

SENATE SUBSTITUTE
FOR
SENATE COMMITTEE SUBSTITUTE
FOR
SENATE BILL NO. 648

AN ACT

To repeal sections 32.087, 32.310, 135.550, 143.011, 143.441, 144.011, 144.014, 144.020, 144.049, 144.054, 144.060, 144.080, 144.140, 144.526, 144.605, 144.710, 144.757, 144.759, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015, RSMo, and to enact in lieu thereof twenty-three new sections relating to taxation, with penalty provisions, an emergency clause for a certain section, and an effective date for certain sections.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF MISSOURI, AS FOLLOWS:

1 Section A. Sections 32.087, 32.310, 135.550, 143.011,
2 143.441, 144.011, 144.014, 144.020, 144.049, 144.054, 144.060,
3 144.080, 144.140, 144.526, 144.605, 144.710, 144.757, 144.759,
4 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015,
5 RSMo, are repealed and twenty-three new sections enacted in lieu
6 thereof, to be known as sections 32.087, 32.310, 33.575, 135.550,
7 143.011, 143.441, 144.011, 144.014, 144.020, 144.049, 144.054,
8 144.060, 144.080, 144.140, 144.526, 144.605, 144.608, 144.637,
9 144.638, 144.710, 144.752, 144.757, and 144.759, to read as
10 follows:

11 32.087. 1. Within ten days after the adoption of any
12 ordinance or order in favor of adoption of any local sales tax
13 authorized under the local sales tax law by the voters of a

1 taxing entity, the governing body or official of such taxing
2 entity shall forward to the director of revenue by United States
3 registered mail or certified mail a certified copy of the
4 ordinance or order. The ordinance or order shall reflect the
5 effective date thereof.

6 2. Any local sales tax so adopted shall become effective on
7 the first day of the second calendar quarter after the director
8 of revenue receives notice of adoption of the local sales tax,
9 except as provided in subsection ~~[18]~~ 17 of this section, and
10 shall be imposed on all transactions on which the Missouri state
11 sales tax is imposed.

12 3. (1) Every retailer within the jurisdiction of one or
13 more taxing entities which has imposed one or more local sales
14 taxes under the local sales tax law shall add all taxes so
15 imposed along with the tax imposed by the sales tax law of the
16 state of Missouri to the sale price and, when added, the combined
17 tax shall constitute a part of the price, and shall be a debt of
18 the purchaser to the retailer until paid, and shall be
19 recoverable at law in the same manner as the purchase price. The
20 combined rate of the state sales tax and all local sales taxes
21 shall be the sum of the rates, multiplying the combined rate
22 times the amount of the sale.

23 (2) For all tax years beginning on or after January 1,
24 2022, the rate of sales taxes imposed under the local sales tax
25 law shall not exceed the following amounts:

26 (a) For local sales taxes imposed under the local sales tax
27 law by a taxing entity that is incorporated as a city, town, or
28 village, four and one-half percent;

1 (b) For local sales taxes imposed under the local sales tax
2 law by a county, excluding cities not within a county, three and
3 one-fourth percent;

4 (c) For local sales taxes imposed under the local sales tax
5 law by all taxing jurisdictions other than those described in
6 paragraphs (a) and (b) of this subdivision, the total combined
7 rate of sales taxes in any given taxing jurisdiction shall not
8 exceed three and one-fourth percent. For the purposes of this
9 paragraph, local sales taxes imposed by taxing entities described
10 in paragraphs (a) and (b) of this subdivision, in a given taxing
11 jurisdiction shall not be included in the calculation of the
12 total combined rate of sales taxes under this paragraph.

13 (3) For the purposes of subdivision (2) of this subsection,
14 no transient guest tax or convention and tourism tax, including
15 sections 92.325 to 92.340, shall be considered a local sales tax
16 under the local sales tax law.

17 (4) In any election in which more than one sales tax levy
18 is approved by the voters, and the passage of such levies results
19 in a combined rate of sales tax in excess of the limits provided
20 for under subdivision (2) of this subsection, only the sales tax
21 levy receiving the most votes shall become effective, provided
22 such levy does not result in a combined rate of sales tax in
23 excess of the limits provided for under subdivision (2) of this
24 subsection.

25 4. [The brackets required to be established by the director
26 of revenue under the provisions of section 144.285 shall be based
27 upon the sum of the combined rate of the state sales tax and all
28 local sales taxes imposed under the provisions of the local sales

1 tax law.

2 5.] (1) The ordinance or order imposing a local sales tax
3 under the local sales tax law shall impose a tax upon all
4 transactions upon which the Missouri state sales tax is imposed
5 to the extent and in the manner provided in sections 144.010 to
6 [144.525] 144.527, and the rules and regulations of the director
7 of revenue issued pursuant thereto[; except that the rate of the
8 tax shall be the sum of the combined rate of the state sales tax
9 or state highway use tax and all local sales taxes imposed under
10 the provisions of the local sales tax law].

11 (2) Notwithstanding any other provision of law to the
12 contrary, local taxing jurisdictions, except those in which
13 voters have approved a local use tax under section 144.757, shall
14 have placed on the ballot on or after the general election in
15 November 2014, but no later than the general election in November
16 2022, whether to repeal application of the local sales tax to the
17 titling of motor vehicles, trailers, boats, and outboard motors
18 that are subject to state sales tax under section 144.020 and
19 purchased from a source other than a licensed Missouri dealer.
20 The ballot question presented to the local voters shall contain
21 substantially the following language:

22 Shall the _____ (local jurisdiction's name)
23 discontinue applying and collecting the local sales tax
24 on the titling of motor vehicles, trailers, boats, and
25 outboard motors that were purchased from a source other
26 than a licensed Missouri dealer?

27 Approval of this measure will result in a
28 reduction of local revenue to provide for vital

1 services for _____ (local jurisdiction's name) and
2 it will place Missouri dealers of motor vehicles,
3 outboard motors, boats, and trailers at a competitive
4 disadvantage to non-Missouri dealers of motor vehicles,
5 outboard motors, boats, and trailers.

6 YES NO

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

10 (3) If the ballot question set forth in subdivision (2) of
11 this subsection receives a majority of the votes cast in favor of
12 the proposal, or if the local taxing jurisdiction fails to place
13 the ballot question before the voters on or before the general
14 election in November 2022, the local taxing jurisdiction shall
15 cease applying the local sales tax to the titling of motor
16 vehicles, trailers, boats, and outboard motors that were
17 purchased from a source other than a licensed Missouri dealer.

18 (4) In addition to the requirement that the ballot question
19 set forth in subdivision (2) of this subsection be placed before
20 the voters, the governing body of any local taxing jurisdiction
21 that had previously imposed a local use tax on the use of motor
22 vehicles, trailers, boats, and outboard motors may, at any time,
23 place a proposal on the ballot at any election to repeal
24 application of the local sales tax to the titling of motor
25 vehicles, trailers, boats, and outboard motors purchased from a
26 source other than a licensed Missouri dealer. If a majority of
27 the votes cast by the registered voters voting thereon are in
28 favor of the proposal to repeal application of the local sales

1 tax to such titling, then the local sales tax shall no longer be
2 applied to the titling of motor vehicles, trailers, boats, and
3 outboard motors purchased from a source other than a licensed
4 Missouri dealer. If a majority of the votes cast by the
5 registered voters voting thereon are opposed to the proposal to
6 repeal application of the local sales tax to such titling, such
7 application shall remain in effect.

8 (5) In addition to the requirement that the ballot question
9 set forth in subdivision (2) of this subsection be placed before
10 the voters on or after the general election in November 2014, and
11 on or before the general election in November 2022, whenever the
12 governing body of any local taxing jurisdiction imposing a local
13 sales tax on the sale of motor vehicles, trailers, boats, and
14 outboard motors receives a petition, signed by fifteen percent of
15 the registered voters of such jurisdiction voting in the last
16 gubernatorial election, and calling for a proposal to be placed
17 on the ballot at any election to repeal application of the local
18 sales tax to the titling of motor vehicles, trailers, boats, and
19 outboard motors purchased from a source other than a licensed
20 Missouri dealer, the governing body shall submit to the voters of
21 such jurisdiction a proposal to repeal application of the local
22 sales tax to such titling. If a majority of the votes cast by
23 the registered voters voting thereon are in favor of the proposal
24 to repeal application of the local sales tax to such titling,
25 then the local sales tax shall no longer be applied to the
26 titling of motor vehicles, trailers, boats, and outboard motors
27 purchased from a source other than a licensed Missouri dealer.
28 If a majority of the votes cast by the registered voters voting

1 thereon are opposed to the proposal to repeal application of the
2 local sales tax to such titling, such application shall remain in
3 effect.

4 (6) Nothing in this subsection shall be construed to
5 authorize the voters of any jurisdiction to repeal application of
6 any state sales or use tax.

7 (7) If any local sales tax on the titling of motor
8 vehicles, trailers, boats, and outboard motors purchased from a
9 source other than a licensed Missouri dealer is repealed, such
10 repeal shall take effect on the first day of the second calendar
11 quarter after the election. If any local sales tax on the
12 titling of motor vehicles, trailers, boats, and outboard motors
13 purchased from a source other than a licensed Missouri dealer is
14 required to cease to be applied or collected due to failure of a
15 local taxing jurisdiction to hold an election pursuant to
16 subdivision (2) of this subsection, such cessation shall take
17 effect on March 1, 2023.

18 (8) Notwithstanding any provision of law to the contrary,
19 if any local sales tax on the titling of motor vehicles,
20 trailers, boats, and outboard motors purchased from a source
21 other than a licensed Missouri dealer is repealed after the
22 general election in November 2014, or if the taxing jurisdiction
23 failed to present the ballot to the voters at a general election
24 on or before November 2022, then the governing body of such
25 taxing jurisdiction may, at any election subsequent to the repeal
26 or after the general election in November 2022, if the
27 jurisdiction failed to present the ballot to the voters, place
28 before the voters the issue of imposing a sales tax on the

1 titling of motor vehicles, trailers, boats, and outboard motors
2 that are subject to state sales tax under section 144.020 that
3 were purchased from a source other than a licensed Missouri
4 dealer. The ballot question presented to the local voters shall
5 contain substantially the following language:

6 Shall the _____ (local jurisdiction's name)
7 apply and collect the local sales tax on the titling of
8 motor vehicles, trailers, boats, and outboard motors
9 that are subject to state sales tax under section
10 144.020 and purchased from a source other than a
11 licensed Missouri dealer?

12 Approval of this measure will result in an
13 increase of local revenue to provide for vital services
14 for _____ (local jurisdiction's name), and it will
15 remove a competitive advantage that non-Missouri
16 dealers of motor vehicles, outboard motors, boats, and
17 trailers have over Missouri dealers of motor vehicles,
18 outboard motors, boats, and trailers.

19 YES NO

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

23 (9) If any local sales tax on the titling of motor
24 vehicles, trailers, boats, and outboard motors purchased from a
25 source other than a licensed Missouri dealer is adopted, such tax
26 shall take effect and be imposed on the first day of the second
27 calendar quarter after the election.

28 [6.] 5. On and after the effective date of any local sales

1 tax imposed under the provisions of the local sales tax law, the
2 director of revenue shall perform all functions incident to the
3 administration, collection, enforcement, and operation of the
4 tax, and the director of revenue shall collect in addition to the
5 sales tax for the state of Missouri all additional local sales
6 taxes authorized under the authority of the local sales tax law.
7 All local sales taxes imposed under the local sales tax law
8 together with all taxes imposed under the sales tax law of the
9 state of Missouri shall be collected together and reported upon
10 such forms and under such administrative rules and regulations as
11 may be prescribed by the director of revenue.

12 [7.] 6. All applicable provisions contained in sections
13 144.010 to [144.525] 144.527 governing the state sales tax and
14 section 32.057, the uniform confidentiality provision, shall
15 apply to the collection of any local sales tax imposed under the
16 local sales tax law except as modified by the local sales tax
17 law.

18 [8.] 7. All exemptions granted to agencies of government,
19 organizations, persons and to the sale of certain articles and
20 items of tangible personal property and taxable services under
21 the provisions of sections 144.010 to [144.525] 144.527, as these
22 sections now read and as they may hereafter be amended, it being
23 the intent of this general assembly to ensure that the same sales
24 tax exemptions granted from the state sales tax law also be
25 granted under the local sales tax law, are hereby made applicable
26 to the imposition and collection of all local sales taxes imposed
27 under the local sales tax law.

