

SENATE SUBSTITUTE  
FOR  
HOUSE COMMITTEE SUBSTITUTE  
FOR  
HOUSE BILL NO. 66  
AN ACT

To repeal sections 32.310, 67.2677, 67.2689, 137.115, 143.011, 144.011, 144.014, 144.020, 144.049, 144.054, 144.060, 144.080, 144.140, 144.526, 144.605, 144.710, 144.757, 144.759, 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015, RSMo, and to enact in lieu thereof twenty-five new sections relating to taxation, with penalty provisions and effective dates for certain sections.

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

Section A. Sections 32.310, 67.2677, 67.2689, 137.115,  
2 143.011, 144.011, 144.014, 144.020, 144.049, 144.054, 144.060,  
3 144.080, 144.140, 144.526, 144.605, 144.710, 144.757, 144.759,  
4 144.1000, 144.1003, 144.1006, 144.1009, 144.1012, and 144.1015,  
5 RSMo, are repealed and twenty-five new sections enacted in lieu  
6 thereof, to be known as sections 32.310, 67.2677, 67.2689,  
7 67.2720, 94.842, 137.115, 143.011, 143.177, 144.011, 144.014,  
8 144.020, 144.049, 144.054, 144.060, 144.080, 144.140, 144.526,  
9 144.605, 144.608, 144.637, 144.638, 144.710, 144.752, 144.757,  
10 and 144.759, to read as follows:

32.310. 1. The department of revenue shall create and  
2 maintain a mapping feature on its official public website  
3 that displays sales and use tax information of political  
4 subdivisions of this state that have taxing authority,  
5 including the current tax rate for each sales and use tax  
6 imposed and collected. Such display shall have the option  
7 to showcase the borders and jurisdiction of the following

8 political subdivisions on a map of the state to the extent  
9 that such political subdivisions collect sales and use tax:

- 10 (1) Ambulance districts;
- 11 (2) Community improvement districts;
- 12 (3) Fire protection districts;
- 13 (4) Levee districts;
- 14 (5) Library districts;
- 15 (6) Neighborhood improvement districts;
- 16 (7) Port authority districts;
- 17 (8) Tax increment financing districts;
- 18 (9) Transportation development districts;
- 19 (10) School districts; or
- 20 (11) Any other political subdivision that imposes a

21 sales or use tax within its borders and jurisdiction.

22 2. The mapping feature shall also have the option to  
23 superimpose state house of representative districts and  
24 state senate districts over the political subdivisions.

25 3. A political subdivision collecting sales or use tax  
26 listed in subsection 1 of this section shall provide to the  
27 department of revenue mapping and geographic data pertaining  
28 to the political subdivision's borders and jurisdictions.  
29 The political subdivision shall certify the accuracy of the  
30 data by affidavit and shall provide the data in a format  
31 specified by the department of revenue. Such data relating  
32 to sales taxes shall be sent to the department of revenue by  
33 April 1, 2019, and shall be updated and sent to the  
34 department if a change in the political subdivision's  
35 borders or jurisdiction occurs thereafter. Such data  
36 relating to use taxes shall be sent to the department of  
37 revenue by January 1, 2022. If a political subdivision  
38 fails to provide the information required under this  
39 subsection, the department of revenue shall use the last  
40 known sales or use tax rate for such political subdivision.

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

43           5. By July 1, 2019, the department shall implement the  
44 mapping feature using the sales tax data provided to it  
45 under subsection 3 of this section. By July 1, 2022, the  
46 department shall implement the mapping feature using use tax  
47 data provided to it under subsection 3 of this section.

48           6. If the boundaries of a political subdivision listed  
49 in subsection 1 of this section in which a sales or use tax  
50 has been imposed shall thereafter be changed or altered, the  
51 political subdivision shall forward to the director of  
52 revenue by United States registered mail or certified mail a  
53 certified copy of the ordinance adding or detaching  
54 territory from the political subdivision within ten days of  
55 adoption of the ordinance. The ordinance shall reflect the  
56 effective date of the ordinance and shall be accompanied by  
57 a map in a form to be determined by the director of  
58 revenue. Upon receipt of the ordinance and map, the tax  
59 imposed under the local sales tax law shall be effective in  
60 the added territory or abolished in the detached territory  
61 on the first day of a calendar quarter after one hundred  
62 twenty days' notice to sellers.

          67.2677. For purposes of sections 67.2675 to 67.2714,  
2 the following terms mean:

3           (1) "Cable operator", as defined in 47 U.S.C. Section  
4 522(5);

5           (2) "Cable system", as defined in 47 U.S.C. Section  
6 522(7);

7           (3) "Franchise", an initial authorization, or renewal  
8 of an authorization, issued by a franchising entity,  
9 regardless of whether the authorization is designated as a  
10 franchise, permit, license, resolution, contract,  
11 certificate, agreement, or otherwise, that authorizes the

12 provision of video service and any affiliated or subsidiary  
13 agreements related to such authorization;

14 (4) "Franchise area", the total geographic area  
15 authorized to be served by an incumbent cable operator in a  
16 political subdivision as of August 28, 2007, or, in the case  
17 of an incumbent local exchange carrier, as such term is  
18 defined in 47 U.S.C. Section 251(h), or affiliate thereof,  
19 the area within such political subdivision in which such  
20 carrier provides telephone exchange service;

21 (5) "Franchise entity", a political subdivision that  
22 was entitled to require franchises and impose fees on cable  
23 operators on the day before the effective date of sections  
24 67.2675 to 67.2714, provided that only one political  
25 subdivision may be a franchise entity with regard to a  
26 geographic area;

27 (6) (a) "Gross revenues", limited to amounts billed  
28 to video service subscribers [or received from advertisers]  
29 for the following:

30 a. Recurring charges for video service; and  
31 b. Event-based charges for video service, including  
32 but not limited to pay-per-view and video-on-demand charges;  
33 [c. Rental of set top boxes and other video service  
34 equipment;

35 d. Service charges related to the provision of video  
36 service, including but not limited to activation,  
37 installation, repair, and maintenance charges;

38 e. Administrative charges related to the provision of  
39 video service, including but not limited to service order  
40 and service termination charges; and

41 f. A pro rata portion of all revenue derived, less  
42 refunds, rebates, or discounts, by a video service provider  
43 for advertising over the video service network to  
44 subscribers within the franchise area where the numerator is

45 the number of subscribers within the franchise area, and the  
46 denominator is the total number of subscribers reached by  
47 such advertising;]

48 (b) "Gross revenues" do not include:

49 a. Discounts, refunds, and other price adjustments  
50 that reduce the amount of compensation received by an entity  
51 holding a video service authorization;

52 b. Uncollectibles;

53 c. Late payment fees;

54 d. Amounts billed to video service subscribers to  
55 recover taxes, fees, or surcharges imposed on video service  
56 subscribers or video service providers in connection with  
57 the provision of video services, including the video service  
58 provider fee authorized by this section;

59 e. Fees or other contributions for PEG or I-Net  
60 support; [or]

61 f. Charges for services other than video service that  
62 are aggregated or bundled with amounts billed to video  
63 service subscribers, if the entity holding a video service  
64 authorization reasonably can identify such charges on books  
65 and records kept in the regular course of business or by  
66 other reasonable means;

67 g. Rental of set top boxes, modems, or other equipment  
68 used to provide or facilitate the provision of video service;

69 h. Service charges related to the provision of video  
70 service, including but not limited to activation,  
71 installation, repair, and maintenance charges;

72 i. Administrative charges related to the provision of  
73 video service, including but not limited to service order  
74 and service termination charges; or

75 j. A pro rata portion of all revenue derived from  
76 advertising, less refunds, rebates, or discounts;

77 (c) Except with respect to the exclusion of the video  
78 service provider fee, gross revenues shall be computed in  
79 accordance with generally accepted accounting principles;

80 (7) "Household", an apartment, a house, a mobile home,  
81 or any other structure or part of a structure intended for  
82 residential occupancy as separate living quarters;

83 (8) "Incumbent cable operator", the cable service  
84 provider serving cable subscribers in a particular franchise  
85 area on September 1, 2007;

86 (9) "Low-income household", a household with an  
87 average annual household income of less than thirty-five  
88 thousand dollars;

89 (10) "Person", an individual, partnership,  
90 association, organization, corporation, trust, or government  
91 entity;

92 (11) "Political subdivision", a city, town, village,  
93 county;

94 (12) "Public right-of-way", the area of real property  
95 in which a political subdivision has a dedicated or acquired  
96 right-of-way interest in the real property, including the  
97 area on, below, or above the present and future streets,  
98 alleys, avenues, roads, highways, parkways, or boulevards  
99 dedicated or acquired as right-of-way and utility easements  
100 dedicated for compatible uses. The term does not include  
101 the airwaves above a right-of-way with regard to wireless  
102 telecommunications or other nonwire telecommunications or  
103 broadcast service;

104 (13) "Video programming", programming provided by, or  
105 generally considered comparable to programming provided by,  
106 a television broadcast station, as set forth in 47 U.S.C.  
107 Section 522(20);

108 (14) "Video service", the provision of video  
109 programming provided through wireline facilities located at

110 least in part in the public right-of-way without regard to  
111 delivery technology, including internet protocol technology  
112 whether provided as part of a tier, on demand, or a per-  
113 channel basis. This definition includes cable service as  
114 defined by 47 U.S.C. Section 522(6), but does not include  
115 any video programming provided by a commercial mobile  
116 service provider defined in 47 U.S.C. Section 332(d), or any  
117 video programming provided solely as part of and via a  
118 service that enables users to access content, information,  
119 electronic mail, or other services offered over the public  
120 internet;

121 (15) "Video service authorization", the right of a  
122 video service provider or an incumbent cable operator that  
123 secures permission from the public service commission  
124 pursuant to sections 67.2675 to 67.2714, to offer video  
125 service to subscribers in a political subdivision;

126 (16) "Video service network", wireline facilities, or  
127 any component thereof, located at least in part in the  
128 public right-of-way that deliver video service, without  
129 regard to delivery technology, including internet protocol  
130 technology or any successor technology. The term video  
131 service network shall include cable systems;

132 (17) "Video service provider", any person that  
133 distributes video service through a video service network  
134 pursuant to a video service authorization;

135 (18) "Video service provider fee", the fee imposed  
136 under section 67.2689.

67.2689. 1. A franchise entity may collect a video  
2 service provider fee equal to not more than five percent of  
3 the gross revenues [from each] charged to each customer of a  
4 video service provider that is providing video service in  
5 the geographic area of such franchise entity. The video  
6 service provider fee shall apply equally to all video

7 service providers within the geographic area of a franchise  
8 entity.

9 2. Beginning August 28, 2023, franchise entities are  
10 prohibited from collecting a video service provider fee in  
11 excess of four and one-half percent of such gross revenues.  
12 Beginning August 28, 2024, franchise entities are prohibited  
13 from collecting a video service provider fee in excess of  
14 four percent of such gross revenues. Beginning August 28,  
15 2025, franchise entities are prohibited from collecting a  
16 video service provider fee in excess of three and one-half  
17 percent of such gross revenues. Beginning August 28, 2026,  
18 franchise entities are prohibited from collecting a video  
19 service provider fee in excess of three percent of such  
20 gross revenues. Beginning August 28, 2027, and continuing  
21 thereafter, franchise entities are prohibited from  
22 collecting a video service provider fee in excess of two and  
23 one-half percent of such gross revenues.

24 3. Except as otherwise expressly provided in sections  
25 67.2675 to 67.2714, neither a franchise entity nor any other  
26 political subdivision shall demand any additional fees,  
27 licenses, gross receipt taxes, or charges on the provision  
28 of video services by a video service provider and shall not  
29 demand the use of any other calculation method.

30 [3. All video service providers providing service in  
31 the geographic area of a franchise entity shall pay the  
32 video service provider fee at the same percent of gross  
33 revenues as had been assessed on the incumbent cable  
34 operator by the franchise entity immediately prior to the  
35 date of enactment of sections 67.2675 to 67.2714, and such  
36 percentage shall continue to apply until the date that the  
37 incumbent cable operator's franchise existing at that time  
38 expires or would have expired if it had not been terminated  
39 pursuant to sections 67.2675 to 67.2714. The franchise



40 entity shall notify the applicant for a video service  
41 authorization of the applicable gross revenue fee percentage  
42 within thirty days of the date notice of the applicant is  
43 provided.]

44 4. Not more than once per calendar year after the date  
45 that the incumbent cable operator's franchise existing on  
46 August 28, 2007, expires or would have expired if it had not  
47 been terminated pursuant to sections 67.2675 to 67.2714, or  
48 in any political subdivision where no franchise applied on  
49 the date of enactment of sections 67.2675 to 67.2714, no  
50 more than once per calendar year after the video service  
51 provider fee was initially imposed, a franchise entity, may,  
52 upon ninety days notice to all video service providers,  
53 elect to adjust the amount of the video service provider fee  
54 subject to state and federal law, but in no event shall such  
55 fee exceed [five percent of a video service provider's gross  
56 revenue] the calculation defined in subsection 1 and 2 of  
57 this section.

58 5. The video service provider fee shall be paid to  
59 each franchise entity requiring such fee on or before the  
60 last day of the month following the end of each calendar  
61 quarter [and shall be calculated as a percentage of gross  
62 revenues, as defined under section 67.2677]. Any payment  
63 made pursuant to subsection 8 of section 67.2703 shall be  
64 made at the same time as the payment of the video service  
65 provider fee.

