspection. Such records established and maintained by the director shall not be the official record and are not conclusive evidence of any liability of any taxpayer to this state.

6. If any action is taken by the director under the provisions of this chapter; including, but not limited to, section [144.425](#), to alter or abate any assessment upon which a judgment has been filed under the provisions of subsection 1 of this section, the director is authorized to file a modification or satisfaction of such judgment.

(RSMo 1939 § 11435, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1985 H.B. 320, H.B. 717& 741, A.L. 1988 H.B. 1335, A.L. 1992 H.B. 1155)

Unpaid taxes may be recovered at law--procedure.

[144.390](#). 1. Any tax due and unpaid under the provisions of sections [144.010](#) to [144.510](#) shall constitute a debt due the state and in any case of failure to pay the tax, or any portion thereof, or any penalty or interest provided for in sections [144.010](#) to [144.510](#), when due, the director of revenue in the name of the state may recover the amount of such tax, penalty and interest by an action at law or other appropriate judicial proceedings. The collection of such tax, penalty and interest shall not be a bar to any prosecution under sections [144.010](#) to [144.510](#).

2. In every such action the writ of attachment may issue, and no bond previous or subsequent to the issuance of said attachment shall be required.

3. In every such action, a certificate by the director of revenue or his agent showing the name of the person, the date and amount of the assessment and the delinquency of the tax sued for, shall be prima facie evidence of the levy of said tax, of the delinquency, of the liability of the person and the nonpayment thereof, and of compliance by the director of revenue with all the provisions of sections [144.010](#) to [144.510](#) with respect to the computation and levy of this tax, and in every such suit the process, pleadings and practice shall be, except as in sections [144.010](#) to [144.510](#) otherwise specifically provided, according to the provisions of the code of civil procedure.

(RSMo 1939 § 11437, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865)

Suit for taxes filed, where--jurisdiction.

[144.400](#). Except as in sections [144.010](#) to [144.510](#) otherwise provided, all suits for taxes herein required to be filed shall be filed in the county wherein the person resides or has a place of business or agent for the transaction of business in this state or where he or it may be found. If such suit be by attachment it shall be brought in the county wherein the property attached is located. Such suits may be heard by circuit or associate circuit judges in the same manner as other civil cases, with the amount of the tax being the amount demanded for purposes of determining whether the case may be heard and determined by an associate circuit judge without special assignment.

(RSMo 1939 § 11438, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1978 H.B. 1634)

Effective 1-2-79

Remedies of state, cumulative.

[144.410](#). It is expressly provided that the foregoing remedies of the state shall be cumulative, and that no action taken by the director of revenue or the attorney general shall be construed to be an election on the part of the state or any of its officers to pursue any remedy hereunder to the exclusion of any other remedy for which provision is made in sections [144.010](#) to [144.510](#).

(RSMo 1939 § 11439, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865)

Certification of delinquencies to attorney general--collectionsuits.

[144.420](#). The director of revenue may certify under seal to the attorney general the names and addresses of all persons required to remit any tax, interest and penalties under the provisions of sections [144.010](#) to [144.510](#) for the preceding calendar month, or calendar quarter, who are delinquent in the payment of said tax, interest and penalties, together with the amount due from each delinquent and it shall be the duty of the attorney general, and, upon his request, the duty of each prosecuting and circuit attorney to forthwith institute and prosecute suits for the collection thereof as herein provided.

(RSMo 1939 § 11446, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1947 V. I p. 553)

Compromise of delinquent taxes--percentage--limitation--procedure.

[144.425](#). 1. Upon the filing by a taxpayer in the office of the attorney general of a verified declaration that the taxpayer has insufficient funds available to pay sales taxes due and owed to the state which have been certified by the department of revenue to the attorney general as delinquent and of an offer to compromise such taxes and pay the amount agreed upon, the attorney general may agree to compromise the taxes and accept payment in an amount which shall be not less than seventy-five percent of the total amount of the taxes due and owed. The amount agreed upon in the compromise shall be paid within three years from the date of the agreement.

2. The taxpayer so desiring to compromise payment of taxes shall furnish all information requested by the attorney general in order that it may be determined that the offer of compromise is made in good faith.

(L. 1982 S.B. 471 § 1)

Taxpayer's agreement to certain conditions to obtain compromise.

[144.427](#). 1. As part of the consideration for compromise of the taxes, the taxpayer shall agree:

(1) That the state of Missouri shall keep all payments and other credits made to the accounts for the periods covered by the offer; and

(2) That the state of Missouri shall keep any and all amounts to which the taxpayer may otherwise be entitled under the tax laws of this state, due through overpayments of any tax or other liability, including interest and penalties, for periods ending before or within or as of the end of the calendar year in which the offer is accepted (and which are not in excess of the difference between the liability sought to be compromised and the amount offered).

2. Payments made under the terms of an offer to compromise shall be applied first to tax and penalty, in that order, due for the earliest taxable period, then to tax and penalty, in that order, for each succeeding taxable period with no amount to be allocated to interest until the liabilities for taxes and penalties for all taxable periods sought to be compromised have been satisfied.

3. If an agreement of compromise is reached, the taxpayer shall have no right to contest in court or otherwise the amount of the liability sought to be compromised. If there is a default in payment of any lump sum amount agreed upon or of any installment of principal or interest due under terms of the agreement of compromise, the state of Missouri, at the option of the attorney general and the director of revenue, may:

(1) Proceed immediately by suit to collect the entire unpaid balance of the amount agreed upon; or

(2) Proceed immediately by suit to collect as liquidated damages an amount equal to the liability sought to be compromised, minus any deposits already received under the terms of the agreement, with interest on the unpaid balance at the maximum annual rate, from the date of default; or

(3) Disregard the amount of the offer and apply all amounts previously deposited under the agreement against the amount of the liability sought to be compromised and, without further notice of any kind, assess and collect by levy or suit the balance of the liability.

4. If compromise of delinquent taxes is agreed upon, any statute of limitations applicable to the assessment and collection of the liability sought to be compromised shall be tolled during the period commencing at the time agreement is reached and ending one year after any lump sum payment of the amount agreed upon is due pursuant to the agreement, or one year after the last installment payment of the amount agreed upon is due pursuant to the agreement, as the case may be.

(L. 1982 S.B. 471 § 2)

Legal expenses.

[144.430](#). The expenses necessarily incurred by the director of revenue, and by the attorney general, and his assistants in charge of litigation that may arise hereunder, shall be paid out of appropriations made by the general assembly for that purpose.

(RSMo 1939 § 11447, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865)

Purchase price of motor vehicles, trailers, boats and outboard motorsto be disclosed, when--payment of tax, when--inapplicability tomanufactured homes.

[144.440](#). 1. At the time the owner of any motor vehicle, trailer, boat, or outboard motor makes application to the director of revenue for an official certificate of title and the registration of the same as otherwise provided by law, he shall present to the director of revenue evidence satisfactory to the director showing the purchase price paid by or charged to the applicant in the acquisition of the motor vehicle, trailer, boat, or outboard motor, or that the motor vehicle, trailer, boat, or outboard motor is not subject to the tax herein provided and, if the motor vehicle, trailer, boat, or outboard motor is subject to the tax herein provided, the applicant shall pay or cause to be paid to the director of revenue the tax provided herein.

2. In the event that the purchase price is unknown or undisclosed, or that the evidence thereof is not satisfactory to the director of revenue, the same shall be fixed by appraisalment by the director.

3. No certificate of title shall be issued for such motor vehicle, trailer, boat, or outboard motor unless the tax for the privilege of using the highways or waters of this state has been paid or the vehicle, trailer, boat, or outboard motor is registered under the provisions of subsection 4 of this section.

4. The owner of any motor vehicle, trailer, boat, or outboard motor which is to be used exclusively for rental or lease purposes may pay the tax due thereon required in section [144.020](#) at the time of registration or in lieu thereof may pay a sales tax as provided in sections [144.010](#), [144.020](#), [144.070](#) and [144.440](#). A sales tax shall be charged and paid on the amount charged for each rental or lease agreement while the motor vehicle, trailer, boat, or outboard motor is domiciled in the state. If the owner elects to pay upon each rental or lease, he shall make an affidavit to that effect in such form as the director of revenue shall require and shall remit the tax due at such times as the director of revenue shall require.

5. In the event that any leasing company which rents or leases motor vehicles, trailers, boats, or outboard motors elects to collect a sales tax, all of its lease receipts would be subject to the sales

tax regardless of whether the leasing company previously paid a sales tax when the vehicle, trailer, boat, or outboard motor was originally purchased.

6. The provisions of this section, and the tax imposed by this section, shall not apply to manufactured homes.

(RSMo 1939 § 11412, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1947 V. II p. 431, A.L. 1951 p. 854, A.L. 1961 p. 627, A.L. 1963 p. 195, A.L. 1975 S.B. 92, A.L. 1982 Adopted by Initiative, Proposition C, November 2, 1982, A.L. 1985 H.B. 280, et al. merged with S.B. 152, A.L. 2013 H.B. 184 merged with S.B. 23 merged with S.B. 99)

Effective 7-05-13 (S.B. 23)

7-05-13 (S.B. 99)

8-28-13 (H.B. 184)

CROSS REFERENCE:

Nonseverability clause, [144.008](#)

Exemptions from use tax.

[144.450](#). In order to avoid double taxation under the provisions of sections [144.010](#) to [144.510](#), any person who purchases a motor vehicle, trailer, manufactured home, boat, or outboard motor in any other state and seeks to register or obtain a certificate of title for it in this state shall be credited with the amount of any sales tax or use tax shown to have been previously paid by him on the purchase price of such motor vehicle, trailer, boat, or outboard motor in such other state. The tax imposed by subdivision (9) of subsection 1 of section [144.020](#) shall not apply:

(1) To motor vehicles, trailers, boats, or outboard motors brought into this state by a person moving any such vehicle, trailer, boat, or outboard motor into Missouri from another state who shall have registered and in good faith regularly operated any such motor vehicle, trailer, boat, or outboard motor in such other state at least ninety days prior to the time it is registered in this state;

(2) To motor vehicles, trailers, boats, or outboard motors acquired by registered dealers for resale;

(3) To motor vehicles, trailers, boats, or outboard motors purchased, owned or used by any religious, charitable or eleemosynary institution for use in the conduct of regular religious, charitable or eleemosynary functions and activities;

(4) To motor vehicles owned and used by religious organizations in transferring pupils to and from schools supported by such organization;

(5) Where the motor vehicle, trailer, boat, or outboard motor has been acquired by the applicant for a certificate of title therefor by gift or under a will or by inheritance, and the tax hereby imposed has been paid by the donor or decedent;

(6) To any motor vehicle, trailer, boat, or outboard motor owned or used by the state of Missouri or any other political subdivision thereof, or by an educational institution supported by public funds;

(7) To farm tractors;

(8) To motor vehicles, trailers, boats, or outboard motors owned and used by not-for-profit civic, social, service, or fraternal organizations in their civic or charitable functions and activities;

(9) To motor vehicles, trailers, boats, or outboard motors owned and used by any private, not-for-profit elementary school, secondary school, or institution of higher education in the conduct of their educational functions and activities;

(10) To motor vehicles, trailers, boats, or outboard motors owned and used by any elementary school, secondary school, or institution of higher education in the conduct of their educational functions and activities that are supported by public funds; or

(11) To any transfer of motor vehicles, trailers, boats, or outboard motors that is the same type of transfer as set forth in section [144.617](#).

