

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, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015, RSMo, and to enact in lieu thereof twenty-two 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, 144.1000,
4 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015, RSMo, are
5 repealed and twenty-two new sections enacted in lieu thereof, to
6 be known as sections 32.087, 32.310, 33.575, 135.550, 143.011,
7 143.441, 144.011, 144.014, 144.020, 144.049, 144.054, 144.060,
8 144.080, 144.140, 144.526, 144.605, 144.608, 144.637, 144.638,
9 144.710, 144.752, and 144.757, to read as follows:
10 32.087. 1. Within ten days after the adoption of any
11 ordinance or order in favor of adoption of any local sales tax
12 authorized under the local sales tax law by the voters of a
13 taxing entity, the governing body or official of such taxing

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

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

11 3. (1) Every retailer within the jurisdiction of one or
12 more taxing entities which has imposed one or more local sales
13 taxes under the local sales tax law shall add all taxes so
14 imposed along with the tax imposed by the sales tax law of the
15 state of Missouri to the sale price and, when added, the combined
16 tax shall constitute a part of the price, and shall be a debt of
17 the purchaser to the retailer until paid, and shall be
18 recoverable at law in the same manner as the purchase price. The
19 combined rate of the state sales tax and all local sales taxes
20 shall be the sum of the rates, multiplying the combined rate
21 times the amount of the sale.

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

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

28 (b) For local sales taxes imposed under the local sales tax

1 law by a county, excluding cities not within a county, three and
2 one-fourth percent;

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

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

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

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

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

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

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

26 Approval of this measure will result in a
27 reduction of local revenue to provide for vital
28 services for _____ (local jurisdiction's name) and

1 it will place Missouri dealers of motor vehicles,
2 outboard motors, boats, and trailers at a competitive
3 disadvantage to non-Missouri dealers of motor vehicles,
4 outboard motors, boats, and trailers.

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

17 (4) In addition to the requirement that the ballot question
18 set forth in subdivision (2) of this subsection be placed before
19 the voters, the governing body of any local taxing jurisdiction
20 that had previously imposed a local use tax on the use of motor
21 vehicles, trailers, boats, and outboard motors may, at any time,
22 place a proposal on the ballot at any election to repeal
23 application of the local sales tax to the titling of motor
24 vehicles, trailers, boats, and outboard motors purchased from a
25 source other than a licensed Missouri dealer. If a majority of
26 the votes cast by the registered voters voting thereon are in
27 favor of the proposal to repeal application of the local sales
28 tax to such titling, then the local sales tax shall no longer be

1 applied to the titling of motor vehicles, trailers, boats, and
2 outboard motors purchased from a source other than a licensed
3 Missouri dealer. If a majority of the votes cast by the
4 registered voters voting thereon are opposed to the proposal to
5 repeal application of the local sales tax to such titling, such
6 application shall remain in effect.

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

1 local sales tax to such titling, such application shall remain in
2 effect.

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

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

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

1 that are subject to state sales tax under section 144.020 that
2 were purchased from a source other than a licensed Missouri
3 dealer. The ballot question presented to the local voters shall
4 contain substantially the following language:

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

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

18 YES NO

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

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

27 [6.] 5. On and after the effective date of any local sales
28 tax imposed under the provisions of the local sales tax law, the

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

11 [7.] 6. All applicable provisions contained in sections
12 144.010 to [144.525] 144.527 governing the state sales tax and
13 section 32.057, the uniform confidentiality provision, shall
14 apply to the collection of any local sales tax imposed under the
15 local sales tax law except as modified by the local sales tax
16 law.

17 [8.] 7. All exemptions granted to agencies of government,
18 organizations, persons and to the sale of certain articles and
19 items of tangible personal property and taxable services under
20 the provisions of sections 144.010 to [144.525] 144.527, as these
21 sections now read and as they may hereafter be amended, it being
22 the intent of this general assembly to ensure that the same sales
23 tax exemptions granted from the state sales tax law also be
24 granted under the local sales tax law, are hereby made applicable
25 to the imposition and collection of all local sales taxes imposed
26 under the local sales tax law.

27 [9.] 8. The same sales tax permit, exemption certificate
28 and retail certificate required by sections 144.010 to [144.525]

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

8 [10.] 9. All discounts allowed the retailer under the
9 provisions of the state sales tax law for the collection of and
10 for payment of taxes under the provisions of the state sales tax
11 law are hereby allowed and made applicable to any local sales tax
12 collected under the provisions of the local sales tax law.

13 [11.] 10. The penalties provided in section 32.057 and
14 sections 144.010 to [144.525] 144.527 for a violation of the
15 provisions of those sections are hereby made applicable to
16 violations of the provisions of the local sales tax law.

17 [12.] 11. (1) For the purposes of any local sales tax
18 imposed by an ordinance or order under the local sales tax law,
19 all sales, except the sale of motor vehicles, trailers, boats,
20 and outboard motors required to be titled under the laws of the
21 state of Missouri, shall be deemed to be consummated at the place
22 of business of the retailer unless the tangible personal property
23 sold is delivered by the retailer or his agent to an out-of-state
24 destination. In the event a retailer has more than one place of
25 business in this state which participates in the sale, the sale
26 shall be deemed to be consummated at the place of business of the
27 retailer where the initial order for the tangible personal
28 property is taken, even though the order must be forwarded

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

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

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

19 [13.] 12. Local sales taxes shall not be imposed on the
20 seller of motor vehicles, trailers, boats, and outboard motors
21 required to be titled under the laws of the state of Missouri,
22 but shall be collected from the purchaser by the director of
23 revenue at the time application is made for a certificate of
24 title, if the address of the applicant is within a taxing entity
25 imposing a local sales tax under the local sales tax law.

26 [14.] 13. The director of revenue and any of his deputies,
27 assistants and employees who have any duties or responsibilities
28 in connection with the collection, deposit, transfer,

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

13 [15.] 14. The director of revenue shall annually report on
14 his management of each trust fund which is created under the
15 local sales tax law and administration of each local sales tax
16 imposed under the local sales tax law. He shall provide each
17 taxing entity imposing one or more local sales taxes authorized
18 by the local sales tax law with a detailed accounting of the
19 source of all funds received by him for the taxing entity.
20 Notwithstanding any other provisions of law, the state auditor
21 shall annually audit each trust fund. A copy of the director's
22 report and annual audit shall be forwarded to each taxing entity
23 imposing one or more local sales taxes.

24 [16.] 15. Within the boundaries of any taxing entity where
25 one or more local sales taxes have been imposed, if any person is
26 delinquent in the payment of the amount required to be paid by
27 him under the local sales tax law or in the event a determination
28 has been made against him for taxes and penalty under the local

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

12 [17.] 16. Where property is seized by the director of
13 revenue under the provisions of any law authorizing seizure of
14 the property of a taxpayer who is delinquent in payment of the
15 tax imposed by the state sales tax law, and where such taxpayer
16 is also delinquent in payment of any tax imposed by the local
17 sales tax law, the director of revenue shall permit the taxing
18 entity to join in any sale of property to pay the delinquent
19 taxes and penalties due the state and to the taxing entity under
20 the local sales tax law. The proceeds from such sale shall first
21 be applied to all sums due the state, and the remainder, if any,
22 shall be applied to all sums due such taxing entity.

23 [18.] 17. If a local sales tax has been in effect for at
24 least one year under the provisions of the local sales tax law
25 and voters approve reimposition of the same local sales tax at
26 the same rate at an election as provided for in the local sales
27 tax law prior to the date such tax is due to expire, the tax so
28 reimposed shall become effective the first day of the first

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

10 32.310. 1. The department of revenue shall create and
11 maintain a mapping feature on its official public website that
12 displays sales and use tax information of political subdivisions
13 of this state that have taxing authority, including the current
14 tax rate for each sales and use tax imposed and collected. Such
15 display shall have the option to showcase the borders and
16 jurisdiction of the following political subdivisions on a map of
17 the state to the extent that such political subdivisions collect
18 sales and use tax:

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

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

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

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

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

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

28 6. If the boundaries of a political subdivision listed in

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

14 33.575. 1. There is hereby created in the state treasury
15 the "Cash Operating Expense Fund", which shall consist of money
16 as provided under this section. The state treasurer shall be
17 custodian of the fund. In accordance with sections 30.170 and
18 30.180, the state treasurer may approve disbursements.
19 Notwithstanding the provisions of section 33.080 to the contrary,
20 any moneys remaining in the fund at the end of the biennium shall
21 not revert to the credit of the general revenue fund. The state
22 treasurer shall invest moneys in the fund in the same manner as
23 other funds are invested. Any interest and moneys earned on such
24 investments shall be credited to the fund.

