

SENATE AMENDMENT NO. _____

Offered by _____ of _____

Amend SS/SCS/Senate Bill No. 131, Page 1, Section Title, Lines 3-4,

2 by striking "firearms tax relief" and inserting in lieu
3 thereof the following: "tax relief"; and

4 Further amend said bill, page 3, Section 135.098, line
5 70, by inserting after all of said line the following:

6 "144.030. 1. There is hereby specifically exempted
7 from the provisions of sections 144.010 to 144.525 and from
8 the computation of the tax levied, assessed or payable
9 pursuant to sections 144.010 to 144.525 such retail sales as
10 may be made in commerce between this state and any other
11 state of the United States, or between this state and any
12 foreign country, and any retail sale which the state of
13 Missouri is prohibited from taxing pursuant to the
14 Constitution or laws of the United States of America, and
15 such retail sales of tangible personal property which the
16 general assembly of the state of Missouri is prohibited from
17 taxing or further taxing by the constitution of this state.

18 2. There are also specifically exempted from the
19 provisions of the local sales tax law as defined in section
20 32.085, section 238.235, and sections 144.010 to 144.525 and
21 144.600 to 144.761 and from the computation of the tax
22 levied, assessed or payable pursuant to the local sales tax
23 law as defined in section 32.085, section 238.235, and
24 sections 144.010 to 144.525 and 144.600 to 144.745:

25 (1) Motor fuel or special fuel subject to an excise
26 tax of this state, unless all or part of such excise tax is

27 refunded pursuant to section 142.824; or upon the sale at
28 retail of fuel to be consumed in manufacturing or creating
29 gas, power, steam, electrical current or in furnishing water
30 to be sold ultimately at retail; or feed for livestock or
31 poultry; or grain to be converted into foodstuffs which are
32 to be sold ultimately in processed form at retail; or seed,
33 limestone or fertilizer which is to be used for seeding,
34 liming or fertilizing crops which when harvested will be
35 sold at retail or will be fed to livestock or poultry to be
36 sold ultimately in processed form at retail; economic
37 poisons registered pursuant to the provisions of the
38 Missouri pesticide registration law, sections 281.220 to
39 281.310, which are to be used in connection with the growth
40 or production of crops, fruit trees or orchards applied
41 before, during, or after planting, the crop of which when
42 harvested will be sold at retail or will be converted into
43 foodstuffs which are to be sold ultimately in processed form
44 at retail;

45 (2) Materials, manufactured goods, machinery and parts
46 which when used in manufacturing, processing, compounding,
47 mining, producing or fabricating become a component part or
48 ingredient of the new personal property resulting from such
49 manufacturing, processing, compounding, mining, producing or
50 fabricating and which new personal property is intended to
51 be sold ultimately for final use or consumption; and
52 materials, including without limitation, gases and
53 manufactured goods, including without limitation slagging
54 materials and firebrick, which are ultimately consumed in
55 the manufacturing process by blending, reacting or
56 interacting with or by becoming, in whole or in part,
57 component parts or ingredients of steel products intended to
58 be sold ultimately for final use or consumption;

59 (3) Materials, replacement parts and equipment
60 purchased for use directly upon, and for the repair and
61 maintenance or manufacture of, motor vehicles, watercraft,
62 railroad rolling stock or aircraft engaged as common
63 carriers of persons or property;

64 (4) Replacement machinery, equipment, and parts and
65 the materials and supplies solely required for the
66 installation or construction of such replacement machinery,
67 equipment, and parts, used directly in manufacturing,
68 mining, fabricating or producing a product which is intended
69 to be sold ultimately for final use or consumption; and
70 machinery and equipment, and the materials and supplies
71 required solely for the operation, installation or
72 construction of such machinery and equipment, purchased and
73 used to establish new, or to replace or expand existing,
74 material recovery processing plants in this state. For the
75 purposes of this subdivision, a "material recovery
76 processing plant" means a facility that has as its primary
77 purpose the recovery of materials into a usable product or a
78 different form which is used in producing a new product and
79 shall include a facility or equipment which are used
80 exclusively for the collection of recovered materials for
81 delivery to a material recovery processing plant but shall
82 not include motor vehicles used on highways. For purposes
83 of this section, the terms motor vehicle and highway shall
84 have the same meaning pursuant to section 301.010. For the
85 purposes of this subdivision, subdivision (5) of this
86 subsection, and section 144.054, as well as the definition
87 in subdivision (9) of subsection 1 of section 144.010, the
88 term "product" includes telecommunications services and the
89 term "manufacturing" shall include the production, or
90 production and transmission, of telecommunications
91 services. The preceding sentence does not make a