66 6. Any video service provider [may] shall identify and  
67 collect the amount of the video service provider fee and  
68 collect any support under subsection 8 of section 67.2703 as  
69 separate line items on subscriber bills.

2 67.2720. 1. There is hereby established the "Task  
3 Force on the Future of Right-Of-Way Management and  
Taxation", which shall be composed of the following members:

4           (1) Two members of the senate to be appointed by the  
5 president pro tempore of the senate;

6           (2) One member of the senate to be appointed by the  
7 minority floor leader of the senate;

8           (3) Two members of the house of representatives to be  
9 appointed by the speaker of the house of representatives;

10          (4) One member of the house of representatives to be  
11 appointed by the minority floor leader of the house of  
12 representatives;

13          (5) Four members that are municipal officials or other  
14 political subdivision officials, two to be appointed by the  
15 president pro tempore of the senate and two to be appointed  
16 by the speaker of the house of representatives;

17          (6) Four experts in the telecommunications industry,  
18 two to be appointed by the president pro tempore of the  
19 senate and two to be appointed by the speaker of the house  
20 of representatives;

21          (7) A member of the municipal league of metro St.  
22 Louis appointed by the speaker of the house of  
23 representatives; and

24          (8) A member of the Missouri municipal league  
25 appointed by the president pro tempore of the senate.

26          2. A majority of the members of the task force shall  
27 constitute a quorum, but the concurrence of a majority of  
28 the members shall be required for the determination of any  
29 matter within the task force's duties.

30          3. The task force shall meet within thirty days after  
31 its creation and organize by selecting a chairperson and a  
32 vice chairperson, one of whom shall be a member of the  
33 senate and the other a member of the house of  
34 representatives.

35          4. The task force shall study best methods for right-  
36 of-way management, taxation of video services, and the

37 future revenue needs of municipalities and political  
38 subdivisions as such revenue relates to video services.

39 5. The task force shall compile a full report of its  
40 activities for submission to the general assembly. The  
41 report shall be submitted not later than December 31, 2023,  
42 and shall include any recommendations which the task force  
43 may have for legislative action.

44 6. The task force shall be staffed by legislative  
45 personnel as is deemed necessary to assist the task force in  
46 the performance of its duties.

47 7. The members of the task force shall serve without  
48 compensation, but any actual and necessary expenses incurred  
49 in the performance of the task force's official duties by  
50 the task force, its members, and any staff assigned to the  
51 task force shall be paid from the joint contingent fund.

52 8. This section shall expire on December 31, 2023.

94.842. 1. The governing body of any home rule city  
2 with more than one hundred fifty-five thousand but fewer  
3 than two hundred thousand inhabitants may impose a tax on  
4 the charges for all sleeping rooms paid by the transient  
5 guests of hotels or motels situated in the city, which shall  
6 not be more than two and one-half percent per occupied room  
7 per night. Such tax shall only become effective if the  
8 governing body of the city submits a proposal to the voters  
9 of the city at a general election day, as described in  
10 section 115.121, that authorizes the governing body of the  
11 city to impose a tax under the provisions of this section  
12 and the voters approve such proposal. The tax authorized  
13 under this section shall be in addition to the charge for a  
14 sleeping room and shall be in addition to any and all taxes  
15 imposed by law. The revenue of such tax shall be used  
16 solely for capital improvements that can be demonstrated to

17 increase the number of overnight visitors. Such tax shall  
18 be stated separately from all other charges and taxes.

19 2. The proposal shall be submitted in substantially  
20 the following form:

21 Shall the City of \_\_\_\_\_ levy a tax of \_\_\_\_\_  
22 percent on each sleeping room occupied and rented  
23 by transient guests of hotels and motels located  
24 in the city, whose revenue shall be dedicated to  
25 capital improvements to increase tourism?

26  YES  NO

27 If a majority of the votes cast on the proposal by the  
28 qualified voters voting thereon are in favor of the  
29 proposal, the tax shall become effective on the first day of  
30 the calendar quarter following the calendar quarter in which  
31 the election is held. If a majority of the votes cast on  
32 the proposal by the qualified voters voting thereon are  
33 opposed to the proposal, the governing body for the city  
34 shall have no power to impose the tax authorized by this  
35 section unless and until the governing body of the city  
36 again submits the proposal to the qualified voters of the  
37 city and such proposal is approved by a majority of the  
38 qualified voters voting thereon.

39 3. After the approval of a proposal but before the  
40 effective date of a tax authorized under this section, the  
41 city shall adopt one of the following provisions for the  
42 collection and administration of the tax:

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

47 (2) The city may enter into an agreement with the  
48 director of revenue for the purpose of collecting the tax

49 authorized under this section. If a city enters into an  
50 agreement with the director of revenue for the collection of  
51 the tax authorized in this section, the director shall  
52 perform all functions incident to the administration,  
53 collection, enforcement, and operation of such tax, and the  
54 director of revenue shall collect the additional tax  
55 authorized under this section. The tax authorized under  
56 this section shall be collected and reported upon such forms  
57 and under such administrative rules and regulations as may  
58 be prescribed by the director of revenue, and the director  
59 of revenue may retain up to one percent for cost of  
60 collection.

61 4. The city shall post on the official city website  
62 information about the tax including, but not limited to, the  
63 rate imposed and the capital improvements for which the  
64 revenue has been or will be used.

65 5. As used in this section, "transient guests" means a  
66 person or persons who occupy a room or rooms in a hotel,  
67 motel, or tourist court for less than thirty-one consecutive  
68 days.

137.115. 1. All other laws to the contrary  
2 notwithstanding, the assessor or the assessor's deputies in  
3 all counties of this state including the City of St. Louis  
4 shall annually make a list of all real and tangible personal  
5 property taxable in the assessor's city, county, town or  
6 district. Except as otherwise provided in subsection 3 of  
7 this section and section 137.078, the assessor shall  
8 annually assess all personal property at thirty-three and  
9 one-third percent of its true value in money as of January  
10 first of each calendar year. The assessor shall annually  
11 assess all real property, including any new construction and  
12 improvements to real property, and possessory interests in  
13 real property at the percent of its true value in money set

14 in subsection 5 of this section. The true value in money of  
15 any possessory interest in real property in subclass (3),  
16 where such real property is on or lies within the ultimate  
17 airport boundary as shown by a federal airport layout plan,  
18 as defined by 14 CFR 151.5, of a commercial airport having a  
19 FAR Part 139 certification and owned by a political  
20 subdivision, shall be the otherwise applicable true value in  
21 money of any such possessory interest in real property, less  
22 the total dollar amount of costs paid by a party, other than  
23 the political subdivision, towards any new construction or  
24 improvements on such real property completed after January  
25 1, 2008, and which are included in the above-mentioned  
26 possessory interest, regardless of the year in which such  
27 costs were incurred or whether such costs were considered in  
28 any prior year. The assessor shall annually assess all real  
29 property in the following manner: new assessed values shall  
30 be determined as of January first of each odd-numbered year  
31 and shall be entered in the assessor's books; those same  
32 assessed values shall apply in the following even-numbered  
33 year, except for new construction and property improvements  
34 which shall be valued as though they had been completed as  
35 of January first of the preceding odd-numbered year. The  
36 assessor may call at the office, place of doing business, or  
37 residence of each person required by this chapter to list  
38 property, and require the person to make a correct statement  
39 of all taxable tangible personal property owned by the  
40 person or under his or her care, charge or management,  
41 taxable in the county. On or before January first of each  
42 even-numbered year, the assessor shall prepare and submit a  
43 two-year assessment maintenance plan to the county governing  
44 body and the state tax commission for their respective  
45 approval or modification. The county governing body shall  
46 approve and forward such plan or its alternative to the plan

47 to the state tax commission by February first. If the  
48 county governing body fails to forward the plan or its  
49 alternative to the plan to the state tax commission by  
50 February first, the assessor's plan shall be considered  
51 approved by the county governing body. If the state tax  
52 commission fails to approve a plan and if the state tax  
53 commission and the assessor and the governing body of the  
54 county involved are unable to resolve the differences, in  
55 order to receive state cost-share funds outlined in section  
56 137.750, the county or the assessor shall petition the  
57 administrative hearing commission, by May first, to decide  
58 all matters in dispute regarding the assessment maintenance  
59 plan. Upon agreement of the parties, the matter may be  
60 stayed while the parties proceed with mediation or  
61 arbitration upon terms agreed to by the parties. The final  
62 decision of the administrative hearing commission shall be  
63 subject to judicial review in the circuit court of the  
64 county involved. In the event a valuation of subclass (1)  
65 real property within any county with a charter form of  
66 government, or within a city not within a county, is made by  
67 a computer, computer-assisted method or a computer program,  
68 the burden of proof, supported by clear, convincing and  
69 cogent evidence to sustain such valuation, shall be on the  
70 assessor at any hearing or appeal. In any such county,  
71 unless the assessor proves otherwise, there shall be a  
72 presumption that the assessment was made by a computer,  
73 computer-assisted method or a computer program. Such  
74 evidence shall include, but shall not be limited to, the  
75 following:

76 (1) The findings of the assessor based on an appraisal  
77 of the property by generally accepted appraisal techniques;  
78 and

79           (2) The purchase prices from sales of at least three  
80 comparable properties and the address or location thereof.  
81 As used in this subdivision, the word "comparable" means  
82 that:

83           (a) Such sale was closed at a date relevant to the  
84 property valuation; and

85           (b) Such properties are not more than one mile from  
86 the site of the disputed property, except where no similar  
87 properties exist within one mile of the disputed property,  
88 the nearest comparable property shall be used. Such  
89 property shall be within five hundred square feet in size of  
90 the disputed property, and resemble the disputed property in  
91 age, floor plan, number of rooms, and other relevant  
92 characteristics.

93           2. Assessors in each county of this state and the City  
94 of St. Louis may send personal property assessment forms  
95 through the mail.

96           3. The following items of personal property shall each  
97 constitute separate subclasses of tangible personal property  
98 and shall be assessed and valued for the purposes of  
99 taxation at the following percentages of their true value in  
100 money:

101           (1) Grain and other agricultural crops in an  
102 unmanufactured condition, one-half of one percent;

103           (2) Livestock, twelve percent;

104           (3) Farm machinery, twelve percent;

105           (4) Motor vehicles which are eligible for registration  
106 as and are registered as historic motor vehicles pursuant to  
107 section 301.131 and aircraft which are at least twenty-five  
108 years old and which are used solely for noncommercial  
109 purposes and are operated less than [fifty] two hundred  
110 hours per year or aircraft that are home built from a kit,  
111 five percent;



112 (5) Poultry, twelve percent; and  
113 (6) Tools and equipment used for pollution control and  
114 tools and equipment used in retooling for the purpose of  
115 introducing new product lines or used for making  
116 improvements to existing products by any company which is  
117 located in a state enterprise zone and which is identified  
118 by any standard industrial classification number cited in  
119 subdivision (7) of section 135.200, twenty-five percent.

120 4. The person listing the property shall enter a true  
121 and correct statement of the property, in a printed blank  
122 prepared for that purpose. The statement, after being  
123 filled out, shall be signed and either affirmed or sworn to  
124 as provided in section 137.155. The list shall then be  
125 delivered to the assessor.

126 5. (1) All subclasses of real property, as such  
127 subclasses are established in Section 4(b) of Article X of  
128 the Missouri Constitution and defined in section 137.016,  
129 shall be assessed at the following percentages of true value:

130 (a) For real property in subclass (1), nineteen  
131 percent;

132 (b) For real property in subclass (2), twelve percent;  
133 and

134 (c) For real property in subclass (3), thirty-two  
135 percent.

136 (2) A taxpayer may apply to the county assessor, or,  
137 if not located within a county, then the assessor of such  
138 city, for the reclassification of such taxpayer's real  
139 property if the use or purpose of such real property is  
140 changed after such property is assessed under the provisions  
141 of this chapter. If the assessor determines that such  
142 property shall be reclassified, he or she shall determine  
143 the assessment under this subsection based on the percentage

144 of the tax year that such property was classified in each  
145 subclassification.

146         6. Manufactured homes, as defined in section 700.010,  
147 which are actually used as dwelling units shall be assessed  
148 at the same percentage of true value as residential real  
149 property for the purpose of taxation. The percentage of  
150 assessment of true value for such manufactured homes shall  
151 be the same as for residential real property. If the county  
152 collector cannot identify or find the manufactured home when  
153 attempting to attach the manufactured home for payment of  
154 taxes owed by the manufactured home owner, the county  
155 collector may request the county commission to have the  
156 manufactured home removed from the tax books, and such  
157 request shall be granted within thirty days after the  
158 request is made; however, the removal from the tax books  
159 does not remove the tax lien on the manufactured home if it  
160 is later identified or found. For purposes of this section,  
161 a manufactured home located in a manufactured home rental  
162 park, rental community or on real estate not owned by the  
163 manufactured home owner shall be considered personal  
164 property. For purposes of this section, a manufactured home  
165 located on real estate owned by the manufactured home owner  
166 may be considered real property.

167         7. Each manufactured home assessed shall be considered  
168 a parcel for the purpose of reimbursement pursuant to  
169 section 137.750, unless the manufactured home is deemed to  
170 be real estate as defined in subsection 7 of section 442.015  
171 and assessed as a realty improvement to the existing real  
172 estate parcel.