28 [9.] 8. The same sales tax permit, exemption certificate

1 and retail certificate required by sections 144.010 to [144.525]
2 144.527 for the administration and collection of the state sales
3 tax shall satisfy the requirements of the local sales tax law,
4 and no additional permit or exemption certificate or retail
5 certificate shall be required; except that the director of
6 revenue may prescribe a form of exemption certificate for an
7 exemption from any local sales tax imposed by the local sales tax
8 law.

9 [10.] 9. All discounts allowed the retailer under the
10 provisions of the state sales tax law for the collection of and
11 for payment of taxes under the provisions of the state sales tax
12 law are hereby allowed and made applicable to any local sales tax
13 collected under the provisions of the local sales tax law.

14 [11.] 10. The penalties provided in section 32.057 and
15 sections 144.010 to [144.525] 144.527 for a violation of the
16 provisions of those sections are hereby made applicable to
17 violations of the provisions of the local sales tax law.

18 [12.] 11. (1) For the purposes of any local sales tax
19 imposed by an ordinance or order under the local sales tax law,
20 all sales, except the sale of motor vehicles, trailers, boats,
21 and outboard motors required to be titled under the laws of the
22 state of Missouri, shall be deemed to be consummated at the place
23 of business of the retailer unless the tangible personal property
24 sold is delivered by the retailer or his agent to an out-of-state
25 destination. In the event a retailer has more than one place of
26 business in this state which participates in the sale, the sale
27 shall be deemed to be consummated at the place of business of the
28 retailer where the initial order for the tangible personal

1 property is taken, even though the order must be forwarded
2 elsewhere for acceptance, approval of credit, shipment or
3 billing. A sale by a retailer's agent or employee shall be
4 deemed to be consummated at the place of business from which he
5 works.

6 (2) For the purposes of any local sales tax imposed by an
7 ordinance or order under the local sales tax law, the sales tax
8 upon the titling of all motor vehicles, trailers, boats, and
9 outboard motors shall be imposed at the rate in effect at the
10 location of the residence of the purchaser, and remitted to that
11 local taxing entity, and not at the place of business of the
12 retailer, or the place of business from which the retailer's
13 agent or employee works.

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

20 [13.] 12. Local sales taxes shall not be imposed on the
21 seller of motor vehicles, trailers, boats, and outboard motors
22 required to be titled under the laws of the state of Missouri,
23 but shall be collected from the purchaser by the director of
24 revenue at the time application is made for a certificate of
25 title, if the address of the applicant is within a taxing entity
26 imposing a local sales tax under the local sales tax law.

27 [14.] 13. The director of revenue and any of his deputies,
28 assistants and employees who have any duties or responsibilities

1 in connection with the collection, deposit, transfer,
2 transmittal, disbursement, safekeeping, accounting, or recording
3 of funds which come into the hands of the director of revenue
4 under the provisions of the local sales tax law shall enter a
5 surety bond or bonds payable to any and all taxing entities in
6 whose behalf such funds have been collected under the local sales
7 tax law in the amount of one hundred thousand dollars for each
8 such tax; but the director of revenue may enter into a blanket
9 bond covering himself and all such deputies, assistants and
10 employees. The cost of any premium for such bonds shall be paid
11 by the director of revenue from the share of the collections
12 under the sales tax law retained by the director of revenue for
13 the benefit of the state.

14 [15.] 14. The director of revenue shall annually report on
15 his management of each trust fund which is created under the
16 local sales tax law and administration of each local sales tax
17 imposed under the local sales tax law. He shall provide each
18 taxing entity imposing one or more local sales taxes authorized
19 by the local sales tax law with a detailed accounting of the
20 source of all funds received by him for the taxing entity.
21 Notwithstanding any other provisions of law, the state auditor
22 shall annually audit each trust fund. A copy of the director's
23 report and annual audit shall be forwarded to each taxing entity
24 imposing one or more local sales taxes.

25 [16.] 15. Within the boundaries of any taxing entity where
26 one or more local sales taxes have been imposed, if any person is
27 delinquent in the payment of the amount required to be paid by
28 him under the local sales tax law or in the event a determination

1 has been made against him for taxes and penalty under the local
2 sales tax law, the limitation for bringing suit for the
3 collection of the delinquent tax and penalty shall be the same as
4 that provided in sections 144.010 to ~~[144.525]~~ 144.527. Where
5 the director of revenue has determined that suit must be filed
6 against any person for the collection of delinquent taxes due the
7 state under the state sales tax law, and where such person is
8 also delinquent in payment of taxes under the local sales tax
9 law, the director of revenue shall notify the taxing entity in
10 the event any person fails or refuses to pay the amount of any
11 local sales tax due so that appropriate action may be taken by
12 the taxing entity.

13 ~~[17.]~~ 16. Where property is seized by the director of
14 revenue under the provisions of any law authorizing seizure of
15 the property of a taxpayer who is delinquent in payment of the
16 tax imposed by the state sales tax law, and where such taxpayer
17 is also delinquent in payment of any tax imposed by the local
18 sales tax law, the director of revenue shall permit the taxing
19 entity to join in any sale of property to pay the delinquent
20 taxes and penalties due the state and to the taxing entity under
21 the local sales tax law. The proceeds from such sale shall first
22 be applied to all sums due the state, and the remainder, if any,
23 shall be applied to all sums due such taxing entity.

24 ~~[18.]~~ 17. If a local sales tax has been in effect for at
25 least one year under the provisions of the local sales tax law
26 and voters approve reimposition of the same local sales tax at
27 the same rate at an election as provided for in the local sales
28 tax law prior to the date such tax is due to expire, the tax so

1 reimposed shall become effective the first day of the first
2 calendar quarter after the director receives a certified copy of
3 the ordinance, order or resolution accompanied by a map clearly
4 showing the boundaries thereof and the results of such election,
5 provided that such ordinance, order or resolution and all
6 necessary accompanying materials are received by the director at
7 least thirty days prior to the expiration of such tax. Any
8 administrative cost or expense incurred by the state as a result
9 of the provisions of this subsection shall be paid by the city or
10 county reimposing such tax.

11 32.310. 1. The department of revenue shall create and
12 maintain a mapping feature on its official public website that
13 displays sales and use tax information of political subdivisions
14 of this state that have taxing authority, including the current
15 tax rate for each sales and use tax imposed and collected. Such
16 display shall have the option to showcase the borders and
17 jurisdiction of the following political subdivisions on a map of
18 the state to the extent that such political subdivisions collect
19 sales and use tax:

- 20 (1) Ambulance districts;
- 21 (2) Community improvement districts;
- 22 (3) Fire protection districts;
- 23 (4) Levee districts;
- 24 (5) Library districts;
- 25 (6) Neighborhood improvement districts;
- 26 (7) Port authority districts;
- 27 (8) Tax increment financing districts;
- 28 (9) Transportation development districts;

1 (10) School districts; or

2 (11) Any other political subdivision that imposes a sales
3 or use tax within its borders and jurisdiction.

4 2. The mapping feature shall also have the option to
5 superimpose state house of representative districts and state
6 senate districts over the political subdivisions.

7 3. A political subdivision collecting sales or use tax
8 listed in subsection 1 of this section shall provide to the
9 department of revenue mapping and geographic data pertaining to
10 the political subdivision's borders and jurisdictions. The
11 political subdivision shall certify the accuracy of the data by
12 affidavit and shall provide the data in a format specified by the
13 department of revenue. Such data relating to sales taxes shall
14 be sent to the department of revenue by April 1, 2019, and shall
15 be updated and sent to the department if a change in the
16 political subdivision's borders or jurisdiction occurs
17 thereafter. Such data relating to use taxes shall be sent to the
18 department of revenue by January 1, 2021. If a political
19 subdivision fails to provide the information required under this
20 subsection, the department of revenue shall use the last known
21 sales or use tax rate for such political subdivision.

22 4. The department of revenue may contract with another
23 entity to build and maintain the mapping feature.

24 5. By July 1, 2019, the department shall implement the
25 mapping feature using the sales tax data provided to it under
26 subsection 3 of this section. By August 28, 2021, the department
27 shall implement the mapping feature using use tax data provided
28 to it under subsection 3 of this section.

1 6. If the boundaries of a political subdivision listed in
2 subsection 1 of this section in which a sales or use tax has been
3 imposed shall thereafter be changed or altered, the political
4 subdivision shall forward to the director of revenue by United
5 States registered mail or certified mail a certified copy of the
6 ordinance adding or detaching territory from the political
7 subdivision within ten days of adoption of the ordinance. The
8 ordinance shall reflect the effective date of the ordinance and
9 shall be accompanied by a map in a form to be determined by the
10 director of revenue. Upon receipt of the ordinance and map, the
11 sales or use tax imposed shall be effective in the added
12 territory or abolished in the detached territory on the first day
13 of a calendar quarter after one hundred twenty days' notice to
14 sellers.

15 33.575. 1. There is hereby created in the state treasury
16 the "Cash Operating Expense Fund", which shall consist of money
17 as provided under this section. The state treasurer shall be
18 custodian of the fund. In accordance with sections 30.170 and
19 30.180, the state treasurer may approve disbursements.
20 Notwithstanding the provisions of section 33.080 to the contrary,
21 any moneys remaining in the fund at the end of the biennium shall
22 not revert to the credit of the general revenue fund. The state
23 treasurer shall invest moneys in the fund in the same manner as
24 other funds are invested. Any interest and moneys earned on such
25 investments shall be credited to the fund.

26 2. (1) The state general revenue portion from remittances
27 made pursuant to section 144.752 and paragraph (e) of subdivision
28 (3) of section 144.605, with the exception of revenues collected

1 pursuant to section 144.701 and Article IV, Sections 43(a) and
2 47(a) of the Missouri Constitution, shall be deposited into the
3 fund.

4 (2) Subject to appropriation, the following moneys may be
5 transferred into the fund:

6 (a) Any funds appropriated to the office of the governor
7 for expenses related to emergency duties performed by the
8 national guard when ordered out by the governor, for matching
9 funds for federal grants and for emergency assistance as provided
10 in section 44.032, and for expenses of any state agency
11 responding during a declared emergency at the direction of the
12 governor, provided the services furnish immediate aid and relief,
13 that were unexpended at the end of the fiscal year; and

14 (b) Any funds appropriated to the fund by the general
15 assembly or otherwise credited to the fund.

16 3. In any fiscal year in which actual revenues are less
17 than the revenue estimates upon which appropriations were based
18 or in which there is a budget need due to a natural disaster, as
19 proclaimed by the governor to be an emergency, the governor may,
20 subject to appropriation, transfer from the fund to the general
21 revenue fund such moneys as are necessary to make up all or part
22 of the deficit between the actual revenues and the revenue
23 estimates or to meet the needs of the emergency caused by the
24 natural disaster, as the case may be.

25 4. When the balance in the fund at the close of any fiscal
26 year exceeds two and one-half percent of net general revenue
27 collections for the previous fiscal year, the excess balance
28 shall be transferred to the general revenue fund.

1 5. For the purposes of this section, "net general revenue
2 collections" means all revenue deposited into the general revenue
3 fund less refunds and revenues originally deposited into the
4 general revenue fund but designated by law for a specific
5 distribution or transfer to another state fund.

6 135.550. 1. As used in this section, the following terms
7 shall mean:

8 (1) "Contribution", a donation of cash, stock, bonds or
9 other marketable securities, or real property;

10 (2) "Shelter for victims of domestic violence", a facility
11 located in this state which meets the definition of a shelter for
12 victims of domestic violence pursuant to section 455.200 and
13 which meets the requirements of section 455.220, or a nonprofit
14 organization established and operating exclusively for the
15 purpose of supporting a shelter for victims of domestic violence
16 operated by the state or one of its political subdivisions;

17 (3) "Rape crisis center", a community-based nonprofit rape
18 crisis center, as defined in section 455.003, located in this
19 state and that provides the twenty-four hour core services of
20 hospital advocacy and crisis hotline support to survivors of rape
21 and sexual assault;

22 [(3)] (4) "State tax liability", in the case of a business
23 taxpayer, any liability incurred by such taxpayer pursuant to the
24 provisions of chapter 143, chapter 147, chapter 148, and chapter
25 153, exclusive of the provisions relating to the withholding of
26 tax as provided for in sections 143.191 to 143.265 and related
27 provisions, and in the case of an individual taxpayer, any
28 liability incurred by such taxpayer pursuant to the provisions of

1 chapter 143;

2 [(4)] (5) "Taxpayer", a person, firm, a partner in a firm,
3 corporation or a shareholder in an S corporation doing business
4 in the state of Missouri and subject to the state income tax
5 imposed by the provisions of chapter 143, or a corporation
6 subject to the annual corporation franchise tax imposed by the
7 provisions of chapter 147, including any charitable organization
8 which is exempt from federal income tax and whose Missouri
9 unrelated business taxable income, if any, would be subject to
10 the state income tax imposed under chapter 143, or an insurance
11 company paying an annual tax on its gross premium receipts in
12 this state, or other financial institution paying taxes to the
13 state of Missouri or any political subdivision of this state
14 pursuant to the provisions of chapter 148, or an express company
15 which pays an annual tax on its gross receipts in this state
16 pursuant to chapter 153, or an individual subject to the state
17 income tax imposed by the provisions of chapter 143.