25 2. (1) The state general revenue portion from remittances
26 made pursuant to section 144.752 and paragraph (e) of subdivision
27 (3) of section 144.605, with the exception of revenues collected
28 pursuant to section 144.701 and Article IV, Sections 43(a) and

1 47(a) of the Missouri Constitution, shall be deposited into the
2 fund.

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

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

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

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

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

28 5. For the purposes of this section, "net general revenue

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

5 135.550. 1. As used in this section, the following terms
6 shall mean:

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

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

16 (3) "State tax liability", in the case of a business
17 taxpayer, any liability incurred by such taxpayer pursuant to the
18 provisions of chapter 143, chapter 147, chapter 148, and chapter
19 153, exclusive of the provisions relating to the withholding of
20 tax as provided for in sections 143.191 to 143.265 and related
21 provisions, and in the case of an individual taxpayer, any
22 liability incurred by such taxpayer pursuant to the provisions of
23 chapter 143;

24 (4) "Taxpayer", a person, firm, a partner in a firm,
25 corporation or a shareholder in an S corporation doing business
26 in the state of Missouri and subject to the state income tax
27 imposed by the provisions of chapter 143, or a corporation
28 subject to the annual corporation franchise tax imposed by the

1 provisions of chapter 147, including any charitable organization
2 which is exempt from federal income tax and whose Missouri
3 unrelated business taxable income, if any, would be subject to
4 the state income tax imposed under chapter 143, or an insurance
5 company paying an annual tax on its gross premium receipts in
6 this state, or other financial institution paying taxes to the
7 state of Missouri or any political subdivision of this state
8 pursuant to the provisions of chapter 148, or an express company
9 which pays an annual tax on its gross receipts in this state
10 pursuant to chapter 153, or an individual subject to the state
11 income tax imposed by the provisions of chapter 143.

12 2. A taxpayer shall be allowed to claim a tax credit
13 against the taxpayer's state tax liability, in an amount equal to
14 fifty percent of the amount such taxpayer contributed to a
15 shelter for victims of domestic violence for all fiscal years
16 ending on or before June 30, 2021, and seventy percent of the
17 amount such taxpayer contributed to a shelter for victims of
18 domestic violence for all fiscal years beginning on or after July
19 1, 2021.

20 3. The amount of the tax credit claimed shall not exceed
21 the amount of the taxpayer's state tax liability for the taxable
22 year that the credit is claimed, and such taxpayer shall not be
23 allowed to claim a tax credit in excess of fifty thousand dollars
24 per taxable year. However, any tax credit that cannot be claimed
25 in the taxable year the contribution was made may be carried over
26 to the next four succeeding taxable years until the full credit
27 has been claimed.

28 4. Except for any excess credit which is carried over

1 pursuant to subsection 3 of this section, a taxpayer shall not be
2 allowed to claim a tax credit unless the total amount of such
3 taxpayer's contribution or contributions to a shelter or shelters
4 for victims of domestic violence in such taxpayer's taxable year
5 has a value of at least one hundred dollars.

6 5. The director of the department of social services shall
7 determine, at least annually, which facilities in this state may
8 be classified as shelters for victims of domestic violence. The
9 director of the department of social services may require of a
10 facility seeking to be classified as a shelter for victims of
11 domestic violence whatever information is reasonably necessary to
12 make such a determination. The director of the department of
13 social services shall classify a facility as a shelter for
14 victims of domestic violence if such facility meets the
15 definition set forth in subsection 1 of this section.

16 6. The director of the department of social services shall
17 establish a procedure by which a taxpayer can determine if a
18 facility has been classified as a shelter for victims of domestic
19 violence, and by which such taxpayer can then contribute to such
20 shelter for victims of domestic violence and claim a tax credit.
21 Shelters for victims of domestic violence shall be permitted to
22 decline a contribution from a taxpayer. The cumulative amount of
23 tax credits which may be claimed by all the taxpayers
24 contributing to shelters for victims of domestic violence in any
25 one fiscal year shall not exceed two million dollars for all
26 fiscal years ending on or before June 30, 2021. For all fiscal
27 years beginning on or after July 1, 2021, there shall be no limit
28 imposed on the cumulative amount of tax credits that may be

1 claimed by all taxpayers contributing to shelters for victims of
2 domestic violence under the provisions of this section.

3 7. For all fiscal years ending on or before June 30, 2021,
4 the director of the department of social services shall establish
5 a procedure by which, from the beginning of the fiscal year until
6 some point in time later in the fiscal year to be determined by
7 the director of the department of social services, the cumulative
8 amount of tax credits are equally apportioned among all
9 facilities classified as shelters for victims of domestic
10 violence. If a shelter for victims of domestic violence fails to
11 use all, or some percentage to be determined by the director of
12 the department of social services, of its apportioned tax credits
13 during this predetermined period of time, the director of the
14 department of social services may reapportion these unused tax
15 credits to those shelters for victims of domestic violence that
16 have used all, or some percentage to be determined by the
17 director of the department of social services, of their
18 apportioned tax credits during this predetermined period of time.
19 The director of the department of social services may establish
20 more than one period of time and reapportion more than once
21 during each fiscal year. To the maximum extent possible, the
22 director of the department of social services shall establish the
23 procedure described in this subsection in such a manner as to
24 ensure that taxpayers can claim all the tax credits possible up
25 to the cumulative amount of tax credits available for the fiscal
26 year.

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

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

5 If the Missouri taxable income is:	The tax is:
6 Not over \$1,000.00	1 1/2% of the Missouri 7 taxable income
8 Over \$1,000 but not over \$2,000	\$15 plus 2% of excess 9 over \$1,000
10 Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess 11 over \$2,000
12 Over \$3,000 but not over \$4,000	\$60 plus 3% of excess 13 over \$3,000
14 Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess 15 over \$4,000
16 Over \$5,000 but not over \$6,000	\$125 plus 4% of excess 17 over \$5,000
18 Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of 19 excess over \$6,000
20 Over \$7,000 but not over \$8,000	\$210 plus 5% of excess 21 over \$7,000
22 Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of 23 excess over \$8,000
24 Over \$9,000	\$315 plus 6% of excess 25 over \$9,000

26 2. (1) Beginning with the 2017 calendar year, the top rate
27 of tax under subsection 1 of this section may be reduced over a
28 period of years. Each reduction in the top rate of tax shall be

1 by one-tenth of a percent and no more than one reduction shall
2 occur in a calendar year. No more than five reductions shall be
3 made under this subsection. Reductions in the rate of tax shall
4 take effect on January first of a calendar year and such reduced
5 rates shall continue in effect until the next reduction occurs.

6 (2) A reduction in the rate of tax shall only occur if the
7 amount of net general revenue collected in the previous fiscal
8 year exceeds the highest amount of net general revenue collected
9 in any of the three fiscal years prior to such fiscal year by at
10 least one hundred fifty million dollars.

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

14 (4) The director of the department of revenue shall, by
15 rule, adjust the tax tables under subsection 1 of this section to
16 effectuate the provisions of this subsection. The bracket for
17 income subject to the top rate of tax shall be eliminated once
18 the top rate of tax has been reduced to five and one-half
19 percent, and the top remaining rate of tax shall apply to all
20 income in excess of the income in the second highest remaining
21 income bracket.

22 3. (1) In addition to the rate reductions under subsection
23 2 of this section, beginning with the 2019 calendar year, the top
24 rate of tax under subsection 1 of this section shall be reduced
25 by four-tenths of one percent. Such reduction in the rate of tax
26 shall take effect on January first of the 2019 calendar year.

27 (2) The modification of tax rates under this subsection
28 shall only apply to tax years that begin on or after the date the

1 modification takes effect.

