

SENATE BILL NO. 97

101ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR HOSKINS.

0563S.01H

ADRIANE D. CROUSE, Secretary

AN ACT

To repeal sections 32.087, 32.310, 144.020, 144.605, and 144.757, RSMo, and to enact in lieu thereof seven new sections relating to sales taxes.

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

Section A. Sections 32.087, 32.310, 144.020, 144.605, and
2 144.757, RSMo, are repealed and seven new sections enacted in
3 lieu thereof, to be known as sections 32.087, 32.310, 144.020,
4 144.605, 144.637, 144.752, and 144.757, to read as follows:

32.087. 1. Within ten days after the adoption of any
2 ordinance or order in favor of adoption of any local sales
3 tax authorized under the local sales tax law by the voters
4 of a taxing entity, the governing body or official of such
5 taxing entity shall forward to the director of revenue by
6 United States registered mail or certified mail a certified
7 copy of the ordinance or order. The ordinance or order
8 shall reflect the effective date thereof.

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

15 3. **(1)** Every retailer within the jurisdiction of one
16 or more taxing entities which has imposed one or more local
17 sales taxes under the local sales tax law shall add all

EXPLANATION-Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

18 taxes so imposed along with the tax imposed by the sales tax
19 law of the state of Missouri to the sale price and, when
20 added, the combined tax shall constitute a part of the
21 price, and shall be a debt of the purchaser to the retailer
22 until paid, and shall be recoverable at law in the same
23 manner as the purchase price. The combined rate of the
24 state sales tax and all local sales taxes shall be the sum
25 of the rates, multiplying the combined rate times the amount
26 of the sale.

27 **(2) (a) For all tax years beginning on or after**
28 **January 1, 2022, all taxing jurisdictions levying a local**
29 **sales tax shall reduce such levy to a rate that will produce**
30 **substantially the same amount of revenue collected from such**
31 **sales tax during the fiscal year beginning on or after July**
32 **1, 2019, and ending on or before June 30, 2020, plus five**
33 **percent of such amount.**

34 **(b) All taxing jurisdictions levying a local sales tax**
35 **shall provide data, in such form as shall be prescribed by**
36 **the state auditor by rule, substantiating such tax rate**
37 **complies with the provisions of this subdivision. The state**
38 **auditor shall, within fifteen days of the date of receipt,**
39 **examine such information and return to the taxing**
40 **jurisdiction his or her findings as to compliance of the tax**
41 **rate with this subdivision. If the state auditor believes**
42 **that a taxing jurisdiction's proposed tax rate does not**
43 **comply with this subdivision, then the state auditor's**
44 **findings shall include a recalculated tax rate, and the**
45 **state auditor may request a taxing jurisdiction to submit**
46 **documentation supporting such taxing jurisdiction's proposed**
47 **tax rate. Any rule or portion of a rule, as that term is**
48 **defined in section 536.010, that is created under the**
49 **authority delegated in this section shall become effective**

50 only if it complies with and is subject to all of the
51 provisions of chapter 536 and, if applicable, section
52 536.028. This section and chapter 536 are nonseverable and
53 if any of the powers vested with the general assembly
54 pursuant to chapter 536 to review, to delay the effective
55 date, or to disapprove and annul a rule are subsequently
56 held unconstitutional, then the grant of rulemaking
57 authority and any rule proposed or adopted after August 28,
58 2021, shall be invalid and void.

59 4. The brackets required to be established by the
60 director of revenue under the provisions of section 144.285
61 shall be based upon the sum of the combined rate of the
62 state sales tax and all local sales taxes imposed under the
63 provisions of the local sales tax law.

64 5. (1) The ordinance or order imposing a local sales
65 tax under the local sales tax law shall impose a tax upon
66 all transactions upon which the Missouri state sales tax is
67 imposed to the extent and in the manner provided in sections
68 144.010 to 144.525, and the rules and regulations of the
69 director of revenue issued pursuant thereto; except that the
70 rate of the tax shall be the sum of the combined rate of the
71 state sales tax or state highway use tax and all local sales
72 taxes imposed under the provisions of the local sales tax
73 law.

74 (2) Notwithstanding any other provision of law to the
75 contrary, local taxing jurisdictions, except those in which
76 voters have approved a local use tax under section 144.757,
77 shall have placed on the ballot on or after the general
78 election in November 2014, but no later than the general
79 election in November 2022, whether to repeal application of
80 the local sales tax to the titling of motor vehicles,
81 trailers, boats, and outboard motors that are subject to

82 state sales tax under section 144.020 and purchased from a
83 source other than a licensed Missouri dealer. The ballot
84 question presented to the local voters shall contain
85 substantially the following language:

86 Shall the _____ (local jurisdiction's name)
87 discontinue applying and collecting the local
88 sales tax on the titling of motor vehicles,
89 trailers, boats, and outboard motors that were
90 purchased from a source other than a licensed
91 Missouri dealer?

