

FIRST REGULAR SESSION

# SENATE BILL NO. 356

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR GROSS.

Read 1st time January 23, 2007, and ordered printed.

TERRY L. SPIELER, Secretary.

0744S.02I

## AN ACT

To repeal section 67.1158, RSMo, and to enact in lieu thereof one new section relating to county convention and sports facility authorities.

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

Section A. Section 67.1158, RSMo, is repealed and one new section  
2 enacted in lieu thereof, to be known as section 67.1158, to read as follows:

67.1158. 1. The governing body of a county which has established an  
2 authority under the provisions of sections 67.1150 to 67.1158 may impose a tax  
3 on the charges for all sleeping rooms paid by the transient guests of hotels or  
4 motels situated in the county, which shall be more than two percent but not more  
5 than five percent per occupied room per night, except that such tax shall not  
6 become effective unless the governing body of the county submits to the voters of  
7 the county at a state general, primary, or special election, a proposal to authorize  
8 the governing body of the county to impose a tax under the provisions of this  
9 section. The tax authorized by this section shall be in addition to the charge for  
10 the sleeping room and shall be in addition to any and all taxes imposed by law,  
11 and the proceeds of such tax shall be used by the authority solely for funding the  
12 construction and operation of convention, visitor and sports facilities, other  
13 incidental facilities, and operation of the authority consistent with the provisions  
14 of sections 67.1150 to 67.1158. Such tax shall be stated separately from all other  
15 charges and taxes.

16 2. The question shall be submitted in substantially the following form:

17 Shall the ..... (County) levy a tax of ..... percent on  
18 each sleeping room occupied and rented by transient guests of hotels and motels  
19 located in the county, the proceeds of which shall be expended for the funding of  
20 convention, visitor and sports facilities, other incidental facilities, and the county

21 convention and sports facilities authority?

22  Yes  No

23 If a majority of the votes cast on the question by the qualified voters voting  
24 thereon are in favor of the question, then the tax shall become effective on the  
25 first day of the calendar quarter following the calendar quarter in which the  
26 election was held. If a majority of the votes cast on the question by the qualified  
27 voters voting thereon are opposed to the question, then the governing body for the  
28 county shall have no power to impose the tax authorized by this section unless  
29 and until the governing body of the county resubmits the question and such  
30 question is approved by a majority of the qualified voters voting thereon.

31 3. After the effective date of any tax authorized under the provisions of  
32 this section, the county which levied the tax may adopt one of the two following  
33 provisions for the collection and administration of the tax:

34 (1) The county which levied the tax may adopt rules and regulations for  
35 the internal collection of such tax by the county officers usually responsible for  
36 collection and administration of county taxes; or

37 (2) The county may enter into an agreement with the director of revenue  
38 of the state of Missouri for the purpose of collecting the tax authorized in this  
39 section. In the event any county enters into an agreement with the director of  
40 revenue of the state of Missouri for the collection of the tax authorized in this  
41 section, the director of revenue shall perform all functions incident to the  
42 administration, collection, enforcement and operation of such tax, and shall  
43 collect the additional tax authorized under the provisions of this section. The tax  
44 authorized by this section shall be collected and reported upon such forms and  
45 under such administrative rules and regulations as may be prescribed by the  
46 director of revenue, and the director of revenue shall retain not less than one  
47 percent nor more than three percent for cost of collection.

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

52 5. If a tax is imposed by a county under this section, either the county or  
53 the authority shall have the power to audit the taxed facilities to ensure  
54 compliance with the tax by the facility. During such audit, the taxed facilities  
55 shall give access to examine necessary records to ensure compliance.

56 6. Suits to enforce the collection and payment of the tax against the taxed

57 facilities may be filed and prosecuted by the authority. If suit is filed, the  
58 authority may recover as damages a reasonable attorney's fee and costs of suit  
59 against the taxed facility.

60 **7. The amount of the charges for sleeping rooms paid by the**  
61 **transient guest used to determine the room tax owed under this section**  
62 **shall be calculated based on the greater of the following amounts:**

63 **(1) The amount received by the hotel or motel directly from, or**  
64 **on behalf of, the guest;**

65 **(2) If the arrangements for the guest's stay were made through**  
66 **a merchant intermediary, then the combined total received by the**  
67 **hotel, motel, and merchant intermediary from, or on behalf of, the**  
68 **guest;**

69 **(3) Seventy-five percent of the maximum room rate posted by the**  
70 **hotel or motel in that room; or**

71 **(4) Seventy-five percent of the room rate required to be posted**  
72 **for that room under section 419.050, RSMo.**

73 **8. For purposes of this section, the term "merchant intermediary"**  
74 **means any person or entity that offers hotel or motel sleeping rooms,**  
75 **or hotel or motel sleeping room reservations, to the public utilizing:**

76 **(1) A wholesale or bulk rate arrangement with a hotel, motel, or**  
77 **intermediary;**

78 **(2) An arrangement for net rates and allotments with a hotel,**  
79 **motel, or intermediary;**

80 **(3) A system of hotel or motel sleeping room or reservation**  
81 **resales; or**

82 **(4) A hotel or motel sleeping room inventory that is designed to**  
83 **be sold at a marked up rate to a guest on a prepaid basis.**

84 **"Merchant intermediary" shall not include the hotel or motel at which**  
85 **the guest stays, or the franchisor of such hotel or motel.**

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