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

5 4. (1) In addition to the rate reductions under
6 subsections 2 and 3 of this section, beginning with the calendar
7 year following the calendar year in which the final reduction in
8 the top rate of tax is made under subsection 2 of this section,
9 the top rate of tax under subsection 1 of this section shall be
10 reduced by eleven-hundredths of one percent. Such reduction in
11 the rate of tax shall take effect on January first of a calendar
12 year.

13 (2) The reduction in the rate of tax pursuant to this
14 subsection shall only occur if the amount of net general revenue
15 collected in the previous fiscal year exceeds the highest amount
16 of net general revenue collected in any of the three fiscal years
17 prior to such fiscal year by at least one hundred fifty million
18 dollars.

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

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

25 5. Beginning with the 2017 calendar year, the brackets of
26 Missouri taxable income identified in subsection 1 of this
27 section shall be adjusted annually by the percent increase in
28 inflation. The director shall publish such brackets annually

1 beginning on or after October 1, 2016. Modifications to the
2 brackets shall take effect on January first of each calendar year
3 and shall apply to tax years beginning on or after the effective
4 date of the new brackets.

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

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

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

12 (3) "Net general revenue collected", all revenue deposited
13 into the general revenue fund, less refunds and revenues
14 originally deposited into the general revenue fund but designated
15 by law for a specific distribution or transfer to another state
16 fund;

17 (4) "Percent increase in inflation", the percentage, if
18 any, by which the CPI for the preceding calendar year exceeds the
19 CPI for the year beginning September 1, 2014, and ending August
20 31, 2015.

21 143.441. 1. The term "corporation" means every
22 corporation, association, joint stock company and joint stock
23 association organized, authorized or existing under the laws of
24 this state and includes:

25 (1) Every corporation, association, joint stock company,
26 and joint stock association organized, authorized, or existing
27 under the laws of this state, and every corporation, association,
28 joint stock company, and joint stock association, licensed to do

1 business in this state, or doing business in this state, and not
2 organized, authorized, or existing under the laws of this state,
3 or by any receiver in charge of the property of any such
4 corporation, association, joint stock company or joint stock
5 association;

6 (2) Every railroad corporation or receiver in charge of the
7 property thereof which operates over rails owned or leased by it
8 and every corporation operating any buslines, trucklines,
9 airlines, or other forms of transportation, including qualified
10 air freight forwarders, operating over fixed routes owned,
11 leased, or used by it extending from this state to another state
12 or states. For the purposes of this section, "qualified air
13 freight forwarder" means a taxpayer who:

14 (a) Is primarily engaged in the facilitation of the
15 transportation of property by air;

16 (b) Does not directly operate aircraft; and

17 (c) Is affiliated with an airline;

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

21 (4) Every corporation, or receiver in charge of the
22 property thereof, which operates a telephone line or lines
23 extending from this state to another state or states or a
24 telegraph line or lines extending from this state to another
25 state or states.

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

28 (1) A corporation which by reason of its purposes and

1 activities is exempt from federal income tax. The preceding
2 sentence shall not apply to unrelated business taxable income and
3 other income on which chapter 1 of the Internal Revenue Code
4 imposes the federal income tax or any other tax measured by
5 income;

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

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

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

12 (5) Any other corporation that is exempt from Missouri
13 income taxation under the laws of Missouri or the laws of the
14 United States.

15 144.011. 1. For purposes of [sections 144.010 to 144.525
16 and 144.600 to 144.748] this chapter, and the taxes imposed
17 thereby, the definition of "retail sale" or "sale at retail"
18 shall not be construed to include any of the following:

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

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

28 (3) The transfer of tangible personal property to a

1 corporation solely in exchange for its stock or securities;

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

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

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

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

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

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

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

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

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

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

12 (a) A transfer which involves the delivery of the document
13 known as the "Manufacturer's Statement of Origin" to a person
14 other than a manufactured home dealer, as defined in section
15 700.010, for purposes of allowing such person to obtain a title
16 to the manufactured home from the department of revenue of this
17 state or the appropriate agency or officer of any other state;

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

23 (c) The first transfer which occurs after December 31,
24 1985, if the tax imposed by [sections 144.010 to 144.525] this
25 chapter was not paid on any transfer of the same manufactured
26 home which occurred before December 31, 1985; or

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

28 (a) Fraternal beneficiaries societies, or domestic

1 fraternal societies, orders or associations operating under the
2 lodge system a substantial part of the activities of which are
3 devoted to religious, charitable, scientific, literary,
4 educational or fraternal purposes;

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

14 (c) Nonprofit organizations exempt from taxation under
15 Section 501(c)(7) of the Internal Revenue Code of 1986, as
16 amended.

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

24 144.014. 1. Notwithstanding other provisions of law to the
25 contrary, beginning October 1, 1997, the tax levied and imposed
26 [pursuant to sections 144.010 to 144.525 and sections 144.600 to
27 144.746] under this chapter on all retail sales of food shall be
28 at the rate of one percent. The revenue derived from the one

1 percent rate pursuant to this section shall be deposited by the
2 state treasurer in the school district trust fund and shall be
3 distributed as provided in section 144.701.

4 2. For the purposes of this section, the term "food" shall
5 include only those products and types of food for which food
6 stamps may be redeemed pursuant to the provisions of the Federal
7 Food Stamp Program as contained in 7 U.S.C. Section 2012, as that
8 section now reads or as it may be amended hereafter, and shall
9 include food dispensed by or through vending machines. For the
10 purpose of this section, except for vending machine sales, the
11 term "food" shall not include food or drink sold by any
12 establishment where the gross receipts derived from the sale of
13 food prepared by such establishment for immediate consumption on
14 or off the premises of the establishment constitutes more than
15 eighty percent of the total gross receipts of that establishment,
16 regardless of whether such prepared food is consumed on the
17 premises of that establishment, including, but not limited to,
18 sales of food by any restaurant, fast food restaurant,
19 delicatessen, eating house, or café.

20 144.020. 1. A tax is hereby levied and imposed for the
21 privilege of titling new and used motor vehicles, trailers,
22 boats, and outboard motors purchased or acquired for use on the
23 highways or waters of this state which are required to be titled
24 under the laws of the state of Missouri and, except as provided
25 in subdivision (9) of this subsection, upon all sellers for the
26 privilege of engaging in the business of selling tangible
27 personal property or rendering taxable service at retail in this
28 state. The rate of tax shall be as follows:

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

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

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

20 (4) (a) A tax equivalent to four percent on the basic rate
21 paid or charged on all sales of local and long distance
22 telecommunications service to telecommunications subscribers and
23 to others through equipment of telecommunications subscribers for
24 the transmission of messages and conversations and upon the sale,
25 rental or leasing of all equipment or services pertaining or
26 incidental thereto; except that, the payment made by
27 telecommunications subscribers or others, pursuant to section
28 144.060, and any amounts paid for access to the internet or

1 interactive computer services shall not be considered as amounts
2 paid for telecommunications services;

3 (b) If local and long distance telecommunications services
4 subject to tax under this subdivision are aggregated with and not
5 separately stated from charges for telecommunications service or
6 other services not subject to tax under this subdivision,
7 including, but not limited to, interstate or international
8 telecommunications services, then the charges for nontaxable
9 services may be subject to taxation unless the telecommunications
10 provider can identify by reasonable and verifiable standards such
11 portion of the charges not subject to such tax from its books and
12 records that are kept in the regular course of business,
13 including, but not limited to, financial statement, general
14 ledgers, invoice and billing systems and reports, and reports for
15 regulatory tariffs and other regulatory matters;

16 (c) A telecommunications provider shall notify the director
17 of revenue of its intention to utilize the standards described in
18 paragraph (b) of this subdivision to determine the charges that
19 are subject to sales tax under this subdivision. Such
20 notification shall be in writing and shall meet standardized
21 criteria established by the department regarding the form and
22 format of such notice;

23 (d) The director of revenue may promulgate and enforce
24 reasonable rules and regulations for the administration and
25 enforcement of the provisions of this subdivision. Any rule or
26 portion of a rule, as that term is defined in section 536.010,
27 that is created under the authority delegated in this section
28 shall become effective only if it complies with and is subject to

1 all of the provisions of chapter 536 and, if applicable, section
2 536.028. This section and chapter 536 are nonseverable and if
3 any of the powers vested with the general assembly pursuant to
4 chapter 536 to review, to delay the effective date, or to
5 disapprove and annul a rule are subsequently held
6 unconstitutional, then the grant of rulemaking authority and any
7 rule proposed or adopted after August 28, 2019, shall be invalid
8 and void;

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

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

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

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

24 (9) A tax equivalent to four percent of the purchase price,
25 as defined in section 144.070, of new and used motor vehicles,
26 trailers, boats, and outboard motors purchased or acquired for
27 use on the highways or waters of this state which are required to
28 be registered under the laws of the state of Missouri. This tax

1 is imposed on the person titling such property, and shall be paid
2 according to the procedures in section 144.440.