(RSMo 1939 § 11412, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1947 V. II p. 431, A.L. 1951 p. 854, A.L. 1961 p. 627, A.L. 1985 H.B. 280, et al. merged with S.B. 152, A.L. 2013 H.B. 184 merged with S.B. 23 merged with S.B. 99, A.L. 2015 H.B. 869)

CROSS REFERENCE:

Nonseverability clause, [144.008](#)

Tax on motor vehicles and trailers, purpose of--receipts credited asconstitutionally required.

[144.455](#). The tax imposed by subdivision (9) of subsection 1 of section [144.020](#) on the titling of motor vehicles and trailers is levied for the purpose of providing revenue to be used by this state to defray in whole or in part the cost of constructing, widening, reconstructing, maintaining, resurfacing and repairing the public highways, roads and streets of this state, and the cost and expenses incurred in the administration and enforcement of subdivision (9) of subsection 1 of section [144.020](#) and sections [144.440](#) to [144.455](#), and for no other purpose whatsoever, and all revenue collected or received by the director of revenue from the tax imposed by subdivision (9) of subsection 1 of section [144.020](#) on motor vehicles and trailers shall be promptly deposited as dictated by Article IV, Section 30(b) of the Constitution of Missouri.

(L. 1951 p. 854 § 144.451, A.L. 1959 S.B. 80, A.L. 1985 H.B. 280, et al., A.L. 2013 H.B. 184 merged with S.B. 23 merged with S.B. 99)

Effective 7-05-13 (S.B. 23)

7-05-13 (S.B. 99)

8-28-13 (H.B. 184)

CROSS REFERENCE:

Nonseverability clause, [144.008](#)

Taxes now authorized not prohibited.

[144.470](#). Nothing contained in sections [144.010](#) to [144.510](#) shall prevent the levying or collecting by any city, town, or village of any tax or license now authorized by any ordinance of such city, town or village.

(RSMo 1939 § 11455, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865)

Failure to furnish a return, penalty.

[144.480](#). Any person required under sections [144.010](#) to [144.510](#) to pay any tax, or required by sections [144.010](#) to [144.510](#) to make a return, keep any records or supply any information, who with intent to defraud willfully fails to pay such tax, make such return, keep such records or supply such information, at the time or times required by law, shall, in addition to other penalties provided by law and, upon conviction thereof, be fined not more than ten thousand dollars, or be imprisoned in the county jail for not more than one year or by not less than two nor more than five years in the state penitentiary or by both fine and imprisonment together with the cost of prosecution.

(RSMo 1939 § 11442, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1974 H.B. 1288)

Penalty for false return.

[144.490](#). Any person who willfully makes a false return, or who willfully makes a false statement in any return under oath or otherwise filed with or transmitted to the director of revenue relating to the amount of any sales or tax due under sections [144.010](#) to [144.510](#), shall, in addition to other penalties provided by law and, upon conviction thereof, be fined not more than ten thousand dollars, or be imprisoned in the county jail for not more than one year or by not less than two nor more than five years in the state penitentiary or by both fine and imprisonment together with the cost of prosecution.

(RSMo 1939 § 11433, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865, A.L. 1974 H.B. 1288)

Penalty for fraud or evasion.

[144.500](#). If fraud or evasion on the part of a person is discovered by the director of revenue, he shall determine the amount of which the state has been defrauded, shall add to the amount so determined a penalty equal to twenty-five percent thereof, and shall assess the same against the person. The amount so assessed shall be immediately due and payable; provided, however, that the director of revenue shall promptly thereafter give to said person written notice of such assessment and penalty, which notice shall be served personally on such person, or by registered mail. Such person shall have the right to petition for hearing of such assessment, as is provided herein.

(RSMo 1939 § 11433, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865)

Violation of this law a misdemeanor.

[144.510](#). Any person, officer, agent or employee of any firm, corporation, association, joint adventure, estate, trust, receiver or syndicate violating any of the provisions of sections [144.010](#) to [144.510](#) shall be deemed guilty of a misdemeanor, and, where punishment is not otherwise provided for herein, shall be punished for such.

(RSMo 1939 § 11444, A.L. 1941 p. 698, A.L. 1943 p. 1012, A.L. 1945 p. 1865)

Retail sales licenses, businesses and transient employers not in compliance, writs of attachment or injunction authorized.

[144.512](#). In addition to all other penalties, interest and remedies as prescribed in this chapter, the director of revenue may petition any circuit court in the state to issue a writ of attachment as provided for in chapter 521 or other injunctive relief against any business or individual engaged in making sales at retail, including transient employers as defined in chapter 285, if such business or individual made sales at retail at any time after receiving notice from the director that their retail sales tax license has been revoked. The provisions of this section shall also apply to any business or individual, including transient employers as defined in chapter 285, which has not previously obtained a retail sales license but is discovered by the director to be making sales at retail until such business or individual comes into full compliance with the law.

(L. 1991 H.B. 80 § 1)

College bookstores, sales by, subject to tax.

[144.513](#). Notwithstanding the provisions of section [144.030](#) to the contrary, sales by institutions of higher education in retail establishments, including, but not limited to, those commonly known as bookstores shall be subject to sales taxes as provided in this chapter.

(L. 1992 H.B. 1155 § 1 merged with S.B. 716 § 1)

CROSS REFERENCE:

Textbooks, sales and use tax exemption, exceptions, [144.517](#)

Textbooks, sales and use tax exemption.

[144.517](#). In addition to the exemptions granted pursuant to section [144.030](#), there shall also be exempted from state sales and use taxes all sales of textbooks, as defined by section [170.051](#), when such textbook is purchased by a student who possesses proof of current enrollment at any Missouri public or private university, college or other postsecondary institution of higher learning offering a course of study leading to a degree in the liberal arts, humanities or sciences or in a professional, vocational or technical field, provided that the books which are exempt from state sales tax are those required or recommended for a class. Upon request the institution or department must provide at least one list of textbooks to the bookstore each semester. Alternately, the student may provide to the bookstore a list from the instructor, department or institution of his or her required or recommended textbooks. This exemption shall not apply to any locally imposed sales or use tax.

(L. 1998 S.B. 936 § 1, A.L. 1999 S.B. 33)

Exemption for machines or parts for machines used in a commercial, coin-operated amusement and vending business.

[144.518](#). 1. In addition to the exemptions granted pursuant to section [144.030](#), there is hereby specifically exempted from the provisions of sections [144.010](#) to [144.525](#), sections [144.600](#) to [144.761](#), sections [190.335](#) to [190.337](#), section [238.235](#), section [238.236](#), section [238.410](#), section [321.242](#), section [573.505](#), section [644.032](#), and any local sales tax law as defined in section [32.085](#), and from the computation of the tax levied, assessed or payable pursuant to sections [144.010](#) to [144.525](#), sections [144.600](#) to [144.761](#), sections [190.335](#) to [190.337](#), section [238.235](#), section [238.236](#), section [238.410](#), section [321.242](#), section [573.505](#), section [644.032](#), and any local sales tax law as defined in section [32.085](#), coin-operated amusement devices and parts for such devices purchased prior to September 1, 2007, where sales tax is paid on the gross receipts derived from the use of such devices.

2. Beginning September 1, 2007, in addition to any other exemption provided by law, there is hereby specifically exempted from the provisions of sections [144.010](#) to [144.525](#), sections [144.600](#) to [144.761](#), sections [190.335](#) to [190.337](#), section [238.235](#), section [238.236](#), section [238.410](#), section [321.242](#), section [573.505](#), section [644.032](#), and any local sales tax law as defined in section [32.085](#), and from the computation of the tax levied, assessed, or payable pursuant to sections [144.010](#) to [144.525](#), sections [144.600](#) to [144.761](#), sections [190.335](#) to [190.337](#), section [238.235](#), section [238.236](#), section [238.410](#), section [321.242](#), section [573.505](#), section [644.032](#), and any local sales tax law as defined in section [32.085](#), amounts paid for the temporary use of a coin-operated amusement device.

3. As used in this section, "coin-operated amusement device" means a device accepting payment or items representing payments to allow one or more users temporary use of the device for entertainment or amusement purposes. Examples of coin-operated amusement devices include, but are not limited to, video games, pinball games, table games such as billiards and air hockey, and redemption games such as the claw and skee ball that may award prizes of tangible personal property.

4. In addition to any other exemptions provided by law, there is hereby specifically exempted from the provisions of sections [144.010](#) to [144.525](#), sections [144.600](#) to [144.761](#), sections [190.335](#) to [190.337](#), section [238.235](#), section [238.236](#), section [238.410](#), section [321.242](#), section [573.505](#), section [644.032](#), and any local sales tax law as defined in section [32.085](#), and from the computation of the tax levied, assessed, or payable pursuant to sections [144.010](#) to [144.525](#), sections [144.600](#) to [144.761](#), sections [190.335](#) to [190.337](#), section [238.235](#), section [238.236](#), section [238.410](#), section [321.242](#), section [573.505](#), section [644.032](#), and any local sales tax law as defined in section [32.085](#), vending machines or parts for vending machines used in a commercial vending business where sales tax is paid on the gross receipts derived from such vending machines.

(L. 1999 H.B. 516, A.L. 2005 H.B. 186 merged with S.B. 431, A.L. 2007 S.B. 30)

Motor vehicles, haulers, boats and outboard motors, state and local tax, rate, how computed, exception--outboard motors, when, computation.

[144.525](#). Notwithstanding any other provision of law, the amount of any state and local sales taxes due on the purchase of a motor vehicle, trailer, boat or outboard motor required to be registered under the provisions of sections 301.001* to [301.660](#) and sections [306.010](#) to [306.900](#) shall be computed on the rate of such taxes in effect on the date the purchaser submits application for a certificate of ownership to the director of revenue; except that, in the case of a sale at retail of an outboard motor by a retail business which is not required to be registered under the provisions of section 301.251**, the amount of state and local taxes due shall be computed on the rate of such taxes in effect as of the calendar date of the retail sale.