173         8. Any amount of tax due and owing based on the  
174 assessment of a manufactured home shall be included on the  
175 personal property tax statement of the manufactured home  
176 owner unless the manufactured home is deemed to be real

177 estate as defined in subsection 7 of section 442.015, in  
178 which case the amount of tax due and owing on the assessment  
179 of the manufactured home as a realty improvement to the  
180 existing real estate parcel shall be included on the real  
181 property tax statement of the real estate owner.

182 9. The assessor of each county and each city not  
183 within a county shall use the trade-in value published in  
184 the October issue of the National Automobile Dealers'  
185 Association Official Used Car Guide, or its successor  
186 publication, as the recommended guide of information for  
187 determining the true value of motor vehicles described in  
188 such publication. The assessor shall not use a value that  
189 is greater than the average trade-in value in determining  
190 the true value of the motor vehicle without performing a  
191 physical inspection of the motor vehicle. For vehicles two  
192 years old or newer from a vehicle's model year, the assessor  
193 may use a value other than average without performing a  
194 physical inspection of the motor vehicle. In the absence of  
195 a listing for a particular motor vehicle in such  
196 publication, the assessor shall use such information or  
197 publications which in the assessor's judgment will fairly  
198 estimate the true value in money of the motor vehicle.

199 10. Before the assessor may increase the assessed  
200 valuation of any parcel of subclass (1) real property by  
201 more than fifteen percent since the last assessment,  
202 excluding increases due to new construction or improvements,  
203 the assessor shall conduct a physical inspection of such  
204 property.

205 11. If a physical inspection is required, pursuant to  
206 subsection 10 of this section, the assessor shall notify the  
207 property owner of that fact in writing and shall provide the  
208 owner clear written notice of the owner's rights relating to  
209 the physical inspection. If a physical inspection is

210 required, the property owner may request that an interior  
211 inspection be performed during the physical inspection. The  
212 owner shall have no less than thirty days to notify the  
213 assessor of a request for an interior physical inspection.

214 12. A physical inspection, as required by subsection  
215 10 of this section, shall include, but not be limited to, an  
216 on-site personal observation and review of all exterior  
217 portions of the land and any buildings and improvements to  
218 which the inspector has or may reasonably and lawfully gain  
219 external access, and shall include an observation and review  
220 of the interior of any buildings or improvements on the  
221 property upon the timely request of the owner pursuant to  
222 subsection 11 of this section. Mere observation of the  
223 property via a drive-by inspection or the like shall not be  
224 considered sufficient to constitute a physical inspection as  
225 required by this section.

226 13. A county or city collector may accept credit cards  
227 as proper form of payment of outstanding property tax or  
228 license due. No county or city collector may charge  
229 surcharge for payment by credit card which exceeds the fee  
230 or surcharge charged by the credit card bank, processor, or  
231 issuer for its service. A county or city collector may  
232 accept payment by electronic transfers of funds in payment  
233 of any tax or license and charge the person making such  
234 payment a fee equal to the fee charged the county by the  
235 bank, processor, or issuer of such electronic payment.

236 14. Any county or city not within a county in this  
237 state may, by an affirmative vote of the governing body of  
238 such county, opt out of the provisions of this section and  
239 sections 137.073, 138.060, and 138.100 as enacted by house  
240 bill no. 1150 of the ninety-first general assembly, second  
241 regular session and section 137.073 as modified by house  
242 committee substitute for senate substitute for senate

243 committee substitute for senate bill no. 960, ninety-second  
244 general assembly, second regular session, for the next year  
245 of the general reassessment, prior to January first of any  
246 year. No county or city not within a county shall exercise  
247 this opt-out provision after implementing the provisions of  
248 this section and sections 137.073, 138.060, and 138.100 as  
249 enacted by house bill no. 1150 of the ninety-first general  
250 assembly, second regular session and section 137.073 as  
251 modified by house committee substitute for senate substitute  
252 for senate committee substitute for senate bill no. 960,  
253 ninety-second general assembly, second regular session, in a  
254 year of general reassessment. For the purposes of applying  
255 the provisions of this subsection, a political subdivision  
256 contained within two or more counties where at least one of  
257 such counties has opted out and at least one of such  
258 counties has not opted out shall calculate a single tax rate  
259 as in effect prior to the enactment of house bill no. 1150  
260 of the ninety-first general assembly, second regular  
261 session. A governing body of a city not within a county or  
262 a county that has opted out under the provisions of this  
263 subsection may choose to implement the provisions of this  
264 section and sections 137.073, 138.060, and 138.100 as  
265 enacted by house bill no. 1150 of the ninety-first general  
266 assembly, second regular session, and section 137.073 as  
267 modified by house committee substitute for senate substitute  
268 for senate committee substitute for senate bill no. 960,  
269 ninety-second general assembly, second regular session, for  
270 the next year of general reassessment, by an affirmative  
271 vote of the governing body prior to December thirty-first of  
272 any year.

273         15. The governing body of any city of the third  
274 classification with more than twenty-six thousand three  
275 hundred but fewer than twenty-six thousand seven hundred

276 inhabitants located in any county that has exercised its  
277 authority to opt out under subsection 14 of this section may  
278 levy separate and differing tax rates for real and personal  
279 property only if such city bills and collects its own  
280 property taxes or satisfies the entire cost of the billing  
281 and collection of such separate and differing tax rates.  
282 Such separate and differing rates shall not exceed such  
283 city's tax rate ceiling.

284         16. Any portion of real property that is available as  
285 reserve for strip, surface, or coal mining for minerals for  
286 purposes of excavation for future use or sale to others that  
287 has not been bonded and permitted under chapter 444 shall be  
288 assessed based upon how the real property is currently being  
289 used. Any information provided to a county assessor, state  
290 tax commission, state agency, or political subdivision  
291 responsible for the administration of tax policies shall, in  
292 the performance of its duties, make available all books,  
293 records, and information requested, except such books,  
294 records, and information as are by law declared confidential  
295 in nature, including individually identifiable information  
296 regarding a specific taxpayer or taxpayer's mine property.  
297 For purposes of this subsection, "mine property" shall mean  
298 all real property that is in use or readily available as a  
299 reserve for strip, surface, or coal mining for minerals for  
300 purposes of excavation for current or future use or sale to  
301 others that has been bonded and permitted under chapter 444.

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

6 7	If the Missouri taxable income is:	The tax is:
8 9	Not over \$1,000.00	1 1/2% of the Missouri taxable income
10 11	Over \$1,000 but not over \$2,000	\$15 plus 2% of excess over \$1,000
12 13	Over \$2,000 but not over \$3,000	\$35 plus 2 1/2% of excess over \$2,000
14 15	Over \$3,000 but not over \$4,000	\$60 plus 3% of excess over \$3,000
16 17	Over \$4,000 but not over \$5,000	\$90 plus 3 1/2% of excess over \$4,000
18 19	Over \$5,000 but not over \$6,000	\$125 plus 4% of excess over \$5,000
20 21	Over \$6,000 but not over \$7,000	\$165 plus 4 1/2% of excess over \$6,000
22 23	Over \$7,000 but not over \$8,000	\$210 plus 5% of excess over \$7,000
24 25	Over \$8,000 but not over \$9,000	\$260 plus 5 1/2% of excess over \$8,000
26 27	Over \$9,000	\$315 plus 6% of excess over \$9,000

28           2. (1) Beginning with the 2017 calendar year, the top  
29 rate of tax under subsection 1 of this section may be  
30 reduced over a period of years. Each reduction in the top  
31 rate of tax shall be by one-tenth of a percent and no more  
32 than one reduction shall occur in a calendar year. No more  
33 than ~~five~~ eight reductions shall be made under this  
34 subsection. Reductions in the rate of tax shall take effect  
35 on January first of a calendar year and such reduced rates  
36 shall continue in effect until the next reduction occurs.

37           (2) A reduction in the rate of tax shall only occur if  
38 the amount of net general revenue collected in the previous  
39 fiscal year exceeds the highest amount of net general  
40 revenue collected in any of the three fiscal years prior to  
41 such fiscal year by at least one hundred fifty million  
42 dollars.

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

46           (4) The director of the department of revenue shall,  
47 by rule, adjust the tax tables under subsection 1 of this  
48 section to effectuate the provisions of this subsection.  
49 The bracket for income subject to the top rate of tax shall  
50 be eliminated once the top rate of tax has been reduced to  
51 five and one-half percent, and the top remaining rate of tax  
52 shall apply to all income in excess of the income in the  
53 second highest remaining income bracket.

54           3. (1) In addition to the rate reductions under  
55 subsection 2 of this section, beginning with the 2019  
56 calendar year, the top rate of tax under subsection 1 of  
57 this section shall be reduced by four-tenths of one percent.  
58 Such reduction in the rate of tax shall take effect on  
59 January first of the 2019 calendar year.

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

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

66           4. Beginning with the 2017 calendar year, the brackets  
67 of Missouri taxable income identified in subsection 1 of  
68 this section shall be adjusted annually by the percent  
69 increase in inflation. The director shall publish such



70 brackets annually beginning on or after October 1, 2016.  
71 Modifications to the brackets shall take effect on January  
72 first of each calendar year and shall apply to tax years  
73 beginning on or after the effective date of the new brackets.

74 5. As used in this section, the following terms mean:

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

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

81 (3) "Net general revenue collected", all revenue  
82 deposited into the general revenue fund, less refunds and  
83 revenues originally deposited into the general revenue fund  
84 but designated by law for a specific distribution or  
85 transfer to another state fund;

86 (4) "Percent increase in inflation", the percentage,  
87 if any, by which the CPI for the preceding calendar year  
88 exceeds the CPI for the year beginning September 1, 2014,  
89 and ending August 31, 2015.

1 143.177. 1. This section shall be known and may be  
2 cited as the "Missouri Working Family Tax Credit Act".

3 2. For purposes of this section, the following terms  
4 shall mean:

5 (1) "Department", the department of revenue;

6 (2) "Eligible taxpayer", a resident individual with a  
7 filing status of single, head of household, widowed, or  
8 married filing combined who is subject to the tax imposed  
9 under chapter 143, excluding withholding tax imposed under  
10 sections 143.191 to 143.265, and who is allowed a federal  
11 earned income tax credit under 26 U.S.C. Section 32, as  
12 amended;

13           (3) "Tax credit", a credit against the tax otherwise  
14 due under chapter 143, excluding withholding tax imposed  
15 under sections 143.191 to 143.265.

16           3. (1) Beginning with the 2023 calendar year, an  
17 eligible taxpayer shall be allowed a tax credit in an amount  
18 equal to a percentage of the amount such taxpayer would  
19 receive under the federal earned income tax credit as such  
20 credit existed under 26 U.S.C. Section 32 as of January 1,  
21 2021, as provided pursuant to subdivision (2) of this  
22 subsection. The tax credit allowed by this section shall be  
23 claimed by such taxpayer at the time such taxpayer files a  
24 return and shall be applied against the income tax liability  
25 imposed by chapter 143 after reduction for all other credits  
26 allowed thereon. If the amount of the credit exceeds the  
27 tax liability, the difference shall not be refunded to the  
28 taxpayer and shall not be carried forward to any subsequent  
29 tax year.

30           (2) Subject to the provisions of subdivision (3) of  
31 this subsection, the percentage of the federal earned income  
32 tax credit to be allowed as a tax credit pursuant to  
33 subdivision (1) of this subsection shall be ten percent,  
34 which may be increased to twenty percent subject to the  
35 provisions of subdivision (3) of this subsection. The  
36 maximum percentage that may be claimed as a tax credit  
37 pursuant to this section shall be twenty percent of the  
38 federal earned income tax credit that may be claimed by such  
39 taxpayer. Any increase in the percentage that may be  
40 claimed as a tax credit shall take effect on January first  
41 of a calendar year and such percentage shall continue in  
42 effect until the next percentage increase occurs. An  
43 increase shall only apply to tax years that begin on or  
44 after the increase takes effect.

45           (3) The initial percentage to be claimed as a tax  
46 credit and any increase in the percentage that may be  
47 claimed pursuant to subdivision (2) of this subsection shall  
48 only occur if the amount of net general revenue collected in  
49 the previous fiscal year exceeds the highest amount of net  
50 general revenue collected in any of the three fiscal years  
51 prior to such fiscal year by at least one hundred fifty  
52 million dollars.

53           4. Notwithstanding the provisions of section 32.057 to  
54 the contrary, the department shall determine whether any  
55 taxpayer filing a report or return with the department who  
56 did not apply for the credit authorized under this section  
57 may qualify for the credit and, if so, determines a taxpayer  
58 may qualify for the credit, shall notify such taxpayer of  
59 his or her potential eligibility. In making a determination  
60 of eligibility under this section, the department shall use  
61 any appropriate and available data including, but not  
62 limited to, data available from the Internal Revenue  
63 Service, the U.S. Department of Treasury, and state income  
64 tax returns from previous tax years.

65           5. The department shall prepare an annual report  
66 containing statistical information regarding the tax credits  
67 issued under this section for the previous tax year,  
68 including the total amount of revenue expended, the number  
69 of credits claimed, and the average value of the credits  
70 issued to taxpayers whose earned income falls within various  
71 income ranges determined by the department.