18 2. A taxpayer shall be allowed to claim a tax credit
19 against the taxpayer's state tax liability, in an amount equal to
20 fifty percent of the amount such taxpayer contributed to a
21 shelter for victims of domestic violence or rape crisis center
22 for all fiscal years ending on or before June 30, 2021, and
23 seventy percent of the amount such taxpayer contributed to a
24 shelter for victims of domestic violence or rape crisis center
25 for all fiscal years beginning on or after July 1, 2021.

26 3. The amount of the tax credit claimed shall not exceed
27 the amount of the taxpayer's state tax liability for the taxable
28 year that the credit is claimed, and such taxpayer shall not be

1 allowed to claim a tax credit in excess of fifty thousand dollars
2 per taxable year. However, any tax credit that cannot be claimed
3 in the taxable year the contribution was made may be carried over
4 to the next four succeeding taxable years until the full credit
5 has been claimed.

6 4. Except for any excess credit which is carried over
7 pursuant to subsection 3 of this section, a taxpayer shall not be
8 allowed to claim a tax credit unless the total amount of such
9 taxpayer's contribution or contributions to a shelter or shelters
10 for victims of domestic violence or rape crisis center in such
11 taxpayer's taxable year has a value of at least one hundred
12 dollars.

13 5. The director of the department of social services shall
14 determine, at least annually, which facilities in this state may
15 be classified as shelters for victims of domestic violence and
16 rape crisis centers. The director of the department of social
17 services may require of a facility seeking to be classified as a
18 shelter for victims of domestic violence or rape crisis center
19 whatever information is reasonably necessary to make such a
20 determination. The director of the department of social services
21 shall classify a facility as a shelter for victims of domestic
22 violence or rape crisis center if such facility meets the
23 definition set forth in subsection 1 of this section.

24 6. The director of the department of social services shall
25 establish a procedure by which a taxpayer can determine if a
26 facility has been classified as a shelter for victims of domestic
27 violence or rape crisis center, and by which such taxpayer can
28 then contribute to such shelter for victims of domestic violence

1 or rape crisis center and claim a tax credit. Shelters for
2 victims of domestic violence and rape crisis centers shall be
3 permitted to decline a contribution from a taxpayer. The
4 cumulative amount of tax credits which may be claimed by all the
5 taxpayers contributing to shelters for victims of domestic
6 violence and rape crisis centers in any one fiscal year shall not
7 exceed two million dollars for all fiscal years ending on or
8 before June 30, 2021. For all fiscal years beginning on or after
9 July 1, 2021, there shall be no limit imposed on the cumulative
10 amount of tax credits that may be claimed by all taxpayers
11 contributing to shelters for victims of domestic violence and
12 rape crisis centers under the provisions of this section.

13 7. For all fiscal years ending on or before June 30, 2021,
14 the director of the department of social services shall establish
15 a procedure by which, from the beginning of the fiscal year until
16 some point in time later in the fiscal year to be determined by
17 the director of the department of social services, the cumulative
18 amount of tax credits are equally apportioned among all
19 facilities classified as shelters for victims of domestic
20 violence and rape crisis centers. If a shelter for victims of
21 domestic violence or rape crisis center fails to use all, or some
22 percentage to be determined by the director of the department of
23 social services, of its apportioned tax credits during this
24 predetermined period of time, the director of the department of
25 social services may reapportion these unused tax credits to those
26 shelters for victims of domestic violence and rape crisis centers
27 that have used all, or some percentage to be determined by the
28 director of the department of social services, of their

1 apportioned tax credits during this predetermined period of time.
2 The director of the department of social services may establish
3 more than one period of time and reapportion more than once
4 during each fiscal year. To the maximum extent possible, the
5 director of the department of social services shall establish the
6 procedure described in this subsection in such a manner as to
7 ensure that taxpayers can claim all the tax credits possible up
8 to the cumulative amount of tax credits available for the fiscal
9 year.

10 8. This section shall become effective January 1, 2000, and
11 shall apply to all tax years after December 31, 1999.

12 143.011. 1. A tax is hereby imposed for every taxable year
13 on the Missouri taxable income of every resident. The tax shall
14 be determined by applying the tax table or the rate provided in
15 section 143.021, which is based upon the following rates:

16 If the Missouri taxable income is:	The tax is:
17 Not over \$1,000.00	1 1/2% of the Missouri 18 taxable income
19 Over \$1,000 but not over \$2,000	\$15 plus 2% of excess 20 over \$1,000
21 Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess 22 over \$2,000
23 Over \$3,000 but not over \$4,000	\$60 plus 3% of excess 24 over \$3,000
25 Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess 26 over \$4,000
27 Over \$5,000 but not over \$6,000	\$125 plus 4% of excess 28 over \$5,000

1	Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of
2		excess over \$6,000
3	Over \$7,000 but not over \$8,000	\$210 plus 5% of excess
4		over \$7,000
5	Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of
6		excess over \$8,000
7	Over \$9,000	\$315 plus 6% of excess
8		over \$9,000

9 2. (1) Beginning with the 2017 calendar year, the top rate
10 of tax under subsection 1 of this section may be reduced over a
11 period of years. Each reduction in the top rate of tax shall be
12 by one-tenth of a percent and no more than one reduction shall
13 occur in a calendar year. No more than five reductions shall be
14 made under this subsection. Reductions in the rate of tax shall
15 take effect on January first of a calendar year and such reduced
16 rates shall continue in effect until the next reduction occurs.

17 (2) A reduction in the rate of tax shall only occur if the
18 amount of net general revenue collected in the previous fiscal
19 year exceeds the highest amount of net general revenue collected
20 in any of the three fiscal years prior to such fiscal year by at
21 least one hundred fifty million dollars.

22 (3) Any modification of tax rates under this subsection
23 shall only apply to tax years that begin on or after a
24 modification takes effect.

25 (4) The director of the department of revenue shall, by
26 rule, adjust the tax tables under subsection 1 of this section to
27 effectuate the provisions of this subsection. The bracket for
28 income subject to the top rate of tax shall be eliminated once

1 the top rate of tax has been reduced to five and one-half
2 percent, and the top remaining rate of tax shall apply to all
3 income in excess of the income in the second highest remaining
4 income bracket.

5 3. (1) In addition to the rate reductions under subsection
6 2 of this section, beginning with the 2019 calendar year, the top
7 rate of tax under subsection 1 of this section shall be reduced
8 by four-tenths of one percent. Such reduction in the rate of tax
9 shall take effect on January first of the 2019 calendar year.

10 (2) The modification of tax rates under this subsection
11 shall only apply to tax years that begin on or after the date the
12 modification takes effect.

13 (3) The director of the department of revenue shall, by
14 rule, adjust the tax tables under subsection 1 of this section to
15 effectuate the provisions of this subsection.

16 4. (1) In addition to the rate reductions under
17 subsections 2 and 3 of this section, beginning with the calendar
18 year following the calendar year in which the final reduction in
19 the top rate of tax is made under subsection 2 of this section,
20 the top rate of tax under subsection 1 of this section shall be
21 reduced by eleven-hundredths of one percent. Such reduction in
22 the rate of tax shall take effect on January first of a calendar
23 year.

24 (2) The reduction in the rate of tax pursuant to this
25 subsection shall only occur if the amount of net general revenue
26 collected in the previous fiscal year exceeds the highest amount
27 of net general revenue collected in any of the three fiscal years
28 prior to such fiscal year by at least one hundred fifty million

1 dollars.

2 (3) The modification of tax rates under this subsection
3 shall only apply to tax years that begin on or after the date the
4 modification takes effect.

5 (4) The director of the department of revenue shall, by
6 rule, adjust the tax tables under subsection 1 of this section to
7 effectuate the provisions of this subsection.

8 5. Beginning with the 2017 calendar year, the brackets of
9 Missouri taxable income identified in subsection 1 of this
10 section shall be adjusted annually by the percent increase in
11 inflation. The director shall publish such brackets annually
12 beginning on or after October 1, 2016. Modifications to the
13 brackets shall take effect on January first of each calendar year
14 and shall apply to tax years beginning on or after the effective
15 date of the new brackets.

16 [5.] 6. As used in this section, the following terms mean:

17 (1) "CPI", the Consumer Price Index for All Urban Consumers
18 for the United States as reported by the Bureau of Labor
19 Statistics, or its successor index;

20 (2) "CPI for the preceding calendar year", the average of
21 the CPI as of the close of the twelve month period ending on
22 August thirty-first of such calendar year;

23 (3) "Net general revenue collected", all revenue deposited
24 into the general revenue fund, less refunds and revenues
25 originally deposited into the general revenue fund but designated
26 by law for a specific distribution or transfer to another state
27 fund;

28 (4) "Percent increase in inflation", the percentage, if

1 any, by which the CPI for the preceding calendar year exceeds the
2 CPI for the year beginning September 1, 2014, and ending August
3 31, 2015.

4 143.441. 1. The term "corporation" means every
5 corporation, association, joint stock company and joint stock
6 association organized, authorized or existing under the laws of
7 this state and includes:

8 (1) Every corporation, association, joint stock company,
9 and joint stock association organized, authorized, or existing
10 under the laws of this state, and every corporation, association,
11 joint stock company, and joint stock association, licensed to do
12 business in this state, or doing business in this state, and not
13 organized, authorized, or existing under the laws of this state,
14 or by any receiver in charge of the property of any such
15 corporation, association, joint stock company or joint stock
16 association;

17 (2) Every railroad corporation or receiver in charge of the
18 property thereof which operates over rails owned or leased by it
19 and every corporation operating any buslines, trucklines,
20 airlines, or other forms of transportation, including qualified
21 air freight forwarders, operating over fixed routes owned,
22 leased, or used by it extending from this state to another state
23 or states. For the purposes of this section, "qualified air
24 freight forwarder" means a taxpayer who:

25 (a) Is primarily engaged in the facilitation of the
26 transportation of property by air;

27 (b) Does not directly operate aircraft; and

28 (c) Is affiliated with an airline;

1 (3) Every corporation, or receiver in charge of the
2 property thereof, which owns or operates a bridge between this
3 and any other state; and

4 (4) Every corporation, or receiver in charge of the
5 property thereof, which operates a telephone line or lines
6 extending from this state to another state or states or a
7 telegraph line or lines extending from this state to another
8 state or states.

9 2. The tax on corporations provided in subsection 1 of
10 section 143.431 and section 143.071 shall not apply to:

11 (1) A corporation which by reason of its purposes and
12 activities is exempt from federal income tax. The preceding
13 sentence shall not apply to unrelated business taxable income and
14 other income on which chapter 1 of the Internal Revenue Code
15 imposes the federal income tax or any other tax measured by
16 income;

17 (2) An express company which pays an annual tax on its
18 gross receipts in this state;

19 (3) An insurance company which is subject to an annual tax
20 on its gross premium receipts in this state;

21 (4) A Missouri mutual or an extended Missouri mutual
22 insurance company organized under chapter 380; and

23 (5) Any other corporation that is exempt from Missouri
24 income taxation under the laws of Missouri or the laws of the
25 United States.

26 144.011. 1. For purposes of [sections 144.010 to 144.525
27 and 144.600 to 144.748] this chapter, and the taxes imposed
28 thereby, the definition of "retail sale" or "sale at retail"

1 shall not be construed to include any of the following:

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

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

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

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

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

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

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

26 (8) The transfer of tangible personal property by a
27 partnership to one or more of its partners as a current
28 distribution, return of capital or distribution in the partial or

1 complete liquidation of the partnership or of the partner's
2 interest therein;

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

6 (10) The purchase by persons operating eating or food
7 service establishments, of items of a nonreusable nature which
8 are furnished to the customers of such establishments with or in
9 conjunction with the retail sales of their food or beverage.
10 Such items shall include, but not be limited to, wrapping or
11 packaging materials and nonreusable paper, wood, plastic and
12 aluminum articles such as containers, trays, napkins, dishes,
13 silverware, cups, bags, boxes, straws, sticks and toothpicks;

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

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

23 (a) A transfer which involves the delivery of the document
24 known as the "Manufacturer's Statement of Origin" to a person
25 other than a manufactured home dealer, as defined in section
26 700.010, for purposes of allowing such person to obtain a title
27 to the manufactured home from the department of revenue of this
28 state or the appropriate agency or officer of any other state;

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

6 (c) The first transfer which occurs after December 31,
7 1985, if the tax imposed by [sections 144.010 to 144.525] this
8 chapter was not paid on any transfer of the same manufactured
9 home which occurred before December 31, 1985; or

10 (13) Charges for initiation fees or dues to:

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

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

25 (c) Nonprofit organizations exempt from taxation under
26 Section 501(c)(7) of the Internal Revenue Code of 1986, as
27 amended.