(L. 1987 S.B. 3 § 1, A.L. 2013 H.B. 184 merged with S.B. 23 merged with S.B. 99)

Effective 7-05-13 (S.B. 23)

7-05-13 (S.B. 99)

8-28-13 (H.B. 184)

*Section 301.001 was repealed by S.B. 52, 1993

**Section 301.251 was repealed by H.B. 1512, 1988

CROSS REFERENCE:

Nonseverability clause, [144.008](#)

Show Me Green sales tax holiday--sales tax exemption for energy star certified new appliances--political subdivision may allow exemption--retailer exception.

[144.526](#). 1. This section shall be known and may be cited as the "Show Me Green Sales Tax Holiday".

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

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

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

3. In each year beginning on or after January 1, 2009, there is hereby specifically exempted from state sales tax law all retail sales of any energy star certified new appliance, up to one thousand five hundred dollars per appliance, during a seven-day period beginning at 12:01 a.m. on April nineteenth and ending at midnight on April twenty-fifth.

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

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

(L. 2008 S.B. 1181, et al.)

Farmers' market, sales and use tax exemption for farm products sold.

[144.527](#). 1. In addition to the exemptions granted under this chapter, there shall also be specifically exempted from state and local sales and use taxes defined, levied, or calculated under section [32.085](#), sections [144.010](#) to [144.525](#), sections [144.600](#) to [144.761](#), and section [238.235](#) all sales of farm products sold at a farmers' market.

2. For purposes of this section "farm products" shall mean any fresh fruits, vegetables, mushrooms, nuts, shell eggs, honey or other bee products, maple syrup or maple sugar, flowers, nursery stock and other horticultural commodities, livestock food products, including meat, milk, cheese, and other dairy products, food products of "aquaculture", as defined in section [277.024](#), including fish, oysters, clams, mussels, and other molluscan shellfish taken from the waters of the state, products from any tree, vine, or plant and other flowers, or any of the products listed in this subsection that have been processed by the participating farmer, including, but not limited to, baked goods made with farm products.

3. For purposes of this section "farmers' market" shall mean an individual farmer or a cooperative or nonprofit enterprise or association that consistently occupies a given site throughout the season, which operates principally as a common marketplace for an individual farmer or a group of farmers to sell farm products directly to consumers, and where the products sold are produced by the participating farmers with the sole intent and purpose of generating a portion of household income.

4. The provisions of this section do not apply to any person or entity with estimated total annual sales of twenty-five thousand dollars or more from participating in farmers' markets.

(L. 2014 S.B. 727)

*Effective 10-10-14, see § [21.250](#). S.B. 727 was vetoed June 11, 2014. The veto was overridden on September 10, 2014.

Title of law.

[144.600](#). This law may be cited as the "Compensating Use Tax Law".

(L. 1959 H.B. 35 § 1)

Definitions.

[144.605](#). The following words and phrases as used in sections [144.600](#) to [144.745](#) mean and include:

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

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

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

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

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

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

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

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

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

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

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

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

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

(3) "Maintains a place of business in this state" includes maintaining, occupying, or using, permanently or temporarily, directly or indirectly, by whatever name called, an office, place of distribution, sales or sample room or place, warehouse or storage place, or other place of business in this state, whether owned or operated by the vendor or by any other person other than a common carrier acting in its capacity as such;

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

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

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

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

(8) "Sales price", the consideration including the charges for services, except charges incident to the extension of credit, paid or given, or contracted to be paid or given, by the purchaser to the vendor for the tangible personal property, including any services that are a part of the sale, valued in money, whether paid in money or otherwise, and any amount for which credit is given to the purchaser by the vendor, without any deduction therefrom on account of the cost of the property sold, the cost of materials used, labor or service cost, losses or any other expenses whatsoever, except that cash discounts allowed and taken on sales shall not be included and "sales price" shall not include the amount charged for property returned by customers upon rescission of the contract of sales when the entire amount charged therefor is refunded either in cash or credit or the amount charged for labor or services rendered in installing or applying the property sold, the use, storage or consumption of which is taxable pursuant to sections [144.600](#) to [144.745](#). In determining the amount of tax due pursuant to sections [144.600](#) to [144.745](#), any charge incident to the extension of credit shall be specifically exempted;

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

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

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

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

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

(14) "Vendor", every person engaged in making sales of tangible personal property by mail order, by advertising, by agent or peddling tangible personal property, soliciting or taking orders for sales of tangible personal property, for storage, use or consumption in this state, all salesmen, solicitors, hawkers, representatives, consignees, peddlers or canvassers, as agents of the dealers, distributors, consignors, supervisors, principals or employers under whom they operate or from whom they obtain the tangible personal property sold by them, and every person who maintains a place of business in this state, maintains a stock of goods in this state, or engages in business activities within this state and every person who engages in this state in the business of acting as a selling agent for persons not otherwise vendors as defined in this subdivision. Irrespective of whether they are making sales on their own behalf or on behalf of the dealers, distributors, consignors, supervisors, principals or employers, they must be regarded as vendors and the dealers, distributors, consignors, supervisors, principals or employers must be regarded as vendors for the purposes of sections [144.600](#) to [144.745](#).

(L. 1959 H.B. 35 § 3, A.L. 1961 p. 623, A.L. 1969 p. 78, A.L. 1974 H.B. 1593, A.L. 1990 H.B. 960, A.L. 1994 H.B. 1578, A.L. 1999 H.B. 139, A.L. 2013 S.B. 23)

Tax imposed, property subject, exclusions, who liable--inapplicable to out-of-state businesses and employees, when.

[144.610](#). 1. A tax is imposed for the privilege of storing, using or consuming within this state any article of tangible personal property, excluding motor vehicles, trailers, motorcycles, mopeds,

motorcycles, boats, and outboard motors required to be titled under the laws of the state of Missouri and subject to tax under subdivision (9) of subsection 1 of section [144.020](#), purchased on or after the effective date of sections [144.600](#) to [144.745](#) in an amount equivalent to the percentage imposed on the sales price in the sales tax law in section [144.020](#). This tax does not apply with respect to the storage, use or consumption of any article of tangible personal property purchased, produced or manufactured outside this state until the transportation of the article has finally come to rest within this state or until the article has become commingled with the general mass of property of this state.

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

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

4. The provisions of this section shall not apply to out-of-state businesses or out-of-state employees operating under sections [190.270](#) to [190.285](#).

(L. 1959 H.B. 35 § 4, A.L. 1961 p. 623, A.L. 1994 H.B. 1578, A.L. 2013 H.B. 184 merged with S.B. 23 merged with S.B. 99, A.L. 2014 H.B. 1190)

CROSS REFERENCE

Nonseverability clause, [144.008](#)

Boats and boat motors--tax to be paid before registration issued.

[144.613](#). Notwithstanding the provisions of section [144.655](#), at the time the owner of any new or used boat or boat motor which was acquired after December 31, 1979, in a transaction subject to tax under this chapter makes application to the director of revenue for the registration of the boat or boat motor, he shall present to the director of revenue evidence satisfactory to the director of revenue showing the purchase price, exclusive of any charge incident to the extension of credit, paid by or charged to the applicant in the acquisition of the boat or boat motor, or that no sales or use tax was incurred in its acquisition, and, if tax was incurred in its acquisition, that the same has been paid, or the applicant shall pay or cause to be paid to the director of revenue the tax provided by this chapter in addition to the registration fees now or hereafter required according to law, and the director of revenue shall not issue a registration for any new or used boat or boat motor subject to tax in this chapter until the tax levied for the use of the same under this chapter has been paid.

(L. 1979 H.B. 59, A.L. 1994 H.B. 1578, A.L. 2013 H.B. 184 merged with S.B. 23 merged with S.B. 99)

Effective 7-05-13 (S.B. 23)

7-05-13 (S.B. 99)

8-28-13 (H.B. 184)

CROSS REFERENCES:

Nonseverability clause, [144.008](#)

Registration of boats, [306.030](#)

Exemptions.

[144.615](#). There are specifically exempted from the taxes levied in sections [144.600](#) to [144.745](#):

(1) Property, the storage, use or consumption of which this state is prohibited from taxing pursuant to the constitution or laws of the United States or of this state;

(2) Property, the gross receipts from the sale of which are required to be included in the measure of the tax imposed pursuant to the Missouri sales tax law;

(3) Tangible personal property, the sale or other transfer of which, if made in this state, would be exempt from or not subject to the Missouri sales tax pursuant to the provisions of subsection 2 of section [144.030](#);

(4) Motor vehicles, trailers, boats, and outboard motors subject to the tax imposed by section [144.020](#);

(5) Tangible personal property which has been subjected to a tax by any other state in this respect to its sales or use; provided, if such tax is less than the tax imposed by sections [144.600](#) to [144.745](#), such property, if otherwise taxable, shall be subject to a tax equal to the difference between such tax and the tax imposed by sections [144.600](#) to [144.745](#);

(6) Tangible personal property held by processors, retailers, importers, manufacturers, wholesalers, or jobbers solely for resale in the regular course of business;

(7) Personal and household effects and farm machinery used while an individual was a bona fide resident of another state and who thereafter became a resident of this state, or tangible personal property brought into the state by a nonresident for his own storage, use or consumption while temporarily within the state.

(L. 1959 H.B. 35 § 5, A.L. 1961 p. 623, A.L. 1985 H.B. 280, et al., A.L. 1986 H.B. 1554 Revision, A.L. 2003 S.B. 11, A.L. 2004 H.B. 795, et al. merged with H.B. 1182, A.L. 2013 H.B. 184 merged with S.B. 23 merged with S.B. 99)

Effective 7-05-13 (S.B. 23)

7-05-13 (S.B. 99)

8-28-13 (H.B. 184)

CROSS REFERENCES:

Nonseverability clause, [144.008](#)

Economy rate telephone service exemption, [660.149](#)

Exemptions, certain transactions between corporations andshareholders--partners and partnerships.

[144.617](#). 1. For purposes of section [144.440](#) and sections [144.600](#) to [144.745](#), and the taxes imposed thereby, the definition of "storing", "using" or "consuming" shall not be construed to include any of the following:

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

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

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

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

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

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

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

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

2. The assumption of liabilities of the transferor by the transferee incident to any of the transactions enumerated in subdivisions (1) through (8) of subsection 1 of this section, shall not disqualify the transfer from the exclusion described herein provided such liability assumption is related to the property transferred and, further provided, that the assumption does not have as its principal purpose the avoidance of Missouri sales or use tax.

(L. 1984 H.B. 1533, et al.)