72           6. The director of the department may promulgate rules  
73 and regulations to administer the provisions of this  
74 section. Any rule or portion of a rule, as that term is  
75 defined in section 536.010, that is created under the  
76 authority delegated in this section shall become effective  
77 only if it complies with and is subject to all of the

78 provisions of chapter 536 and, if applicable, section  
79 536.028. This section and chapter 536 are nonseverable and  
80 if any of the powers vested with the general assembly  
81 pursuant to chapter 536 to review, to delay the effective  
82 date, or to disapprove and annul a rule are subsequently  
83 held unconstitutional, then the grant of rulemaking  
84 authority and any rule proposed or adopted after the  
85 effective date of this section shall be invalid and void.

86 7. Tax credits authorized under this section shall not  
87 be subject to the requirements of sections 135.800 to  
88 135.830.

144.011. 1. For purposes of [sections 144.010 to  
2 144.525 and 144.600 to 144.748] this chapter, and the taxes  
3 imposed thereby, the definition of "retail sale" or "sale at  
4 retail" shall not be construed to include any of the  
5 following:

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

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

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

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

20 (5) The transfer of tangible personal property to a  
21 partnership solely in exchange for a partnership interest  
22 therein;

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

26           (7) The transfer of tangible personal property by a  
27 corporation to one or more of its shareholders as a  
28 dividend, return of capital, distribution in the partial or  
29 complete liquidation of the corporation or distribution in  
30 redemption of the shareholder's interest therein;

31           (8) The transfer of tangible personal property by a  
32 partnership to one or more of its partners as a current  
33 distribution, return of capital or distribution in the  
34 partial or complete liquidation of the partnership or of the  
35 partner's interest therein;

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

40           (10) The purchase by persons operating eating or food  
41 service establishments, of items of a nonreusable nature  
42 which are furnished to the customers of such establishments  
43 with or in conjunction with the retail sales of their food  
44 or beverage. Such items shall include, but not be limited  
45 to, wrapping or packaging materials and nonreusable paper,  
46 wood, plastic and aluminum articles such as containers,  
47 trays, napkins, dishes, silverware, cups, bags, boxes,  
48 straws, sticks and toothpicks;

49           (11) The purchase by persons operating hotels, motels  
50 or other transient accommodation establishments, of items of  
51 a nonreusable nature which are furnished to the guests in  
52 the guests' rooms of such establishments and such items are  
53 included in the charge made for such accommodations. Such  
54 items shall include, but not be limited to, soap, shampoo,

55 tissue and other toiletries and food or confectionery items  
56 offered to the guests without charge;

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

58 (a) A transfer which involves the delivery of the  
59 document known as the "Manufacturer's Statement of Origin"  
60 to a person other than a manufactured home dealer, as  
61 defined in section 700.010, for purposes of allowing such  
62 person to obtain a title to the manufactured home from the  
63 department of revenue of this state or the appropriate  
64 agency or officer of any other state;

65 (b) A transfer which involves the delivery of a  
66 "Repossessed Title" to a resident of this state if the tax  
67 imposed by [sections 144.010 to 144.525] this chapter was  
68 not paid on the transfer of the manufactured home described  
69 in paragraph (a) of this subdivision;

70 (c) The first transfer which occurs after December 31,  
71 1985, if the tax imposed by [sections 144.010 to 144.525]  
72 this chapter was not paid on any transfer of the same  
73 manufactured home which occurred before December 31, 1985; or

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

75 (a) Fraternal beneficiaries societies, or domestic  
76 fraternal societies, orders or associations operating under  
77 the lodge system a substantial part of the activities of  
78 which are devoted to religious, charitable, scientific,  
79 literary, educational or fraternal purposes;

80 (b) Posts or organizations of past or present members  
81 of the Armed Forces of the United States or an auxiliary  
82 unit or society of, or a trust or foundation for, any such  
83 post or organization substantially all of the members of  
84 which are past or present members of the Armed Forces of the  
85 United States or who are cadets, spouses, widows, or  
86 widowers of past or present members of the Armed Forces of  
87 the United States, no part of the net earnings of which

88 inures to the benefit of any private shareholder or  
89 individual; or

90 (c) Nonprofit organizations exempt from taxation under  
91 Section 501(c)(7) of the Internal Revenue Code of 1986, as  
92 amended.

93 2. The assumption of liabilities of the transferor by  
94 the transferee incident to any of the transactions  
95 enumerated in the above subdivisions (1) to (8) of  
96 subsection 1 of this section shall not disqualify the  
97 transfer from the exclusion described in this section, where  
98 such liability assumption is related to the property  
99 transferred and where the assumption does not have as its  
100 principal purpose the avoidance of Missouri sales or use tax.

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

10 2. For the purposes of this section, the term "food"  
11 shall include only those products and types of food for  
12 which food stamps may be redeemed pursuant to the provisions  
13 of the Federal Food Stamp Program as contained in 7 U.S.C.  
14 Section 2012, as that section now reads or as it may be  
15 amended hereafter, and shall include food dispensed by or  
16 through vending machines. For the purpose of this section,  
17 except for vending machine sales, the term "food" shall not  
18 include food or drink sold by any establishment where the  
19 gross receipts derived from the sale of food prepared by  
20 such establishment for immediate consumption on or off the

21 premises of the establishment constitutes more than eighty  
22 percent of the total gross receipts of that establishment,  
23 regardless of whether such prepared food is consumed on the  
24 premises of that establishment, including, but not limited  
25 to, sales of food by any restaurant, fast food restaurant,  
26 delicatessen, eating house, or café.

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

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

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



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

31           (4) (a) A tax equivalent to four percent on the basic  
32 rate paid or charged on all sales of local and long distance  
33 telecommunications service to telecommunications subscribers  
34 and to others through equipment of telecommunications  
35 subscribers for the transmission of messages and  
36 conversations and upon the sale, rental or leasing of all  
37 equipment or services pertaining or incidental thereto;  
38 except that, the payment made by telecommunications  
39 subscribers or others, pursuant to section 144.060, and any  
40 amounts paid for access to the internet or interactive  
41 computer services shall not be considered as amounts paid  
42 for telecommunications services;

43           (b) If local and long distance telecommunications  
44 services subject to tax under this subdivision are  
45 aggregated with and not separately stated from charges for  
46 telecommunications service or other services not subject to  
47 tax under this subdivision, including, but not limited to,  
48 interstate or international telecommunications services,  
49 then the charges for nontaxable services may be subject to  
50 taxation unless the telecommunications provider can identify  
51 by reasonable and verifiable standards such portion of the  
52 charges not subject to such tax from its books and records  
53 that are kept in the regular course of business, including,  
54 but not limited to, financial statement, general ledgers,  
55 invoice and billing systems and reports, and reports for  
56 regulatory tariffs and other regulatory matters;

57           (c) A telecommunications provider shall notify the  
58 director of revenue of its intention to utilize the  
59 standards described in paragraph (b) of this subdivision to

60 determine the charges that are subject to sales tax under  
61 this subdivision. Such notification shall be in writing and  
62 shall meet standardized criteria established by the  
63 department regarding the form and format of such notice;

64 (d) The director of revenue may promulgate and enforce  
65 reasonable rules and regulations for the administration and  
66 enforcement of the provisions of this subdivision. Any rule  
67 or portion of a rule, as that term is defined in section  
68 536.010, that is created under the authority delegated in  
69 this section shall become effective only if it complies with  
70 and is subject to all of the provisions of chapter 536 and,  
71 if applicable, section 536.028. This section and chapter  
72 536 are nonseverable and if any of the powers vested with  
73 the general assembly pursuant to chapter 536 to review, to  
74 delay the effective date, or to disapprove and annul a rule  
75 are subsequently held unconstitutional, then the grant of  
76 rulemaking authority and any rule proposed or adopted after  
77 August 28, 2019, shall be invalid and void;

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

81 (6) A tax equivalent to four percent on the amount of  
82 sales or charges for all rooms, meals and drinks furnished  
83 at any hotel, motel, tavern, inn, restaurant, eating house,  
84 drugstore, dining car, tourist cabin, tourist camp or other  
85 place in which rooms, meals or drinks are regularly served  
86 to the public. The tax imposed under this subdivision shall  
87 not apply to any automatic mandatory gratuity for a large  
88 group imposed by a restaurant when such gratuity is reported  
89 as employee tip income and the restaurant withholds income  
90 tax under section 143.191 on such gratuity;

91 (7) A tax equivalent to four percent of the amount  
92 paid or charged for intrastate tickets by every person

93 operating a railroad, sleeping car, dining car, express car,  
94 boat, airplane and such buses and trucks as are licensed by  
95 the division of motor carrier and railroad safety of the  
96 department of economic development of Missouri, engaged in  
97 the transportation of persons for hire;

98 (8) A tax equivalent to four percent of the amount  
99 paid or charged for rental or lease of tangible personal  
100 property, provided that if the lessor or renter of any  
101 tangible personal property had previously purchased the  
102 property under the conditions of sale at retail or leased or  
103 rented the property and the tax was paid at the time of  
104 purchase, lease or rental, the lessor, sublessor, renter or  
105 subrenter shall not apply or collect the tax on the  
106 subsequent lease, sublease, rental or subrental receipts  
107 from that property. The purchase, rental or lease of motor  
108 vehicles, trailers, motorcycles, mopeds, motortricycles,  
109 boats, and outboard motors shall be taxed and the tax paid  
110 as provided in this section and section 144.070. In no  
111 event shall the rental or lease of boats and outboard motors  
112 be considered a sale, charge, or fee to, for or in places of  
113 amusement, entertainment or recreation nor shall any such  
114 rental or lease be subject to any tax imposed to, for, or in  
115 such places of amusement, entertainment or recreation.

116 Rental and leased boats or outboard motors shall be taxed  
117 under the provisions of the sales tax laws as provided under  
118 such laws for motor vehicles and trailers. Tangible  
119 personal property which is exempt from the sales or use tax  
120 under section 144.030 upon a sale thereof is likewise exempt  
121 from the sales or use tax upon the lease or rental thereof;

122 (9) A tax equivalent to four percent of the purchase  
123 price, as defined in section 144.070, of new and used motor  
124 vehicles, trailers, boats, and outboard motors purchased or  
125 acquired for use on the highways or waters of this state

126 which are required to be registered under the laws of the  
127 state of Missouri. This tax is imposed on the person  
128 titling such property, and shall be paid according to the  
129 procedures in section 144.440.

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

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

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

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

22 (3) "School supplies", any item normally used by  
23 students in a standard classroom for educational purposes,  
24 including but not limited to textbooks, notebooks, paper,

25 writing instruments, crayons, art supplies, rulers, book  
26 bags, backpacks, handheld calculators, chalk, maps, and  
27 globes. The term shall not include watches, radios, CD  
28 players, headphones, sporting equipment, portable or desktop  
29 telephones, copiers or other office equipment, furniture, or  
30 fixtures. School supplies shall also include computer  
31 software having a taxable value of three hundred fifty  
32 dollars or less and any graphing calculator having a taxable  
33 value of one hundred fifty dollars or less.

34 2. In each year beginning on or after January 1, 2005,  
35 there is hereby specifically exempted from state and local  
36 sales tax law all retail sales of any article of clothing  
37 having a taxable value of one hundred dollars or less, all  
38 retail sales of school supplies not to exceed fifty dollars  
39 per purchase, all computer software with a taxable value of  
40 three hundred fifty dollars or less, all graphing  
41 calculators having a taxable value of one hundred fifty  
42 dollars or less, and all retail sales of personal computers  
43 or computer peripheral devices not to exceed one thousand  
44 five hundred dollars, during a three-day period beginning at  
45 12:01 a.m. on the first Friday in August and ending at  
46 midnight on the Sunday following. Where a purchaser and  
47 seller are located in two different time zones, the time  
48 zone of the purchaser's location shall determine the  
49 authorized exemption period.

50 3. [If the governing body of any political subdivision  
51 adopted an ordinance that applied to the 2004 sales tax  
52 holiday to prohibit the provisions of this section from  
53 allowing the sales tax holiday to apply to such political  
54 subdivision's local sales tax, then, notwithstanding any  
55 provision of a local ordinance to the contrary, the 2005  
56 sales tax holiday shall not apply to such political  
57 subdivision's local sales tax. However, any such political

58 subdivision may enact an ordinance to allow the 2005 sales  
59 tax holiday to apply to its local sales taxes. A political  
60 subdivision must notify the department of revenue not less  
61 than forty-five calendar days prior to the beginning date of  
62 the sales tax holiday occurring in that year of any  
63 ordinance or order rescinding an ordinance or order to opt  
64 out.

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

67 [5.] 4. This section applies to sales of items bought  
68 for personal use only.

69 [6. After the 2005 sales tax holiday, any political  
70 subdivision may, by adopting an ordinance or order, choose  
71 to prohibit future annual sales tax holidays from applying  
72 to its local sales tax. After opting out, the political  
73 subdivision may rescind the ordinance or order. The  
74 political subdivision must notify the department of revenue  
75 not less than forty-five calendar days prior to the  
76 beginning date of the sales tax holiday occurring in that  
77 year of any ordinance or order rescinding an ordinance or  
78 order to opt out.

79 7.] 5. This section may not apply to any retailer when  
80 less than two percent of the retailer's merchandise offered  
81 for sale qualifies for the sales tax holiday. The retailer  
82 [shall] may offer a sales tax refund in lieu of the sales  
83 tax holiday.