92 Approval of this measure will result in a
93 reduction of local revenue to provide for vital
94 services for _____ (local jurisdiction's name)
95 and it will place Missouri dealers of motor
96 vehicles, outboard motors, boats, and trailers at
97 a competitive disadvantage to non-Missouri dealers
98 of motor vehicles, outboard motors, boats, and
99 trailers.

100 YES NO

101 If you are in favor of the question, place an "X"
102 in the box opposite "YES". If you are opposed to
103 the question, place an "X" in the box opposite
104 "NO".

105 (3) If the ballot question set forth in subdivision
106 (2) of this subsection receives a majority of the votes cast
107 in favor of the proposal, or if the local taxing
108 jurisdiction fails to place the ballot question before the
109 voters on or before the general election in November 2022,
110 the local taxing jurisdiction shall cease applying the local
111 sales tax to the titling of motor vehicles, trailers, boats,
112 and outboard motors that were purchased from a source other
113 than a licensed Missouri dealer.

114 (4) In addition to the requirement that the ballot
115 question set forth in subdivision (2) of this subsection be

116 placed before the voters, the governing body of any local
117 taxing jurisdiction that had previously imposed a local use
118 tax on the use of motor vehicles, trailers, boats, and
119 outboard motors may, at any time, place a proposal on the
120 ballot at any election to repeal application of the local
121 sales tax to the titling of motor vehicles, trailers, boats,
122 and outboard motors purchased from a source other than a
123 licensed Missouri dealer. If a majority of the votes cast
124 by the registered voters voting thereon are in favor of the
125 proposal to repeal application of the local sales tax to
126 such titling, then the local sales tax shall no longer be
127 applied to the titling of motor vehicles, trailers, boats,
128 and outboard motors purchased from a source other than a
129 licensed Missouri dealer. If a majority of the votes cast
130 by the registered voters voting thereon are opposed to the
131 proposal to repeal application of the local sales tax to
132 such titling, such application shall remain in effect.

133 (5) In addition to the requirement that the ballot
134 question set forth in subdivision (2) of this subsection be
135 placed before the voters on or after the general election in
136 November 2014, and on or before the general election in
137 November 2022, whenever the governing body of any local
138 taxing jurisdiction imposing a local sales tax on the sale
139 of motor vehicles, trailers, boats, and outboard motors
140 receives a petition, signed by fifteen percent of the
141 registered voters of such jurisdiction voting in the last
142 gubernatorial election, and calling for a proposal to be
143 placed on the ballot at any election to repeal application
144 of the local sales tax to the titling of motor vehicles,
145 trailers, boats, and outboard motors purchased from a source
146 other than a licensed Missouri dealer, the governing body
147 shall submit to the voters of such jurisdiction a proposal

148 to repeal application of the local sales tax to such
149 titling. If a majority of the votes cast by the registered
150 voters voting thereon are in favor of the proposal to repeal
151 application of the local sales tax to such titling, then the
152 local sales tax shall no longer be applied to the titling of
153 motor vehicles, trailers, boats, and outboard motors
154 purchased from a source other than a licensed Missouri
155 dealer. If a majority of the votes cast by the registered
156 voters voting thereon are opposed to the proposal to repeal
157 application of the local sales tax to such titling, such
158 application shall remain in effect.

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

162 (7) If any local sales tax on the titling of motor
163 vehicles, trailers, boats, and outboard motors purchased
164 from a source other than a licensed Missouri dealer is
165 repealed, such repeal shall take effect on the first day of
166 the second calendar quarter after the election. If any
167 local sales tax on the titling of motor vehicles, trailers,
168 boats, and outboard motors purchased from a source other
169 than a licensed Missouri dealer is required to cease to be
170 applied or collected due to failure of a local taxing
171 jurisdiction to hold an election pursuant to subdivision (2)
172 of this subsection, such cessation shall take effect on
173 March 1, 2023.

174 (8) Notwithstanding any provision of law to the
175 contrary, if any local sales tax on the titling of motor
176 vehicles, trailers, boats, and outboard motors purchased
177 from a source other than a licensed Missouri dealer is
178 repealed after the general election in November 2014, or if
179 the taxing jurisdiction failed to present the ballot to the

180 voters at a general election on or before November 2022,
181 then the governing body of such taxing jurisdiction may, at
182 any election subsequent to the repeal or after the general
183 election in November 2022, if the jurisdiction failed to
184 present the ballot to the voters, place before the voters
185 the issue of imposing a sales tax on the titling of motor
186 vehicles, trailers, boats, and outboard motors that are
187 subject to state sales tax under section 144.020 that were
188 purchased from a source other than a licensed Missouri
189 dealer. The ballot question presented to the local voters
190 shall contain substantially the following language:

191 Shall the _____ (local jurisdiction's name)
192 apply and collect the local sales tax on the
193 titling of motor vehicles, trailers, boats, and
194 outboard motors that are subject to state sales
195 tax under section 144.020 and purchased from a
196 source other than a licensed Missouri dealer?