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

7 144.049. 1. For purposes of this section, the following
8 terms mean:

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

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

27 (3) "School supplies", any item normally used by students
28 in a standard classroom for educational purposes, including but

1 not limited to textbooks, notebooks, paper, writing instruments,
2 crayons, art supplies, rulers, book bags, backpacks, handheld
3 calculators, chalk, maps, and globes. The term shall not include
4 watches, radios, CD players, headphones, sporting equipment,
5 portable or desktop telephones, copiers or other office
6 equipment, furniture, or fixtures. School supplies shall also
7 include computer software having a taxable value of three hundred
8 fifty dollars or less and any graphing calculator having a
9 taxable value of one hundred fifty dollars or less.

10 2. In each year beginning on or after January 1, 2005,
11 there is hereby specifically exempted from state and local sales
12 tax law all retail sales of any article of clothing having a
13 taxable value of one hundred dollars or less, all retail sales of
14 school supplies not to exceed fifty dollars per purchase, all
15 computer software with a taxable value of three hundred fifty
16 dollars or less, all graphing calculators having a taxable value
17 of one hundred fifty dollars or less, and all retail sales of
18 personal computers or computer peripheral devices not to exceed
19 one thousand five hundred dollars, during a three-day period
20 beginning at 12:01 a.m. on the first Friday in August and ending
21 at midnight on the Sunday following. Where a purchaser and
22 seller are located in two different time zones, the time zone of
23 the seller's location shall determine the authorized exemption
24 period.

25 3. [If the governing body of any political subdivision
26 adopted an ordinance that applied to the 2004 sales tax holiday
27 to prohibit the provisions of this section from allowing the
28 sales tax holiday to apply to such political subdivision's local

1 sales tax, then, notwithstanding any provision of a local
2 ordinance to the contrary, the 2005 sales tax holiday shall not
3 apply to such political subdivision's local sales tax. However,
4 any such political subdivision may enact an ordinance to allow
5 the 2005 sales tax holiday to apply to its local sales taxes. A
6 political subdivision must notify the department of revenue not
7 less than forty-five calendar days prior to the beginning date of
8 the sales tax holiday occurring in that year of any ordinance or
9 order rescinding an ordinance or order to opt out.

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

12 [5.] 4. This section applies to sales of items bought for
13 personal use only.

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

23 7.] 5. This section may not apply to any retailer when less
24 than two percent of the retailer's merchandise offered for sale
25 qualifies for the sales tax holiday. The retailer [shall] may
26 offer a sales tax refund in lieu of the sales tax holiday.

27 6. A sale of property which is eligible for an exemption
28 under subsection 1 of this section but is purchased under a

1 layaway sale shall only qualify for an exemption if:

2 (1) Final payment on a layaway order is made by, and the
3 property is given to, the purchaser during the exemption period;

4 or

5 (2) The purchaser selects the property and the seller
6 accepts the order for the property during the exemption period,
7 for immediate delivery upon full payment, even if delivery is
8 made after the exemption period.

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

11 8. (1) For any discount offered by a seller that is a
12 reduction of the sales price of the product, the discounted sales
13 price shall determine whether the sales price falls below the
14 price threshold provided in subsection 1 of this section. A
15 coupon that reduces the sales price shall be treated as a
16 discount only if the seller is not reimbursed for the coupon
17 amount by a third party.

18 (2) If a discount applies to the total amount paid by a
19 purchaser rather than to the sales price of a particular product
20 and the purchaser has purchased both exempt property and taxable
21 property, the seller shall allocate the discount based on the
22 total sales prices of the taxable property compared to the total
23 sales prices of all property sold in the same transaction.

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

27 10. Items that are purchased during an exemption period but
28 that are not delivered to the purchaser until after the exemption

1 period due to the item not being in stock shall qualify for an
2 exemption. The provisions of this subsection shall not apply to
3 an item that was delivered during an exemption period but was
4 purchased prior to or after the exemption period.

5 11. (1) If a purchaser purchases an item of eligible
6 property during an exemption period, but later exchanges the item
7 for a similar eligible item after the exemption period, no
8 additional tax shall be due on the new item.

9 (2) If a purchaser purchases an item of eligible property
10 during an exemption period, but later returns the item after the
11 exemption period and receives credit on the purchase of a
12 different nonexempt item, the appropriate sales tax shall be due
13 on the sale of the newly purchased item.

14 (3) If a purchaser purchases an item of eligible property
15 before an exemption period, but during the exemption period
16 returns the item and receives credit on the purchase of a
17 different item of eligible property, no sales tax shall be due on
18 the sale of the new item if the new item is purchased during the
19 exemption period.

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

26 144.054. 1. As used in this section, the following terms
27 mean:

28 (1) "Processing", any mode of treatment, act, or series of

1 acts performed upon materials to transform or reduce them to a
2 different state or thing, including treatment necessary to
3 maintain or preserve such processing by the producer at the
4 production facility;

5 (2) "Producing" includes, but is not limited to, the
6 production of, including the production and transmission of,
7 telecommunication services;

8 (3) "Product" includes, but is not limited to,
9 telecommunications services;

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

14 2. In addition to all other exemptions granted under this
15 chapter, there is hereby specifically exempted from the
16 provisions of [sections 144.010 to 144.525 and 144.600 to
17 144.761, and from the computation of the tax levied, assessed, or
18 payable under sections 144.010 to 144.525 and 144.600 to 144.761]
19 this chapter and the local sales tax law as defined in section
20 32.085 and from the computation of the tax levied, assessed, or
21 payable under this chapter and the local sales tax law as defined
22 in section 32.085, electrical energy and gas, whether natural,
23 artificial, or propane, water, coal, and energy sources,
24 chemicals, machinery, equipment, and materials used or consumed
25 in the manufacturing, processing, compounding, mining, or
26 producing of any product, or used or consumed in the processing
27 of recovered materials, or used in research and development
28 related to manufacturing, processing, compounding, mining, or

1 producing any product. [The exemptions granted in this
2 subsection shall not apply to local sales taxes as defined in
3 section 32.085 and the provisions of this subsection shall be in
4 addition to any state and local sales tax exemption provided in
5 section 144.030.] The construction and application of this
6 subsection as expressed by the Missouri supreme court in DST
7 Systems, Inc. v. Director of Revenue, 43 S.W.3d 799 (Mo. banc
8 2001); Southwestern Bell Tel. Co. v. Director of Revenue, 78
9 S.W.3d 763 (Mo. banc 2002); and Southwestern Bell Tel. Co. v.
10 Director of Revenue, 182 S.W.3d 226 (Mo. banc 2005), is hereby
11 affirmed.

12 3. In addition to all other exemptions granted under this
13 chapter, there is hereby specifically exempted from the
14 provisions of [sections 144.010 to 144.525 and 144.600 to
15 144.761, and section 238.235,] this chapter and the local sales
16 tax law as defined in section 32.085, and from the computation of
17 the tax levied, assessed, or payable under [sections 144.010 to
18 144.525 and 144.600 to 144.761, and section 238.235,] this
19 chapter and the local sales tax law as defined in section 32.085,
20 all utilities, machinery, and equipment used or consumed directly
21 in television or radio broadcasting and all sales and purchases
22 of tangible personal property, utilities, services, or any other
23 transaction that would otherwise be subject to the state or local
24 sales or use tax when such sales are made to or purchases are
25 made by a contractor for use in fulfillment of any obligation
26 under a defense contract with the United States government, and
27 all sales and leases of tangible personal property by any county,
28 city, incorporated town, or village, provided such sale or lease

1 is authorized under chapter 100, and such transaction is
2 certified for sales tax exemption by the department of economic
3 development, and tangible personal property used for railroad
4 infrastructure brought into this state for processing,
5 fabrication, or other modification for use outside the state in
6 the regular course of business.