Presumption arising from sale for delivery to state.

[144.620](#). For the purpose of the proper administration of sections [144.600](#) to [144.745](#) and to prevent evasion of the tax and the duty to collect the tax, it shall be presumed that tangible personal property sold by any vendor for delivery in this state or transportation to this state is sold for storage, use or consumption in this state unless the vendor takes from the purchaser a certificate signed by and bearing the name and address of the purchaser to the effect that the property was purchased for resale, and it shall also be presumed that tangible personal property shipped, mailed, expressed, transported or brought to this state by the purchaser was purchased from a vendor after the effective date of this law for storage, use or consumption in this state.

(L. 1959 H.B. 35 § 11)

Vendors may be required to give bond.

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

(L. 1959 H.B. 35 § 8, A.L. 1986 S.B. 669, et al.)

Agent of vendor for service, designation or agreement as to--processserved, how.

[144.630](#). 1. Every vendor shall designate with the director of revenue an agent for service within this state for the purpose of enforcing sections [144.600](#) to [144.745](#). If a vendor fails to designate with the director of revenue an agent for service within this state, the doing of business as a vendor as defined herein shall be deemed

(1) An agreement by him that he, his executor, administrator or other legal representative shall be subject to the jurisdiction of the courts of this state in all civil actions and proceedings brought

against him, his executor, administrator or other legal representative by the state for the enforcement of this section in connection with such business;

(2) An appointment by him, his executor, administrator or other legal representative of the secretary of state of Missouri as his lawful attorney and agent upon whom may be served all process in suits pertaining to such actions and proceedings;

(3) An agreement by the vendor that any process in any suit so served shall be of the same legal force and validity as if personally served in this state.

2. Service of process under this section shall be made by delivering a copy of the summons, with a copy of the petition attached, to the secretary of state of Missouri at his office or, in his absence, to the deputy secretary of state at his office, and the service shall be sufficient service upon the nonresident vendor.

3. The secretary of state shall immediately mail to the defendant, by restricted registered mail, addressed to the defendant at his last known address, residence or place of abode a notice of the service and a copy of the process and petition.

(L. 1959 H.B. 35 § 13, A.L. 1961 p. 630)

Vendor to collect tax from purchasers--selling agent not liable for tax, when.

[144.635](#). Every vendor making a sale of tangible personal property for the purpose of storage, use or consumption in this state shall collect from the purchaser an amount equal to the percentage on the sale price imposed by the sales tax law in section [144.020](#) and give the purchaser a receipt therefor. The required amount of the tax collected by the vendor from the purchaser shall be shown separately upon the sales slip or other evidence of sale. If a vendor is a selling agent as defined in section [144.605](#), and receives compensation by reason of a sale made pursuant to an order given directly to his principal by the purchaser, of which the selling agent had no knowledge at the time of the sale, and in which the selling agent did not actively or inactively participate, the selling agent shall be relieved of all liability for the collection and remittance of the taxes imposed under sections [144.600](#) to [144.745](#). Furthermore, if payment is made by the purchaser directly to the principal and the selling agent is unable to collect the tax from the purchaser, the selling agent will be relieved from all liability for the collection of the tax imposed under sections [144.600](#) to [144.745](#) from the purchaser. Selling agents may avoid all responsibility for collection of the taxes imposed under sections [144.600](#) to [144.745](#), if their principal is a vendor registered with the director of revenue for the collection of such taxes.

(L. 1959 H.B. 35 § 7, A.L. 1961 p. 623, A.L. 1990 H.B. 960)

Effective 10-1-90

Taxpayer to keep records, examination.

[144.640](#). Every taxpayer subject to the tax imposed by this law shall keep and preserve suitable records and other books and accounts necessary to determine the amount of tax for which he is liable under the provisions of this law. Every taxpayer shall preserve the books and records for a period of three years unless the director of revenue, in writing, authorizes their destruction at an earlier date. The books and records shall be open for examination at any time by the director of revenue or his agent during the business hours of the day.

(L. 1959 H.B. 35 § 21, A.L. 1986 S.B. 669, et al.)

Investigations, subpoenas, oaths.

[144.645](#). For the purpose of ascertaining the correctness of any return, or determining the amount of tax due from any taxpayer, the director of revenue or any employee designated in writing by the director of revenue may hold investigations and hearings concerning any matters covered by this law and may examine any books, papers, records or memoranda of any taxpayer bearing upon

the amount of business done and may require of any person the production of books, papers and records bearing upon the tax levied by this law or the attendance of any person for the purpose of taking his testimony with respect to any matter within the purview of the director of revenue. In the conduct of any investigation or hearing, neither the director of revenue nor any employee thereof is bound by the technical rules of evidence and no informality in any proceeding, or in the manner of taking testimony, shall invalidate any order, decision, rule or regulation made or confirmed by the director of revenue. The director of revenue or any person designated by him may administer oaths in all matters relating to the administration of this law.

(L. 1959 H.B. 35 § 22)

Vendors to register, information required.

[144.650](#). Every vendor selling tangible personal property for storage, use or consumption in this state shall, immediately after the effective date of sections [144.600](#) to [144.745](#), register with the director of revenue and give the names and addresses of all agents operating in this state, the location of all distribution or sales houses or offices or other places of business in this state and other information that the director of revenue requires. Every vendor shall furnish all agents with a statement to the effect that his principal has been and is complying with the provisions of sections [144.600](#) to [144.745](#).

(L. 1959 H.B. 35 § 6)

Return, when filed--payment, when due--rules--exemption, limits.

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

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

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

4. Except as provided in subsection 5 of this section, every person purchasing tangible personal property, the storage, use or consumption of which is subject to the tax levied by sections [144.600](#) to 144.748, who has not paid the tax due to a vendor registered in accordance with the provisions of section [144.650](#), shall file with the director of revenue a return for the preceding reporting period in the form and manner that the director of revenue prescribes, showing the total sales price of the tangible property purchased during the preceding reporting period and any other information that the director of revenue deems necessary for the proper administration of sections [144.600](#) to 144.748. The return shall be accompanied by a remittance of the amount of the tax required by sections [144.600](#) to 144.748 to be paid by the person. Returns shall be signed by the person liable for the tax or such person's duly authorized agent. For purposes of this subsection, the

reporting period shall be determined by the director of revenue and may be a calendar quarter or a calendar year. Annual returns and payments required by the director pursuant to this subsection shall be due on or before April fifteenth of the year for the preceding calendar year and quarterly returns and payments shall be due on or before the last day of the month following each calendar period of three months. Upon the taxpayer's request, the director may allow the filing of such returns and payments on a monthly basis. If a taxpayer elects to file a monthly return and payment, such return and payment shall be due on or before the twentieth day of the succeeding month.

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

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

(L. 1959 H.B. 35 § 9, A.L. 1969 p. 255, A.L. 1983 1st Ex. Sess. H.B. 10, A.L. 1994 H.B. 1578, A.L. 1998 H.B. 1301, A.L. 1999 H.B. 399)

Director's powers as to returns.

[144.660](#). The director of revenue has all the powers with regard to requiring monthly returns and extending the time for the payment of the tax levied by sections [144.600](#) to [144.745](#) that are provided in sections [144.090](#) and [144.160](#) with regard to the Missouri sales tax.

(L. 1959 H.B. 35 § 12)

Failure to file return, penalties--exceptions.

[144.665](#). 1. In case of failure to file any return required under sections [144.600](#) to [144.745](#) on or before the date prescribed therefor (determined with regard to any extension of time for making a return), unless it is shown that such failure is due to reasonable cause and not the result of willful neglect, evasion, or fraudulent intent, there shall be added to the amount required to be shown as tax on such return five percent of the amount of such tax if the failure is not for more than one month, with an additional five percent for each additional month, or fraction thereof, during which such failure continues, not exceeding twenty-five percent in the aggregate; except that, when the gross sales tax exceeds two hundred fifty dollars in any one month for which a taxpayer must file a monthly return, there shall be no late penalty assessed for the first month in which the return is due. For purposes of this section, the amount of tax required to be shown on the return shall be reduced by the amount of any part of the tax which is paid on or before the date prescribed for payment of the tax.

2. In case of failure to pay any tax required under sections [144.600](#) to [144.745](#) on or before the date prescribed therefor (determined with regard to any extension of time for payment), unless it is shown that such failure is due to reasonable cause and not the result of willful neglect, evasion, or fraudulent intent, there shall be added to the tax an amount equal to five percent of the deficiency.

3. The provisions in subsections 1 and 2 of this section shall be in addition to any interest provided for in this chapter.

(L. 1983 1st Ex. Sess. H.B. 10)

Effective 1-1-84

Additional assessment made when, notice.

[144.670](#). If the director is not satisfied with the return payment of tax made by any taxpayer, he shall make an additional assessment based upon the facts contained in any returns or upon any information in his possession, and the director shall give the taxpayer written notice in person or by certified mail of the amount of the additional tax. The director may only base an additional assessment upon an estimate of the taxpayer's liability under sections [144.600](#) to 144.748, if:

- (1) The taxpayer fails to file a return; or
- (2) The taxpayer's books and records are incomplete or illegible in the opinion of the director when conducting an examination of the accuracy of any return filed by the taxpayer; or
- (3) The taxpayer denies the director access to the taxpayer's books and records for the purpose of conducting an examination of the accuracy of any return filed by the taxpayer.

(L. 1959 H.B. 35 § 16, A.L. 1994 S.B. 477, et al.)

Penalty assessed for fraud or evasion, notice.

[144.675](#). If fraud or evasion on the part of a person is discovered by the director of revenue, he shall determine the amount of which the state has been defrauded, shall add to the amount so determined a penalty equal to twenty-five percent thereof, and shall assess the same against the person. The director of revenue shall promptly thereafter give to the person written notice of the assessment and penalty, which shall be served personally or by certified mail.

(L. 1959 H.B. 35 § 17)

Final assessments may be filed in clerk's office, execution thereon--remedies cumulative.

[144.690](#). 1. If any taxpayer refuses or neglects to pay any tax, interest or penalty imposed by this law when due and the assessment of which has become final, the director may file for record in the office of the clerk of the circuit court in any county in which the taxpayer owing the tax, interest or penalty resides, or has a place of business or in which he has property, or all of them, a certificate specifying the amount of the tax, interest and penalties due and the name of the taxpayer liable. The clerk of the circuit court shall file the certificate of record and enter it in the record of the circuit court for judgments and decrees under the procedure prescribed for filing transcripts of judgments. From the time of the filing of the certificate, the amount of the tax, interest and penalties specified therein shall have the force and effect of a judgment of the circuit court until satisfied by the director of revenue through his duly authorized agents. Execution shall issue at the request of the director of revenue or his agent as is provided in the case of other judgments. No exemption shall be allowed from the levy of an execution issued for the tax, interest and penalties and no indemnifying bond is required by the sheriff before making levy.