92 substantive change in the law and is intended to clarify
93 that the term "manufacturing" has included and continues to
94 include the production and transmission of
95 "telecommunications services", as enacted in this
96 subdivision and subdivision (5) of this subsection, as well
97 as the definition in subdivision (9) of subsection 1 of
98 section 144.010. The preceding two sentences reaffirm
99 legislative intent consistent with the interpretation of
100 this subdivision and subdivision (5) of this subsection in
101 *Southwestern Bell Tel. Co. v. Director of Revenue*, 78 S.W.3d
102 763 (Mo. banc 2002) and *Southwestern Bell Tel. Co. v.*
103 *Director of Revenue*, 182 S.W.3d 226 (Mo. banc 2005), and
104 accordingly abrogates the Missouri supreme court's
105 interpretation of those exemptions in *IBM Corporation v.*
106 *Director of Revenue*, 491 S.W.3d 535 (Mo. banc 2016) to the
107 extent inconsistent with this section and *Southwestern Bell*
108 *Tel. Co. v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc
109 2002) and *Southwestern Bell Tel. Co. v. Director of Revenue*,
110 182 S.W.3d 226 (Mo. banc 2005). The construction and
111 application of this subdivision as expressed by the Missouri
112 supreme court in *DST Systems, Inc. v. Director of Revenue*,
113 43 S.W.3d 799 (Mo. banc 2001); *Southwestern Bell Tel. Co. v.*
114 *Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and
115 *Southwestern Bell Tel. Co. v. Director of Revenue*, 182
116 S.W.3d 226 (Mo. banc 2005), is hereby affirmed. Material
117 recovery is not the reuse of materials within a
118 manufacturing process or the use of a product previously
119 recovered. The material recovery processing plant shall
120 qualify under the provisions of this section regardless of
121 ownership of the material being recovered;

122 (5) Machinery and equipment, and parts and the
123 materials and supplies solely required for the installation
124 or construction of such machinery and equipment, purchased

125 and used to establish new or to expand existing
126 manufacturing, mining or fabricating plants in the state if
127 such machinery and equipment is used directly in
128 manufacturing, mining or fabricating a product which is
129 intended to be sold ultimately for final use or
130 consumption. The construction and application of this
131 subdivision as expressed by the Missouri supreme court in
132 *DST Systems, Inc. v. Director of Revenue*, 43 S.W.3d 799 (Mo.
133 banc 2001); *Southwestern Bell Tel. Co. v. Director of*
134 *Revenue*, 78 S.W.3d 763 (Mo. banc 2002); and *Southwestern*
135 *Bell Tel. Co. v. Director of Revenue*, 182 S.W.3d 226 (Mo.
136 banc 2005), is hereby affirmed;

137 (6) Tangible personal property which is used
138 exclusively in the manufacturing, processing, modification
139 or assembling of products sold to the United States
140 government or to any agency of the United States government;

141 (7) Animals or poultry used for breeding or feeding
142 purposes, or captive wildlife;

143 (8) Newsprint, ink, computers, photosensitive paper
144 and film, toner, printing plates and other machinery,
145 equipment, replacement parts and supplies used in producing
146 newspapers published for dissemination of news to the
147 general public;

148 (9) The rentals of films, records or any type of sound
149 or picture transcriptions for public commercial display;

150 (10) Pumping machinery and equipment used to propel
151 products delivered by pipelines engaged as common carriers;