7 4. In addition to all other exemptions granted under this
8 chapter, there is hereby specifically exempted from the
9 provisions of [sections 144.010 to 144.525 and 144.600 to
10 144.761, and section 238.235,] this chapter and the local sales
11 tax law as defined in section 32.085, and from the computation of
12 the tax levied, assessed, or payable under [sections 144.010 to
13 144.525 and 144.600 to 144.761, and section 238.235,] this
14 chapter and the local sales tax law as defined in section 32.085,
15 all sales and purchases of tangible personal property, utilities,
16 services, or any other transaction that would otherwise be
17 subject to the state or local sales or use tax when such sales
18 are made to or purchases are made by a private partner for use in
19 completing a project under sections 227.600 to 227.669.

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

1 electrical energy and gas, whether natural, artificial or
2 propane, water, coal and other energy sources, chemicals, soaps,
3 detergents, cleaning and sanitizing agents, and other ingredients
4 and materials inserted by commercial or industrial laundries to
5 treat, clean, and sanitize textiles in facilities which process
6 at least five hundred pounds of textiles per hour and at least
7 sixty thousand pounds per week.

8 144.060. 1. It shall be the duty of every person making
9 any purchase or receiving any service upon which a tax is imposed
10 by sections 144.010 to 144.510 to pay, to the extent possible
11 under the provisions of section 144.285, the amount of such tax
12 to the person making such sale or rendering such service. Any
13 person who shall willfully and intentionally refuse to pay such
14 tax shall be guilty of a misdemeanor. The provisions of this
15 section shall not apply to any person making any purchase or sale
16 of a motor vehicle subject to sales tax as provided by the
17 Missouri sales tax law, unless such person making the sale is a
18 motor vehicle dealer authorized to collect and remit sales tax
19 pursuant to subsection 10 of section 144.070.

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

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

28 (2) A purchaser using a database created pursuant to

1 section 144.123 received erroneous data provided by the director
2 on tax rates, boundaries, or taxing jurisdiction assignments; or

3 (3) A purchaser relied on erroneous data provided by the
4 director in the taxability matrix created pursuant to section
5 144.124.

6 144.080. 1. Every person receiving any payment or
7 consideration upon the sale of property or rendering of service,
8 subject to the tax imposed by the provisions of sections 144.010
9 to ~~[144.525]~~ 144.527, is exercising the taxable privilege of
10 selling the property or rendering the service at retail and is
11 subject to the tax levied in section 144.020. The person shall
12 be responsible not only for the collection of the amount of the
13 tax imposed on the sale or service to the extent possible under
14 the provisions of section 144.285, but shall, on or before the
15 last day of the month following each calendar quarterly period of
16 three months, file a return with the director of revenue showing
17 the person's gross receipts and the amount of tax levied in
18 section 144.020 for the preceding quarter, and shall remit to the
19 director of revenue, with the return, the taxes levied in section
20 144.020, except as provided in subsections 2 and 3 of this
21 section. The director of revenue may promulgate rules or
22 regulations changing the filing and payment requirements of
23 sellers, but shall not require any seller to file and pay more
24 frequently than required in this section.

25 2. (1) Where the aggregate amount levied and imposed upon
26 a seller by section 144.020 is in excess of two hundred fifty
27 dollars for either the first or second month of a calendar
28 quarter, the seller shall file a return and pay such aggregate

1 amount for such months to the director of revenue by the
2 twentieth day of the succeeding month.

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

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

15 4. The seller of any property or person rendering any
16 service, subject to the tax imposed by sections 144.010 to
17 ~~[144.525]~~ 144.527, shall collect the tax from the purchaser of
18 such property or the recipient of the service to the extent
19 possible under the provisions of section 144.285, but the
20 seller's inability to collect any part or all of the tax does not
21 relieve the seller of the obligation to pay to the state the tax
22 imposed by section 144.020; except that the collection of the tax
23 imposed by sections 144.010 to ~~[144.525]~~ 144.527 on motor
24 vehicles and trailers shall be made as provided in sections
25 144.070 and 144.440.

26 5. Any person may advertise or hold out or state to the
27 public or to any customer directly that the tax or any part
28 thereof imposed by sections 144.010 to ~~[144.525]~~ 144.527, and

1 required to be collected by the person, will be assumed or
2 absorbed by the person, provided that the amount of tax assumed
3 or absorbed shall be stated on any invoice or receipt for the
4 property sold or service rendered. Any person violating any of
5 the provisions of this section shall be guilty of a misdemeanor.
6 This subsection shall not apply to any retailer prohibited from
7 collecting and remitting sales tax under section 66.630.

8 144.140. 1. From every remittance to the director of
9 revenue made on or before the date when the same becomes due, the
10 person required to remit the same shall be entitled to deduct and
11 retain an amount equal to two percent thereof.

12 2. The director shall provide a monetary allowance from the
13 taxes collected to a CSP under the terms of the contract signed
14 with the provider, provided that such allowance shall be funded
15 entirely from money collected by the CSP.

16 3. Any vendor receiving an allowance under subsection 2 of
17 this section shall not be entitled to simultaneously deduct the
18 allowance provided for under subsection 1 of this section.

19 144.526. 1. This section shall be known and may be cited
20 as the "Show Me Green Sales Tax Holiday".

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

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

26 (2) "Energy star certified", any appliance approved by both
27 the United States Environmental Protection Agency and the United
28 States Department of Energy as eligible to display the energy

1 star label, as amended from time to time.

2 3. In each year beginning on or after January 1, 2009,
3 there is hereby specifically exempted from state sales tax law
4 and all local sales and use taxes all retail sales of any energy
5 star certified new appliance, up to one thousand five hundred
6 dollars per appliance[,] during a seven-day period beginning at
7 12:01 a.m. on April nineteenth and ending at midnight on April
8 twenty-fifth. Where a purchaser and seller are located in two
9 different time zones, the time zone of the seller's location
10 shall determine the authorized exemption period.

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

17 5. This section may not apply to any retailer when less
18 than two percent of the retailer's merchandise offered for sale
19 qualifies for the sales tax holiday. The retailer shall offer a
20 sales tax refund in lieu of the sales tax holiday.] A sale of
21 property which is eligible for an exemption under subsection 1 of
22 this section but is purchased under a layaway sale shall only
23 qualify for an exemption if:

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

27 (2) The purchaser selects the property and the seller
28 accepts the order for the property during the exemption period,

1 for immediate delivery upon full payment, even if delivery is
2 made after the exemption period.

3 5. (1) For any discount offered by a seller that is a
4 reduction of the sales price of the product, the discounted sales
5 price shall determine whether the sales price falls below the
6 price threshold provided in subsection 1 of this section. A
7 coupon that reduces the sales price shall be treated as a
8 discount only if the seller is not reimbursed for the coupon
9 amount by a third party.

10 (2) If a discount applies to the total amount paid by a
11 purchaser rather than to the sales price of a particular product
12 and the purchaser has purchased both exempt property and taxable
13 property, the seller shall allocate the discount based on the
14 total sales prices of the taxable property compared to the total
15 sales prices of all property sold in the same transaction.

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

19 7. Items that are purchased during an exemption period but
20 that are not delivered to the purchaser until after the exemption
21 period due to the item not being in stock shall qualify for an
22 exemption. The provisions of this subsection shall not apply to
23 an item that was delivered during an exemption period but was
24 purchased prior to or after the exemption period.

25 8. (1) If a purchaser purchases an item of eligible
26 property during an exemption period, but later exchanges the item
27 for a similar eligible item after the exemption period, no
28 additional tax shall be due on the new item.

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

6 (3) If a purchaser purchases an item of eligible property
7 before an exemption period, but during the exemption period
8 returns the item and receives credit on the purchase of a
9 different item of eligible property, no sales tax shall be due on
10 the sale of the new item if the new item is purchased during the
11 exemption period.