197 Approval of this measure will result in an
198 increase of local revenue to provide for vital
199 services for _____ (local jurisdiction's
200 name), and it will remove a competitive advantage
201 that non-Missouri dealers of motor vehicles,
202 outboard motors, boats, and trailers have over
203 Missouri dealers of motor vehicles, outboard
204 motors, boats, and trailers.

205 YES NO

206 If you are in favor of the question, place an "X"
207 in the box opposite "YES". If you are opposed to
208 the question, place an "X" in the box opposite
209 "NO".

210 (9) If any local sales tax on the titling of motor
211 vehicles, trailers, boats, and outboard motors purchased
212 from a source other than a licensed Missouri dealer is

213 adopted, such tax shall take effect and be imposed on the
214 first day of the second calendar quarter after the election.

215 6. On and after the effective date of any local sales
216 tax imposed under the provisions of the local sales tax law,
217 the director of revenue shall perform all functions incident
218 to the administration, collection, enforcement, and
219 operation of the tax, and the director of revenue shall
220 collect in addition to the sales tax for the state of
221 Missouri all additional local sales taxes authorized under
222 the authority of the local sales tax law. All local sales
223 taxes imposed under the local sales tax law together with
224 all taxes imposed under the sales tax law of the state of
225 Missouri shall be collected together and reported upon such
226 forms and under such administrative rules and regulations as
227 may be prescribed by the director of revenue.

228 7. All applicable provisions contained in sections
229 144.010 to 144.525 governing the state sales tax and section
230 32.057, the uniform confidentiality provision, shall apply
231 to the collection of any local sales tax imposed under the
232 local sales tax law except as modified by the local sales
233 tax law.

234 8. All exemptions granted to agencies of government,
235 organizations, persons and to the sale of certain articles
236 and items of tangible personal property and taxable services
237 under the provisions of sections 144.010 to 144.525, as
238 these sections now read and as they may hereafter be
239 amended, it being the intent of this general assembly to
240 ensure that the same sales tax exemptions granted from the
241 state sales tax law also be granted under the local sales
242 tax law, are hereby made applicable to the imposition and
243 collection of all local sales taxes imposed under the local
244 sales tax law.

245 9. The same sales tax permit, exemption certificate
246 and retail certificate required by sections 144.010 to
247 144.525 for the administration and collection of the state
248 sales tax shall satisfy the requirements of the local sales
249 tax law, and no additional permit or exemption certificate
250 or retail certificate shall be required; except that the
251 director of revenue may prescribe a form of exemption
252 certificate for an exemption from any local sales tax
253 imposed by the local sales tax law.

254 10. All discounts allowed the retailer under the
255 provisions of the state sales tax law for the collection of
256 and for payment of taxes under the provisions of the state
257 sales tax law are hereby allowed and made applicable to any
258 local sales tax collected under the provisions of the local
259 sales tax law.

260 11. The penalties provided in section 32.057 and
261 sections 144.010 to 144.525 for a violation of the
262 provisions of those sections are hereby made applicable to
263 violations of the provisions of the local sales tax law.

264 12. (1) For the purposes of any local sales tax
265 imposed by an ordinance or order under the local sales tax
266 law, all sales, except the sale of motor vehicles, trailers,
267 boats, and outboard motors required to be titled under the
268 laws of the state of Missouri, shall be deemed to be
269 consummated at the place of business of the retailer unless
270 the tangible personal property sold is delivered by the
271 retailer or his agent to an out-of-state destination. In
272 the event a retailer has more than one place of business in
273 this state which participates in the sale, the sale shall be
274 deemed to be consummated at the place of business of the
275 retailer where the initial order for the tangible personal
276 property is taken, even though the order must be forwarded

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

281 (2) For the purposes of any local sales tax imposed by
282 an ordinance or order under the local sales tax law, the
283 sales tax upon the titling of all motor vehicles, trailers,
284 boats, and outboard motors shall be imposed at the rate in
285 effect at the location of the residence of the purchaser,
286 and remitted to that local taxing entity, and not at the
287 place of business of the retailer, or the place of business
288 from which the retailer's agent or employee works.

289 (3) For the purposes of any local tax imposed by an
290 ordinance or under the local sales tax law on charges for
291 mobile telecommunications services, all taxes of mobile
292 telecommunications service shall be imposed as provided in
293 the Mobile Telecommunications Sourcing Act, 4 U.S.C.
294 Sections 116 through 124, as amended.

295 13. Local sales taxes shall not be imposed on the
296 seller of motor vehicles, trailers, boats, and outboard
297 motors required to be titled under the laws of the state of
298 Missouri, but shall be collected from the purchaser by the
299 director of revenue at the time application is made for a
300 certificate of title, if the address of the applicant is
301 within a taxing entity imposing a local sales tax under the
302 local sales tax law.