28 2. The assumption of liabilities of the transferor by the

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

7 144.014. 1. Notwithstanding other provisions of law to the
8 contrary, beginning October 1, 1997, the tax levied and imposed
9 [pursuant to sections 144.010 to 144.525 and sections 144.600 to
10 144.746] under this chapter on all retail sales of food shall be
11 at the rate of one percent. The revenue derived from the one
12 percent rate pursuant to this section shall be deposited by the
13 state treasurer in the school district trust fund and shall be
14 distributed as provided in section 144.701.

15 2. For the purposes of this section, the term "food" shall
16 include only those products and types of food for which food
17 stamps may be redeemed pursuant to the provisions of the Federal
18 Food Stamp Program as contained in 7 U.S.C. Section 2012, as that
19 section now reads or as it may be amended hereafter, and shall
20 include food dispensed by or through vending machines. For the
21 purpose of this section, except for vending machine sales, the
22 term "food" shall not include food or drink sold by any
23 establishment where the gross receipts derived from the sale of
24 food prepared by such establishment for immediate consumption on
25 or off the premises of the establishment constitutes more than
26 eighty percent of the total gross receipts of that establishment,
27 regardless of whether such prepared food is consumed on the
28 premises of that establishment, including, but not limited to,

1 sales of food by any restaurant, fast food restaurant,
2 delicatessen, eating house, or café.

3 144.020. 1. A tax is hereby levied and imposed for the
4 privilege of titling new and used motor vehicles, trailers,
5 boats, and outboard motors purchased or acquired for use on the
6 highways or waters of this state which are required to be titled
7 under the laws of the state of Missouri and, except as provided
8 in subdivision (9) of this subsection, upon all sellers for the
9 privilege of engaging in the business of selling tangible
10 personal property or rendering taxable service at retail in this
11 state. The rate of tax shall be as follows:

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

23 (2) A tax equivalent to four percent of the amount paid for
24 admission and seating accommodations, or fees paid to, or in any
25 place of amusement, entertainment or recreation, games and
26 athletic events, except amounts paid for any instructional class;

27 (3) A tax equivalent to four percent of the basic rate paid
28 or charged on all sales of electricity or electrical current,

1 water and gas, natural or artificial, to domestic, commercial or
2 industrial consumers;

3 (4) (a) A tax equivalent to four percent on the basic rate
4 paid or charged on all sales of local and long distance
5 telecommunications service to telecommunications subscribers and
6 to others through equipment of telecommunications subscribers for
7 the transmission of messages and conversations and upon the sale,
8 rental or leasing of all equipment or services pertaining or
9 incidental thereto; except that, the payment made by
10 telecommunications subscribers or others, pursuant to section
11 144.060, and any amounts paid for access to the internet or
12 interactive computer services shall not be considered as amounts
13 paid for telecommunications services;

14 (b) If local and long distance telecommunications services
15 subject to tax under this subdivision are aggregated with and not
16 separately stated from charges for telecommunications service or
17 other services not subject to tax under this subdivision,
18 including, but not limited to, interstate or international
19 telecommunications services, then the charges for nontaxable
20 services may be subject to taxation unless the telecommunications
21 provider can identify by reasonable and verifiable standards such
22 portion of the charges not subject to such tax from its books and
23 records that are kept in the regular course of business,
24 including, but not limited to, financial statement, general
25 ledgers, invoice and billing systems and reports, and reports for
26 regulatory tariffs and other regulatory matters;

27 (c) A telecommunications provider shall notify the director
28 of revenue of its intention to utilize the standards described in

1 paragraph (b) of this subdivision to determine the charges that
2 are subject to sales tax under this subdivision. Such
3 notification shall be in writing and shall meet standardized
4 criteria established by the department regarding the form and
5 format of such notice;

6 (d) The director of revenue may promulgate and enforce
7 reasonable rules and regulations for the administration and
8 enforcement of the provisions of this subdivision. Any rule or
9 portion of a rule, as that term is defined in section 536.010,
10 that is created under the authority delegated in this section
11 shall become effective only if it complies with and is subject to
12 all of the provisions of chapter 536 and, if applicable, section
13 536.028. This section and chapter 536 are nonseverable and if
14 any of the powers vested with the general assembly pursuant to
15 chapter 536 to review, to delay the effective date, or to
16 disapprove and annul a rule are subsequently held
17 unconstitutional, then the grant of rulemaking authority and any
18 rule proposed or adopted after August 28, 2019, shall be invalid
19 and void;

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

23 (6) A tax equivalent to four percent on the amount of sales
24 or charges for all rooms, meals and drinks furnished at any
25 hotel, motel, tavern, inn, restaurant, eating house, drugstore,
26 dining car, tourist cabin, tourist camp or other place in which
27 rooms, meals or drinks are regularly served to the public. The
28 tax imposed under this subdivision shall not apply to any

1 automatic mandatory gratuity for a large group imposed by a
2 restaurant when such gratuity is reported as employee tip income
3 and the restaurant withholds income tax under section 143.191 on
4 such gratuity;

5 (7) A tax equivalent to four percent of the amount paid or
6 charged for intrastate tickets by every person operating a
7 railroad, sleeping car, dining car, express car, boat, airplane
8 and such buses and trucks as are licensed by the division of
9 motor carrier and railroad safety of the department of economic
10 development of Missouri, engaged in the transportation of persons
11 for hire;

12 (8) A tax equivalent to four percent of the amount paid or
13 charged for rental or lease of tangible personal property,
14 provided that if the lessor or renter of any tangible personal
15 property had previously purchased the property under the
16 conditions of sale at retail or leased or rented the property and
17 the tax was paid at the time of purchase, lease or rental, the
18 lessor, sublessor, renter or subrenter shall not apply or collect
19 the tax on the subsequent lease, sublease, rental or subrental
20 receipts from that property. The purchase, rental or lease of
21 motor vehicles, trailers, motorcycles, mopeds, motortricycles,
22 boats, and outboard motors shall be taxed and the tax paid as
23 provided in this section and section 144.070. In no event shall
24 the rental or lease of boats and outboard motors be considered a
25 sale, charge, or fee to, for or in places of amusement,
26 entertainment or recreation nor shall any such rental or lease be
27 subject to any tax imposed to, for, or in such places of
28 amusement, entertainment or recreation. Rental and leased boats

1 or outboard motors shall be taxed under the provisions of the
2 sales tax laws as provided under such laws for motor vehicles and
3 trailers. Tangible personal property which is exempt from the
4 sales or use tax under section 144.030 upon a sale thereof is
5 likewise exempt from the sales or use tax upon the lease or
6 rental thereof;

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

14 2. All tickets sold which are sold under the provisions of
15 [sections 144.010 to 144.525] this chapter which are subject to
16 the sales tax shall have printed, stamped or otherwise endorsed
17 thereon, the words "This ticket is subject to a sales tax."

18 144.049. 1. For purposes of this section, the following
19 terms mean:

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

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

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

21 2. In each year beginning on or after January 1, 2005,
22 there is hereby specifically exempted from state and local sales
23 tax law all retail sales of any article of clothing having a
24 taxable value of one hundred dollars or less, all retail sales of
25 school supplies not to exceed fifty dollars per purchase, all
26 computer software with a taxable value of three hundred fifty
27 dollars or less, all graphing calculators having a taxable value
28 of one hundred fifty dollars or less, and all retail sales of

1 personal computers or computer peripheral devices not to exceed
2 one thousand five hundred dollars, during a three-day period
3 beginning at 12:01 a.m. on the first Friday in August and ending
4 at midnight on the Sunday following. Where a purchaser and
5 seller are located in two different time zones, the time zone of
6 the seller's location shall determine the authorized exemption
7 period.

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

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

23 [5.] 4. This section applies to sales of items bought for
24 personal use only.

25 [6. After the 2005 sales tax holiday, any political
26 subdivision may, by adopting an ordinance or order, choose to
27 prohibit future annual sales tax holidays from applying to its
28 local sales tax. After opting out, the political subdivision may

1 rescind the ordinance or order. The political subdivision must
2 notify the department of revenue not less than forty-five
3 calendar days prior to the beginning date of the sales tax
4 holiday occurring in that year of any ordinance or order
5 rescinding an ordinance or order to opt out.

6 7.] 5. This section may not apply to any retailer when less
7 than two percent of the retailer's merchandise offered for sale
8 qualifies for the sales tax holiday. The retailer [shall] may
9 offer a sales tax refund in lieu of the sales tax holiday.

10 6. A sale of property which is eligible for an exemption
11 under subsection 1 of this section but is purchased under a
12 layaway sale shall only qualify for an exemption if:

13 (1) Final payment on a layaway order is made by, and the
14 property is given to, the purchaser during the exemption period;
15 or

16 (2) The purchaser selects the property and the seller
17 accepts the order for the property during the exemption period,
18 for immediate delivery upon full payment, even if delivery is
19 made after the exemption period.

20 7. The exemption of a bundled transaction shall be
21 calculated as provided by law for all other bundled transactions.

22 8. (1) For any discount offered by a seller that is a
23 reduction of the sales price of the product, the discounted sales
24 price shall determine whether the sales price falls below the
25 price threshold provided in subsection 1 of this section. A
26 coupon that reduces the sales price shall be treated as a
27 discount only if the seller is not reimbursed for the coupon
28 amount by a third party.

1 (2) If a discount applies to the total amount paid by a
2 purchaser rather than to the sales price of a particular product
3 and the purchaser has purchased both exempt property and taxable
4 property, the seller shall allocate the discount based on the
5 total sales prices of the taxable property compared to the total
6 sales prices of all property sold in the same transaction.

7 9. Items that are normally sold as a single unit shall
8 continue to be sold in that manner and shall not be priced
9 separately and sold as individual items.

10 10. Items that are purchased during an exemption period but
11 that are not delivered to the purchaser until after the exemption
12 period due to the item not being in stock shall qualify for an
13 exemption. The provisions of this subsection shall not apply to
14 an item that was delivered during an exemption period but was
15 purchased prior to or after the exemption period.

16 11. (1) If a purchaser purchases an item of eligible
17 property during an exemption period, but later exchanges the item
18 for a similar eligible item after the exemption period, no
19 additional tax shall be due on the new item.

20 (2) If a purchaser purchases an item of eligible property
21 during an exemption period, but later returns the item after the
22 exemption period and receives credit on the purchase of a
23 different nonexempt item, the appropriate sales tax shall be due
24 on the sale of the newly purchased item.

25 (3) If a purchaser purchases an item of eligible property
26 before an exemption period, but during the exemption period
27 returns the item and receives credit on the purchase of a
28 different item of eligible property, no sales tax shall be due on

1 the sale of the new item if the new item is purchased during the
2 exemption period.

3 (4) For a sixty-day period immediately following the end of
4 the exemption period, if a purchaser returns an exempt item, no
5 credit for or refund of sales tax shall be given unless the
6 purchaser provides a receipt or invoice that shows tax was paid,
7 or the seller has sufficient documentation to show that tax was
8 paid on the item being returned.

9 144.054. 1. As used in this section, the following terms
10 mean:

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

16 (2) "Producing" includes, but is not limited to, the
17 production of, including the production and transmission of,
18 telecommunication services;

19 (3) "Product" includes, but is not limited to,
20 telecommunications services;

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

25 2. In addition to all other exemptions granted under this
26 chapter, there is hereby specifically exempted from the
27 provisions of [sections 144.010 to 144.525 and 144.600 to
28 144.761, and from the computation of the tax levied, assessed, or

1 payable under sections 144.010 to 144.525 and 144.600 to 144.761]
2 this chapter and the local sales tax law as defined in section
3 32.085 and from the computation of the tax levied, assessed, or
4 payable under this chapter and the local sales tax law as defined
5 in section 32.085, electrical energy and gas, whether natural,
6 artificial, or propane, water, coal, and energy sources,
7 chemicals, machinery, equipment, and materials used or consumed
8 in the manufacturing, processing, compounding, mining, or
9 producing of any product, or used or consumed in the processing
10 of recovered materials, or used in research and development
11 related to manufacturing, processing, compounding, mining, or
12 producing any product. [The exemptions granted in this
13 subsection shall not apply to local sales taxes as defined in
14 section 32.085 and the provisions of this subsection shall be in
15 addition to any state and local sales tax exemption provided in
16 section 144.030.] The construction and application of this
17 subsection as expressed by the Missouri supreme court in DST
18 Systems, Inc. v. Director of Revenue, 43 S.W.3d 799 (Mo. banc
19 2001); Southwestern Bell Tel. Co. v. Director of Revenue, 78
20 S.W.3d 763 (Mo. banc 2002); and Southwestern Bell Tel. Co. v.
21 Director of Revenue, 182 S.W.3d 226 (Mo. banc 2005), is hereby
22 affirmed.

