

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.

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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5 repealed and twenty-two new sections enacted in lieu thereof, to  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 [144.1009. No provision of the agreement  
51

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.