84 6. A sale of property which is eligible for an  
85 exemption under subsection 1 of this section but is  
86 purchased under a layaway sale shall only qualify for an  
87 exemption if:

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

91           (2) The purchaser selects the property and the seller  
92 accepts the order for the property during the exemption  
93 period, for immediate delivery upon full payment, even if  
94 delivery is made after the exemption period.

95           7. The exemption of a bundled transaction shall be  
96 calculated as provided by law for all other bundled  
97 transactions.

98           8. (1) For any discount offered by a seller that is a  
99 reduction of the sales price of the product, the discounted  
100 sales price shall determine whether the sales price falls  
101 below the price threshold provided in subsection 1 of this  
102 section. A coupon that reduces the sales price shall be  
103 treated as a discount only if the seller is not reimbursed  
104 for the coupon amount by a third party.

105           (2) If a discount applies to the total amount paid by  
106 a purchaser rather than to the sales price of a particular  
107 product and the purchaser has purchased both exempt property  
108 and taxable property, the seller shall allocate the discount  
109 based on the total sales prices of the taxable property  
110 compared to the total sales prices of all property sold in  
111 the same transaction.

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

115           10. Items that are purchased during an exemption  
116 period but that are not delivered to the purchaser until  
117 after the exemption period due to the item not being in  
118 stock shall qualify for an exemption. The provisions of  
119 this subsection shall not apply to an item that was  
120 delivered during an exemption period but was purchased prior  
121 to or after the exemption period.

122           11. (1) If a purchaser purchases an item of eligible  
123 property during an exemption period, but later exchanges the

124 item for a similar eligible item after the exemption period,  
125 no additional tax shall be due on the new item.

126 (2) If a purchaser purchases an item of eligible  
127 property during an exemption period, but later returns the  
128 item after the exemption period and receives credit on the  
129 purchase of a different nonexempt item, the appropriate  
130 sales tax shall be due on the sale of the newly purchased  
131 item.

132 (3) If a purchaser purchases an item of eligible  
133 property before an exemption period, but during the  
134 exemption period returns the item and receives credit on the  
135 purchase of a different item of eligible property, no sales  
136 tax shall be due on the sale of the new item if the new item  
137 is purchased during the exemption period.

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

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

3 (1) "Processing", any mode of treatment, act, or  
4 series of acts performed upon materials to transform or  
5 reduce them to a different state or thing, including  
6 treatment necessary to maintain or preserve such processing  
7 by the producer at the production facility;

8 (2) "Producing" includes, but is not limited to, the  
9 production of, including the production and transmission of,  
10 telecommunication services;

11 (3) "Product" includes, but is not limited to,  
12 telecommunications services;



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

17           2. In addition to all other exemptions granted under  
18 this chapter, there is hereby specifically exempted from the  
19 provisions of [sections 144.010 to 144.525 and 144.600 to  
20 144.761, and from the computation of the tax levied,  
21 assessed, or payable under sections 144.010 to 144.525 and  
22 144.600 to 144.761] this chapter and the local sales tax law  
23 as defined in section 32.085 and from the computation of the  
24 tax levied, assessed, or payable under this chapter and the  
25 local sales tax law as defined in section 32.085, electrical  
26 energy and gas, whether natural, artificial, or propane,  
27 water, coal, and energy sources, chemicals, machinery,  
28 equipment, and materials used or consumed in the  
29 manufacturing, processing, compounding, mining, or producing  
30 of any product, or used or consumed in the processing of  
31 recovered materials, or used in research and development  
32 related to manufacturing, processing, compounding, mining,  
33 or producing any product. [The exemptions granted in this  
34 subsection shall not apply to local sales taxes as defined  
35 in section 32.085 and the provisions of this subsection  
36 shall be in addition to any state and local sales tax  
37 exemption provided in section 144.030.] The construction  
38 and application of this subsection as expressed by the  
39 Missouri supreme court in *DST Systems, Inc. v. Director of*  
40 *Revenue*, 43 S.W.3d 799 (Mo. banc 2001); *Southwestern Bell*  
41 *Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc  
42 2002); and *Southwestern Bell Tel. Co. v. Director of*  
43 *Revenue*, 182 S.W.3d 226 (Mo. banc 2005), is hereby affirmed.

44           3. In addition to all other exemptions granted under  
45 this chapter, there is hereby specifically exempted from the

46 provisions of [sections 144.010 to 144.525 and 144.600 to  
47 144.761, and section 238.235,] this chapter and the local  
48 sales tax law as defined in section 32.085, and from the  
49 computation of the tax levied, assessed, or payable under  
50 [sections 144.010 to 144.525 and 144.600 to 144.761, and  
51 section 238.235,] this chapter and the local sales tax law  
52 as defined in section 32.085, all utilities, machinery, and  
53 equipment used or consumed directly in television or radio  
54 broadcasting and all sales and purchases of tangible  
55 personal property, utilities, services, or any other  
56 transaction that would otherwise be subject to the state or  
57 local sales or use tax when such sales are made to or  
58 purchases are made by a contractor for use in fulfillment of  
59 any obligation under a defense contract with the United  
60 States government, and all sales and leases of tangible  
61 personal property by any county, city, incorporated town, or  
62 village, provided such sale or lease is authorized under  
63 chapter 100, and such transaction is certified for sales tax  
64 exemption by the department of economic development, and  
65 tangible personal property used for railroad infrastructure  
66 brought into this state for processing, fabrication, or  
67 other modification for use outside the state in the regular  
68 course of business.

69 4. In addition to all other exemptions granted under  
70 this chapter, there is hereby specifically exempted from the  
71 provisions of [sections 144.010 to 144.525 and 144.600 to  
72 144.761, and section 238.235,] this chapter and the local  
73 sales tax law as defined in section 32.085, and from the  
74 computation of the tax levied, assessed, or payable under  
75 [sections 144.010 to 144.525 and 144.600 to 144.761, and  
76 section 238.235,] this chapter and the local sales tax law  
77 as defined in section 32.085, all sales and purchases of  
78 tangible personal property, utilities, services, or any

79 other transaction that would otherwise be subject to the  
80 state or local sales or use tax when such sales are made to  
81 or purchases are made by a private partner for use in  
82 completing a project under sections 227.600 to 227.669.

83 5. In addition to all other exemptions granted under  
84 this chapter, there is hereby specifically exempted from the  
85 provisions of [sections 144.010 to 144.525 and 144.600 to  
86 144.761, and section 238.235,] this chapter and the local  
87 sales tax law as defined in section 32.085, and from the  
88 computation of the tax levied, assessed, or payable under  
89 [sections 144.010 to 144.525 and 144.600 to 144.761, and  
90 section 238.235,] this chapter and the local sales tax law  
91 as defined in section 32.085, all materials, manufactured  
92 goods, machinery and parts, electrical energy and gas,  
93 whether natural, artificial or propane, water, coal and  
94 other energy sources, chemicals, soaps, detergents, cleaning  
95 and sanitizing agents, and other ingredients and materials  
96 inserted by commercial or industrial laundries to treat,  
97 clean, and sanitize textiles in facilities which process at  
98 least five hundred pounds of textiles per hour and at least  
99 sixty thousand pounds per week.

144.060. 1. It shall be the duty of every person  
2 making any purchase or receiving any service upon which a  
3 tax is imposed by sections 144.010 to 144.510 to pay, to the  
4 extent possible under the provisions of section 144.285, the  
5 amount of such tax to the person making such sale or  
6 rendering such service. Any person who shall willfully and  
7 intentionally refuse to pay such tax shall be guilty of a  
8 misdemeanor. The provisions of this section shall not apply  
9 to any person making any purchase or sale of a motor vehicle  
10 subject to sales tax as provided by the Missouri sales tax  
11 law, unless such person making the sale is a motor vehicle

12 dealer authorized to collect and remit sales tax pursuant to  
13 subsection 10 of section 144.070.

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

18 (1) A purchaser's seller or a certified service  
19 provider relied on erroneous data provided by the director  
20 on tax rates, boundaries, taxing jurisdiction assignments,  
21 or in the taxability matrix created pursuant to section  
22 144.638;

23 (2) A purchaser using a database created pursuant to  
24 section 144.637 received erroneous data provided by the  
25 director on tax rates, boundaries, or taxing jurisdiction  
26 assignments; or

27 (3) A purchaser relied on erroneous data provided by  
28 the director in the taxability matrix created pursuant to  
29 section 144.638.

144.080. 1. Every person receiving any payment or  
2 consideration upon the sale of property or rendering of  
3 service, subject to the tax imposed by the provisions of  
4 sections 144.010 to 144.525, is exercising the taxable  
5 privilege of selling the property or rendering the service  
6 at retail and is subject to the tax levied in section  
7 144.020. The person shall be responsible not only for the  
8 collection of the amount of the tax imposed on the sale or  
9 service to the extent possible under the provisions of  
10 section 144.285, but shall[, on or before the last day of  
11 the month following each calendar quarterly period of three  
12 months,] file a return with the director of revenue showing  
13 the person's gross receipts and the amount of tax levied in  
14 section 144.020 for the preceding [quarter] filing period,  
15 and shall remit to the director of revenue, with the return,

16 the taxes levied in section 144.020[, except] as provided in  
17 subsections 2 [and 3] to 4 of this section. The director of  
18 revenue may promulgate rules or regulations changing the  
19 filing and payment requirements of sellers, but shall not  
20 require any seller to file and pay more frequently than  
21 required in this section.

22 2. Where the aggregate amount levied and imposed upon  
23 a seller by section 144.020 is in excess of [~~two~~] five  
24 hundred [~~fifty~~] dollars [for either the first or second  
25 month of a calendar quarter] per calendar month during the  
26 previous calendar year, the seller shall file a return and  
27 pay such aggregate amount [for such months to the director  
28 of revenue by] on a monthly basis. The return shall be  
29 filed and the taxes paid on or before the twentieth day of  
30 the succeeding month.

31 3. Where the aggregate amount levied and imposed upon  
32 a seller by section 144.020 is five hundred dollars or less  
33 per calendar month, but is at least two hundred dollars in a  
34 calendar quarter during the previous calendar year, the  
35 seller shall file a return and pay such aggregate amount on  
36 a quarterly basis. The return shall be filed and the taxes  
37 paid on or before the last day of the month following each  
38 calendar quarterly period.

39 4. Where the aggregate amount levied and imposed upon  
40 a seller by section 144.020 is less than [~~forty-five~~] two  
41 hundred dollars [in a] per calendar quarter during the  
42 previous calendar year, the [director of revenue shall by  
43 regulation permit the] seller [to] shall file a return [for  
44 a calendar year] and pay such aggregate amount on an annual  
45 basis. The return shall be filed and the taxes paid on or  
46 before January thirty-first of the succeeding year.

47 [~~4.~~] 5. The seller of any property or person rendering  
48 any service, subject to the tax imposed by sections 144.010

49 to 144.525, shall collect the tax from the purchaser of such  
50 property or the recipient of the service to the extent  
51 possible under the provisions of section 144.285, but the  
52 seller's inability to collect any part or all of the tax  
53 does not relieve the seller of the obligation to pay to the  
54 state the tax imposed by section 144.020; except that the  
55 collection of the tax imposed by sections 144.010 to 144.525  
56 on motor vehicles and trailers shall be made as provided in  
57 sections 144.070 and 144.440.

58 [5.] 6. Any person may advertise or hold out or state  
59 to the public or to any customer directly that the tax or  
60 any part thereof imposed by sections 144.010 to 144.525, and  
61 required to be collected by the person, will be assumed or  
62 absorbed by the person, provided that the amount of tax  
63 assumed or absorbed shall be stated on any invoice or  
64 receipt for the property sold or service rendered. Any  
65 person violating any of the provisions of this section shall  
66 be guilty of a misdemeanor. This subsection shall not apply  
67 to any retailer prohibited from collecting and remitting  
68 sales tax under section 66.630.

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

5 2. The director shall provide a monetary allowance  
6 from the taxes collected to a certified service provider  
7 under the terms of the certified service contract signed  
8 with the provider, provided that such allowance shall be  
9 funded entirely from money collected by the certified  
10 service provider.

11 3. Any certified service provider receiving an  
12 allowance under subsection 2 of this section shall not be

13 entitled to simultaneously deduct the allowance provided for  
14 under subsection 1 of this section.

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

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

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

5 (1) "Appliance", clothes washers and dryers, water  
6 heaters, trash compactors, dishwashers, conventional ovens,  
7 ranges, stoves, air conditioners, furnaces, refrigerators  
8 and freezers; and

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

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

23 4. [A political subdivision may allow the sales tax  
24 holiday under this section to apply to its local sales taxes  
25 by enacting an ordinance to that effect. Any such political  
26 subdivision shall notify the department of revenue not less

27 than forty-five calendar days prior to the beginning date of  
28 the sales tax holiday occurring in that year of any such  
29 ordinance or order.

30 5. This section may not apply to any retailer when  
31 less than two percent of the retailer's merchandise offered  
32 for sale qualifies for the sales tax holiday. The retailer  
33 shall offer a sales tax refund in lieu of the sales tax  
34 holiday.] A sale of property which is eligible for an  
35 exemption under subsection 1 of this section but is  
36 purchased under a layaway sale shall only qualify for an  
37 exemption if:

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

41 (2) The purchaser selects the property and the seller  
42 accepts the order for the property during the exemption  
43 period, for immediate delivery upon full payment, even if  
44 delivery is made after the exemption period.

