

FIRST REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
SENATE BILL NO. 590
92ND GENERAL ASSEMBLY

Reported from the Committee on Tax Policy April 15, 2003, with recommendation that the House Committee Substitute for Senate Bill No. 590 Do Pass by Consent.

STEPHEN S. DAVIS, Chief Clerk

1564L.02C

AN ACT

To repeal section 67.990, RSMo, and to enact in lieu thereof two new sections relating to local taxation.

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

Section A. Section 67.990, RSMo, is repealed and two new sections enacted in lieu thereof, to be known as sections 67.990 and 67.2030, to read as follows:

67.990. 1. The governing body of any county or city not within a county may, upon approval of a majority of the qualified voters of such county or city voting thereon, levy and collect a tax not to exceed **[five]** ~~ten~~ cents per one hundred dollars of assessed valuation upon all taxable property within the county or city or for the purpose of providing services to persons sixty years of age or older. The tax so levied shall be collected along with other county or city taxes, in the manner provided by law. All funds collected for this purpose shall be deposited in a special fund for the provision of services for persons sixty years of age or older, and shall be used for no other purpose except those purposes authorized in sections 67.990 to 67.995. Deposits in the fund shall be expended only upon approval of the board of directors established in section 67.993 and only in accordance with the fund budget approved by the county or city governing body.

2. The question of whether the tax authorized by this section shall be imposed shall be submitted in substantially the following form:

OFFICIAL BALLOT

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

Shall (name of county/city) levy a tax of cents per each one hundred dollars assessed valuation for the purpose of providing services to persons sixty years of age or older?

G YES

G NO

67.2030. 1. The governing authority of any city of the fourth classification with more than one thousand six hundred but less than one thousand seven hundred inhabitants and located in any county of the first classification with more than seventy-three thousand seven hundred but less than seventy-three thousand eight hundred inhabitants is hereby authorized to impose, by ordinance or order, a sales tax in the amount not to exceed one-half of one percent on all retail sales made in such city which are subject to taxation pursuant to sections 144.010 to 144.525, RSMo, for the promotion of tourism in such city. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales tax pursuant to this section shall be effective unless the governing authority of the city submits to the qualified voters of the city, at any municipal or state general, primary, or special election, a proposal to authorize the governing authority of the city to impose a tax.

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

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

G YES

G 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".

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 first calendar quarter immediately following notification to the director of the department of revenue of the election approving the proposal. If a proposal receives less than the required majority, then the governing authority of the city shall have no power to impose the sales tax unless and until the governing authority of the city has submitted another proposal to authorize the imposition of the sales tax authorized by this section and such proposal is approved by the required majority of the qualified voters voting thereon. However, in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve months from the date of the last proposal pursuant to this section.

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

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

(2) The city may enter into an agreement with the director of revenue of the state of Missouri for the purpose of collecting the tax authorized in this section. In the event any city enters into an agreement with the director of revenue of the state of Missouri for the collection of the tax authorized in this section, the director of revenue shall perform all functions incident to the administration, collection, enforcement, and operation of such tax, and the director of revenue shall collect the additional tax authorized in this section. The tax authorized in this section shall be collected and reported upon such forms and under such administrative rules and regulations as may be prescribed by the director of revenue, and the director of revenue shall retain an amount not to exceed one percent for cost of collection.

4. If a tax is imposed by a city pursuant to this section, the city may collect a penalty of one percent and interest not to exceed two percent per month on unpaid taxes which shall be considered delinquent thirty days after the last day of each quarter.

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

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

G YES

G 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".

If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall become effective on December thirty-first of the calendar year in which such repeal was approved.

(2) Once the tax is repealed as provided in this section, all funds remaining in

any trust fund or account established to receive revenues generated by the tax shall be used solely for the original stated purpose of the tax. Any funds which are not needed for current expenditures may be invested by the governing authority in accordance with applicable laws relating to the investment of other city funds.

(3) The governing authority of a city repealing a tax pursuant to this section shall notify the director of revenue of the action at least forty-five days before the effective date of the repeal and the director of revenue may order retention in any trust fund created in the state treasury associated with the tax, for a period of one year, of two percent of the amount collected after receipt of such notice to cover 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 repeal of the tax in the city, the director of revenue shall remit the balance in the trust fund to the city and close the account of that city. The director of revenue shall notify each city of each instance of any amount refunded or any check redeemed from receipts due the city.

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

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