303 14. The director of revenue and any of his deputies,
304 assistants and employees who have any duties or
305 responsibilities in connection with the collection, deposit,
306 transfer, transmittal, disbursement, safekeeping,
307 accounting, or recording of funds which come into the hands
308 of the director of revenue under the provisions of the local

309 sales tax law shall enter a surety bond or bonds payable to
310 any and all taxing entities in whose behalf such funds have
311 been collected under the local sales tax law in the amount
312 of one hundred thousand dollars for each such tax; but the
313 director of revenue may enter into a blanket bond covering
314 himself and all such deputies, assistants and employees.
315 The cost of any premium for such bonds shall be paid by the
316 director of revenue from the share of the collections under
317 the sales tax law retained by the director of revenue for
318 the benefit of the state.

319 15. The director of revenue shall annually report on
320 his management of each trust fund which is created under the
321 local sales tax law and administration of each local sales
322 tax imposed under the local sales tax law. He shall provide
323 each taxing entity imposing one or more local sales taxes
324 authorized by the local sales tax law with a detailed
325 accounting of the source of all funds received by him for
326 the taxing entity. Notwithstanding any other provisions of
327 law, the state auditor shall annually audit each trust
328 fund. A copy of the director's report and annual audit
329 shall be forwarded to each taxing entity imposing one or
330 more local sales taxes.

331 16. Within the boundaries of any taxing entity where
332 one or more local sales taxes have been imposed, if any
333 person is delinquent in the payment of the amount required
334 to be paid by him under the local sales tax law or in the
335 event a determination has been made against him for taxes
336 and penalty under the local sales tax law, the limitation
337 for bringing suit for the collection of the delinquent tax
338 and penalty shall be the same as that provided in sections
339 144.010 to 144.525. Where the director of revenue has
340 determined that suit must be filed against any person for

341 the collection of delinquent taxes due the state under the
342 state sales tax law, and where such person is also
343 delinquent in payment of taxes under the local sales tax
344 law, the director of revenue shall notify the taxing entity
345 in the event any person fails or refuses to pay the amount
346 of any local sales tax due so that appropriate action may be
347 taken by the taxing entity.

348 17. Where property is seized by the director of
349 revenue under the provisions of any law authorizing seizure
350 of the property of a taxpayer who is delinquent in payment
351 of the tax imposed by the state sales tax law, and where
352 such taxpayer is also delinquent in payment of any tax
353 imposed by the local sales tax law, the director of revenue
354 shall permit the taxing entity to join in any sale of
355 property to pay the delinquent taxes and penalties due the
356 state and to the taxing entity under the local sales tax
357 law. The proceeds from such sale shall first be applied to
358 all sums due the state, and the remainder, if any, shall be
359 applied to all sums due such taxing entity.

360 18. If a local sales tax has been in effect for at
361 least one year under the provisions of the local sales tax
362 law and voters approve reimposition of the same local sales
363 tax at the same rate at an election as provided for in the
364 local sales tax law prior to the date such tax is due to
365 expire, the tax so reimposed shall become effective the
366 first day of the first calendar quarter after the director
367 receives a certified copy of the ordinance, order or
368 resolution accompanied by a map clearly showing the
369 boundaries thereof and the results of such election,
370 provided that such ordinance, order or resolution and all
371 necessary accompanying materials are received by the
372 director at least thirty days prior to the expiration of

373 such tax. Any administrative cost or expense incurred by
374 the state as a result of the provisions of this subsection
375 shall be paid by the city or county reimposing such tax.

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 shall be
32 sent to the department of revenue by April 1, 2019, and
33 shall be updated and sent to the department if a change in
34 the political subdivision's borders or jurisdiction occurs
35 thereafter.

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

38 5. By July 1, 2019, the department shall implement the
39 mapping feature using the data provided to it under
40 subsection 3 of this section.

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. **Beginning January 1, 2023, the rates of tax imposed**
131 **pursuant to subdivisions (1) to (9) of subsection 1 of this**
132 **section shall be reduced by an amount determined under an**
133 **agreement between the director of the department of revenue**
134 **and the state treasurer such that the amount by which the**
135 **rates of tax are reduced shall be substantially equivalent**
136 **to the amount of use tax revenue collected from remittances**
137 **made under the provisions of paragraph (g) of subdivision**
138 **(2) of section 144.605 during the 2022 calendar year.**

139 3. All tickets sold which are sold under the
140 provisions of sections 144.010 to 144.525 which are subject
141 to the sales tax shall have printed, stamped or otherwise
142 endorsed thereon, the words "This ticket is subject to a
143 sales tax."