45 5. (1) For any discount offered by a seller that is a  
46 reduction of the sales price of the product, the discounted  
47 sales price shall determine whether the sales price falls  
48 below the price threshold provided in subsection 1 of this  
49 section. A coupon that reduces the sales price shall be  
50 treated as a discount only if the seller is not reimbursed  
51 for the coupon amount by a third party.

52 (2) If a discount applies to the total amount paid by  
53 a purchaser rather than to the sales price of a particular  
54 product and the purchaser has purchased both exempt property  
55 and taxable property, the seller shall allocate the discount  
56 based on the total sales prices of the taxable property  
57 compared to the total sales prices of all property sold in  
58 the same transaction.



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

62           7. Items that are purchased during an exemption period  
63 but that are not delivered to the purchaser until after the  
64 exemption period due to the item not being in stock shall  
65 qualify for an exemption. The provisions of this subsection  
66 shall not apply to an item that was delivered during an  
67 exemption period but was purchased prior to or after the  
68 exemption period.

69           8. (1) If a purchaser purchases an item of eligible  
70 property during an exemption period, but later exchanges the  
71 item for a similar eligible item after the exemption period,  
72 no additional tax shall be due on the new item.

73           (2) If a purchaser purchases an item of eligible  
74 property during an exemption period, but later returns the  
75 item after the exemption period and receives credit on the  
76 purchase of a different nonexempt item, the appropriate  
77 sales tax shall be due on the sale of the newly purchased  
78 item.

79           (3) If a purchaser purchases an item of eligible  
80 property before an exemption period, but during the  
81 exemption period returns the item and receives credit on the  
82 purchase of a different item of eligible property, no sales  
83 tax shall be due on the sale of the new item if the new item  
84 is purchased during the exemption period.

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

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

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

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

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

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

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

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

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

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

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

d. Facilitates the vendor's delivery of property to customers in the state by allowing the vendor's customers to pick up property sold by the vendor at an office,

34 distribution facility, warehouse, storage place, or similar  
35 place of business maintained by the person in the state; or

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

39 (d) The presumption in paragraph (c) of this  
40 subdivision may be rebutted by demonstrating that the  
41 person's activities in the state are not significantly  
42 associated with the vendor's ability to establish or  
43 maintain a market in this state for the vendor's sales;

44 (e) [Notwithstanding paragraph (c), a vendor shall be  
45 presumed to engage in business activities within this state  
46 if the vendor enters into an agreement with one or more  
47 residents of this state under which the resident, for a  
48 commission or other consideration, directly or indirectly  
49 refers potential customers, whether by a link on an internet  
50 website, an in-person oral presentation, telemarketing, or  
51 otherwise, to the vendor, if the cumulative gross receipts  
52 from sales by the vendor to customers in the state who are  
53 referred to the vendor by all residents with this type of an  
54 agreement with the vendor is in excess of ten thousand  
55 dollars during the preceding twelve months;

56 (f) The presumption in paragraph (e) may be rebutted  
57 by submitting proof that the residents with whom the vendor  
58 has an agreement did not engage in any activity within the  
59 state that was significantly associated with the vendor's  
60 ability to establish or maintain the vendor's market in the  
61 state during the preceding twelve months. Such proof may  
62 consist of sworn written statements from all of the  
63 residents with whom the vendor has an agreement stating that  
64 they did not engage in any solicitation in the state on  
65 behalf of the vendor during the preceding year provided that  
66 such statements were provided and obtained in good faith]

67 Selling tangible personal property for delivery into this  
68 state provided the seller's gross receipts from taxable  
69 sales from delivery of tangible personal property into this  
70 state in the previous calendar year or current calendar year  
71 exceeds one hundred thousand dollars. For the purposes of  
72 calculating a seller's gross receipts under this paragraph,  
73 following the close of each calendar quarter, a vendor shall  
74 determine whether the vendor met the requirements under this  
75 paragraph during the twelve-month period ending on the last  
76 day of the preceding calendar quarter. If the vendor met  
77 such requirements for any such twelve-month period, such  
78 vendor shall collect and remit the tax as provided under  
79 section 144.635 for a period of not less than twelve months,  
80 beginning not more than three months following the close of  
81 the preceding calendar quarter, and shall continue to  
82 collect and remit the tax for as long as the vendor is  
83 engaged in business activities within this state, as  
84 provided for under this paragraph, or otherwise maintains a  
85 substantial nexus with this state. The department of  
86 revenue shall annually submit a report to the general  
87 assembly with information on the amount of use tax revenue  
88 that is collected pursuant to the provisions of this  
89 paragraph and section 144.752;

90 [(3)] (4) "Maintains a place of business in this  
91 state" includes maintaining, occupying, or using,  
92 permanently or temporarily, directly or indirectly, by  
93 whatever name called, an office, place of distribution,  
94 sales or sample room or place, warehouse or storage place,  
95 or other place of business in this state, whether owned or  
96 operated by the vendor or by any other person other than a  
97 common carrier acting in its capacity as such;

98 [(4)] (5) "Person", any individual, firm,  
99 copartnership, joint venture, association, corporation,

100 municipal or private, and whether organized for profit or  
101 not, state, county, political subdivision, state department,  
102 commission, board, bureau or agency, except the state  
103 transportation department, estate, trust, business trust,  
104 receiver or trustee appointed by the state or federal court,  
105 syndicate, or any other group or combination acting as a  
106 unit, and the plural as well as the singular number;

107        [(5)] (6) "Purchase", the acquisition of the ownership  
108 of, or title to, tangible personal property, through a sale,  
109 as defined herein, for the purpose of storage, use or  
110 consumption in this state;

111        [(6)] (7) "Purchaser", any person who is the recipient  
112 for a valuable consideration of any sale of tangible  
113 personal property acquired for use, storage or consumption  
114 in this state;

115        [(7)] (8) "Sale", any transfer, barter or exchange of  
116 the title or ownership of tangible personal property, or the  
117 right to use, store or consume the same, for a consideration  
118 paid or to be paid, and any transaction whether called  
119 leases, rentals, bailments, loans, conditional sales or  
120 otherwise, and notwithstanding that the title or possession  
121 of the property or both is retained for security. For the  
122 purpose of this law the place of delivery of the property to  
123 the purchaser, user, storer or consumer is deemed to be the  
124 place of sale, whether the delivery be by the vendor or by  
125 common carriers, private contractors, mails, express,  
126 agents, salesmen, solicitors, hawkers, representatives,  
127 consignors, peddlers, canvassers or otherwise;

128        [(8)] (9) "Sales price", the consideration including  
129 the charges for services, except charges incident to the  
130 extension of credit, paid or given, or contracted to be paid  
131 or given, by the purchaser to the vendor for the tangible  
132 personal property, including any services that are a part of

133 the sale, valued in money, whether paid in money or  
134 otherwise, and any amount for which credit is given to the  
135 purchaser by the vendor, without any deduction therefrom on  
136 account of the cost of the property sold, the cost of  
137 materials used, labor or service cost, losses or any other  
138 expenses whatsoever, except that cash discounts allowed and  
139 taken on sales shall not be included and "sales price" shall  
140 not include the amount charged for property returned by  
141 customers upon rescission of the contract of sales when the  
142 entire amount charged therefor is refunded either in cash or  
143 credit or the amount charged for labor or services rendered  
144 in installing or applying the property sold, the use,  
145 storage or consumption of which is taxable pursuant to  
146 sections 144.600 to 144.745. The sales price shall not  
147 include usual and customary delivery charges that are  
148 separately stated. In determining the amount of tax due  
149 pursuant to sections 144.600 to 144.745, any charge incident  
150 to the extension of credit shall be specifically exempted;

151        [(9)] (10) "Selling agent", every person acting as a  
152 representative of a principal, when such principal is not  
153 registered with the director of revenue of the state of  
154 Missouri for the collection of the taxes imposed pursuant to  
155 sections 144.010 to 144.525 or sections 144.600 to 144.745  
156 and who receives compensation by reason of the sale of  
157 tangible personal property of the principal, if such  
158 property is to be stored, used, or consumed in this state;

159        [(10)] (11) "Storage", any keeping or retention in  
160 this state of tangible personal property purchased from a  
161 vendor, except property for sale or property that is  
162 temporarily kept or retained in this state for subsequent  
163 use outside the state;

164            [(11)] (12) "Tangible personal property", all items  
165 subject to the Missouri sales tax as provided in  
166 subdivisions (1) and (3) of subsection 1 of section 144.020;

167            [(12)] (13) "Taxpayer", any person remitting the tax  
168 or who should remit the tax levied by sections 144.600 to  
169 144.745;

170            [(13)] (14) "Use", the exercise of any right or power  
171 over tangible personal property incident to the ownership or  
172 control of that property, except that it does not include  
173 the temporary storage of property in this state for  
174 subsequent use outside the state, or the sale of the  
175 property in the regular course of business;

176            [(14)] (15) "Vendor", every person engaged in making  
177 sales of tangible personal property by mail order, by  
178 advertising, by agent or peddling tangible personal  
179 property, soliciting or taking orders for sales of tangible  
180 personal property, for storage, use or consumption in this  
181 state, all salesmen, solicitors, hawkers, representatives,  
182 consignees, peddlers or canvassers, as agents of the  
183 dealers, distributors, consignors, supervisors, principals  
184 or employers under whom they operate or from whom they  
185 obtain the tangible personal property sold by them, and  
186 every person who maintains a place of business in this  
187 state, maintains a stock of goods in this state, or engages  
188 in business activities within this state and every person  
189 who engages in this state in the business of acting as a  
190 selling agent for persons not otherwise vendors as defined  
191 in this subdivision. Irrespective of whether they are  
192 making sales on their own behalf or on behalf of the  
193 dealers, distributors, consignors, supervisors, principals  
194 or employers, they must be regarded as vendors and the  
195 dealers, distributors, consignors, supervisors, principals

196 or employers must be regarded as vendors for the purposes of  
197 sections 144.600 to 144.745.

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

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

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

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



32 rulemaking authority and any rule proposed or adopted after  
33 January 1, 2023, shall be invalid and void.

144.637. 1. The director of revenue shall provide and  
2 maintain a database that describes boundary changes for all  
3 taxing jurisdictions and the effective dates of such changes  
4 for the use of vendors collecting the tax imposed under  
5 sections 144.600 to 144.745.

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

3. The director shall provide and maintain address-  
14 based boundary database records for assigning taxing  
15 jurisdictions and associated rates. The database records  
16 shall meet the requirements developed pursuant to the  
17 federal Mobile Telecommunications Sourcing Act, 4 U.S.C.  
18 Section 119(a). If a vendor is unable to determine the  
19 applicable rate and jurisdiction using an address-based  
20 database record after exercising due diligence, the vendor  
21 may apply the nine-digit zip code designation applicable to  
22 a purchase. If a nine-digit zip code designation is not  
23 available for a street address or if a vendor is unable to  
24 determine the nine-digit zip code designation applicable to  
25 a purchase after exercising due diligence to determine the  
26 designation, the vendor may apply the rate for the five-  
27 digit zip code area, in which case the lowest combined tax  
28 rate imposed in the zip code area shall apply if the area  
29 includes more than one tax rate in any level of taxing  
30 jurisdiction. For the purposes of this section, there shall  
31 be a rebuttable presumption that a vendor has exercised due

32 diligence if the vendor has attempted to determine the tax  
33 rate and jurisdiction by utilizing software approved by the  
34 director and makes the assignment from the address and zip  
35 code information applicable to the purchase. If the  
36 director certifies an address-based database provided by a  
37 third party, a vendor may use such database in place of the  
38 database provided for in this subsection.

39 4. The electronic database provided for in subsections  
40 1, 2, and 3 of this section shall be in a downloadable  
41 format as determined by the director. The database may be  
42 directly provided by the director or provided by a third  
43 party as designated by the director. The database provided  
44 by the director shall be provided at no cost to the user of  
45 the database. The provisions of subsection 3 of this  
46 section shall not apply if the purchased product is received  
47 by the purchaser at the business location of the vendor.

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

144.638. 1. The director shall provide and maintain a  
2 taxability matrix. The state's entries in the matrix shall  
3 be provided and maintained by the director in a database  
4 that is in a downloadable format.

5 2. The director shall provide reasonable notice of  
6 changes in the taxability of the products or services listed  
7 in the taxability matrix.

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

14 relieved from liability for erroneous returns made by a CSP  
15 on behalf of the seller.

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

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

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

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

8 (b) Either directly or indirectly through agreements  
9 or arrangements with third parties collects payment from the  
10 purchaser and transmits all or part of the payment to the  
11 marketplace seller.