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

18 144.605. The following words and phrases as used in
19 sections 144.600 to 144.745 mean and include:

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

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

27 (3) "Engages in business activities within this state"
28 includes:

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

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

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

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

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

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

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

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

27 (d) The presumption in paragraph (c) of this subdivision
28 may be rebutted by demonstrating that the person's activities in

1 the state are not significantly associated with the vendor's
2 ability to establish or maintain a market in this state for the
3 vendor's sales;

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

15 (f) The presumption in paragraph (e) may be rebutted by
16 submitting proof that the residents with whom the vendor has an
17 agreement did not engage in any activity within the state that
18 was significantly associated with the vendor's ability to
19 establish or maintain the vendor's market in the state during the
20 preceding twelve months. Such proof may consist of sworn written
21 statements from all of the residents with whom the vendor has an
22 agreement stating that they did not engage in any solicitation in
23 the state on behalf of the vendor during the preceding year
24 provided that such statements were provided and obtained in good
25 faith] Selling tangible personal property for delivery into this
26 state provided the seller's gross receipts from delivery of
27 tangible personal property into this state in the previous
28 calendar year or current calendar year exceeds one hundred

1 thousand dollars. For the purposes of calculating a seller's
2 gross receipts under this paragraph, following the close of each
3 calendar quarter, a vendor shall determine whether the vendor met
4 the requirements under this paragraph during the twelve-month
5 period ending on the last day of the preceding calendar quarter.
6 If the vendor met such requirements for any such twelve-month
7 period, such vendor shall collect and remit the tax as provided
8 under section 144.635 for a period of not less than twelve
9 months, beginning not more than three months following the close
10 of the preceding calendar quarter, and shall continue to collect
11 and remit the tax for as long as the vendor is engaged in
12 business activities within this state, as provided for under this
13 paragraph, or otherwise maintains a substantial nexus with this
14 state;

15 [(3)] (4) "Maintains a place of business in this state"
16 includes maintaining, occupying, or using, permanently or
17 temporarily, directly or indirectly, by whatever name called, an
18 office, place of distribution, sales or sample room or place,
19 warehouse or storage place, or other place of business in this
20 state, whether owned or operated by the vendor or by any other
21 person other than a common carrier acting in its capacity as
22 such;

23 [(4)] (5) "Person", any individual, firm, copartnership,
24 joint venture, association, corporation, municipal or private,
25 and whether organized for profit or not, state, county, political
26 subdivision, state department, commission, board, bureau or
27 agency, except the state transportation department, estate,
28 trust, business trust, receiver or trustee appointed by the state

1 or federal court, syndicate, or any other group or combination
2 acting as a unit, and the plural as well as the singular number;

3 [(5)] (6) "Purchase", the acquisition of the ownership of,
4 or title to, tangible personal property, through a sale, as
5 defined herein, for the purpose of storage, use or consumption in
6 this state;

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

10 [(7)] (8) "Sale", any transfer, barter or exchange of the
11 title or ownership of tangible personal property, or the right to
12 use, store or consume the same, for a consideration paid or to be
13 paid, and any transaction whether called leases, rentals,
14 bailments, loans, conditional sales or otherwise, and
15 notwithstanding that the title or possession of the property or
16 both is retained for security. For the purpose of this law the
17 place of delivery of the property to the purchaser, user, storer
18 or consumer is deemed to be the place of sale, whether the
19 delivery be by the vendor or by common carriers, private
20 contractors, mails, express, agents, salesmen, solicitors,
21 hawkers, representatives, consignors, peddlers, canvassers or
22 otherwise;

23 [(8)] (9) "Sales price", the consideration including the
24 charges for services, except charges incident to the extension of
25 credit, paid or given, or contracted to be paid or given, by the
26 purchaser to the vendor for the tangible personal property,
27 including any services that are a part of the sale, valued in
28 money, whether paid in money or otherwise, and any amount for

1 which credit is given to the purchaser by the vendor, without any
2 deduction therefrom on account of the cost of the property sold,
3 the cost of materials used, labor or service cost, losses or any
4 other expenses whatsoever, except that cash discounts allowed and
5 taken on sales shall not be included and "sales price" shall not
6 include the amount charged for property returned by customers
7 upon rescission of the contract of sales when the entire amount
8 charged therefor is refunded either in cash or credit or the
9 amount charged for labor or services rendered in installing or
10 applying the property sold, the use, storage or consumption of
11 which is taxable pursuant to sections 144.600 to 144.745. The
12 sales price shall not include usual and customary delivery
13 charges that are separately stated. In determining the amount of
14 tax due pursuant to sections 144.600 to 144.745, any charge
15 incident to the extension of credit shall be specifically
16 exempted;

17 [(9)] (10) "Selling agent", every person acting as a
18 representative of a principal, when such principal is not
19 registered with the director of revenue of the state of Missouri
20 for the collection of the taxes imposed pursuant to sections
21 144.010 to 144.525 or sections 144.600 to 144.745 and who
22 receives compensation by reason of the sale of tangible personal
23 property of the principal, if such property is to be stored,
24 used, or consumed in this state;

25 [(10)] (11) "Storage", any keeping or retention in this
26 state of tangible personal property purchased from a vendor,
27 except property for sale or property that is temporarily kept or
28 retained in this state for subsequent use outside the state;

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

4 [(12)] (13) "Taxpayer", any person remitting the tax or who
5 should remit the tax levied by sections 144.600 to 144.745;

6 [(13)] (14) "Use", the exercise of any right or power over
7 tangible personal property incident to the ownership or control
8 of that property, except that it does not include the temporary
9 storage of property in this state for subsequent use outside the
10 state, or the sale of the property in the regular course of
11 business;

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

1 regarded as vendors and the dealers, distributors, consignors,
2 supervisors, principals or employers must be regarded as vendors
3 for the purposes of sections 144.600 to 144.745.

4 144.608. 1. For the purpose of more efficiently securing
5 the payment of and accounting for the tax collected and remitted
6 by retailers and vendors, the department is hereby authorized:

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

11 (2) To consult, contract, and work with certified service
12 providers independently. The department is authorized to
13 determine the method and amount of compensation to be provided to
14 certified service providers by this state for the services of
15 such certified service providers to certain sellers, provided
16 that no certified service provider or seller utilizing a
17 certified service provider shall be entitled to the deduction
18 provided in subsection 1 of section 144.140.

19 2. The director of revenue shall make, promulgate, and
20 enforce reasonable rules and regulations for the administration
21 and enforcement of the provisions of this chapter relating to the
22 collection and remittance of sales and use tax by certified
23 service providers. Any rule or portion of a rule, as that term
24 is defined in section 536.010 that is created under the authority
25 delegated in this section shall become effective only if it
26 complies with and is subject to all of the provisions of chapter
27 536, and, if applicable, section 536.028. This section and
28 chapter 536 are nonseverable and if any of the powers vested with

1 the general assembly pursuant to chapter 536, to review, to delay
2 the effective date, or to disapprove and annul a rule are
3 subsequently held unconstitutional, then the grant of rulemaking
4 authority and any rule proposed or adopted after August 28, 2020,
5 shall be invalid and void.

6 144.637. 1. The director of revenue shall provide and
7 maintain a database that describes boundary changes for all
8 taxing jurisdictions and the effective dates of such changes for
9 the use of vendors collecting the tax imposed under sections
10 144.600 to 144.745.

11 2. For the identification of counties and cities, codes
12 corresponding to the rates shall be provided according to Federal
13 Information Processing Standards (FIPS) as developed by the
14 National Institute of Standards and Technology. For the
15 identification of all other jurisdictions, codes corresponding to
16 the rates shall be in a format determined by the director.

17 3. The director shall provide and maintain address-based
18 boundary database records for assigning taxing jurisdictions and
19 associated rates. The database records shall meet the
20 requirements developed pursuant to the federal Mobile
21 Telecommunications Sourcing Act, 4 U.S.C. Section 119(a). If a
22 vendor is unable to determine the applicable rate and
23 jurisdiction using an address-based database record after
24 exercising due diligence, the vendor may apply the nine-digit zip
25 code designation applicable to a purchase. If a nine-digit zip
26 code designation is not available for a street address or if a
27 vendor is unable to determine the nine-digit zip code designation
28 applicable to a purchase after exercising due diligence to

1 determine the designation, the vendor may apply the rate for the
2 five-digit zip code area. For the purposes of this section,
3 there shall be a rebuttable presumption that a vendor has
4 exercised due diligence if the vendor has attempted to determine
5 the tax rate and jurisdiction by utilizing software approved by
6 the director and makes the assignment from the address and zip
7 code information applicable to the purchase. The databases shall
8 be in the same approved format as the database records under this
9 section and meet the requirements developed pursuant to the
10 federal Mobile Telecommunications Sourcing Act, 4 U.S.C. Section
11 119(a). If the director certifies an address-based database
12 provided by a third party, a vendor may use such database in
13 place of the database provided for in this subsection.