152 (11) Railroad rolling stock for use in transporting
153 persons or property in interstate commerce and motor
154 vehicles licensed for a gross weight of twenty-four thousand
155 pounds or more or trailers used by common carriers, as
156 defined in section 390.020, in the transportation of persons
157 or property;

158 (12) Electrical energy used in the actual primary
159 manufacture, processing, compounding, mining or producing of
160 a product, or electrical energy used in the actual secondary
161 processing or fabricating of the product, or a material
162 recovery processing plant as defined in subdivision (4) of
163 this subsection, in facilities owned or leased by the
164 taxpayer, if the total cost of electrical energy so used
165 exceeds ten percent of the total cost of production, either
166 primary or secondary, exclusive of the cost of electrical
167 energy so used or if the raw materials used in such
168 processing contain at least twenty-five percent recovered
169 materials as defined in section 260.200. There shall be a
170 rebuttable presumption that the raw materials used in the
171 primary manufacture of automobiles contain at least twenty-
172 five percent recovered materials. For purposes of this
173 subdivision, "processing" means any mode of treatment, act
174 or series of acts performed upon materials to transform and
175 reduce them to a different state or thing, including
176 treatment necessary to maintain or preserve such processing
177 by the producer at the production facility;

178 (13) Anodes which are used or consumed in
179 manufacturing, processing, compounding, mining, producing or
180 fabricating and which have a useful life of less than one
181 year;

182 (14) Machinery, equipment, appliances and devices
183 purchased or leased and used solely for the purpose of
184 preventing, abating or monitoring air pollution, and
185 materials and supplies solely required for the installation,
186 construction or reconstruction of such machinery, equipment,
187 appliances and devices;

188 (15) Machinery, equipment, appliances and devices
189 purchased or leased and used solely for the purpose of
190 preventing, abating or monitoring water pollution, and

191 materials and supplies solely required for the installation,
192 construction or reconstruction of such machinery, equipment,
193 appliances and devices;

194 (16) Tangible personal property purchased by a rural
195 water district;

196 (17) All amounts paid or charged for admission or
197 participation or other fees paid by or other charges to
198 individuals in or for any place of amusement, entertainment
199 or recreation, games or athletic events, including museums,
200 fairs, zoos and planetariums, owned or operated by a
201 municipality or other political subdivision where all the
202 proceeds derived therefrom benefit the municipality or other
203 political subdivision and do not inure to any private
204 person, firm, or corporation, provided, however, that a
205 municipality or other political subdivision may enter into
206 revenue-sharing agreements with private persons, firms, or
207 corporations providing goods or services, including
208 management services, in or for the place of amusement,
209 entertainment or recreation, games or athletic events, and
210 provided further that nothing in this subdivision shall
211 exempt from tax any amounts retained by any private person,
212 firm, or corporation under such revenue-sharing agreement;

213 (18) All sales of insulin, and all sales, rentals,
214 repairs, and parts of durable medical equipment, prosthetic
215 devices, and orthopedic devices as defined on January 1,
216 1980, by the federal Medicare program pursuant to Title
217 XVIII of the Social Security Act of 1965, including the
218 items specified in Section 1862(a)(12) of that act, and also
219 specifically including hearing aids and hearing aid supplies
220 and all sales of drugs which may be legally dispensed by a
221 licensed pharmacist only upon a lawful prescription of a
222 practitioner licensed to administer those items, including
223 samples and materials used to manufacture samples which may

224 be dispensed by a practitioner authorized to dispense such
225 samples and all sales or rental of medical oxygen, home
226 respiratory equipment and accessories including parts, and
227 hospital beds and accessories and ambulatory aids including
228 parts, and all sales or rental of manual and powered
229 wheelchairs including parts, and stairway lifts, Braille
230 writers, electronic Braille equipment and, if purchased or
231 rented by or on behalf of a person with one or more physical
232 or mental disabilities to enable them to function more
233 independently, all sales or rental of scooters including
234 parts, and reading machines, electronic print enlargers and
235 magnifiers, electronic alternative and augmentative
236 communication devices, and items used solely to modify motor
237 vehicles to permit the use of such motor vehicles by
238 individuals with disabilities or sales of over-the-counter
239 or nonprescription drugs to individuals with disabilities,
240 and drugs required by the Food and Drug Administration to
241 meet the over-the-counter drug product labeling requirements
242 in 21 CFR 201.66, or its successor, as prescribed by a
243 health care practitioner licensed to prescribe;