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

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

6 (2) "Engages in business activities within this state"
7 includes:

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

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

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

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

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

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

27 d. Facilitates the vendor's delivery of property to
28 customers in the state by allowing the vendor's customers to
29 pick up property sold by the vendor at an office,
30 distribution facility, warehouse, storage place, or similar
31 place of business maintained by the person in the state; or

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

35 (d) The presumption in paragraph (c) **of this**
36 **subdivision** may be rebutted by demonstrating that the
37 person's activities in the state are not significantly

38 associated with the vendor's ability to establish or
39 maintain a market in this state for the vendor's sales;

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

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

65 (g) a. **Beginning January 1, 2022, a vendor engages in**
66 **business activities within this state if the cumulative**
67 **gross receipts from the vendor's sales of tangible personal**
68 **property to purchasers for the purpose of storage, use, or**
69 **consumption in this state are one hundred thousand dollars**

70 or more during any twelve-month period, as determined under
71 subparagraph b. of this paragraph;

72 b. Following the close of each calendar quarter, a
73 vendor shall determine whether the vendor met the
74 requirements provided under subparagraph a. of 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 in this state, as provided
84 under this paragraph, or otherwise maintains a substantial
85 nexus with this state;

86 c. The use tax revenue collected from remittances made
87 under the provisions of this paragraph shall be deposited in
88 the general revenue fund;

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

97 (4) "Person", any individual, firm, copartnership,
98 joint venture, association, corporation, municipal or
99 private, and whether organized for profit or not, state,
100 county, political subdivision, state department, commission,
101 board, bureau or agency, except the state transportation

102 department, estate, trust, business trust, receiver or
103 trustee appointed by the state or federal court, syndicate,
104 or any other group or combination acting as a unit, and the
105 plural as well as the singular number;

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

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

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

127 (8) "Sales price", the consideration including the
128 charges for services, except charges incident to the
129 extension of credit, paid or given, or contracted to be paid
130 or given, by the purchaser to the vendor for the tangible
131 personal property, including any services that are a part of
132 the sale, valued in money, whether paid in money or
133 otherwise, and any amount for which credit is given to the

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

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

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

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

166 (12) "Taxpayer", any person remitting the tax or who
167 should remit the tax levied by sections 144.600 to 144.745;

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

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

189 Irrespective of whether they are making sales on their own
190 behalf or on behalf of the dealers, distributors,
191 consignors, supervisors, principals or employers, they must
192 be regarded as vendors and the dealers, distributors,
193 consignors, supervisors, principals or employers must be
194 regarded as vendors for the purposes of sections 144.600 to
195 144.745.

**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.

6 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.

13 3. The director shall provide and maintain a database
14 that assigns each five- and nine-digit zip code to the
15 proper rates and taxing jurisdictions. The lowest combined
16 tax rate imposed in the zip code area shall apply if the
17 area includes more than one tax rate in any level of taxing
18 jurisdiction. If a nine-digit zip code designation is not
19 available for a street address, or if a vendor is unable to
20 determine the nine-digit zip code designation applicable to
21 a purchase after exercising due diligence to determine the
22 designation, the vendor may apply the rate for the five-
23 digit zip code area. For purposes of this section, there
24 shall be a rebuttable presumption that a vendor has
25 exercised due diligence if the vendor has attempted to
26 determine the nine-digit zip code designation by utilizing
27 software approved by the director that makes this
28 designation from the street address and the five-digit zip
29 code applicable to a purchase.

30 4. The director may provide address-based boundary
31 database records for assigning taxing jurisdictions and
32 associated rates which shall be in addition to the
33 requirements of subsection 3 of this section. The database
34 records shall be in the same approved format as the database

35 records required under subsection 3 of this section and
36 shall meet the requirements developed pursuant to the
37 federal Mobile Telecommunications Sourcing Act, 4 U.S.C.
38 Section 119(a). If the director develops address-based
39 assignment database records, vendors shall be required to
40 use such database. A vendor shall use such database records
41 in place of the five- and nine-digit zip code database
42 records provided for in subsection 3 of this section. If a
43 vendor is unable to determine the applicable rate and
44 jurisdiction using an address-based database record after
45 exercising due diligence, the vendor may apply the nine-
46 digit zip code designation applicable to a purchase. If a
47 nine-digit zip code designation is not available for a
48 street address or if a vendor is unable to determine the
49 nine-digit zip code designation applicable to a purchase
50 after exercising due diligence to determine the designation,
51 the vendor may apply the rate for the five-digit zip code
52 area. For the purposes of this section, there shall be a
53 rebuttable presumption that a vendor has exercised due
54 diligence if the vendor has attempted to determine the tax
55 rate and jurisdiction by utilizing software approved by the
56 director and makes the assignment from the address and zip
57 code information applicable to the purchase. If the
58 director has met the requirements of subsection 3 of this
59 section, the director may also elect to certify address-
60 based databases provided by third parties for assigning tax
61 rates and jurisdictions. The databases shall be in the same
62 approved format as the database records under this section
63 and meet the requirements developed pursuant to the federal
64 Mobile Telecommunications Sourcing Act, 4 U.S.C. Section
65 119(a). If the director certifies an address-based database

66 provided by a third party, a vendor may use such database in
67 place of the database provided for in this subsection.