2. The foregoing remedy is cumulative and in addition to the methods given the director of revenue for the collection of the Missouri sales tax which are here made available to him in the collections of the tax, interest and penalties imposed by sections [144.600](#) to [144.745](#). No action taken shall be construed as an election on the part of the state or any of its officers to pursue any remedy or action hereunder to the exclusion of any other remedy or action for which provision is made.

(L. 1959 H.B. 35 § 24)

Excess payments to be adjusted or refunded.

[144.695](#). If, upon examination of any return, it appears that the taxpayer has paid an amount in excess of that properly due, the amount of the excess shall be credited by the director of revenue against any tax installment thereafter due from the taxpayer under the provisions of this law or refunded. The general assembly shall appropriate and set aside funds sufficient for the use of the director of revenue to make any refund of taxes required by this section.

(L. 1959 H.B. 35 § 14)

Refund of overpayments--claim for refund--time for making claims.

[144.696](#). Section [144.190](#), pertaining to the refund of overpayments, claims for refund, and the time within which refunds shall be claimed, is applicable to the tax levied under the compensating use tax law.

(L. 1986 S.B. 669, et al. § 4)

Revenue placed in general revenue, exception placement in schooldistrict trust fund--payment under protest, procedure, appeal, refund.

[144.700](#). 1. All revenue received by the director of revenue from the tax imposed by sections [144.010](#) to [144.430](#) and [144.600](#) to [144.745](#), except that revenue derived from the rate of one cent on the dollar of the tax which shall be held and distributed in the manner provided in sections [144.701](#) and [163.031](#), shall be deposited in the state general revenue fund, including any payments of the taxes made under protest.

2. The director of revenue shall keep accurate records of any payment of the tax made under protest. In the event any payment shall be made under protest:

(1) A protest affidavit shall be submitted to the director of revenue within thirty days after the payment is made; and

(2) An appeal shall be taken in the manner provided in section [144.261](#) from any decision of the director of revenue disallowing the making of the payment under protest or an application shall be filed by a protesting taxpayer with the director of revenue for a stay of the period for appeal on the ground that a case is presently pending in the courts involving the same question, with an agreement by the taxpayer to be bound by the final decision in the pending case.

3. Nothing in this section shall be construed to apply to any refund to which the taxpayer would be entitled under any applicable provision of law.

4. All payments deposited in the state general revenue fund that are made under protest shall be retained in the state treasury if the taxpayer does not prevail. If the taxpayer prevails, then taxes paid under protest shall be refunded to the taxpayer, with all interest income derived therefrom, from funds appropriated by the general assembly for such purpose.

(L. 1959 H.B. 35 § 26, A.L. 1961 p. 630, A.L. 1978 S.B. 661, A.L. 1981 H.B. 129, A.L. 1982 Adopted by Initiative, Proposition C, November 2, 1982, A.L. 1983 1st Ex. Sess. H.B. 10, A.L. 1993 S.B. 380)

One cent sales and use tax designated local tax--collection fee allowed state--school district trust fund created, investment.

[144.701](#). The revenue derived from the rate of one cent on the dollar of the tax imposed by sections [144.010](#) to [144.430](#) and sections [144.600](#) to [144.745](#) which shall be deemed to be local tax revenue, shall be deposited by the state treasurer in a special trust fund, which is hereby created, to be known as the "School District Trust Fund". The money in the fund shall be distributed to the public school districts of the state in the manner provided in sections [163.031](#) and [163.087](#) and shall be appropriated and used for no other purpose; except that, of all refunds made of taxes collected under the provisions of sections [144.010](#) to [144.430](#) and sections [144.600](#) to [144.745](#), the appropriate percentage of any refund shall be paid from the school district trust fund, and except that the state may retain a fee as a charge for collecting and disbursing moneys so deposited, and transfers may be made from the fund as provided in section [164.013](#). The state collection fee shall not exceed two and one-half million dollars or one percent of the amount deposited in the fund, whichever is less. The fee shall be negotiated annually through the appropriation process. Any balance remaining in the fund at the end of an appropriation period shall not be transferred to general revenue, and the provisions of section [33.080](#) shall not apply to the fund. Moneys in the trust fund shall be invested by the state treasurer in the same deposits and obligations in which state

funds are authorized by law to be invested, except that the deposits and obligations shall mature and become payable in time for distribution of the funds as provided in sections [163.031](#) and [163.087](#).

(L. 1982 Adopted by Initiative, Proposition C, November 2, 1982, A.L. 1983 H.B. 310, A.L. 1993 S.B. 380)

Rules and regulations, adoption--copies available.

[144.705](#). 1. The director of revenue shall make and enforce reasonable rules and regulations and prescribe forms for the administration and enforcement of this law and may require the services of the attorney general and the prosecuting or circuit attorney of any county or city.

2. The rules, regulations and forms shall be dated and issued under a systematic method of numbering and copies made available to any person requesting them. A complete file of all the rules, regulations and forms shall be kept in the office of the director.

(L. 1959 H.B. 35 § 2)

Allowance to vendor for collecting.

[144.710](#). From every remittance made by a vendor as required by sections [144.600](#) to [144.745](#) to the director of revenue on or before the date when the remittance becomes due, the vendor may deduct and retain an amount equal to two percent thereof.

(L. 1959 H.B. 35 § 10, A.L. 1984 H.B. 1533, et al.)

Notices served, how.

[144.715](#). All notices required or authorized by sections [144.600](#) to [144.745](#) to be given by mail to any taxpayer shall be addressed to him at his last known address.

(L. 1959 H.B. 35 § 25, A.L. 1978 S.B. 661)

Sales tax interest and penalty provisions applicable.

[144.720](#). Sections [144.170](#), [144.220](#), [144.230](#), and [144.240](#), pertaining to interest on delinquent taxes, the time within which additional assessments shall be made, the time within which assessed penalties and taxes shall be paid and the procedure for requesting review of additional assessments are applicable to the assessment and payment of the tax levied by this law.

(L. 1959 H.B. 35 § 18, A.L. 1994 S.B. 477, et al.)

Failure to obey subpoena or to produce books, a misdemeanor.

[144.725](#). If any person summoned as a witness by the director or by the designee of the director fails to obey the summons or refuses to testify or answer any material question or refuses to produce any book, record, paper or other data when required so to do, he is guilty of a misdemeanor. Nothing in this section shall be construed to deprive a person of any right, privilege or immunity guaranteed by the Constitution of the United States or the Constitution of the State of Missouri.

(L. 1959 H.B. 35 § 23)

Advertising that vendor absorbs tax, a misdemeanor.

[144.730](#). No vendor shall advertise or hold out or state to the public or to any customer, directly or indirectly, that the tax or any part thereof imposed by sections [144.600](#) to [144.745](#), and required to be collected by him, will be assumed or absorbed by him, or that it will not be added to the selling price of the property sold, or if added, that it or any part thereof will be refunded. Any person violating any of the provisions of this section is guilty of a misdemeanor.

(L. 1959 H.B. 35 § 27)

Failure to make return, pay tax or keep records, penalty.

[144.735](#). Any person required under sections [144.600](#) to [144.745](#) to pay any tax, or required by sections [144.600](#) to [144.745](#) to make a return, keep any records or supply any information, who with intent to defraud willfully fails to pay such tax, make such return, keep such records or supply such information, at the time or times required by law, shall, in addition to other penalties provided by law, and upon conviction thereof, be fined not more than ten thousand dollars, or be imprisoned in the county jail for not more than one year or by not less than two nor more than five years in the state penitentiary or by both fine and imprisonment together with the cost of prosecution.

(L. 1959 H.B. 35 § 28, A.L. 1974 H.B. 1288)

False return or statement, penalty.

[144.740](#). Any person who willfully makes a false return, or who willfully makes a false statement in any return filed with or transmitted to the director of revenue relating to the amount of any sales or tax due under sections [144.600](#) to [144.745](#) shall, in addition to other penalties provided by law, and upon conviction thereof, be fined not more than ten thousand dollars, or be imprisoned in the county jail for not more than one year or by not less than two nor more than five years in the state penitentiary or by both fine and imprisonment together with the cost of prosecution.

(L. 1959 H.B. 35 § 29, A.L. 1974 H.B. 1288)

Violation not having a specific penalty deemed a misdemeanor.

[144.745](#). Any person violating any of the provisions of sections [144.600](#) to [144.745](#) for which no criminal penalty is otherwise provided, upon conviction thereof, shall be deemed guilty of a misdemeanor.

(L. 1959 H.B. 35 § 30, A.L. 1974 H.B. 1288)

Extension of time for filing for refund or proposed assessment by agreement--requirements.

[144.746](#). The director of revenue and a taxpayer may agree in writing to extend the periods prescribed in sections [144.190](#) and [144.220](#), within which a refund claim may be filed or a proposed assessment may be served and mailed. Such an agreement must be made before the expiration of such periods and may be extended by subsequent agreements at any time before the expiration of the period previously agreed upon.

(L. 1994 S.B. 477, et al.)

Local use tax to fund community comeback program--rate of tax--St.Louis County--ballot of submission--notice to director of revenue--repeal or reduction of local sales tax, effect on local use tax.

[144.757](#). 1. Any county or municipality, except municipalities within a county having a charter form of government with a population in excess of nine hundred thousand, may, by a majority vote of its governing body, impose a local use tax if a local sales tax is imposed as defined in section [32.085](#) at a rate equal to the rate of the local sales tax in effect in such county or municipality; provided, however, that no ordinance or order enacted pursuant to sections [144.757](#) to [144.761](#) shall be effective unless the governing body of the county or municipality submits to the voters thereof at a municipal, county or state general, primary or special election a proposal to authorize the governing body of the county or municipality to impose a local use tax pursuant to sections [144.757](#) to [144.761](#). Municipalities within a county having a charter form of government with a population in excess of nine hundred thousand may, upon voter approval received pursuant to paragraph (b) of subdivision (2) of subsection 2 of this section, impose a local use tax at the same rate as the local municipal sales tax with the revenues from all such municipal use taxes to be distributed pursuant to subsection 4 of section [94.890](#). The municipality shall within thirty days of the approval of the use tax imposed pursuant to paragraph (b) of subdivision (2) of subsection 2 of this section select one of the

distribution options permitted in subsection 4 of section [94.890](#) for distribution of all municipal use taxes.