12 A marketplace facilitator is a seller and shall comply with  
13 the provisions of this chapter. A marketplace facilitator  
14 does not include a person who provides internet advertising  
15 services, or product listing, and does not collect payment  
16 from the purchaser and transmit payment to the marketplace  
17 seller, and does not include a person with respect to the  
18 provision of travel agency services or the operation of a  
19 marketplace or that portion of a marketplace that enables  
20 consumers to receive travel agency services, and does not  
21 include a third party financial institution appointed by a  
22 merchant or a marketplace facilitator to handle various  
23 forms of payment transactions, such as processing credit

24 cards and debit cards, and whose sole activity with respect  
25 to marketplace sales is to facilitate the payment  
26 transactions between two parties. For the purposes of this  
27 subdivision, "travel agency services" means facilitating,  
28 for a commission, fee, or other consideration, vacation or  
29 travel packages, rental car or other travel reservations,  
30 tickets for domestic or foreign travel by air, rail, ship,  
31 bus, or other medium of transportation, or hotel or other  
32 lodging accommodations;

33 (2) "Marketplace seller", a seller that makes sales  
34 through any electronic marketplace operated by a marketplace  
35 facilitator;

36 (3) "Person", any individual, firm, copartnership,  
37 joint venture, association, corporation, municipal or  
38 private, whether organized for profit or not, state, county,  
39 political subdivision, state department, commission, board,  
40 bureau or agency, except the department of transportation,  
41 estate, trust, business trust, receiver or trustee appointed  
42 by the state or federal court, syndicate, or any other group  
43 or combination acting as a unit;

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

48 (5) "Retail sale", the same meaning as defined under  
49 sections 144.010 and 144.011, excluding motor vehicles,  
50 trailers, motorcycles, mopeds, motortricycles, boats, and  
51 outboard motors required to be titled under the laws of the  
52 state and subject to tax under subdivision (9) of subsection  
53 1 of section 144.020;

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

57           2. (1) Beginning January 1, 2023, marketplace  
58 facilitators that engage in business activities within this  
59 state shall register with the department to collect and  
60 remit use tax, as applicable, on sales made through the  
61 marketplace facilitator's marketplace by or on behalf of a  
62 marketplace seller that are delivered into the state,  
63 whether by the marketplace facilitator or another person,  
64 and regardless of whether the marketplace seller for whom  
65 sales are facilitated possesses a retail sales license or  
66 would have been required to collect use tax had the sale not  
67 been facilitated by the marketplace facilitator. Such  
68 retail sales shall include those made directly by the  
69 marketplace facilitator and shall also include those retail  
70 sales made by marketplace sellers through the marketplace  
71 facilitator's marketplace. The collection and reporting  
72 requirements of this subsection shall not apply to retail  
73 sales other than those made through a marketplace  
74 facilitator's marketplace. Nothing in this section shall be  
75 construed to limit or prohibit the ability of a marketplace  
76 facilitator and a marketplace seller to enter into  
77 agreements regarding the fulfillment of the requirements of  
78 this chapter.

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

84           3. Marketplace facilitators that are required to  
85 collect use tax under this section shall report and remit  
86 the tax separately from any sales and use tax collected by  
87 the marketplace facilitator, or by affiliates of the  
88 marketplace facilitator, which the marketplace facilitator  
89 would have been required to collect and remit under the

90 provisions of this chapter prior to January 1, 2023. Such  
91 tax shall be reported and remitted as determined by the  
92 department. Marketplace facilitators shall maintain records  
93 of all sales delivered to a location in the state, including  
94 electronic or paper copies of invoices showing the  
95 purchaser, address, purchase amount, and use tax collected.  
96 Such records shall be made available for review and  
97 inspection upon request by the department.

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

103 5. A marketplace facilitator shall separately state on  
104 an invoice provided to a purchaser the use tax collected and  
105 remitted on behalf of a marketplace seller.

106 6. Any taxpayer who remits use tax under this section  
107 shall be entitled to refunds or credits to the same extent  
108 and in the same manner provided for in section 144.190 for  
109 taxes collected and remitted under this section. Nothing in  
110 this section shall relieve a purchaser of the obligation to  
111 remit use tax for any retail sale taxable under this chapter  
112 for which a marketplace facilitator or marketplace seller  
113 does not collect and remit the use tax.

114 7. Except as provided under subsections 8 and 9 of  
115 this section, marketplace facilitators shall be subject to  
116 the penalty provisions, procedures, and reporting  
117 requirements provided under the provisions of this chapter.

118 8. No class action shall be brought against a  
119 marketplace facilitator in any court in this state on behalf  
120 of purchasers arising from or in any way related to an  
121 overpayment of use tax collected on retail sales facilitated  
122 by a marketplace facilitator, regardless of whether that

123 claim is characterized as a tax refund claim. Nothing in  
124 this subsection shall affect a purchaser's right to seek a  
125 refund as provided under section 144.190.

126 9. (1) A marketplace facilitator shall be relieved  
127 from liability under this section for the failure to collect  
128 and remit the correct amount of use tax on retail sales  
129 facilitated for marketplace sellers under the following  
130 circumstances:

131 (a) To the extent that the marketplace facilitator  
132 demonstrates to the satisfaction of the department that the  
133 error was due to insufficient or incorrect information given  
134 to the marketplace facilitator by the marketplace seller;  
135 provided, however, that a marketplace facilitator shall not  
136 be relieved of liability under this paragraph if the  
137 marketplace facilitator and the marketplace seller are  
138 affiliated;

139 (b) To the extent that the marketplace facilitator  
140 demonstrates to the satisfaction of the department that:

141 a. The marketplace facilitator is not the seller and  
142 that the marketplace facilitator and marketplace seller are  
143 not affiliated;

144 b. The retail sale was facilitated for a marketplace  
145 seller through a marketplace operated by the marketplace  
146 facilitator; and

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

150 (2) The relief from liability provided under  
151 subdivision (1) of this subsection shall not exceed the  
152 following percentage of the total use tax due on retail  
153 sales facilitated by a marketplace facilitator for  
154 marketplace sellers and sourced to this state during a  
155 calendar year, which such retail sales shall not include

156 retail sales made directly by the marketplace facilitator or  
157 affiliates of the marketplace facilitator:

158 (a) For retail sales made or facilitated during the  
159 2023 calendar year, four percent;

160 (b) For retail sales made or facilitated during the  
161 2024 calendar year, two percent;

162 (c) For retail sales made or facilitated during the  
163 2025 calendar year, one percent; and

164 (d) For retail sales made or facilitated for all years  
165 beginning on or after January 1, 2026, zero percent.

166 (3) To the extent that a marketplace facilitator is  
167 relieved of liability for the collection of use tax under  
168 this subsection, the marketplace seller for whom the  
169 marketplace facilitator has made or facilitated the sale  
170 shall also be relieved of liability under this subsection.

171 (4) The department shall determine the manner in which  
172 a marketplace facilitator or marketplace seller shall apply  
173 for and claim the relief from liability provided for under  
174 this subsection.

175 10. The state general revenue portion from remittances  
176 made pursuant to this section, with the exception of  
177 revenues collected pursuant to section 144.701 and Article  
178 IV, Sections 43(a) and 47(a) of the Missouri Constitution,  
179 shall be deposited to the credit of the general revenue fund.

180 11. The department may promulgate rules to implement  
181 the provisions of this section. Any rule or portion of a  
182 rule, as that term is defined in section 536.010, that is  
183 created under the authority delegated in this section shall  
184 become effective only if it complies with and is subject to  
185 all of the provisions of chapter 536 and, if applicable,  
186 section 536.028. This section and chapter 536 are  
187 nonseverable and if any of the powers vested with the  
188 general assembly pursuant to chapter 536 to review, to delay



189 the effective date, or to disapprove and annul a rule are  
190 subsequently held unconstitutional, then the grant of  
191 rulemaking authority and any rule proposed or adopted after  
192 January 1, 2023, shall be invalid and void.

144.757. 1. Any county or municipality[, except  
2 municipalities within a county having a charter form of  
3 government with a population in excess of nine hundred  
4 thousand,] may, by a majority vote of its governing body,  
5 impose a local use tax if a local sales tax is imposed as  
6 defined in section 32.085 or if a sales tax is imposed  
7 pursuant to section 94.850 or 94.890, with such local use  
8 tax imposed at a rate equal to the rate of the local sales  
9 tax [in effect in] and any sales tax imposed pursuant to  
10 section 94.850 or 94.890 by such county or municipality;  
11 provided, however, that no ordinance or order enacted  
12 pursuant to sections 144.757 to 144.761 shall be effective  
13 unless the governing body of the county or municipality  
14 submits to the voters thereof at a municipal, county or  
15 state general, primary or special election a proposal to  
16 authorize the governing body of the county or municipality  
17 to impose a local use tax pursuant to sections 144.757 to  
18 144.761. [Municipalities within a county having a charter  
19 form of government with a population in excess of nine  
20 hundred thousand may, upon voter approval received pursuant  
21 to paragraph (b) of subdivision (2) of subsection 2 of this  
22 section, impose a local use tax at the same rate as the  
23 local municipal sales tax with the revenues from all such  
24 municipal use taxes to be distributed pursuant to subsection  
25 4 of section 94.890. The municipality shall within thirty  
26 days of the approval of the use tax imposed pursuant to  
27 paragraph (b) of subdivision (2) of subsection 2 of this  
28 section select one of the distribution options permitted in

29 subsection 4 of section 94.890 for distribution of all  
30 municipal use taxes.

31 2.] (1) The ballot of submission[, except for  
32 counties and municipalities described in subdivisions (2)  
33 and (3) of this subsection,] shall contain substantially the  
34 following language:

35 Shall the \_\_\_\_\_ (county or municipality's name)  
36 impose a local use tax at the same rate as the  
37 total local sales tax rate, [currently \_\_\_\_\_  
38 (insert percent),] provided that if the local  
39 sales tax rate is reduced or raised by voter  
40 approval, the local use tax rate shall also be  
41 reduced or raised by the same action? [A use  
42 tax return shall not be required to be filed by  
43 persons whose purchases from out-of-state  
44 vendors do not in total exceed two thousand  
45 dollars in any calendar year.] Approval of this  
46 question will eliminate the disparity in tax  
47 rates collected by local and out-of-state  
48 sellers by imposing the same rate on all sellers.

49  YES  NO

50 If you are in favor of the question, place an  
51 "X" in the box opposite "YES". If you are  
52 opposed to the question, place an "X" in the box  
53 opposite "NO".

54 (2) [(a) The ballot of submission in a county having  
55 a charter form of government with a population in excess of  
56 nine hundred thousand shall contain substantially the  
57 following language:

58 For the purposes of enhancing county and  
59 municipal public safety, parks, and job creation  
60 and enhancing local government services, shall

61 the county be authorized to collect a local use  
62 tax equal to the total of the existing county  
63 sales tax rate of (insert tax rate), provided  
64 that if the county sales tax is repealed,  
65 reduced or raised by voter approval, the local  
66 use tax rate shall also be repealed, reduced or  
67 raised by the same voter action? Fifty percent  
68 of the revenue shall be used by the county  
69 throughout the county for improving and  
70 enhancing public safety, park improvements, and  
71 job creation, and fifty percent shall be used  
72 for enhancing local government services. The  
73 county shall be required to make available to  
74 the public an audited comprehensive financial  
75 report detailing the management and use of the  
76 countywide portion of the funds each year.  
77 A use tax is the equivalent of a sales tax on  
78 purchases from out-of-state sellers by in-state  
79 buyers and on certain taxable business  
80 transactions. A use tax return shall not be  
81 required to be filed by persons whose purchases  
82 from out-of-state vendors do not in total exceed  
83 two thousand dollars in any calendar year.

84  YES  NO

85 If you are in favor of the question, place an  
86 "X" in the box opposite "YES". If you are  
87 opposed to the question, place an "X" in the box  
88 opposite "NO".

89 (b) The ballot of submission in a municipality within  
90 a county having a charter form of government with a  
91 population in excess of nine hundred thousand shall contain  
92 substantially the following language:

93 Shall the municipality be authorized to impose a  
94 local use tax at the same rate as the local  
95 sales tax by a vote of the governing body,  
96 provided that if any local sales tax is  
97 repealed, reduced or raised by voter approval,  
98 the respective local use tax shall also be  
99 repealed, reduced or raised by the same action?  
100 A use tax return shall not be required to be  
101 filed by persons whose purchases from out-of-  
102 state vendors do not in total exceed two  
103 thousand dollars in any calendar year.

104  YES  NO

105 If you are in favor of the question, place an  
106 "X" in the box opposite "YES". If you are  
107 opposed to the question, place an "X" in the box  
108 opposite "NO".

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

111 Shall the \_\_\_\_\_ (city name) impose a local use  
112 tax at the same rate as the local sales tax,  
113 currently at a rate of \_\_\_\_\_ (insert percent)  
114 which includes the capital improvements sales  
115 tax and the transportation tax, provided that if  
116 any local sales tax is repealed, reduced or  
117 raised by voter approval, the respective local  
118 use tax shall also be repealed, reduced or  
119 raised by the same action? A use tax return  
120 shall not be required to be filed by persons  
121 whose purchases from out-of-state vendors do not  
122 in total exceed two thousand dollars in any  
123 calendar year.

124

YES

NO

125

If you are in favor of the question, place an

126

"X" in the box opposite "YES". If you are

127

opposed to the question, place an "X" in the box

128

opposite "NO".

129

(4)] If any of such ballots are submitted on August 6,

130

1996, and if a majority of the votes cast on the proposal by

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the qualified voters voting thereon are in favor of the

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proposal, then the ordinance or order and any amendments

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thereto shall be in effect October 1, 1996, provided the

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director of revenue receives notice of adoption of the local

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use tax on or before August 16, 1996. If any of such

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ballots are submitted after December 31, 1996, and if a

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majority of the votes cast on the proposal by the qualified

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voters voting thereon are in favor of the proposal, then the

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ordinance or order and any amendments thereto shall be in

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effect on the first day of the calendar quarter which begins

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at least forty-five days after the director of revenue

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receives notice of adoption of the local use tax. If a

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majority of the votes cast by the qualified voters voting

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are opposed to the proposal, then the governing body of the

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county or municipality shall have no power to impose the

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local use tax as herein authorized unless and until the

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governing body of the county or municipality shall again

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have submitted another proposal to authorize the governing

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body of the county or municipality to impose the local use

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tax and such proposal is approved by a majority of the

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qualified voters voting thereon.