68 5. The electronic databases provided for in
69 subsections 1, 2, 3, and 4 of this section shall be in
70 downloadable format as determined by the director. The
71 databases may be directly provided by the director or
72 provided by a third party as designated by the director. A
73 database provided by a third party shall be applicable and
74 subject to the provisions of this section. The databases
75 shall be provided at no cost to the user of the database.
76 The provisions of subsections 3 and 4 of this section shall
77 not apply if the purchased product is received by the
78 purchaser at the business location of the vendor.

79 6. No vendor shall be liable for reliance upon
80 erroneous data provided or approved by the director on tax
81 rates, boundaries, or taxing jurisdiction assignments.

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 collecting payment from
10 the purchaser and transmitting such payment to the
11 marketplace seller regardless of whether the marketplace
12 facilitator receives compensation or other consideration in
13 exchange for its services.

14 A marketplace facilitator is a seller and shall comply with
15 the provisions of this chapter. A marketplace facilitator

16 does not include a person who provides internet advertising
17 services, or product listing, and does not collect payment
18 from the purchaser and transmit payment to the marketplace
19 seller, and does not include a person with respect to the
20 provision of travel agency services or the operation of a
21 marketplace or that portion of a marketplace that enables
22 consumers to receive travel agency services. For the
23 purposes of this subdivision, "travel agency services" means
24 facilitating, for a commission, fee, or other consideration,
25 vacation or travel packages, rental car or other travel
26 reservations, tickets for domestic or foreign travel by air,
27 rail, ship, bus, or other medium of transportation, or hotel
28 or other lodging accommodations;

29 (2) "Marketplace seller", a seller that makes sales
30 through any electronic marketplace operated by a marketplace
31 facilitator;

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

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

44 (5) "Retail sale", the same meaning as defined under
45 sections 144.010 and 144.011, excluding motor vehicles,
46 trailers, motorcycles, mopeds, motortricycles, boats, and
47 outboard motors required to be titled under the laws of the

48 state and subject to tax under subdivision (9) of subsection
49 1 of section 144.020;

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

53 2. (1) By no later than January 1, 2022, marketplace
54 facilitators that reach the threshold provided in paragraph
55 (g) of subdivision (2) of section 144.605 shall register
56 with the department to collect and remit sales and use tax,
57 as applicable, on sales made through the marketplace
58 facilitator's marketplace by or on behalf of a marketplace
59 seller that are purchased in or delivered into the state,
60 whether by the marketplace facilitator or another person,
61 and regardless of whether the marketplace seller for whom
62 sales are facilitated possesses a retail sales license or
63 would have been required to collect sales or use tax had the
64 sale not been facilitated by the marketplace facilitator.
65 Such retail sales shall include those made directly by the
66 marketplace facilitator and shall also include those retail
67 sales made by marketplace sellers through the marketplace
68 facilitator's marketplace. The collection and reporting
69 requirements of this subsection shall not apply to retail
70 sales other than those made through a marketplace
71 facilitator's marketplace. Nothing in this section shall be
72 construed to limit or prohibit the ability of a marketplace
73 facilitator and a marketplace seller to enter into
74 agreements regarding the fulfillment of the requirements of
75 this chapter.

76 (2) All taxable sales made through a marketplace
77 facilitator's marketplace by or on behalf of a marketplace
78 seller shall be deemed to be consummated at the location in

79 this state to which the item is shipped or delivered, or at
80 which possession is taken by the purchaser.

81 3. Marketplace facilitators that are required to
82 collect sales and use tax under this section shall report
83 and remit the tax separately from any sales and use tax
84 collected by the marketplace facilitator, or by affiliates
85 of the marketplace facilitator, which the marketplace
86 facilitator would have been required to collect and remit
87 under the provisions of this chapter prior to January 1,
88 2022. Such tax shall be reported and remitted on a
89 marketplace facilitator return to be developed and published
90 by the department. Marketplace facilitators shall maintain
91 records of all sales delivered to a location in the state,
92 including copies of invoices showing the purchaser, address,
93 purchase amount, and sales and use tax collected. Such
94 records shall be made available for review and inspection
95 upon request by the department.

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

101 5. A marketplace facilitator shall provide the
102 purchaser with a statement or invoice showing that the sales
103 or use tax was collected and shall be remitted on the
104 purchaser's behalf.

105 6. Any taxpayer who remits sales or use tax under this
106 section shall be entitled to refunds or credits to the same
107 extent and in the same manner provided for in section
108 144.190 for taxes collected and remitted under this
109 section. Nothing in this section shall relieve a purchaser
110 of the obligation to remit sales or use tax for any retail

111 sale taxable under this chapter for which a marketplace
112 facilitator or marketplace seller does not collect and remit
113 the sales or use tax.

114 7. Except as provided under subsections 8 to 10 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 sales or use tax collected on retail sales
122 facilitated by a marketplace facilitator, regardless of
123 whether that claim is characterized as a tax refund claim.
124 Nothing in this subsection shall affect a purchaser's right
125 to seek a refund as provided under section 144.190.