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

Shall the (county or municipality's name) impose a local use tax at the same rate as the total local sales tax rate, currently (insert percent), provided that if the local sales tax rate is reduced or raised by voter approval, the local use tax rate shall also be reduced or raised by the same action? A use tax return shall not be required to be filed by persons whose purchases from out-of-state vendors do not in total exceed two thousand dollars in any calendar year.

YES NO

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

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

For the purposes of enhancing county and municipal public safety, parks, and job creation and enhancing local government services, shall the county be authorized to collect a local use tax equal to the total of the existing county sales tax rate of (insert tax rate), provided that if the county sales tax is repealed, reduced or raised by voter approval, the local use tax rate shall also be repealed, reduced or raised by the same voter action? Fifty percent of the revenue shall be used by the county throughout the county for improving and enhancing public safety, park improvements, and job creation, and fifty percent shall be used for enhancing local government services. The county shall be required to make available to the public an audited comprehensive financial report detailing the management and use of the countywide portion of the funds each year.

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

YES NO

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

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

Shall the municipality be authorized to impose a local use tax at the same rate as the local sales tax by a vote of the governing body, provided that if any local sales tax is repealed, reduced or raised by voter approval, the respective local use tax shall also be repealed, reduced or raised by the same action? A use tax return shall not be required to be filed by persons whose purchases from out-of-state vendors do not in total exceed two thousand dollars in any calendar year.

YES NO

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

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

Shall the (city name) impose a local use tax at the same rate as the local sales tax, currently at a rate of (insert percent) which includes the capital improvements sales tax and the transportation tax, provided that if any local sales tax is repealed, reduced or raised by voter approval, the respective local use tax shall also be repealed, reduced or raised by the same action? A use tax return shall not be required to be filed by persons whose purchases from out-of-state vendors do not in total exceed two thousand dollars in any calendar year.

YES NO

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

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

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

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

(L. 1996 S.B. 981, A.L. 2000 H.B. 1238, A.L. 2004 H.B. 795, et al. merged with H.B. 833 merged with S.B. 1155, A.L. 2007 S.B. 22)

(2005) Local use tax statutes are constitutional under Commerce Clause analysis; courts compare only intra-jurisdictional sales and use tax rates and not those of different taxing jurisdictions. *Kirkwood Glass Co. v. Director of Revenue*, 166 S.W.3d 583 (Mo.banc).

Collection of additional local use tax for economic development--deposit in local use tax trust fund, not part of state revenue--distribution to counties and municipalities--refunds--notification to director of revenue on abolishment of tax.

[144.759](#). 1. All local use taxes collected by the director of revenue pursuant to sections [144.757](#) to [144.761](#) on behalf of any county or municipality, less one percent for cost of collection, which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section [32.087](#) shall be deposited with the state treasurer in a local use tax trust fund, which fund shall be separate and apart from the local sales tax trust funds. The moneys in such local use tax trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state. The director of revenue shall keep accurate records of the amount of money in the trust fund which was collected in each county or municipality imposing a local use tax, and the records

shall be open to the inspection of officers of the county or municipality and to the public. No later than the tenth day of each month, the director of revenue shall distribute all moneys deposited in the trust fund during the preceding month, except as provided in subsection 2 of this section, to the county or municipality treasurer, or such other officer as may be designated by the county or municipality ordinance or order, of each county or municipality imposing the tax authorized by sections [144.757](#) to [144.761](#), the sum due the county or municipality as certified by the director of revenue.

2. The director of revenue shall distribute all moneys which would be due any county having a charter form of government and having a population of nine hundred thousand or more to the county treasurer or such other officer as may be designated by county ordinance, who shall distribute such moneys as follows: the portion of the use tax imposed by the county which equals one-half the rate of sales tax in effect for such county shall be disbursed to the county treasurer for expenditure throughout the county for public safety, parks, and job creation, subject to any qualifications and regulations adopted by ordinance of the county. Such ordinance shall require an audited comprehensive financial report detailing the management and use of such funds each year. Such ordinance shall also require that the county and the municipal league of the county jointly prepare a strategy to guide expenditures of funds and conduct an annual review of the strategy. The treasurer or such other officer as may be designated by county ordinance shall distribute one-third of the balance to the county and to each city, town and village in group B according to section [66.620](#) as modified by this section, a portion of the two-thirds remainder of such balance equal to the percentage ratio that the population of each such city, town or village bears to the total population of all such group B cities, towns and villages. For the purposes of this subsection, population shall be determined by the last federal decennial census or the latest census that determines the total population of the county and all political subdivisions therein. For the purposes of this subsection, each city, town or village in group A according to section [66.620](#) but whose per capita sales tax receipts during the preceding calendar year pursuant to sections [66.600](#) to [66.630](#) were less than the per capita countywide average of all sales tax receipts during the preceding calendar year, shall be treated as a group B city, town or village until the per capita amount distributed to such city, town or village equals the difference between the per capita sales tax receipts during the preceding calendar year and the per capita countywide average of all sales tax receipts during the preceding calendar year.

3. The director of revenue may authorize the state treasurer to make refunds from the amounts in the trust fund and credited to any county or municipality for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such counties or municipalities. If any county or municipality abolishes the tax, the county or municipality shall notify the director of revenue of the action at least ninety days prior to the effective date of the repeal, and the director of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such county or municipality, the director of revenue shall authorize the state treasurer to remit the balance in the account to the county or municipality and close the account of that county or municipality. The director of revenue shall notify each county or municipality of each instance of any amount refunded or any check redeemed from receipts due the county or municipality.

4. Except as modified in sections [144.757](#) to [144.761](#), all provisions of sections [32.085](#) and [32.087](#) applicable to the local sales tax, except for subsection 12 of section [32.087](#), and all provisions of sections [144.600](#) to [144.745](#) shall apply to the tax imposed pursuant to sections [144.757](#) to [144.761](#), and the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of the tax.

(L. 1996 S.B. 981, A.L. 2000 H.B. 1238, A.L. 2004 H.B. 795, et al. merged with H.B. 833 merged with S.B. 1155, A.L. 2007 S.B. 22)

Repeal or amendment of local use tax--effect on local use tax of repeal of local sales tax--petition to repeal local use tax--ballot measure on repeal of local use tax.

144.761. 1. No county or municipality imposing a local use tax pursuant to sections 144.757 to 144.761 may repeal or amend such local use tax unless such repeal or amendment is submitted to and approved by the voters of the county or municipality in the manner provided in section 144.757; provided, however, that the repeal of the local sales tax within the county or municipality shall be deemed to repeal the local use tax imposed pursuant to sections 144.757 to 144.761.

2. Whenever the governing body of any county or municipality in which a local use tax has been imposed in the manner provided by sections 144.757 to 144.761 receives a petition, signed by fifteen percent of the registered voters of such county or municipality voting in the last gubernatorial election, calling for an election to repeal such local use tax, the governing body shall submit to the voters of such county or municipality a proposal to repeal the county or municipality use tax imposed pursuant to sections 144.757 to 144.761. If a majority of the votes cast on the proposal by the registered voters voting thereon are in favor of the proposal to repeal the local use tax, then the ordinance or order imposing the local use tax, along with any amendments thereto, is repealed. If a majority of the votes cast by the registered voters voting thereon are opposed to the proposal to repeal the local use tax, then the ordinance or order imposing the local use tax, along with any amendments thereto, shall remain in effect.

(L. 1996 S.B. 981, A.L. 2000 H.B. 1238)

Effective 6-27-00

Aviation jet fuel sold to common carriers in interstate transporting or storage exempt from all sales and use tax, when--qualification, procedure--common carrier to make direct payment to revenue--tax revenues to be deposited in aviation trust fund--expires when.

144.805. 1. In addition to the exemptions granted pursuant to the provisions of section 144.030, there shall also be specifically exempted from the provisions of sections 144.010 to 144.525, sections 144.600 to 144.746, and section 238.235, and the provisions of any local sales tax law, as defined in section 32.085, and from the computation of the tax levied, assessed or payable pursuant to sections 144.010 to 144.525, sections 144.600 to 144.746, and section 238.235, and the provisions of any local sales tax law, as defined in section 32.085, all sales of aviation jet fuel in a given calendar year to common carriers engaged in the interstate air transportation of passengers and cargo, and the storage, use and consumption of such aviation jet fuel by such common carriers, if such common carrier has first paid to the state of Missouri, in accordance with the provisions of this chapter, state sales and use taxes pursuant to the foregoing provisions and applicable to the purchase, storage, use or consumption of such aviation jet fuel in a maximum and aggregate amount of one million five hundred thousand dollars of state sales and use taxes in such calendar year.

2. To qualify for the exemption prescribed in subsection 1 of this section, the common carrier shall furnish to the seller a certificate in writing to the effect that an exemption pursuant to this section is applicable to the aviation jet fuel so purchased, stored, used and consumed. The director of revenue shall permit any such common carrier to enter into a direct-pay agreement with the department of revenue, pursuant to which such common carrier may pay directly to the department of revenue any applicable sales and use taxes on such aviation jet fuel up to the maximum aggregate amount of one million five hundred thousand dollars in each calendar year. The director of revenue shall adopt appropriate rules and regulations to implement the provisions of this section, and to permit appropriate claims for refunds of any excess sales and use taxes collected in calendar year 1993 or any subsequent year with respect to any such common carrier and aviation jet fuel.

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

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

5. The provisions of this section and section [144.807](#) shall expire on December 31, 2023.

(L. 1993 H.B. 913 §§ 1, B, A.L. 1996 S.B. 640, A.L. 1998 S.B. 619, A.L. 2002 H.B. 1196, A.L. 2005 S.B. 396, A.L. 2008 S.B. 930 & 947, A.L. 2012 H.B. 1504 merged with H.B. 1909)

Expires 12-31-23

Common carriers in interstate air transportation, exemption for tangible personal property purchased or stored in state then transported out of state and used in the conduct of business--qualification for exemption--use in Missouri, taxes to apply.

[144.807](#). 1. In addition to the exemptions granted under the provisions of section [144.030](#), there shall also be specifically exempted from the provisions of sections [144.010](#) to [144.525](#), [144.600](#) to 144.748, and section [238.235](#), and the provisions of any local sales tax law, as defined in section [32.085](#), and from the computation of the tax levied, assessed or payable under sections [144.010](#) to [144.525](#), [144.600](#) to 144.748, and section [238.235](#), and the provisions of any local sales tax law, as defined in section [32.085](#), the purchase or storage by any common carrier engaged in the interstate air transportation of persons and cargo of tangible personal property, other than catered food and beverage products purchased for in-flight consumption and aviation jet fuel, within the state of Missouri, which tangible personal property is purchased or stored in the state of Missouri and is subsequently transported out of state by the common carrier and is used by the common carrier in the conduct of its business as a common carrier.