152

[3.] 2. The local use tax may be imposed at the same

153

rate as the local sales tax then currently in effect in the

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county or municipality upon all transactions which are

155

subject to the taxes imposed pursuant to sections 144.600 to

156 144.745 within the county or municipality adopting such tax;  
157 provided, however, that if any local sales tax is repealed  
158 or the rate thereof is reduced or raised by voter approval,  
159 the local use tax rate shall also be deemed to be repealed,  
160 reduced or raised by the same action repealing, reducing or  
161 raising the local sales tax.

162 [4.] 3. For purposes of sections 144.757 to 144.761,  
163 the use tax may be referred to or described as the  
164 equivalent of a sales tax on purchases made from out-of-  
165 state sellers by in-state buyers and on certain  
166 intrabusiness transactions. Such a description shall not  
167 change the classification, form or subject of the use tax or  
168 the manner in which it is collected.

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

21 officer as may be designated by the county or municipality  
22 ordinance or order, of each county or municipality imposing  
23 the tax authorized by sections 144.757 to 144.761, the sum  
24 due the county or municipality as certified by the director  
25 of revenue.

26 2. Subject to the provisions of subsection 1 of this  
27 section, the director of revenue shall distribute all moneys  
28 which would be due any county having a charter form of  
29 government and having a population of nine hundred thousand  
30 or more to the county treasurer or such other officer as may  
31 be designated by county ordinance, who shall distribute  
32 [such moneys as follows: the] that portion of the use [tax]  
33 taxes imposed by the county [which equals one-half the rate  
34 of sales tax in effect for such county shall be disbursed to  
35 the county treasurer for expenditure throughout the county  
36 for public safety, parks, and job creation, subject to any  
37 qualifications and regulations adopted by ordinance of the  
38 county. Such ordinance shall require an audited  
39 comprehensive financial report detailing the management and  
40 use of such funds each year. Such ordinance shall also  
41 require that the county and the municipal league of the  
42 county jointly prepare a strategy to guide expenditures of  
43 funds and conduct an annual review of the strategy. The  
44 treasurer or such other officer as may be designated by  
45 county ordinance shall distribute one-third of the balance  
46 to the county and to each city, town and village in group B  
47 according to section 66.620 as modified by this section, a  
48 portion of the two-thirds remainder of such balance equal to  
49 the percentage ratio that the population of each such city,  
50 town or village bears to the total population of all such  
51 group B cities, towns and villages. For the purposes of  
52 this subsection, population shall be determined by the last  
53 federal decennial census or the latest census that

54 determines the total population of the county and all  
55 political subdivisions therein. For the purposes of this  
56 subsection, each city, town or village in group A according  
57 to section 66.620 but whose per capita sales tax receipts  
58 during the preceding calendar year pursuant to sections  
59 66.600 to 66.630 were less than the per capita countywide  
60 average of all sales tax receipts during the preceding  
61 calendar year, shall be treated as a group B city, town or  
62 village until the per capita amount distributed to such  
63 city, town or village equals the difference between the per  
64 capita sales tax receipts during the preceding calendar year  
65 and the per capita countywide average of all sales tax  
66 receipts during the preceding calendar year] that is equal  
67 to the rate of sales taxes imposed by the county pursuant to  
68 sections 66.600 and 67.547 to the cities, towns, and  
69 villages within such county and to the unincorporated area  
70 of the county on the ratio of the population that each such  
71 city, town, village, and the unincorporated areas of the  
72 county bears to the total population of the county;  
73 provided, however, the county treasurer or other officer  
74 shall distribute that portion of the use tax imposed by the  
75 county equal to the rate of sales tax imposed by the county  
76 pursuant to section 67.547 for the purpose of funding  
77 zoological activities and zoological facilities of the  
78 zoological park subdistrict of the metropolitan zoological  
79 park and museum district as created pursuant to section  
80 184.350.

81 3. The director of revenue may authorize the state  
82 treasurer to make refunds from the amounts in the trust fund  
83 and credited to any county or municipality for erroneous  
84 payments and overpayments made, and may redeem dishonored  
85 checks and drafts deposited to the credit of such counties  
86 or municipalities. If any county or municipality abolishes



87 the tax, the county or municipality shall notify the  
88 director of revenue of the action at least ninety days prior  
89 to the effective date of the repeal, and the director of  
90 revenue may order retention in the trust fund, for a period  
91 of one year, of two percent of the amount collected after  
92 receipt of such notice to cover possible refunds or  
93 overpayment of the tax and to redeem dishonored checks and  
94 drafts deposited to the credit of such accounts. After one  
95 year has elapsed after the effective date of abolition of  
96 the tax in such county or municipality, the director of  
97 revenue shall authorize the state treasurer to remit the  
98 balance in the account to the county or municipality and  
99 close the account of that county or municipality. The  
100 director of revenue shall notify each county or municipality  
101 of each instance of any amount refunded or any check  
102 redeemed from receipts due the county or municipality.

103 4. Except as modified in sections 144.757 to 144.761,  
104 all provisions of sections 32.085 and 32.087 applicable to  
105 the local sales tax, except for subsection 12 of section  
106 32.087, and all provisions of sections 144.600 to 144.745  
107 shall apply to the tax imposed pursuant to sections 144.757  
108 to 144.761, and the director of revenue shall perform all  
109 functions incident to the administration, collection,  
110 enforcement, and operation of the tax.

2 [144.1000. Sections 144.1000 to 144.1015  
3 shall be known as and referred to as the  
4 "Simplified Sales and Use Tax Administration  
5 Act".]

2 [144.1003. As used in sections 144.1000 to  
3 144.1015, the following terms shall mean:

3 (1) "Agreement", the streamlined sales and  
4 use tax agreement;

5 (2) "Certified automated system", software  
6 certified jointly by the states that are  
7 signatories to the agreement to calculate the  
8 tax imposed by each jurisdiction on a  
9 transaction, determine the amount of tax to  
10 remit to the appropriate state and maintain a  
11 record of the transaction;

- 12 (3) "Certified service provider", an agent  
13 certified jointly by the states that are  
14 signatories to the agreement to perform all of  
15 the seller's sales tax functions;
- 16 (4) "Person", an individual, trust,  
17 estate, fiduciary, partnership, limited  
18 liability company, limited liability  
19 partnership, corporation or any other legal  
20 entity;
- 21 (5) "Sales tax", any sales tax levied  
22 pursuant to this chapter, section 32.085, or any  
23 other sales tax authorized by statute and levied  
24 by this state or its political subdivisions;
- 25 (6) "Seller", any person making sales,  
26 leases or rentals of personal property or  
27 services;
- 28 (7) "State", any state of the United  
29 States and the District of Columbia;
- 30 (8) "Use tax", the use tax levied pursuant  
31 to this chapter.]

2 [144.1006. For the purposes of reviewing  
3 and, if necessary, amending the agreement  
4 embodying the simplification recommendations  
5 contained in section 144.1015, the state may  
6 enter into multistate discussions. For purposes  
7 of such discussions, the state shall be  
8 represented by seven delegates, one of whom  
9 shall be appointed by the governor, two members  
10 appointed by the speaker of the house of  
11 representatives, one member appointed by the  
12 minority leader of the house of representatives,  
13 two members appointed by the president pro  
14 tempore of the senate and one member appointed  
15 by the minority leader of the senate. The  
16 delegates need not be members of the general  
17 assembly and at least one of the delegates  
18 appointed by the speaker of the house of  
19 representatives and one member appointed by the  
20 president pro tempore of the senate shall be  
21 from the private sector and represent the  
22 interests of Missouri businesses. The delegates  
23 shall recommend to the committees responsible  
24 for reviewing tax issues in the senate and the  
25 house of representatives each year any amendment  
26 of state statutes required to be substantially  
27 in compliance with the agreement. Such  
28 delegates shall make a written report by the  
29 fifteenth day of January each year regarding the  
30 status of the multistate discussions and upon  
31 final adoption of the terms of the sales and use  
tax agreement by the multistate body.]

2 [144.1009. No provision of the agreement  
3 authorized by sections 144.1000 to 144.1015 in  
4 whole or in part invalidates or amends any  
5 provision of the law of this state.  
6 Implementation of any condition of this  
7 agreement in this state, whether adopted before,  
at, or after membership of this state in the

8 agreement, must be by action of the general  
9 assembly. Such report shall be delivered to the  
10 governor, the secretary of state, the president  
11 pro tempore of the senate and the speaker of the  
12 house of representatives and shall  
13 simultaneously be made publicly available by the  
14 secretary of state to any person requesting a  
15 copy.]

2 [144.1012. Unless five of the seven  
3 delegates agree, the delegates shall not enter  
4 into or vote for any streamlined sales and use  
5 tax agreement that:  
6 (1) Requires adoption of a definition of  
7 any term that would cause any item or  
8 transaction that is now excluded or exempted  
9 from sales or use tax to become subject to sales  
10 or use tax;  
11 (2) Requires the state of Missouri to  
12 fully exempt or fully apply sales taxes to the  
13 sale of food or any other item;  
14 (3) Restricts the ability of local  
15 governments under statutes in effect on August  
16 28, 2002, to enact one or more local taxes on  
17 one or more items without application of the tax  
18 to all sales within the taxing jurisdiction,  
19 however, restriction of any such taxes allowed  
20 by statutes effective after August 28, 2002, may  
21 be supported;  
22 (4) Provides for adoption of any uniform  
23 rate structure that would result in a tax  
24 increase for any Missouri taxpayer;  
25 (5) Affects the sourcing of sales tax  
26 transactions; or  
27 (6) Prohibits limitations or thresholds on  
28 the application of sales and use tax rates or  
29 prohibits any current sales or use tax exemption  
30 in the state of Missouri, including exemptions  
31 that are based on the value of the transaction  
or item.]

2 [144.1015. In addition to the requirements  
3 of section 144.1012, the delegates should  
4 consider the following features when deciding  
5 whether or not to enter into any streamlined  
6 sales and use tax agreement:  
7 (1) The agreement should address the  
8 limitation of the number of state rates over  
9 time;  
10 (2) The agreement should establish uniform  
11 standards for administration of exempt sales and  
12 the form used for filing sales and use tax  
13 returns and remittances;  
14 (3) The agreement should require the state  
15 to provide a central, electronic registration  
16 system that allows a seller to register to  
17 collect and remit sales and use taxes for all  
18 signatory states;  
19 (4) The agreement should provide that  
registration with the central registration

20 system and the collection of sales and use taxes  
21 in the signatory states will not be used as a  
22 factor in determining whether the seller has  
23 nexus with a state for any tax;

24 (5) The agreement should provide for  
25 reduction of the burdens of complying with local  
26 sales and use taxes through the following so  
27 long as they do not conflict with the provisions  
28 of section 144.1012:

29 (a) Restricting variances between the  
30 state and local tax bases;

31 (b) Requiring states to administer any  
32 sales and use taxes levied by local  
33 jurisdictions within the state so that sellers  
34 collecting and remitting these taxes will not  
35 have to register or file returns with, remit  
36 funds to, or be subject to independent audits  
37 from local taxing jurisdictions;

38 (c) Restricting the frequency of changes  
39 in the local sales and use tax rates and setting  
40 effective dates for the application of local  
41 jurisdictional boundary changes to local sales  
42 and use taxes; and

43 (d) Providing notice of changes in local  
44 sales and use tax rates and of changes in the  
45 boundaries of local taxing jurisdictions;

46 (6) The agreement should outline any  
47 monetary allowances that are to be provided by  
48 the states to sellers or certified service  
49 providers. The agreement must allow for a joint  
50 public and private sector study of the  
51 compliance cost on sellers and certified service  
52 providers to collect sales and use taxes for  
53 state and local governments under various levels  
54 of complexity to be completed by July 1, 2003;

55 (7) The agreement should require each  
56 state to certify compliance with the terms of  
57 the agreement prior to joining and to maintain  
58 compliance, under the laws of the member state,  
59 with all provisions of the agreement while a  
60 member, only if the agreement and any amendment  
61 thereto complies with the provisions of section  
62 144.1012;

63 (8) The agreement should require each  
64 state to adopt a uniform policy for certified  
65 service providers that protects the privacy of  
66 consumers and maintains the confidentiality of  
67 tax information; and

68 (9) The agreement should provide for the  
69 appointment of an advisory council of private  
70 sector representatives and an advisory council  
71 of nonmember state representatives to consult  
72 with in the administration of the agreement.]

Section B. The enactment of sections 143.177, 144.608,  
2 144.637, 144.638, and 144.752, the repeal and reenactment of  
3 sections 143.011, 144.011, 144.014, 144.020, 144.049,

4 144.054, 144.060, 144.140, 144.526, 144.605, 144.710, and  
5 144.759, and the repeal of sections 144.1000, 144.1003,  
6 144.1006, 144.1009, 144.1012, and 144.1015 shall become  
7 effective January 1, 2023.

Section C. The repeal and reenactment of section  
2 67.2677 shall become effective August 28, 2023.