14 4. The electronic database provided for in subsections 1,
15 2, and 3 of this section shall be in a downloadable format as
16 determined by the director. The database may be directly
17 provided by the director or provided by a third party as
18 designated by the director. The database provided by the
19 director shall be provided at no cost to the user of the
20 database. The provisions of subsection 3 of this section shall
21 not apply if the purchased product is received by the purchaser
22 at the business location of the vendor.

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

26 144.638. 1. The director shall provide and maintain a
27 taxability matrix. The state's entries in the matrix shall be
28 provided and maintained by the director in a database that is in

1 a downloadable format.

2 2. The director shall provide reasonable notice of changes
3 in the taxability of the products or services listed in the
4 taxability matrix.

5 3. A seller or CSP shall be relieved from liability to this
6 state or any local taxing jurisdiction for having charged and
7 collected the incorrect amount of state or local sales or use tax
8 resulting from such seller's or CSP's reliance upon erroneous
9 data provided or approved by the director in the taxability
10 matrix, and a seller shall be relieved from liability for
11 erroneous returns made by a CSP on behalf of the seller.

12 144.710. [From every remittance made by a vendor as
13 required by sections 144.600 to 144.745 to the director of
14 revenue on or before the date when the remittance becomes due,
15 the vendor may deduct and retain an amount equal to two percent
16 thereof.] The provisions of section 144.140 relating to the
17 allowance for timely remittance of payment shall be applicable to
18 the tax levied under sections 144.600 to 144.745.

19 144.752. 1. For the purposes of this section, the
20 following terms shall mean:

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

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

26 (b) Either directly or indirectly through agreements or
27 arrangements with third parties collecting payment from the
28 purchaser and transmitting such payment to the marketplace seller

1 regardless of whether the marketplace facilitator receives
2 compensation or other consideration in exchange for its services.

3
4 A marketplace facilitator is a seller and shall comply with the
5 provisions of this chapter. A marketplace facilitator does not
6 include a person who provides internet advertising services, or
7 product listing, and does not collect payment from the purchaser
8 and transmit payment to the marketplace seller, and does not
9 include a person with respect to the provision of travel agency
10 services or the operation of a marketplace or that portion of a
11 marketplace that enables consumers to receive travel agency
12 services. For the purposes of this subdivision, "travel agency
13 services" means facilitating, for a commission, fee, or other
14 consideration, vacation or travel packages, rental car or other
15 travel reservations, tickets for domestic or foreign travel by
16 air, rail, ship, bus, or other medium of transportation, or hotel
17 or other lodging accommodations;

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

20 (3) "Person", any individual, firm, copartnership, joint
21 venture, association, corporation, municipal or private, whether
22 organized for profit or not, state, county, political
23 subdivision, state department, commission, board, bureau or
24 agency, except the department of transportation, estate, trust,
25 business trust, receiver or trustee appointed by the state or
26 federal court, syndicate, or any other group or combination
27 acting as a unit;

28 (4) "Purchaser", any person who is the recipient for a

1 valuable consideration of any sale of tangible personal property
2 acquired for use, storage, or consumption in this state;

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

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

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

1 agreements regarding the fulfillment of the requirements of this
2 chapter.

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

8 3. Marketplace facilitators that are required to collect
9 use tax under this section shall report and remit the tax
10 separately from any sales and use tax collected by the
11 marketplace facilitator, or by affiliates of the marketplace
12 facilitator, which the marketplace facilitator would have been
13 required to collect and remit under the provisions of this
14 chapter prior to January 1, 2022. Such tax shall be reported and
15 remitted as determined by the department. Marketplace
16 facilitators shall maintain records of all sales delivered to a
17 location in the state, including electronic or paper copies of
18 invoices showing the purchaser, address, purchase amount, and use
19 tax collected. Such records shall be made available for review
20 and inspection upon request by the department.

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

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

1 6. Any taxpayer who remits use tax under this section shall
2 be entitled to refunds or credits to the same extent and in the
3 same manner provided for in section 144.190 for taxes collected
4 and remitted under this section. Nothing in this section shall
5 relieve a purchaser of the obligation to remit use tax for any
6 retail sale taxable under this chapter for which a marketplace
7 facilitator or marketplace seller does not collect and remit the
8 use tax.

9 7. Except as provided under subsections 8 and 9 of this
10 section, marketplace facilitators shall be subject to the penalty
11 provisions, procedures, and reporting requirements provided under
12 the provisions of this chapter.

13 8. No class action shall be brought against a marketplace
14 facilitator in any court in this state on behalf of purchasers
15 arising from or in any way related to an overpayment of use tax
16 collected on retail sales facilitated by a marketplace
17 facilitator, regardless of whether that claim is characterized as
18 a tax refund claim. Nothing in this subsection shall affect a
19 purchaser's right to seek a refund as provided under section
20 144.190.

21 9. (1) A marketplace facilitator shall be relieved from
22 liability under this section for the failure to collect and remit
23 the correct amount of use tax on retail sales facilitated for
24 marketplace sellers under the following circumstances:

25 (a) To the extent that the marketplace facilitator
26 demonstrates to the satisfaction of the department that the error
27 was due to insufficient or incorrect information given to the
28 marketplace facilitator by the marketplace seller; provided,

1 however, that a marketplace facilitator shall not be relieved of
2 liability under this paragraph if the marketplace facilitator and
3 the marketplace seller are affiliated;

4 (b) To the extent that the marketplace facilitator
5 demonstrates to the satisfaction of the department that:

6 a. The marketplace facilitator is not the seller and that
7 the marketplace facilitator and marketplace seller are not
8 affiliated;

9 b. The retail sale was facilitated for a marketplace seller
10 through a marketplace operated by the marketplace facilitator;
11 and

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

15 (2) The relief from liability provided under subdivision
16 (1) of this subsection shall not exceed the following percentage
17 of the total use tax due on retail sales facilitated by a
18 marketplace facilitator for marketplace sellers and sourced to
19 this state during a calendar year, which such retail sales shall
20 not include retail sales made directly by the marketplace
21 facilitator or affiliates of the marketplace facilitator:

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

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

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

28 (d) For retail sales made or facilitated for all years

1 beginning January 1, 2025, zero percent.

2 (3) To the extent that a marketplace facilitator is
3 relieved of liability for the collection of use tax under this
4 subsection, the marketplace seller for whom the marketplace
5 facilitator has made or facilitated the sale shall also be
6 relieved of liability under this subsection.

7 (4) The department shall determine the manner in which a
8 marketplace facilitator or marketplace seller shall apply for and
9 claim the relief from liability provided for under this
10 subsection.

11 10. For the purposes of this section, a marketplace
12 facilitator shall not include a third party financial institution
13 appointed by a merchant or a marketplace facilitator to handle
14 various forms of payment transactions, such as processing credit
15 cards and debit cards, and whose sole activity with respect to
16 marketplace sales is to facilitate the payment transactions
17 between two parties.

18 11. The state general revenue portion from remittances made
19 pursuant to this section, with the exception of revenues
20 collected pursuant to section 144.701 and Article IV, Sections
21 43(a) and 47(a) of the Missouri Constitution, shall be deposited
22 to the credit of the cash operating expense fund established
23 pursuant to section 33.575.

24 12. The department may promulgate rules to implement the
25 provisions of this section. Any rule or portion of a rule, as
26 that term is defined in section 536.010, that is created under
27 the authority delegated in this section shall become effective
28 only if it complies with and is subject to all of the provisions

1 of chapter 536 and, if applicable, section 536.028. This section
2 and chapter 536 are nonseverable and if any of the powers vested
3 with the general assembly pursuant to chapter 536 to review, to
4 delay the effective date, or to disapprove and annul a rule are
5 subsequently held unconstitutional, then the grant of rulemaking
6 authority and any rule proposed or adopted after August 28, 2020,
7 shall be invalid and void.