23 3. In addition to all other exemptions granted under this
24 chapter, there is hereby specifically exempted from the
25 provisions of [sections 144.010 to 144.525 and 144.600 to
26 144.761, and section 238.235,] this chapter and the local sales
27 tax law as defined in section 32.085, and from the computation of
28 the tax levied, assessed, or payable under [sections 144.010 to

1 144.525 and 144.600 to 144.761, and section 238.235,] this
2 chapter and the local sales tax law as defined in section 32.085,
3 all utilities, machinery, and equipment used or consumed directly
4 in television or radio broadcasting and all sales and purchases
5 of tangible personal property, utilities, services, or any other
6 transaction that would otherwise be subject to the state or local
7 sales or use tax when such sales are made to or purchases are
8 made by a contractor for use in fulfillment of any obligation
9 under a defense contract with the United States government, and
10 all sales and leases of tangible personal property by any county,
11 city, incorporated town, or village, provided such sale or lease
12 is authorized under chapter 100, and such transaction is
13 certified for sales tax exemption by the department of economic
14 development, and tangible personal property used for railroad
15 infrastructure brought into this state for processing,
16 fabrication, or other modification for use outside the state in
17 the regular course of business.

18 4. In addition to all other exemptions granted under this
19 chapter, there is hereby specifically exempted from the
20 provisions of [sections 144.010 to 144.525 and 144.600 to
21 144.761, and section 238.235,] this chapter and the local sales
22 tax law as defined in section 32.085, and from the computation of
23 the tax levied, assessed, or payable under [sections 144.010 to
24 144.525 and 144.600 to 144.761, and section 238.235,] this
25 chapter and the local sales tax law as defined in section 32.085,
26 all sales and purchases of tangible personal property, utilities,
27 services, or any other transaction that would otherwise be
28 subject to the state or local sales or use tax when such sales

1 are made to or purchases are made by a private partner for use in
2 completing a project under sections 227.600 to 227.669.

3 5. In addition to all other exemptions granted under this
4 chapter, there is hereby specifically exempted from the
5 provisions of [sections 144.010 to 144.525 and 144.600 to
6 144.761, and section 238.235,] this chapter and the local sales
7 tax law as defined in section 32.085, and from the computation of
8 the tax levied, assessed, or payable under [sections 144.010 to
9 144.525 and 144.600 to 144.761, and section 238.235,] this
10 chapter and the local sales tax law as defined in section 32.085,
11 all materials, manufactured goods, machinery and parts,
12 electrical energy and gas, whether natural, artificial or
13 propane, water, coal and other energy sources, chemicals, soaps,
14 detergents, cleaning and sanitizing agents, and other ingredients
15 and materials inserted by commercial or industrial laundries to
16 treat, clean, and sanitize textiles in facilities which process
17 at least five hundred pounds of textiles per hour and at least
18 sixty thousand pounds per week.

19 144.060. 1. It shall be the duty of every person making
20 any purchase or receiving any service upon which a tax is imposed
21 by sections 144.010 to 144.510 to pay, to the extent possible
22 under the provisions of section 144.285, the amount of such tax
23 to the person making such sale or rendering such service. Any
24 person who shall willfully and intentionally refuse to pay such
25 tax shall be guilty of a misdemeanor. The provisions of this
26 section shall not apply to any person making any purchase or sale
27 of a motor vehicle subject to sales tax as provided by the
28 Missouri sales tax law, unless such person making the sale is a

1 motor vehicle dealer authorized to collect and remit sales tax
2 pursuant to subsection 10 of section 144.070.

3 2. A purchaser shall be relieved from any additional tax,
4 interest, additions, or penalties for failure to collect and
5 remit the proper amount of tax owed on a purchase subject to
6 sales tax under this chapter if:

7 (1) A purchaser's seller or a certified service provider
8 relied on erroneous data provided by the director on tax rates,
9 boundaries, taxing jurisdiction assignments, or in the taxability
10 matrix created pursuant to section 144.124;

11 (2) A purchaser using a database created pursuant to
12 section 144.123 received erroneous data provided by the director
13 on tax rates, boundaries, or taxing jurisdiction assignments; or

14 (3) A purchaser relied on erroneous data provided by the
15 director in the taxability matrix created pursuant to section
16 144.124.

17 144.080. 1. Every person receiving any payment or
18 consideration upon the sale of property or rendering of service,
19 subject to the tax imposed by the provisions of sections 144.010
20 to ~~[144.525]~~ 144.527, is exercising the taxable privilege of
21 selling the property or rendering the service at retail and is
22 subject to the tax levied in section 144.020. The person shall
23 be responsible not only for the collection of the amount of the
24 tax imposed on the sale or service to the extent possible under
25 the provisions of section 144.285, but shall, on or before the
26 last day of the month following each calendar quarterly period of
27 three months, file a return with the director of revenue showing
28 the person's gross receipts and the amount of tax levied in

1 section 144.020 for the preceding quarter, and shall remit to the
2 director of revenue, with the return, the taxes levied in section
3 144.020, except as provided in subsections 2 and 3 of this
4 section. The director of revenue may promulgate rules or
5 regulations changing the filing and payment requirements of
6 sellers, but shall not require any seller to file and pay more
7 frequently than required in this section.

8 2. (1) Where the aggregate amount levied and imposed upon
9 a seller by section 144.020 is in excess of two hundred fifty
10 dollars for either the first or second month of a calendar
11 quarter, the seller shall file a return and pay such aggregate
12 amount for such months to the director of revenue by the
13 twentieth day of the succeeding month.

14 (2) Beginning January 1, 2021, where the aggregate amount
15 levied and imposed upon a seller by section 144.020 is in excess
16 of two hundred fifty dollars for either the first or second month
17 of a calendar quarter, the seller shall file a return and pay
18 such aggregate amount for such months to the director of revenue
19 on or before the last day of the succeeding month.

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

26 4. The seller of any property or person rendering any
27 service, subject to the tax imposed by sections 144.010 to
28 [144.525] 144.527, shall collect the tax from the purchaser of

1 such property or the recipient of the service to the extent
2 possible under the provisions of section 144.285, but the
3 seller's inability to collect any part or all of the tax does not
4 relieve the seller of the obligation to pay to the state the tax
5 imposed by section 144.020; except that the collection of the tax
6 imposed by sections 144.010 to ~~[144.525]~~ 144.527 on motor
7 vehicles and trailers shall be made as provided in sections
8 144.070 and 144.440.

9 5. Any person may advertise or hold out or state to the
10 public or to any customer directly that the tax or any part
11 thereof imposed by sections 144.010 to ~~[144.525]~~ 144.527, and
12 required to be collected by the person, will be assumed or
13 absorbed by the person, provided that the amount of tax assumed
14 or absorbed shall be stated on any invoice or receipt for the
15 property sold or service rendered. Any person violating any of
16 the provisions of this section shall be guilty of a misdemeanor.
17 This subsection shall not apply to any retailer prohibited from
18 collecting and remitting sales tax under section 66.630.

19 144.140. 1. From every remittance to the director of
20 revenue made on or before the date when the same becomes due, the
21 person required to remit the same shall be entitled to deduct and
22 retain an amount equal to two percent thereof.

23 2. The director shall provide a monetary allowance from the
24 taxes collected to a certified service provider under the terms
25 of the certified service contract signed with the provider,
26 provided that such allowance shall be funded entirely from money
27 collected by the certified service provider.

28 3. Any certified service provider receiving an allowance

1 under subsection 2 of this section shall not be entitled to
2 simultaneously deduct the allowance provided for under subsection
3 1 of this section.

4 4. For the purposes of this section, "certified service
5 provider" shall mean an agent certified by the department of
6 revenue to perform all the seller's sales and use tax functions,
7 other than the seller's obligation to remit tax on its own
8 purchases.

9 144.526. 1. This section shall be known and may be cited
10 as the "Show Me Green Sales Tax Holiday".

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

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

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

20 3. In each year beginning on or after January 1, 2009,
21 there is hereby specifically exempted from state sales tax law
22 and all local sales and use taxes all retail sales of any energy
23 star certified new appliance, up to one thousand five hundred
24 dollars per appliance[,] during a seven-day period beginning at
25 12:01 a.m. on April nineteenth and ending at midnight on April
26 twenty-fifth. Where a purchaser and seller are located in two
27 different time zones, the time zone of the seller's location
28 shall determine the authorized exemption period.

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

7 5. This section may not apply to any retailer when less
8 than two percent of the retailer's merchandise offered for sale
9 qualifies for the sales tax holiday. The retailer shall offer a
10 sales tax refund in lieu of the sales tax holiday.] A sale of
11 property which is eligible for an exemption under subsection 1 of
12 this section but is purchased under a layaway sale shall only
13 qualify for an exemption if:

14 (1) Final payment on a layaway order is made by, and the
15 property is given to, the purchaser during the exemption period;
16 or

17 (2) The purchaser selects the property and the seller
18 accepts the order for the property during the exemption period,
19 for immediate delivery upon full payment, even if delivery is
20 made after the exemption period.

21 5. (1) For any discount offered by a seller that is a
22 reduction of the sales price of the product, the discounted sales
23 price shall determine whether the sales price falls below the
24 price threshold provided in subsection 1 of this section. A
25 coupon that reduces the sales price shall be treated as a
26 discount only if the seller is not reimbursed for the coupon
27 amount by a third party.

28 (2) If a discount applies to the total amount paid by a

1 purchaser rather than to the sales price of a particular product
2 and the purchaser has purchased both exempt property and taxable
3 property, the seller shall allocate the discount based on the
4 total sales prices of the taxable property compared to the total
5 sales prices of all property sold in the same transaction.

6 6. Items that are normally sold as a single unit shall
7 continue to be sold in that manner and shall not be priced
8 separately and sold as individual items.

9 7. Items that are purchased during an exemption period but
10 that are not delivered to the purchaser until after the exemption
11 period due to the item not being in stock shall qualify for an
12 exemption. The provisions of this subsection shall not apply to
13 an item that was delivered during an exemption period but was
14 purchased prior to or after the exemption period.

15 8. (1) If a purchaser purchases an item of eligible
16 property during an exemption period, but later exchanges the item
17 for a similar eligible item after the exemption period, no
18 additional tax shall be due on the new item.

19 (2) If a purchaser purchases an item of eligible property
20 during an exemption period, but later returns the item after the
21 exemption period and receives credit on the purchase of a
22 different nonexempt item, the appropriate sales tax shall be due
23 on the sale of the newly purchased item.

24 (3) If a purchaser purchases an item of eligible property
25 before an exemption period, but during the exemption period
26 returns the item and receives credit on the purchase of a
27 different item of eligible property, no sales tax shall be due on
28 the sale of the new item if the new item is purchased during the

1 exemption period.

2 (4) For a sixty day period immediately following the end of
3 the exemption period, if a purchaser returns an exempt item no
4 credit for or refund of sales tax shall be given unless the
5 purchaser provides a receipt or invoice that shows tax was paid,
6 or the seller has sufficient documentation to show that tax was
7 paid on the item being returned.