126 9. An audit performed by the department under this
127 chapter shall only be performed on a marketplace facilitator
128 for sales made by marketplace sellers but facilitated by the
129 marketplace facilitator. The department shall not audit a
130 marketplace seller for sales facilitated by a marketplace
131 facilitator except to the extent a marketplace facilitator
132 seeks relief from liability under the provisions of
133 paragraph (a) of subdivision (1) of subsection 10 of this
134 section.

135 10. (1) A marketplace facilitator shall be relieved
136 from liability under this section for the failure to collect
137 and remit the correct amount of sales or use tax on retail
138 sales facilitated for marketplace sellers under the
139 following circumstances:

140 (a) To the extent that the marketplace facilitator
141 demonstrates to the satisfaction of the department that the
142 error was due to insufficient or incorrect information given

143 to the marketplace facilitator by the marketplace seller;
144 provided, however, that a marketplace facilitator shall not
145 be relieved of liability under this paragraph if the
146 marketplace facilitator and the marketplace seller are
147 affiliated;

148 (b) To the extent that the marketplace facilitator
149 demonstrates to the satisfaction of the department that:

150 a. The marketplace facilitator is not the seller and
151 that the marketplace facilitator and marketplace seller are
152 not affiliated;

153 b. The retail sale was facilitated for a marketplace
154 seller through a marketplace operated by the marketplace
155 facilitator; and

156 c. The failure to collect and remit the correct amount
157 of sales or use tax was due to an error other than an error
158 in sourcing the sale under the provisions of this chapter.

159 (2) The relief from liability provided under
160 subdivision (1) of this subsection shall not exceed the
161 following percentage of the total sales and use tax due on
162 retail sales facilitated by a marketplace facilitator for
163 marketplace sellers and sourced to this state during a
164 calendar year, which such retail sales shall not include
165 retail sales made directly by the marketplace facilitator or
166 affiliates of the marketplace facilitator:

167 (a) For retail sales made or facilitated during the
168 2022 calendar year, four percent;

169 (b) For retail sales made or facilitated during the
170 2023 calendar year, two percent;

171 (c) For retail sales made or facilitated during the
172 2024 calendar year, one percent; and

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

175 (3) To the extent that a marketplace facilitator is
176 relieved of liability for the collection of sales and use
177 tax under this subsection, the marketplace seller for whom
178 the marketplace facilitator has made or facilitated the sale
179 shall also be relieved of liability under this subsection.

180 (4) The department shall determine the manner in which
181 a marketplace facilitator or marketplace seller shall apply
182 for and claim the relief from liability provided for under
183 this subsection.

184 11. The department may grant a waiver from the
185 requirements of this section if a marketplace facilitator
186 demonstrates to the satisfaction of the department that all
187 of its marketplace sellers are already registered under the
188 provisions of this chapter to collect and remit sales and
189 use tax. If such waiver is granted, the sales or use tax
190 due shall be collected and remitted by the marketplace
191 seller. The department shall develop guidelines by rule
192 that establish the criteria for obtaining a waiver, the
193 process and procedure for a marketplace facilitator or
194 marketplace seller to apply for a waiver, and the process
195 for providing notice to an affected marketplace facilitator
196 and marketplace seller of a waiver obtained under the
197 provisions of this subsection. Any rule or portion of a
198 rule, as that term is defined in section 536.010, that is
199 created under the authority delegated in this section shall
200 become effective only if it complies with and is subject to
201 all of the provisions of chapter 536 and, if applicable,
202 section 536.028. This section and chapter 536 are
203 nonseverable and if any of the powers vested with the
204 general assembly pursuant to chapter 536 to review, to delay
205 the effective date, or to disapprove and annul a rule are
206 subsequently held unconstitutional, then the grant of

207 **rulemaking authority and any rule proposed or adopted after**
208 **August 28, 2021, shall be invalid and void.**

209 **12. For the purposes of this section, a marketplace**
210 **facilitator shall not include a third party financial**
211 **institution appointed by a merchant or a marketplace**
212 **facilitator to handle various forms of payment transactions,**
213 **such as processing credit cards and debit cards, and whose**
214 **sole activity with respect to marketplace sales is to**
215 **facilitate the payment transactions between two parties.**

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

24 paragraph (b) of subdivision (2) of subsection 2 of this
25 section select one of the distribution options permitted in
26 subsection 4 of section 94.890 for distribution of all
27 municipal use taxes.

28 2. (1) The ballot of submission, except for counties
29 and municipalities described in subdivisions (2) and (3) of
30 this subsection, shall contain substantially the following
31 language:

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

46 YES NO

47 If you are in favor of the question, place an
48 "X" in the box opposite "YES". If you are
49 opposed to the question, place an "X" in the box
50 opposite "NO".