8 144.757. 1. Any county or municipality, except
9 municipalities within a county having a charter form of
10 government with a population in excess of nine hundred thousand,
11 may, by a majority vote of its governing body, impose a local use
12 tax if a local sales tax is imposed as defined in section 32.085
13 at a rate equal to the rate of the local sales tax in effect in
14 such county or municipality; provided, however, that no ordinance
15 or order enacted pursuant to sections 144.757 to 144.761 shall be
16 effective unless the governing body of the county or municipality
17 submits to the voters thereof at a municipal, county or state
18 general, primary or special election a proposal to authorize the
19 governing body of the county or municipality to impose a local
20 use tax pursuant to sections 144.757 to 144.761. Municipalities
21 within a county having a charter form of government with a
22 population in excess of nine hundred thousand may, upon voter
23 approval received pursuant to paragraph (b) of subdivision (2) of
24 subsection 2 of this section, impose a local use tax at the same
25 rate as the local municipal sales tax with the revenues from all
26 such municipal use taxes to be distributed pursuant to subsection
27 4 of section 94.890. The municipality shall within thirty days
28 of the approval of the use tax imposed pursuant to paragraph (b)

1 of subdivision (2) of subsection 2 of this section select one of
2 the distribution options permitted in subsection 4 of section
3 94.890 for distribution of all municipal use taxes.

4 2. (1) The ballot of submission, except for counties and
5 municipalities described in subdivisions (2) and (3) of this
6 subsection, shall contain substantially the following language:

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

20 YES NO

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

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

28 For the purposes of enhancing county and municipal

1 public safety, parks, and job creation and enhancing
2 local government services, shall the county be
3 authorized to collect a local use tax equal to the
4 total of the existing county sales tax rate [of (insert
5 tax rate)], provided that if the county sales tax is
6 repealed, reduced or raised by voter approval, the
7 local use tax rate shall also be repealed, reduced or
8 raised by the same voter action? Fifty percent of the
9 revenue shall be used by the county throughout the
10 county for improving and enhancing public safety, park
11 improvements, and job creation, and fifty percent shall
12 be used for enhancing local government services. The
13 county shall be required to make available to the
14 public an audited comprehensive financial report
15 detailing the management and use of the countywide
16 portion of the funds each year.

17 A use tax is the equivalent of a sales tax on
18 purchases from out-of-state sellers by in-state buyers
19 and on certain taxable business transactions. [A use
20 tax return shall not be required to be filed by persons
21 whose purchases from out-of-state vendors do not in
22 total exceed two thousand dollars in any calendar
23 year.] Approval of this question will eliminate the
24 disparity in tax rates collected by local and out-of-
25 state sellers by imposing the same rate on all sellers.

26 YES NO

27 If you are in favor of the question, place an "X"
28 in the box opposite "YES". If you are opposed to the

1 question, place an "X" in the box opposite "NO".

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

6 Shall the municipality be authorized to impose a
7 local use tax at the same rate as the local sales tax
8 by a vote of the governing body, provided that if any
9 local sales tax is repealed, reduced or raised by voter
10 approval, the respective local use tax shall also be
11 repealed, reduced or raised by the same action? [A use
12 tax return shall not be required to be filed by persons
13 whose purchases from out-of-state vendors do not in
14 total exceed two thousand dollars in any calendar
15 year.] Approval of this question will eliminate the
16 disparity in tax rates collected by local and out-of-
17 state sellers by imposing the same rate on all sellers.

18 YES

NO

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

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

24 Shall the _____ (city name) impose a local use
25 tax at the same rate as the local sales tax, [currently
26 at a rate of _____ (insert percent)] which includes
27 the capital improvements sales tax and the
28 transportation tax, provided that if any local sales

1 tax is repealed, reduced or raised by voter approval,
2 the respective local use tax shall also be repealed,
3 reduced or raised by the same action? [A use tax
4 return shall not be required to be filed by persons
5 whose purchases from out-of-state vendors do not in
6 total exceed two thousand dollars in any calendar
7 year.] Approval of this question will eliminate the
8 disparity in tax rates collected by local and out-of-
9 state sellers by imposing the same rate on all sellers.

10 YES

NO

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

14 (4) If any of such ballots are submitted on August 6, 1996,
15 and if a majority of the votes cast on the proposal by the
16 qualified voters voting thereon are in favor of the proposal,
17 then the ordinance or order and any amendments thereto shall be
18 in effect October 1, 1996, provided the director of revenue
19 receives notice of adoption of the local use tax on or before
20 August 16, 1996. If any of such ballots are submitted after
21 December 31, 1996, and if a majority of the votes cast on the
22 proposal by the qualified voters voting thereon are in favor of
23 the proposal, then the ordinance or order and any amendments
24 thereto shall be in effect on the first day of the calendar
25 quarter which begins at least forty-five days after the director
26 of revenue receives notice of adoption of the local use tax. If
27 a majority of the votes cast by the qualified voters voting are
28 opposed to the proposal, then the governing body of the county or

1 municipality shall have no power to impose the local use tax as
2 herein authorized unless and until the governing body of the
3 county or municipality shall again have submitted another
4 proposal to authorize the governing body of the county or
5 municipality to impose the local use tax and such proposal is
6 approved by a majority of the qualified voters voting thereon.

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

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

22
23 [144.1000. Sections 144.1000 to 144.1015 shall be
24 known as and referred to as the "Simplified Sales and
25 Use Tax Administration Act".]
26

27 [144.1003. As used in sections 144.1000 to
28 144.1015, the following terms shall mean:

29 (1) "Agreement", the streamlined sales and use
30 tax agreement;

31 (2) "Certified automated system", software
32 certified jointly by the states that are signatories to
33 the agreement to calculate the tax imposed by each
34 jurisdiction on a transaction, determine the amount of

1 tax to remit to the appropriate state and maintain a
2 record of the transaction;

3 (3) "Certified service provider", an agent
4 certified jointly by the states that are signatories to
5 the agreement to perform all of the seller's sales tax
6 functions;

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

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

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

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

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

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

50
51 [144.1009. No provision of the agreement

1 authorized by sections 144.1000 to 144.1015 in whole or
2 in part invalidates or amends any provision of the law
3 of this state. Implementation of any condition of this
4 agreement in this state, whether adopted before, at, or
5 after membership of this state in the agreement, must
6 be by action of the general assembly. Such report
7 shall be delivered to the governor, the secretary of
8 state, the president pro tempore of the senate and the
9 speaker of the house of representatives and shall
10 simultaneously be made publicly available by the
11 secretary of state to any person requesting a copy.]
12

13 [144.1012. Unless five of the seven delegates
14 agree, the delegates shall not enter into or vote for
15 any streamlined sales and use tax agreement that:

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

20 (2) Requires the state of Missouri to fully
21 exempt or fully apply sales taxes to the sale of food
22 or any other item;

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

30 (4) Provides for adoption of any uniform rate
31 structure that would result in a tax increase for any
32 Missouri taxpayer;

33 (5) Affects the sourcing of sales tax
34 transactions; or

35 (6) Prohibits limitations or thresholds on the
36 application of sales and use tax rates or prohibits any
37 current sales or use tax exemption in the state of
38 Missouri, including exemptions that are based on the
39 value of the transaction or item.]
40

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

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

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

51 (3) The agreement should require the state to

1 provide a central, electronic registration system that
2 allows a seller to register to collect and remit sales
3 and use taxes for all signatory states;

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

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

13 (a) Restricting variances between the state and
14 local tax bases;

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

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

25 (d) Providing notice of changes in local sales
26 and use tax rates and of changes in the boundaries of
27 local taxing jurisdictions;

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

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

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

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

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

8 Section C. The enactment of sections 144.608, 144.637,
9 144.638, and 144.752, the repeal and reenactment of sections
10 32.087, 143.011, 144.011, 144.014, 144.020, 144.049, 144.054,
11 144.060, 144.080, 144.140, 144.526, 144.605, and 144.710, and the
12 repeal of sections 144.1000, 144.1003, 144.1006, 144.1009,
13 144.1012, and 144.1015 shall become effective January 1, 2022.