2. Any use of the tangible personal property by the common carrier, other than that incident to the delivery of the property to the carrier, the storage of the property by the carrier pending out-of-state transportation of the property by the carrier and the out-of-state transportation of the property by the carrier and subsequent use in the conduct of its business as a common carrier, shall subject the common carrier to liability for payment of sales and use tax, as applicable, with respect to such property so used by the common carrier in the state of Missouri, as if this exemption did not apply.

3. To qualify for the exemption under this section, the common carrier shall file an election with the department of revenue whereby the common carrier will agree to pay the state three hundred thousand dollars annually in equal monthly payments, on or before the fifteenth day of each such month, for the privilege of this election, and shall further agree that it will maintain records documenting the use and transportation of the tangible personal property outside the state of Missouri, as required under this section. Once a common carrier makes this election, it may furnish its vendors a certificate in writing that it is a common carrier qualifying for exemption under this section and can purchase tangible personal property free of sales and use taxes. To the extent the purchased property is used for its intended purpose in the state of Missouri, the carrier shall remit the appropriate tax directly to the department of revenue.

(L. 1993 H.B. 913 § 2)

Effective 5-10-93

Expires 12-31-23 (see section [144.805](#))

Exemption for aviation jet fuel, when.

[144.809](#). In addition to the exemptions granted pursuant to the provisions of section [144.030](#), there is hereby specifically exempted from the provisions of, and the computation of the tax levied, assessed or payable under, any state or local sales or use tax, or any increase in any state or local sales or use tax rate, which tax or increase was not in effect on December 30, 1987, the sale,

storage, use or consumption of aviation jet fuel at or upon airports within the state of Missouri, which airports are recipients of federal grant funds, have submitted applications for or have been approved for federal grant funds, or which are otherwise eligible to apply for federal grant funds.

(L. 1996 S.B. 640)

Data storage centers, exemption from sales and use tax--definitions--procedure--certificates of exemption--rulemaking authority.

144.810. 1. As used in this section, unless the context clearly indicates otherwise, the following terms mean:

(1) "Commencement of commercial operations", shall be deemed to occur during the first calendar year for which the data storage center is first available for use by the operating taxpayer, or first capable of being used by the operating taxpayer, as a data storage center;

(2) "Constructing taxpayer", if more than one taxpayer is responsible for a project, the taxpayer responsible for the construction of the facility, as opposed to the taxpayer responsible for the ongoing operations of the facility;

(3) "County average wage", the average wages in each county as determined by the department for the most recently completed full calendar year. However, if the computed county average wage is above the statewide average wage, the statewide average wage shall be deemed the county average wage for such county for the purpose of determining eligibility;

(4) "Data storage center" or "facility", a facility constructed, extended, improved, or operating under this section, provided that such business facility is engaged primarily in:

(a) Data processing, hosting, and related services (NAICS 518210); or

(b) Internet publishing and broadcasting and web search portals (NAICS 519130) at the business facility;

(5) "Existing facility", an operational data storage center in this state as it existed prior to August 28, 2015, as determined by the department;

(6) "Expanding facility" or "expanding data storage center", an existing facility or replacement facility that expands its operations in this state on or after August 28, 2015, and has net new investment related to the expansion of operations in this state of at least five million dollars during a period of up to twelve consecutive months and results in the creation of at least five new jobs during a period of up to twenty-four consecutive months from the date of conditional approval for an exemption under this section, if the average wage of the new jobs equals or exceeds one hundred fifty percent of the county average wage. An expanding facility shall continue to be an expanding facility regardless of a subsequent change in or addition of operating taxpayers or constructing taxpayers;

(7) "Expanding facility project" or "expanding data storage center project", the construction, extension, improvement, equipping, and operation of an expanding facility;

(8) "Investment", shall include the value of real and depreciable personal property, acquired as part of the new or expanding facility project which is used in the operation of the facility following conditional approval of an exemption under this section;

(9) "NAICS", the 2007 edition of the North American Industry Classification System as prepared by the Executive Office of the President, Office of Management and Budget. Any NAICS sector, subsector, industry group, or industry identified in this section shall include its corresponding classification in previous and subsequent federal industry classification systems;

(10) "New data storage center project" or "new facility project", the construction, extension, improvement, equipping, and operation of a new facility;

(11) "New facility" or "new data storage center", a facility in this state meeting the following requirements:

(a) The facility is acquired by or leased to an operating taxpayer on or after August 28, 2015. A facility shall be deemed to have been acquired by or leased to an operating taxpayer on or after August 28, 2015, if the transfer of title to an operating taxpayer, the transfer of possession under a binding contract to transfer title to an operating taxpayer, or an operating taxpayer takes possession of the facility under the terms of the lease on or after August 28, 2015, or if the facility is constructed, erected, or installed by or on behalf of an operating taxpayer, such construction, erection, or installation is completed on or after August 28, 2015;

(b) Such facility is not an expanding or replacement facility, as defined in this section;

(c) The new facility project investment is at least twenty-five million dollars during a period of up to thirty-six consecutive months from the date of the conditional approval for an exemption under this section. If more than one taxpayer is responsible for a project, the investment requirement may be met by an operating taxpayer, a constructing taxpayer, or a combination of constructing taxpayers and operating taxpayers; and

(d) At least ten new jobs are created at the new facility during a period of up to thirty-six consecutive months from the date of conditional approval for an exemption under this section if the average wage of the new jobs equals or exceeds one hundred fifty percent of the county average wage;

Any facility which was acquired by an operating or constructing taxpayer from another person or persons on or after August 28, 2015, and such facility was employed prior to August 28, 2015, by any other person or persons in the operation of a data storage center shall not be considered a new facility. A new facility shall continue to be a new facility regardless of a subsequent change in or addition of operating taxpayers or constructing taxpayers;

(12) "New job", in the case of a new data center project, the total number of full-time employees located at a new data storage center for a period of up to thirty-six consecutive months from the date of conditional approval for an exemption under this section. In the case of an expanding data storage center project, the total number of full-time employees located at the expanding data storage center that exceeds the greater of the number of full-time employees located at the project facility on the date of the submission of a project plan under this section or for the twelve-month period prior to the date of the submission of a project plan, the average number of full-time employees located at the expanding data storage center facility. In the event the expanding data storage center facility has not been in operation for a full twelve-month period at the time of the submission of a project plan, the total number of full-time employees located at the expanded data storage center that exceeds the greater of the number of full-time employees located at the project facility on the date of the submission of a project plan under this section or the average number of full-time employees for the number of months the expanding data storage center facility has been in operation prior to the date of the submission of the project plan;

(13) "Notice of intent", a form developed by the department of economic development, completed by the project taxpayer, and submitted to the department, which states the project taxpayer's intent to construct or expand a data center and request the exemptions under this program;

(14) "Operating taxpayer", if more than one taxpayer is responsible for a project, the taxpayer responsible for the ongoing operations of the facility, as opposed to the taxpayer responsible for the purchasing or construction of the facility;

(15) "Project taxpayers", each constructing taxpayer and each operating taxpayer for a data storage center project;

(16) "Replacement facility", a facility in this state otherwise described in subdivision (7) of this subsection, but which replaces another facility located within the state, which the taxpayer or a related taxpayer previously operated but discontinued operating within one year prior to the commencement of commercial operations at the new facility;

(17) "Taxpayer", the purchaser of tangible personal property or a service that is subject to state or local sales or use tax and from whom state or local sales or use tax is owed. Taxpayer shall not mean the seller charged by law with collecting the sales tax from the purchaser.

2. In addition to the exemptions granted under this chapter, project taxpayers for a new data storage center project shall be entitled, for a project period not to exceed fifteen years from the date of conditional approval under this section and subject to the requirements of subsection 3 of this section, to an exemption of one hundred percent of the state and local sales and use taxes defined, levied, or calculated under section [32.085](#), sections [144.010](#) to [144.525](#), sections [144.600](#) to [144.761](#), or section [238.235](#), limited to the net fiscal benefit of the state calculated over a ten-year period, on:

(1) All electrical energy, gas, water, and other utilities including telecommunication and internet services used in a new data storage center;

(2) All machinery, equipment, and computers used in any new data storage center; and

(3) All sales at retail of tangible personal property and materials for the purpose of constructing any new data storage center.

The amount of any exemption provided under this subsection shall not exceed the projected net fiscal benefit to the state over a period of ten years, as determined by the department of economic development using the Regional Economic Modeling, Inc., data set.

3. (1) Any data storage center project seeking a tax exemption under subsection 2 of this section shall submit a notice of intent and a project plan to the department of economic development, which shall identify each known constructing taxpayer and known operating taxpayer for the project and include any additional information the department of economic development may require to determine eligibility for the exemption. The department of economic development shall review the project plan and determine whether the project is eligible for the exemption under subsection 2 of this section, conditional upon subsequent verification by the department that the project meets the requirements in subsection 1 of this section for a new facility project. The department shall make such conditional determination within thirty days of submission by the operating taxpayer. Failure of the department to respond within thirty days shall result in a project plan being deemed conditionally approved.

(2) The department of economic development shall convey conditional approvals to the department of revenue and the identified project taxpayers. After a conditionally approved new facility has met the requirements in subsection 1 of this section for a new facility and the execution of the agreement specified in subsection 6 of this section, the project taxpayers shall provide proof of the same to the department of economic development. Upon verification of such proof, the department of economic development shall certify the new facility to the department of revenue as being eligible for the exemption dating retroactively to the first day of construction on the new facility. The department of revenue, upon receipt of adequate proof of the amount of sales taxes paid since the first day of construction, shall issue a refund of taxes paid but eligible for exemption under subsection 2 of this section to each operating taxpayer and each constructing taxpayer and issue a certificate of exemption to each new project taxpayer for ongoing exemptions under subsection 2 of this section. The department of revenue shall issue such a refund within thirty days of receipt of certification from the department of economic development.

(3) The commencement of the exemption period may be delayed at the option of the operating taxpayer, but not more than twenty-four months after the execution of the agreement required under subsection 6 of this section.

4. In addition to the exemptions granted under this chapter, upon approval by the department of economic development, project taxpayers for expanding data center projects may, for a period not to exceed ten years, be specifically exempted from state and local sales and use taxes defined, levied, or calculated under section [32.085](#), sections [144.010](#) to [144.525](#), sections [144.600](#) to [144.761](#), or section [238.235](#) on:

(1) All electrical energy, gas, water, and other utilities including telecommunication and internet services used in an expanding data storage center which, on an annual basis, exceeds the amount of electrical energy, gas, water, and other utilities including telecommunication and internet services used in the existing facility or the replaced facility prior to the expansion. For purposes of this subdivision only, "amount" shall be measured in kilowatt hours, gallons, cubic feet, or other measures applicable to a utility service as opposed to in dollars, to account for increases in utility rates;

(2) All machinery, equipment, and computers used in any expanding data storage center; and

(3) All sales at retail of tangible personal property and materials for the purpose of constructing, repairing, or remodeling any expanding data storage center.