8 144.605. The following words and phrases as used in
9 sections 144.600 to 144.745 mean and include:

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

13 (2) "Certified service provider" or "CSP", an agent
14 certified by the department of revenue to perform all the
15 seller's sales and use tax functions, other than the seller's
16 obligation to remit tax on its own purchases;

17 (3) "Engages in business activities within this state"
18 includes:

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

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

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

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

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

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

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

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

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

22 (e) [Notwithstanding paragraph (c), a vendor shall be
23 presumed to engage in business activities within this state if
24 the vendor enters into an agreement with one or more residents of
25 this state under which the resident, for a commission or other
26 consideration, directly or indirectly refers potential customers,
27 whether by a link on an internet website, an in-person oral
28 presentation, telemarketing, or otherwise, to the vendor, if the

1 cumulative gross receipts from sales by the vendor to customers
2 in the state who are referred to the vendor by all residents with
3 this type of an agreement with the vendor is in excess of ten
4 thousand dollars during the preceding twelve months;

5 (f) The presumption in paragraph (e) may be rebutted by
6 submitting proof that the residents with whom the vendor has an
7 agreement did not engage in any activity within the state that
8 was significantly associated with the vendor's ability to
9 establish or maintain the vendor's market in the state during the
10 preceding twelve months. Such proof may consist of sworn written
11 statements from all of the residents with whom the vendor has an
12 agreement stating that they did not engage in any solicitation in
13 the state on behalf of the vendor during the preceding year
14 provided that such statements were provided and obtained in good
15 faith] Selling tangible personal property for delivery into this
16 state provided the seller's gross receipts from delivery of
17 tangible personal property into this state in the previous
18 calendar year or current calendar year exceeds one hundred
19 thousand dollars. For the purposes of calculating a seller's
20 gross receipts under this paragraph, following the close of each
21 calendar quarter, a vendor shall determine whether the vendor met
22 the requirements under this paragraph during the twelve-month
23 period ending on the last day of the preceding calendar quarter.
24 If the vendor met such requirements for any such twelve-month
25 period, such vendor shall collect and remit the tax as provided
26 under section 144.635 for a period of not less than twelve
27 months, beginning not more than three months following the close
28 of the preceding calendar quarter, and shall continue to collect

1 and remit the tax for as long as the vendor is engaged in
2 business activities within this state, as provided for under this
3 paragraph, or otherwise maintains a substantial nexus with this
4 state;

5 [(3)] (4) "Maintains a place of business in this state"
6 includes maintaining, occupying, or using, permanently or
7 temporarily, directly or indirectly, by whatever name called, an
8 office, place of distribution, sales or sample room or place,
9 warehouse or storage place, or other place of business in this
10 state, whether owned or operated by the vendor or by any other
11 person other than a common carrier acting in its capacity as
12 such;

13 [(4)] (5) "Person", any individual, firm, copartnership,
14 joint venture, association, corporation, municipal or private,
15 and whether organized for profit or not, state, county, political
16 subdivision, state department, commission, board, bureau or
17 agency, except the state transportation department, estate,
18 trust, business trust, receiver or trustee appointed by the state
19 or federal court, syndicate, or any other group or combination
20 acting as a unit, and the plural as well as the singular number;

21 [(5)] (6) "Purchase", the acquisition of the ownership of,
22 or title to, tangible personal property, through a sale, as
23 defined herein, for the purpose of storage, use or consumption in
24 this state;

25 [(6)] (7) "Purchaser", any person who is the recipient for
26 a valuable consideration of any sale of tangible personal
27 property acquired for use, storage or consumption in this state;

28 [(7)] (8) "Sale", any transfer, barter or exchange of the

1 title or ownership of tangible personal property, or the right to
2 use, store or consume the same, for a consideration paid or to be
3 paid, and any transaction whether called leases, rentals,
4 bailments, loans, conditional sales or otherwise, and
5 notwithstanding that the title or possession of the property or
6 both is retained for security. For the purpose of this law the
7 place of delivery of the property to the purchaser, user, storer
8 or consumer is deemed to be the place of sale, whether the
9 delivery be by the vendor or by common carriers, private
10 contractors, mails, express, agents, salesmen, solicitors,
11 hawkers, representatives, consignors, peddlers, canvassers or
12 otherwise;

13 [(8)] (9) "Sales price", the consideration including the
14 charges for services, except charges incident to the extension of
15 credit, paid or given, or contracted to be paid or given, by the
16 purchaser to the vendor for the tangible personal property,
17 including any services that are a part of the sale, valued in
18 money, whether paid in money or otherwise, and any amount for
19 which credit is given to the purchaser by the vendor, without any
20 deduction therefrom on account of the cost of the property sold,
21 the cost of materials used, labor or service cost, losses or any
22 other expenses whatsoever, except that cash discounts allowed and
23 taken on sales shall not be included and "sales price" shall not
24 include the amount charged for property returned by customers
25 upon rescission of the contract of sales when the entire amount
26 charged therefor is refunded either in cash or credit or the
27 amount charged for labor or services rendered in installing or
28 applying the property sold, the use, storage or consumption of

1 which is taxable pursuant to sections 144.600 to 144.745. The
2 sales price shall not include usual and customary delivery
3 charges that are separately stated. In determining the amount of
4 tax due pursuant to sections 144.600 to 144.745, any charge
5 incident to the extension of credit shall be specifically
6 exempted;

7 [(9)] (10) "Selling agent", every person acting as a
8 representative of a principal, when such principal is not
9 registered with the director of revenue of the state of Missouri
10 for the collection of the taxes imposed pursuant to sections
11 144.010 to 144.525 or sections 144.600 to 144.745 and who
12 receives compensation by reason of the sale of tangible personal
13 property of the principal, if such property is to be stored,
14 used, or consumed in this state;

15 [(10)] (11) "Storage", any keeping or retention in this
16 state of tangible personal property purchased from a vendor,
17 except property for sale or property that is temporarily kept or
18 retained in this state for subsequent use outside the state;

19 [(11)] (12) "Tangible personal property", all items subject
20 to the Missouri sales tax as provided in subdivisions (1) and (3)
21 of subsection 1 of section 144.020;

22 [(12)] (13) "Taxpayer", any person remitting the tax or who
23 should remit the tax levied by sections 144.600 to 144.745;

24 [(13)] (14) "Use", the exercise of any right or power over
25 tangible personal property incident to the ownership or control
26 of that property, except that it does not include the temporary
27 storage of property in this state for subsequent use outside the
28 state, or the sale of the property in the regular course of

1 business;

2 [(14)] (15) "Vendor", every person engaged in making sales
3 of tangible personal property by mail order, by advertising, by
4 agent or peddling tangible personal property, soliciting or
5 taking orders for sales of tangible personal property, for
6 storage, use or consumption in this state, all salesmen,
7 solicitors, hawkers, representatives, consignees, peddlers or
8 canvassers, as agents of the dealers, distributors, consignors,
9 supervisors, principals or employers under whom they operate or
10 from whom they obtain the tangible personal property sold by
11 them, and every person who maintains a place of business in this
12 state, maintains a stock of goods in this state, or engages in
13 business activities within this state and every person who
14 engages in this state in the business of acting as a selling
15 agent for persons not otherwise vendors as defined in this
16 subdivision. Irrespective of whether they are making sales on
17 their own behalf or on behalf of the dealers, distributors,
18 consignors, supervisors, principals or employers, they must be
19 regarded as vendors and the dealers, distributors, consignors,
20 supervisors, principals or employers must be regarded as vendors
21 for the purposes of sections 144.600 to 144.745.

22 144.608. 1. For the purpose of more efficiently securing
23 the payment of and accounting for the tax collected and remitted
24 by retailers and vendors, the department is hereby authorized:

25 (1) To consult, contract, and work jointly with the
26 streamlined sales and use tax agreement's governing board to
27 allow sellers to use the governing board's certified service
28 providers and central registration system services; or

1 (2) To consult, contract, and work with certified service
2 providers independently. The department is authorized to
3 determine the method and amount of compensation to be provided to
4 certified service providers by this state for the services of
5 such certified service providers to certain sellers, provided
6 that no certified service provider or seller utilizing a
7 certified service provider shall be entitled to the deduction
8 provided in subsection 1 of section 144.140.

9 2. The director of revenue shall make, promulgate, and
10 enforce reasonable rules and regulations for the administration
11 and enforcement of the provisions of this chapter relating to the
12 collection and remittance of sales and use tax by certified
13 service providers. Any rule or portion of a rule, as that term
14 is defined in section 536.010 that is created under the authority
15 delegated in this section shall become effective only if it
16 complies with and is subject to all of the provisions of chapter
17 536, and, if applicable, section 536.028. This section and
18 chapter 536 are nonseverable and if any of the powers vested with
19 the general assembly pursuant to chapter 536, to review, to delay
20 the effective date, or to disapprove and annul a rule are
21 subsequently held unconstitutional, then the grant of rulemaking
22 authority and any rule proposed or adopted after August 28, 2020,
23 shall be invalid and void.

24 144.637. 1. The director of revenue shall provide and
25 maintain a database that describes boundary changes for all
26 taxing jurisdictions and the effective dates of such changes for
27 the use of vendors collecting the tax imposed under sections
28 144.600 to 144.745.

1 2. For the identification of counties and cities, codes
2 corresponding to the rates shall be provided according to Federal
3 Information Processing Standards (FIPS) as developed by the
4 National Institute of Standards and Technology. For the
5 identification of all other jurisdictions, codes corresponding to
6 the rates shall be in a format determined by the director.

7 3. The director shall provide and maintain address-based
8 boundary database records for assigning taxing jurisdictions and
9 associated rates. The database records shall meet the
10 requirements developed pursuant to the federal Mobile
11 Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If a
12 vendor is unable to determine the applicable rate and
13 jurisdiction using an address-based database record after
14 exercising due diligence, the vendor may apply the nine-digit zip
15 code designation applicable to a purchase. If a nine-digit zip
16 code designation is not available for a street address or if a
17 vendor is unable to determine the nine-digit zip code designation
18 applicable to a purchase after exercising due diligence to
19 determine the designation, the vendor may apply the rate for the
20 five-digit zip code area. For the purposes of this section,
21 there shall be a rebuttable presumption that a vendor has
22 exercised due diligence if the vendor has attempted to determine
23 the tax rate and jurisdiction by utilizing software approved by
24 the director and makes the assignment from the address and zip
25 code information applicable to the purchase. The databases shall
26 be in the same approved format as the database records under this
27 section and meet the requirements developed pursuant to the
28 federal Mobile Telecommunications Sourcing Act, 4 U.S.C. Section

1 119(a). If the director certifies an address-based database
2 provided by a third party, a vendor may use such database in
3 place of the database provided for in this subsection.

4 4. The electronic database provided for in subsections 1,
5 2, and 3 of this section shall be in a downloadable format as
6 determined by the director. The database may be directly
7 provided by the director or provided by a third party as
8 designated by the director. The database provided by the
9 director shall be provided at no cost to the user of the
10 database. The provisions of subsection 3 of this section shall
11 not apply if the purchased product is received by the purchaser
12 at the business location of the vendor.

13 5. No vendor shall be liable for reliance upon erroneous
14 data provided by the director on tax rates, boundaries, or taxing
15 jurisdiction assignments.

16 144.638. 1. The director shall provide and maintain a
17 taxability matrix. The state's entries in the matrix shall be
18 provided and maintained by the director in a database that is in
19 a downloadable format.

20 2. The director shall provide reasonable notice of changes
21 in the taxability of the products or services listed in the
22 taxability matrix.

23 3. A seller or CSP shall be relieved from liability to this
24 state or any local taxing jurisdiction for having charged and
25 collected the incorrect amount of state or local sales or use tax
26 resulting from such seller's or CSP's reliance upon erroneous
27 data provided or approved by the director in the taxability
28 matrix, and a seller shall be relieved from liability for

1 erroneous returns made by a CSP on behalf of the seller.

2 144.710. [From every remittance made by a vendor as
3 required by sections 144.600 to 144.745 to the director of
4 revenue on or before the date when the remittance becomes due,
5 the vendor may deduct and retain an amount equal to two percent
6 thereof.] The provisions of section 144.140 relating to the
7 allowance for timely remittance of payment shall be applicable to
8 the tax levied under sections 144.600 to 144.745.

9 144.752. 1. For the purposes of this section, the
10 following terms shall mean:

11 (1) "Marketplace facilitator", a person that:

12 (a) Facilitates a retail sale by a marketplace seller by
13 listing or advertising for sale by the marketplace seller in any
14 forum, tangible personal property or services that are subject to
15 tax under this chapter; and

16 (b) Either directly or indirectly through agreements or
17 arrangements with third parties collecting payment from the
18 purchaser and transmitting such payment to the marketplace seller
19 regardless of whether the marketplace facilitator receives
20 compensation or other consideration in exchange for its services.

21
22 A marketplace facilitator is a seller and shall comply with the
23 provisions of this chapter. A marketplace facilitator does not
24 include a person who provides internet advertising services, or
25 product listing, and does not collect payment from the purchaser
26 and transmit payment to the marketplace seller, and does not
27 include a person with respect to the provision of travel agency
28 services or the operation of a marketplace or that portion of a

1 marketplace that enables consumers to receive travel agency
2 services. For the purposes of this subdivision, "travel agency
3 services" means facilitating, for a commission, fee, or other
4 consideration, vacation or travel packages, rental car or other
5 travel reservations, tickets for domestic or foreign travel by
6 air, rail, ship, bus, or other medium of transportation, or hotel
7 or other lodging accommodations;

8 (2) "Marketplace seller", a seller that makes sales through
9 any electronic marketplace operated by a marketplace facilitator;

10 (3) "Person", any individual, firm, copartnership, joint
11 venture, association, corporation, municipal or private, whether
12 organized for profit or not, state, county, political
13 subdivision, state department, commission, board, bureau or
14 agency, except the department of transportation, estate, trust,
15 business trust, receiver or trustee appointed by the state or
16 federal court, syndicate, or any other group or combination
17 acting as a unit;

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

21 (5) "Retail sale", the same meaning as defined under
22 sections 144.010 and 144.011, excluding motor vehicles, trailers,
23 motorcycles, mopeds, motortricycles, boats, and outboard motors
24 required to be titled under the laws of the state and subject to
25 tax under subdivision (9) of subsection 1 of section 144.020;

26 (6) "Seller", a person selling or furnishing tangible
27 personal property or rendering services on the receipts from
28 which a tax is imposed under section 144.020.