51 (2) (a) The ballot of submission in a county having a
52 charter form of government with a population in excess of

53 nine hundred thousand shall contain substantially the
54 following language:

55 For the purposes of enhancing county and
56 municipal public safety, parks, and job creation
57 and enhancing local government services, shall
58 the county be authorized to collect a local use
59 tax equal to the total of the existing county
60 sales tax rate [of (insert tax rate)], provided
61 that if the county sales tax is repealed,
62 reduced or raised by voter approval, the local
63 use tax rate shall also be repealed, reduced or
64 raised by the same voter action? Fifty percent
65 of the revenue shall be used by the county
66 throughout the county for improving and
67 enhancing public safety, park improvements, and
68 job creation, and fifty percent shall be used
69 for enhancing local government services. The
70 county shall be required to make available to
71 the public an audited comprehensive financial
72 report detailing the management and use of the
73 countywide portion of the funds each year.

74 A use tax is the equivalent of a sales tax on
75 purchases from out-of-state sellers by in-state
76 buyers and on certain taxable business
77 transactions. [A use tax return shall not be
78 required to be filed by persons whose purchases
79 from out-of-state vendors do not in total exceed
80 two thousand dollars in any calendar year]

81 **Approval of this question will eliminate the**
82 **disparity in tax rates collected by local and**
83 **out-of-state sellers by imposing the same rate**
84 **on all sellers.**

85 YES NO

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

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

94 Shall the municipality be authorized to impose a
95 local use tax at the same rate as the local
96 sales tax by a vote of the governing body,
97 provided that if any local sales tax is
98 repealed, reduced or raised by voter approval,
99 the respective local use tax shall also be
100 repealed, reduced or raised by the same action?
101 [A use tax return shall not be required to be
102 filed by persons whose purchases from out-of-
103 state vendors do not in total exceed two
104 thousand dollars in any calendar year] **Approval**
105 **of this question will eliminate the disparity in**
106 **tax rates collected by local and out-of-state**
107 **sellers by imposing the same rate on all sellers.**

108 YES NO

109 If you are in favor of the question, place an
110 "X" in the box opposite "YES". If you are
111 opposed to the question, place an "X" in the box
112 opposite "NO".

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

115 Shall the _____ (city name) impose a local use
116 tax at the same rate as the local sales tax,
117 [currently at a rate of _____ (insert percent)]
118 which includes the capital improvements sales
119 tax and the transportation tax, provided that if
120 any local sales tax is repealed, reduced or
121 raised by voter approval, the respective local
122 use tax shall also be repealed, reduced or
123 raised by the same action? [A use tax return
124 shall not be required to be filed by persons
125 whose purchases from out-of-state vendors do not
126 in total exceed two thousand dollars in any
127 calendar year] **Approval of this question will
128 eliminate the disparity in tax rates collected
129 by local and out-of-state sellers by imposing
130 the same rate on all sellers.**

131 YES NO

132 If you are in favor of the question, place an
133 "X" in the box opposite "YES". If you are
134 opposed to the question, place an "X" in the box
135 opposite "NO".

136 (4) If any of such ballots are submitted on August 6,
137 1996, and if a majority of the votes cast on the proposal by
138 the qualified voters voting thereon are in favor of the
139 proposal, then the ordinance or order and any amendments
140 thereto shall be in effect October 1, 1996, provided the
141 director of revenue receives notice of adoption of the local
142 use tax on or before August 16, 1996. If any of such

143 ballots are submitted after December 31, 1996, and if a
144 majority of the votes cast on the proposal by the qualified
145 voters voting thereon are in favor of the proposal, then the
146 ordinance or order and any amendments thereto shall be in
147 effect on the first day of the calendar quarter which begins
148 at least forty-five days after the director of revenue
149 receives notice of adoption of the local use tax. If a
150 majority of the votes cast by the qualified voters voting
151 are opposed to the proposal, then the governing body of the
152 county or municipality shall have no power to impose the
153 local use tax as herein authorized unless and until the
154 governing body of the county or municipality shall again
155 have submitted another proposal to authorize the governing
156 body of the county or municipality to impose the local use
157 tax and such proposal is approved by a majority of the
158 qualified voters voting thereon.

159 3. The local use tax may be imposed at the same rate
160 as the local sales tax then currently in effect in the
161 county or municipality upon all transactions which are
162 subject to the taxes imposed pursuant to sections 144.600 to
163 144.745 within the county or municipality adopting such tax;
164 provided, however, that if any local sales tax is repealed
165 or the rate thereof is reduced or raised by voter approval,
166 the local use tax rate shall also be deemed to be repealed,
167 reduced or raised by the same action repealing, reducing or
168 raising the local sales tax.

169 4. For purposes of sections 144.757 to 144.761, the
170 use tax may be referred to or described as the equivalent of
171 a sales tax on purchases made from out-of-state sellers by
172 in-state buyers and on certain intrabusiness transactions.
173 Such a description shall not change the classification, form

174 or subject of the use tax or the manner in which it is
175 collected.

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