The amount of any exemption provided under this subsection shall not exceed the projected net fiscal benefit to the state over a period of ten years, as determined by the department of economic development using the Regional Economic Modeling, Inc., data set or comparable data.

5. (1) Any data storage center project seeking a tax exemption under subsection 4 of this section shall submit a notice of intent and a project plan to the department of economic development, which shall identify each known constructing taxpayer and each known operating taxpayer for the project and include any additional information the department of economic development may reasonably require to determine eligibility for the exemption. The department of economic development shall review the project plan and determine whether the project is eligible for the exemption under subsection 4 of this section, conditional upon subsequent verification by the department that the project meets the requirements in subsection 1 of this section for an expanding facility project and the execution of the agreement specified in subsection 6 of this section. The department shall make such conditional determination within thirty days of submission by the operating taxpayer. Failure of the department to respond within thirty days shall result in a project plan being deemed conditionally approved.

(2) The department of economic development shall convey such conditional approval to the department of revenue and the identified project taxpayers. After a conditionally approved facility has met the requirements in subsection 1 of this section, the project taxpayers shall provide proof of the same to the department of economic development. Upon verification of such proof, the department of economic development shall certify the project to the department of revenue as being eligible for the exemption dating retroactively to the first day of the expansion of the facility. The department of revenue, upon receipt of adequate proof of the amount of sales taxes paid since the first day of the expansion of the facility, shall issue a refund of taxes paid but eligible for exemption under subsection 4 of this section to any applicable project taxpayer and issue a certificate of exemption to any applicable project taxpayer for ongoing exemptions under subsection 4 of this section. The department of revenue shall issue such a refund within thirty days of receipt of certification from the department of economic development.

(3) The commencement of the exemption period may be delayed at the option of the operating taxpayer, but not more than twenty-four months after the execution of the agreement required under subsection 6 of this section.

6. (1) The exemptions in subsections 2 and 4 of this section shall be tied to the new or expanding facility project. A certificate of exemption in the hands of a taxpayer that is no longer an operating or constructing taxpayer of the new or expanding facility project shall be invalid as of the date the taxpayer was no longer an operating or constructing taxpayer of the new or expanding facility project. New certificates of exemption shall be issued to successor constructing taxpayers and operating taxpayers at such new or expanding facility projects. The right to the exemption by successor taxpayers shall exist without regard to subsequent levels of investment in the new or expanding facility by successor taxpayers.

(2) As a condition of receiving an exemption under subsection 2 or 4 of this section, the project taxpayers shall enter into an agreement with the department of economic development providing for repayment penalties in the event the data storage center project fails to comply with any of the requirements of this section.

(3) The department of revenue shall credit any amounts remitted by the project taxpayers under this subsection to the fund to which the sales and use taxes exempted would have otherwise been credited.

7. Any project taxpayer who submits a notice of intent to the department of economic development to expand a new facility by additional construction, extension, improvement, or equipping within five years of the date the new facility became operational* shall be entitled to request the department undertake an additional analysis to determine the projected net fiscal benefit of the expansion to the state over a period of ten years as determined by the department using the Regional Economic Modeling, Inc., data set or comparable data and shall be entitled to an exemption under this section not to exceed such fiscal benefit to the state for a period of not to exceed fifteen years.

8. The department of economic development and the department of revenue shall cooperate in conducting random audits to ensure that the intent of this section is followed.

9. Notwithstanding any other provision of law to the contrary, no recipient of an exemption pursuant to this section shall be eligible for benefits under any business recruitment tax credit, as defined in section [135.800](#).

10. The department of economic development and the department of revenue shall jointly prescribe such rules and regulations necessary to carry out the provisions of this section. 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 the powers vested with the general assembly pursuant to chapter 536 to review, to delay the effective date, or to disapprove and annul a rule are subsequently held unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted after August 28, 2015, shall be invalid and void.

(L. 2015 S.B. 149)

*Word "operation" appears in original rolls.

Broadcast equipment purchased by broadcast stations exempt from sales and use tax-- definitions.

[144.811](#). 1. In addition to the exemptions granted under the provisions of section [144.030](#), there shall also be specifically exempted from the provisions of sections [144.010](#) to [144.525](#), sections [144.600](#) to 144.748, section [238.235](#), and from the provisions of any local sales tax law, as defined in section [32.085](#), and from the computation of the tax levied, assessed or payable under sections [144.010](#) to [144.525](#), sections [144.600](#) to 144.748, section [238.235](#), and under any local sales tax law, as defined in section [32.085](#), any equipment purchased by a federally licensed

commercial or public broadcast station when such equipment purchase is made as a result of federal mandate and the technological change that results. This exemption does not apply to replacement of equipment necessitated by a result of use or equipment replaced due to damage or theft.

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

(1) "Broadcast equipment", such equipment as may be necessary for the broadcast station to fulfill those obligations as set forth under federal guidelines;

(2) "Federal mandate", any action of the Congress of the United States or any federal regulatory agency having jurisdiction with regard to broadcast stations when such action requires broadcasters to alter methods of operation;

(3) "Federally licensed broadcast station", any enterprise, either commercial or noncommercial, which operates under a license granted by the Federal Communications Commission for the purpose of the free distribution of audio and/or video services when such distribution occurs by means of transmission over the public airwaves;

(4) "Technological change", those changes in the design and methods of operation of broadcast equipment which would, by virtue of these changes, require the implementation and/or installation of replacement equipment and the updating of existing equipment.

(L. 1999 H.B. 139 § 3)

Effective 7-13-99

Bullion and investment coins, sales and use tax exemption.

144.815. In addition to the exemptions granted pursuant to the provisions of section 144.030, there shall also be specifically exempted from all local sales taxes, as defined in section 32.085, and sections 144.010 to 144.510 and 144.600 to 144.757, and from the computation of the tax levied, assessed or payable pursuant to all local sales taxes as defined in section 32.085 and sections 144.010 to 144.525 and 144.600 to 144.811, purchases of bullion and investment coins. For purposes of this section, the following terms shall mean: (1) "Bullion", gold, silver, platinum or palladium in a bulk state, where its value depends on its content rather than its form, with a purity of not less than nine hundred parts per one thousand; and (2) "Investment coins", numismatic coins or other forms of money and legal tender manufactured of gold, silver, platinum, palladium or metals with a fair market value greater than the face value of the coins.

(L. 2000 S.B. 896, A.L. 2001 H.B. 825)

Sales tax exemption for certain property donated to the state within one year of purchase.

144.817. In addition to the exemptions granted pursuant to the provisions of section 144.030, there shall also be specifically exempted from the provisions of the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.745, and from the computation of the tax levied, assessed, or payable pursuant to the local sales tax law as defined in section 32.085, section 238.235, and sections 144.010 to 144.525 and 144.600 to 144.761, purchases of any item of tangible personal property which is, within one year of such purchase, donated without charge to the state of Missouri. The exemption prescribed in this section includes purchases of all items of tangible personal property converted into an item donated as a gift to the state of Missouri.

(L. 2003 S.B. 11)

Citation of act.

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

(L. 2002 H.B. 1150, et al.)

Effective 7-01-02

Definitions.

[144.1003](#). As used in sections [144.1000](#) to [144.1015](#), the following terms shall mean: (1) "Agreement", the streamlined sales and use tax agreement; (2) "Certified automated system", software certified jointly by the states that are signatories to the agreement to calculate the tax imposed by each jurisdiction on a transaction, determine the amount of tax to remit to the appropriate state and maintain a record of the transaction; (3) "Certified service provider", an agent certified jointly by the states that are signatories to the agreement to perform all of the seller's sales tax functions; (4) "Person", an individual, trust, estate, fiduciary, partnership, limited liability company, limited liability partnership, corporation or any other legal entity; (5) "Sales tax", any sales tax levied pursuant to this chapter, section [32.085](#), or any other sales tax authorized by statute and levied by this state or its political subdivisions; (6) "Seller", any person making sales, leases or rentals of personal property or services; (7) "State", any state of the United States and the District of Columbia; (8) "Use tax", the use tax levied pursuant to this chapter.

(L. 2002 H.B. 1150, et al.)

Effective 7-01-02

Multistate discussions permitted, state representation, duties.

[144.1006](#). For the purposes of reviewing and, if necessary, amending the agreement embodying the simplification recommendations contained in section [144.1015](#), the state may enter into multistate discussions. For purposes of such discussions, the state shall be represented by seven delegates, one of whom shall be appointed by the governor, two members appointed by the speaker of the house of representatives, one member appointed by the minority leader of the house of representatives, two members appointed by the president pro tempore of the senate and one member appointed by the minority leader of the senate. The delegates need not be members of the general assembly and at least one of the delegates appointed by the speaker of the house of representatives and one member appointed by the president pro tempore of the senate shall be from the private sector and represent the interests of Missouri businesses. The delegates shall recommend to the committees responsible for reviewing tax issues in the senate and the house of representatives each year any amendment of state statutes required to be substantially in compliance with the agreement. Such delegates shall make a written report by the fifteenth day of January each year regarding the status of the multistate discussions and upon final adoption of the terms of the sales and use tax agreement by the multistate body.

(L. 2002 H.B. 1150, et al.)

Effective 7-01-02

Agreements not to invalidate or amend state law--action of general assembly required for implementation of conditions, procedure.

[144.1009](#). No provision of the agreement authorized by sections [144.1000](#) to [144.1015](#) in whole or in part invalidates or amends any provision of the law of this state. Implementation of any condition of this agreement in this state, whether adopted before, at, or after membership of this state in the agreement, must be by action of the general assembly. Such report shall be delivered to the governor, the secretary of state, the president pro tempore of the senate and the speaker of the house of representatives and shall simultaneously be made publicly available by the secretary of state to any person requesting a copy.

(L. 2002 H.B. 1150, et al.)

Effective 7-01-02

Elements of agreement, number of delegates necessary to enter into.

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

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

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

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

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

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

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

(L. 2002 H.B. 1150, et al.)

Effective 7-01-02

Features of agreement to be considered.

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

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

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

(3) The agreement should require the state to provide a central, electronic registration system that allows a seller to register to collect and remit sales and use taxes for all signatory states;

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

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

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

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

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

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

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

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

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

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

(L. 2002 H.B. 1150, et al.)

Effective 7-01-02



Missouri General Assembly
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