1 2. (1) Beginning January 1, 2022, marketplace facilitators
2 that engage in business activities within this state shall
3 register with the department to collect and remit use tax, as
4 applicable, on sales made through the marketplace facilitator's
5 marketplace by or on behalf of a marketplace seller that are
6 delivered into the state, whether by the marketplace facilitator
7 or another person, and regardless of whether the marketplace
8 seller for whom sales are facilitated possesses a retail sales
9 license or would have been required to collect use tax had the
10 sale not been facilitated by the marketplace facilitator. Such
11 retail sales shall include those made directly by the marketplace
12 facilitator and shall also include those retail sales made by
13 marketplace sellers through the marketplace facilitator's
14 marketplace. The collection and reporting requirements of this
15 subsection shall not apply to retail sales other than those made
16 through a marketplace facilitator's marketplace. Nothing in this
17 section shall be construed to limit or prohibit the ability of a
18 marketplace facilitator and a marketplace seller to enter into
19 agreements regarding the fulfillment of the requirements of this
20 chapter.

21 (2) All taxable sales made through a marketplace
22 facilitator's marketplace by or on behalf of a marketplace seller
23 shall be deemed to be consummated at the location in this state
24 to which the item is shipped or delivered, or at which possession
25 is taken by the purchaser.

26 3. Marketplace facilitators that are required to collect
27 use tax under this section shall report and remit the tax
28 separately from any sales and use tax collected by the

1 marketplace facilitator, or by affiliates of the marketplace
2 facilitator, which the marketplace facilitator would have been
3 required to collect and remit under the provisions of this
4 chapter prior to January 1, 2022. Such tax shall be reported and
5 remitted as determined by the department. Marketplace
6 facilitators shall maintain records of all sales delivered to a
7 location in the state, including electronic or paper copies of
8 invoices showing the purchaser, address, purchase amount, and use
9 tax collected. Such records shall be made available for review
10 and inspection upon request by the department.

11 4. Marketplace facilitators who properly collect and remit
12 to the department in a timely manner use tax on sales in
13 accordance with the provisions of this section by or on behalf of
14 marketplace sellers shall be eligible for any discount provided
15 under this chapter.

16 5. A marketplace facilitator shall provide the purchaser
17 with a statement or invoice showing that the use tax was
18 collected and shall be remitted on the purchaser's behalf.

19 6. Any taxpayer who remits use tax under this section shall
20 be entitled to refunds or credits to the same extent and in the
21 same manner provided for in section 144.190 for taxes collected
22 and remitted under this section. Nothing in this section shall
23 relieve a purchaser of the obligation to remit use tax for any
24 retail sale taxable under this chapter for which a marketplace
25 facilitator or marketplace seller does not collect and remit the
26 use tax.

27 7. Except as provided under subsections 8 and 9 of this
28 section, marketplace facilitators shall be subject to the penalty

1 provisions, procedures, and reporting requirements provided under
2 the provisions of this chapter.

3 8. No class action shall be brought against a marketplace
4 facilitator in any court in this state on behalf of purchasers
5 arising from or in any way related to an overpayment of use tax
6 collected on retail sales facilitated by a marketplace
7 facilitator, regardless of whether that claim is characterized as
8 a tax refund claim. Nothing in this subsection shall affect a
9 purchaser's right to seek a refund as provided under section
10 144.190.

11 9. (1) A marketplace facilitator shall be relieved from
12 liability under this section for the failure to collect and remit
13 the correct amount of use tax on retail sales facilitated for
14 marketplace sellers under the following circumstances:

15 (a) To the extent that the marketplace facilitator
16 demonstrates to the satisfaction of the department that the error
17 was due to insufficient or incorrect information given to the
18 marketplace facilitator by the marketplace seller; provided,
19 however, that a marketplace facilitator shall not be relieved of
20 liability under this paragraph if the marketplace facilitator and
21 the marketplace seller are affiliated;

22 (b) To the extent that the marketplace facilitator
23 demonstrates to the satisfaction of the department that:

24 a. The marketplace facilitator is not the seller and that
25 the marketplace facilitator and marketplace seller are not
26 affiliated;

27 b. The retail sale was facilitated for a marketplace seller
28 through a marketplace operated by the marketplace facilitator;

1 and

2 c. The failure to collect and remit the correct amount of
3 use tax was due to an error other than an error in sourcing the
4 sale under the provisions of this chapter.

5 (2) The relief from liability provided under subdivision
6 (1) of this subsection shall not exceed the following percentage
7 of the total use tax due on retail sales facilitated by a
8 marketplace facilitator for marketplace sellers and sourced to
9 this state during a calendar year, which such retail sales shall
10 not include retail sales made directly by the marketplace
11 facilitator or affiliates of the marketplace facilitator:

12 (a) For retail sales made or facilitated during the 2022
13 calendar year, four percent;

14 (b) For retail sales made or facilitated during the 2023
15 calendar year, two percent;

16 (c) For retail sales made or facilitated during the 2024
17 calendar year, one percent; and

18 (d) For retail sales made or facilitated for all years
19 beginning January 1, 2025, zero percent.

20 (3) To the extent that a marketplace facilitator is
21 relieved of liability for the collection of use tax under this
22 subsection, the marketplace seller for whom the marketplace
23 facilitator has made or facilitated the sale shall also be
24 relieved of liability under this subsection.

25 (4) The department shall determine the manner in which a
26 marketplace facilitator or marketplace seller shall apply for and
27 claim the relief from liability provided for under this
28 subsection.

1 10. For the purposes of this section, a marketplace
2 facilitator shall not include a third party financial institution
3 appointed by a merchant or a marketplace facilitator to handle
4 various forms of payment transactions, such as processing credit
5 cards and debit cards, and whose sole activity with respect to
6 marketplace sales is to facilitate the payment transactions
7 between two parties.

8 11. The state general revenue portion from remittances made
9 pursuant to this section, with the exception of revenues
10 collected pursuant to section 144.701 and Article IV, Sections
11 43(a) and 47(a) of the Missouri Constitution, shall be deposited
12 to the credit of the cash operating expense fund established
13 pursuant to section 33.575.

14 12. The department may promulgate rules to implement the
15 provisions of this section. Any rule or portion of a rule, as
16 that term is defined in section 536.010, that is created under
17 the authority delegated in this section shall become effective
18 only if it complies with and is subject to all of the provisions
19 of chapter 536 and, if applicable, section 536.028. This section
20 and chapter 536 are nonseverable and if any of the powers vested
21 with the general assembly pursuant to chapter 536 to review, to
22 delay the effective date, or to disapprove and annul a rule are
23 subsequently held unconstitutional, then the grant of rulemaking
24 authority and any rule proposed or adopted after August 28, 2020,
25 shall be invalid and void.

26 144.757. 1. Any county or municipality[, except
27 municipalities within a county having a charter form of
28 government with a population in excess of nine hundred thousand,]

1 may, by a majority vote of its governing body, impose a local use
2 tax if a local sales tax is imposed as defined in section 32.085
3 or if a sales tax is imposed pursuant to sections 94.850 or
4 94.890, with such local use tax imposed at a rate equal to the
5 rate of the local sales tax [in effect in] and any sales tax
6 imposed pursuant to sections 94.850 or 94.890 by such county or
7 municipality; provided, however, that no ordinance or order
8 enacted pursuant to sections 144.757 to 144.761 shall be
9 effective unless the governing body of the county or municipality
10 submits to the voters thereof at a municipal, county or state
11 general, primary or special election a proposal to authorize the
12 governing body of the county or municipality to impose a local
13 use tax pursuant to sections 144.757 to 144.761. [Municipalities
14 within a county having a charter form of government with a
15 population in excess of nine hundred thousand may, upon voter
16 approval received pursuant to paragraph (b) of subdivision (2) of
17 subsection 2 of this section, impose a local use tax at the same
18 rate as the local municipal sales tax with the revenues from all
19 such municipal use taxes to be distributed pursuant to subsection
20 4 of section 94.890. The municipality shall within thirty days
21 of the approval of the use tax imposed pursuant to paragraph (b)
22 of subdivision (2) of subsection 2 of this section select one of
23 the distribution options permitted in subsection 4 of section
24 94.890 for distribution of all municipal use taxes.

25 2.] (1) The ballot of submission[, except for counties and
26 municipalities described in subdivisions (2) and (3) of this
27 subsection,] shall contain substantially the following language:

28 Shall the _____ (county or municipality's name)

1 impose a local use tax at the same rate as the total
2 local sales tax rate, [currently _____ (insert
3 percent),] provided that if the local sales tax rate is
4 reduced or raised by voter approval, the local use tax
5 rate shall also be reduced or raised by the same
6 action? [A use tax return shall not be required to be
7 filed by persons whose purchases from out-of-state
8 vendors do not in total exceed two thousand dollars in
9 any calendar year.] Approval of this question will
10 eliminate the disparity in tax rates collected by local
11 and out-of-state sellers by imposing the same rate on
12 all sellers.

13 YES

NO

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

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

21 For the purposes of enhancing county and municipal
22 public safety, parks, and job creation and enhancing
23 local government services, shall the county be
24 authorized to collect a local use tax equal to the
25 total of the existing county sales tax rate of (insert
26 tax rate), provided that if the county sales tax is
27 repealed, reduced or raised by voter approval, the
28 local use tax rate shall also be repealed, reduced or

1 raised by the same voter action? Fifty percent of the
2 revenue shall be used by the county throughout the
3 county for improving and enhancing public safety, park
4 improvements, and job creation, and fifty percent shall
5 be used for enhancing local government services. The
6 county shall be required to make available to the
7 public an audited comprehensive financial report
8 detailing the management and use of the countywide
9 portion of the funds each year.

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

16 YES NO

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

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

24 Shall the municipality be authorized to impose a
25 local use tax at the same rate as the local sales tax
26 by a vote of the governing body, provided that if any
27 local sales tax is repealed, reduced or raised by voter
28 approval, the respective local use tax shall also be

1 repealed, reduced or raised by the same action? A use
2 tax return shall not be required to be filed by persons
3 whose purchases from out-of-state vendors do not in
4 total exceed two thousand dollars in any calendar year.

5 YES NO

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

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

11 Shall the _____ (city name) impose a local use
12 tax at the same rate as the local sales tax, [currently
13 at a rate of _____ (insert percent)] which includes
14 the capital improvements sales tax and the
15 transportation tax, provided that if any local sales
16 tax is repealed, reduced or raised by voter approval,
17 the respective local use tax shall also be repealed,
18 reduced or raised by the same action? [A use tax
19 return shall not be required to be filed by persons
20 whose purchases from out-of-state vendors do not in
21 total exceed two thousand dollars in any calendar
22 year.] An approval of this question will eliminate the
23 disparity in tax rates collected by local and out-of-
24 state sellers by imposing the same rate on all sellers.

25 YES NO

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

1 [(4)] 2. If any of such ballots are submitted on August 6,
2 1996, and if a majority of the votes cast on the proposal by the
3 qualified voters voting thereon are in favor of the proposal,
4 then the ordinance or order and any amendments thereto shall be
5 in effect October 1, 1996, provided the director of revenue
6 receives notice of adoption of the local use tax on or before
7 August 16, 1996. If any of such ballots are submitted after
8 December 31, 1996, and if a majority of the votes cast on the
9 proposal by the qualified voters voting thereon are in favor of
10 the proposal, then the ordinance or order and any amendments
11 thereto shall be in effect on the first day of the calendar
12 quarter which begins at least forty-five days after the director
13 of revenue receives notice of adoption of the local use tax. If
14 a majority of the votes cast by the qualified voters voting are
15 opposed to the proposal, then the governing body of the county or
16 municipality shall have no power to impose the local use tax as
17 herein authorized unless and until the governing body of the
18 county or municipality shall again have submitted another
19 proposal to authorize the governing body of the county or
20 municipality to impose the local use tax and such proposal is
21 approved by a majority of the qualified voters voting thereon.

22 3. The local use tax may be imposed at the same rate as the
23 local sales tax then currently in effect in the county or
24 municipality upon all transactions which are subject to the taxes
25 imposed pursuant to sections 144.600 to 144.745 within the county
26 or municipality adopting such tax; provided, however, that if any
27 local sales tax is repealed or the rate thereof is reduced or
28 raised by voter approval, the local use tax rate shall also be

1 deemed to be repealed, reduced or raised by the same action
2 repealing, reducing or raising the local sales tax.

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

9 144.759. 1. All local use taxes collected by the director
10 of revenue pursuant to sections 144.757 to 144.761 on behalf of
11 any county or municipality, less one percent for cost of
12 collection, which shall be deposited in the state's general
13 revenue fund after payment of premiums for surety bonds as
14 provided in section 32.087 shall be deposited with the state
15 treasurer in a local use tax trust fund, which fund shall be
16 separate and apart from the local sales tax trust funds. The
17 moneys in such local use tax trust fund shall not be deemed to be
18 state funds and shall not be commingled with any funds of the
19 state. The director of revenue shall keep accurate records of
20 the amount of money in the trust fund which was collected in each
21 county or municipality imposing a local use tax, and the records
22 shall be open to the inspection of officers of the county or
23 municipality and to the public. No later than the tenth day of
24 each month, the director of revenue shall distribute all moneys
25 deposited in the trust fund during the preceding month, except as
26 provided in subsection 2 of this section, to the county or
27 municipality treasurer, or such other officer as may be
28 designated by the county or municipality ordinance or order, of

1 each county or municipality imposing the tax authorized by
2 sections 144.757 to 144.761, the sum due the county or
3 municipality as certified by the director of revenue.

4 2. Subject to the provisions of subsection 1 of this
5 section, the director of revenue shall distribute all moneys
6 which would be due any county having a charter form of government
7 and having a population of nine hundred thousand or more to the
8 county treasurer or such other officer as may be designated by
9 county ordinance, who shall distribute [such moneys as follows:
10 the] that portion of the use [tax] taxes imposed by the county
11 [which equals one-half the rate of sales tax in effect for such
12 county shall be disbursed to the county treasurer for expenditure
13 throughout the county for public safety, parks, and job creation,
14 subject to any qualifications and regulations adopted by
15 ordinance of the county. Such ordinance shall require an audited
16 comprehensive financial report detailing the management and use
17 of such funds each year. Such ordinance shall also require that
18 the county and the municipal league of the county jointly prepare
19 a strategy to guide expenditures of funds and conduct an annual
20 review of the strategy. The treasurer or such other officer as
21 may be designated by county ordinance shall distribute one-third
22 of the balance to the county and to each city, town and village
23 in group B according to section 66.620 as modified by this
24 section, a portion of the two-thirds remainder of such balance
25 equal to the percentage ratio that the population of each such
26 city, town or village bears to the total population of all such
27 group B cities, towns and villages. For the purposes of this
28 subsection, population shall be determined by the last federal

1 decennial census or the latest census that determines the total
2 population of the county and all political subdivisions therein.
3 For the purposes of this subsection, each city, town or village
4 in group A according to section 66.620 but whose per capita sales
5 tax receipts during the preceding calendar year pursuant to
6 sections 66.600 to 66.630 were less than the per capita
7 countywide average of all sales tax receipts during the preceding
8 calendar year, shall be treated as a group B city, town or
9 village until the per capita amount distributed to such city,
10 town or village equals the difference between the per capita
11 sales tax receipts during the preceding calendar year and the per
12 capita countywide average of all sales tax receipts during the
13 preceding calendar year] that is equal to the rate of sales taxes
14 imposed by the county pursuant to sections 66.600 and 67.547 to
15 the cities, towns, and villages within such county and to the
16 unincorporated area of the county on the ratio of the population
17 that each such city, town, village, and the unincorporated areas
18 of the county bears to the total population of the county.

19 3. The director of revenue may authorize the state
20 treasurer to make refunds from the amounts in the trust fund and
21 credited to any county or municipality for erroneous payments and
22 overpayments made, and may redeem dishonored checks and drafts
23 deposited to the credit of such counties or municipalities. If
24 any county or municipality abolishes the tax, the county or
25 municipality shall notify the director of revenue of the action
26 at least ninety days prior to the effective date of the repeal,
27 and the director of revenue may order retention in the trust
28 fund, for a period of one year, of two percent of the amount

1 collected after receipt of such notice to cover possible refunds
2 or overpayment of the tax and to redeem dishonored checks and
3 drafts deposited to the credit of such accounts. After one year
4 has elapsed after the effective date of abolition of the tax in
5 such county or municipality, the director of revenue shall
6 authorize the state treasurer to remit the balance in the account
7 to the county or municipality and close the account of that
8 county or municipality. The director of revenue shall notify
9 each county or municipality of each instance of any amount
10 refunded or any check redeemed from receipts due the county or
11 municipality.

12 4. Except as modified in sections 144.757 to 144.761, all
13 provisions of sections 32.085 and 32.087 applicable to the local
14 sales tax, except for subsection 12 of section 32.087, and all
15 provisions of sections 144.600 to 144.745 shall apply to the tax
16 imposed pursuant to sections 144.757 to 144.761, and the director
17 of revenue shall perform all functions incident to the
18 administration, collection, enforcement, and operation of the
19 tax.

20
21 [144.1000. Sections 144.1000 to 144.1015 shall be
22 known as and referred to as the "Simplified Sales and
23 Use Tax Administration Act".]
24

25 [144.1003. As used in sections 144.1000 to
26 144.1015, the following terms shall mean:

27 (1) "Agreement", the streamlined sales and use
28 tax agreement;

29 (2) "Certified automated system", software
30 certified jointly by the states that are signatories to
31 the agreement to calculate the tax imposed by each
32 jurisdiction on a transaction, determine the amount of
33 tax to remit to the appropriate state and maintain a
34 record of the transaction;

35 (3) "Certified service provider", an agent

1 certified jointly by the states that are signatories to
2 the agreement to perform all of the seller's sales tax
3 functions;

4 (4) "Person", an individual, trust, estate,
5 fiduciary, partnership, limited liability company,
6 limited liability partnership, corporation or any other
7 legal entity;

8 (5) "Sales tax", any sales tax levied pursuant to
9 this chapter, section 32.085, or any other sales tax
10 authorized by statute and levied by this state or its
11 political subdivisions;

12 (6) "Seller", any person making sales, leases or
13 rentals of personal property or services;

14 (7) "State", any state of the United States and
15 the District of Columbia;

16 (8) "Use tax", the use tax levied pursuant to
17 this chapter.]

18
19 [144.1006. For the purposes of reviewing and, if
20 necessary, amending the agreement embodying the
21 simplification recommendations contained in section
22 144.1015, the state may enter into multistate
23 discussions. For purposes of such discussions, the
24 state shall be represented by seven delegates, one of
25 whom shall be appointed by the governor, two members
26 appointed by the speaker of the house of
27 representatives, one member appointed by the minority
28 leader of the house of representatives, two members
29 appointed by the president pro tempore of the senate
30 and one member appointed by the minority leader of the
31 senate. The delegates need not be members of the
32 general assembly and at least one of the delegates
33 appointed by the speaker of the house of
34 representatives and one member appointed by the
35 president pro tempore of the senate shall be from the
36 private sector and represent the interests of Missouri
37 businesses. The delegates shall recommend to the
38 committees responsible for reviewing tax issues in the
39 senate and the house of representatives each year any
40 amendment of state statutes required to be
41 substantially in compliance with the agreement. Such
42 delegates shall make a written report by the fifteenth
43 day of January each year regarding the status of the
44 multistate discussions and upon final adoption of the
45 terms of the sales and use tax agreement by the
46 multistate body.]

47
48 [144.1009. No provision of the agreement
49 authorized by sections 144.1000 to 144.1015 in whole or
50 in part invalidates or amends any provision of the law
51 of this state. Implementation of any condition of this

1 agreement in this state, whether adopted before, at, or
2 after membership of this state in the agreement, must
3 be by action of the general assembly. Such report
4 shall be delivered to the governor, the secretary of
5 state, the president pro tempore of the senate and the
6 speaker of the house of representatives and shall
7 simultaneously be made publicly available by the
8 secretary of state to any person requesting a copy.]
9

10 [144.1012. Unless five of the seven delegates
11 agree, the delegates shall not enter into or vote for
12 any streamlined sales and use tax agreement that:

13 (1) Requires adoption of a definition of any term
14 that would cause any item or transaction that is now
15 excluded or exempted from sales or use tax to become
16 subject to sales or use tax;

17 (2) Requires the state of Missouri to fully
18 exempt or fully apply sales taxes to the sale of food
19 or any other item;

20 (3) Restricts the ability of local governments
21 under statutes in effect on August 28, 2002, to enact
22 one or more local taxes on one or more items without
23 application of the tax to all sales within the taxing
24 jurisdiction, however, restriction of any such taxes
25 allowed by statutes effective after August 28, 2002,
26 may be supported;

27 (4) Provides for adoption of any uniform rate
28 structure that would result in a tax increase for any
29 Missouri taxpayer;

30 (5) Affects the sourcing of sales tax
31 transactions; or

32 (6) Prohibits limitations or thresholds on the
33 application of sales and use tax rates or prohibits any
34 current sales or use tax exemption in the state of
35 Missouri, including exemptions that are based on the
36 value of the transaction or item.]
37

38 [144.1015. In addition to the requirements of
39 section 144.1012, the delegates should consider the
40 following features when deciding whether or not to
41 enter into any streamlined sales and use tax agreement:

42 (1) The agreement should address the limitation
43 of the number of state rates over time;

44 (2) The agreement should establish uniform
45 standards for administration of exempt sales and the
46 form used for filing sales and use tax returns and
47 remittances;

48 (3) The agreement should require the state to
49 provide a central, electronic registration system that
50 allows a seller to register to collect and remit sales
51 and use taxes for all signatory states;

1 (4) The agreement should provide that
2 registration with the central registration system and
3 the collection of sales and use taxes in the signatory
4 states will not be used as a factor in determining
5 whether the seller has nexus with a state for any tax;

6 (5) The agreement should provide for reduction of
7 the burdens of complying with local sales and use taxes
8 through the following so long as they do not conflict
9 with the provisions of section 144.1012:

10 (a) Restricting variances between the state and
11 local tax bases;

12 (b) Requiring states to administer any sales and
13 use taxes levied by local jurisdictions within the
14 state so that sellers collecting and remitting these
15 taxes will not have to register or file returns with,
16 remit funds to, or be subject to independent audits
17 from local taxing jurisdictions;

18 (c) Restricting the frequency of changes in the
19 local sales and use tax rates and setting effective
20 dates for the application of local jurisdictional
21 boundary changes to local sales and use taxes; and

22 (d) Providing notice of changes in local sales
23 and use tax rates and of changes in the boundaries of
24 local taxing jurisdictions;

25 (6) The agreement should outline any monetary
26 allowances that are to be provided by the states to
27 sellers or certified service providers. The agreement
28 must allow for a joint public and private sector study
29 of the compliance cost on sellers and certified service
30 providers to collect sales and use taxes for state and
31 local governments under various levels of complexity to
32 be completed by July 1, 2003;

33 (7) The agreement should require each state to
34 certify compliance with the terms of the agreement
35 prior to joining and to maintain compliance, under the
36 laws of the member state, with all provisions of the
37 agreement while a member, only if the agreement and any
38 amendment thereto complies with the provisions of
39 section 144.1012;

40 (8) The agreement should require each state to
41 adopt a uniform policy for certified service providers
42 that protects the privacy of consumers and maintains
43 the confidentiality of tax information; and

44 (9) The agreement should provide for the
45 appointment of an advisory council of private sector
46 representatives and an advisory council of nonmember
47 state representatives to consult with in the
48 administration of the agreement.]

49
50 Section B. Because of the importance of ensuring the fiscal

1 health of the state in an emergency, the enactment of section
2 33.575 of this act is deemed necessary for the immediate
3 preservation of the public health, welfare, peace and safety, and
4 is hereby declared to be an emergency act within the meaning of
5 the constitution, and the enactment of section 33.575 of this act
6 shall be in full force and effect upon its passage and approval.

7 Section C. The enactment of sections 144.608, 144.637,
8 144.638, and 144.752, the repeal and reenactment of sections
9 32.087, 143.011, 144.011, 144.014, 144.020, 144.049, 144.054,
10 144.060, 144.140, 144.526, 144.605, 144.710, and 144.759, and the
11 repeal of sections 144.1000, 144.1003, 144.1006, 144.1009,
12 144.1012, and 144.1015 shall become effective January 1, 2022.