244 (19) All sales made by or to religious and charitable
245 organizations and institutions in their religious,
246 charitable or educational functions and activities and all
247 sales made by or to all elementary and secondary schools
248 operated at public expense in their educational functions
249 and activities;

250 (20) All sales of aircraft to common carriers for
251 storage or for use in interstate commerce and all sales made
252 by or to not-for-profit civic, social, service or fraternal
253 organizations, including fraternal organizations which have
254 been declared tax-exempt organizations pursuant to Section
255 501(c) (8) or (10) of the 1986 Internal Revenue Code, as
256 amended, in their civic or charitable functions and

257 activities and all sales made to eleemosynary and penal
258 institutions and industries of the state, and all sales made
259 to any private not-for-profit institution of higher
260 education not otherwise excluded pursuant to subdivision
261 (19) of this subsection or any institution of higher
262 education supported by public funds, and all sales made to a
263 state relief agency in the exercise of relief functions and
264 activities;

265 (21) All ticket sales made by benevolent, scientific
266 and educational associations which are formed to foster,
267 encourage, and promote progress and improvement in the
268 science of agriculture and in the raising and breeding of
269 animals, and by nonprofit summer theater organizations if
270 such organizations are exempt from federal tax pursuant to
271 the provisions of the Internal Revenue Code and all
272 admission charges and entry fees to the Missouri state fair
273 or any fair conducted by a county agricultural and
274 mechanical society organized and operated pursuant to
275 sections 262.290 to 262.530;

276 (22) All sales made to any private not-for-profit
277 elementary or secondary school, all sales of feed additives,
278 medications or vaccines administered to livestock or poultry
279 in the production of food or fiber, all sales of pesticides
280 used in the production of crops, livestock or poultry for
281 food or fiber, all sales of bedding used in the production
282 of livestock or poultry for food or fiber, all sales of
283 propane or natural gas, electricity or diesel fuel used
284 exclusively for drying agricultural crops, natural gas used
285 in the primary manufacture or processing of fuel ethanol as
286 defined in section 142.028, natural gas, propane, and
287 electricity used by an eligible new generation cooperative
288 or an eligible new generation processing entity as defined
289 in section 348.432, and all sales of farm machinery and

290 equipment, other than airplanes, motor vehicles and
291 trailers, and any freight charges on any exempt item. As
292 used in this subdivision, the term "feed additives" means
293 tangible personal property which, when mixed with feed for
294 livestock or poultry, is to be used in the feeding of
295 livestock or poultry. As used in this subdivision, the term
296 "pesticides" includes adjuvants such as crop oils,
297 surfactants, wetting agents and other assorted pesticide
298 carriers used to improve or enhance the effect of a
299 pesticide and the foam used to mark the application of
300 pesticides and herbicides for the production of crops,
301 livestock or poultry. As used in this subdivision, the term
302 "farm machinery and equipment" shall mean:

303 (a) New or used farm tractors and such other new or
304 used farm machinery and equipment, including utility
305 vehicles used for any agricultural use, and repair or
306 replacement parts thereon and any accessories for and
307 upgrades to such farm machinery and equipment and rotary
308 mowers used for any agricultural purposes. For the purposes
309 of this subdivision, "utility vehicle" shall mean any
310 motorized vehicle manufactured and used exclusively for off-
311 highway use which is more than fifty inches but no more than
312 eighty inches in width, measured from outside of tire rim to
313 outside of tire rim, with an unladen dry weight of three
314 thousand five hundred pounds or less, traveling on four or
315 six wheels;

316 (b) Supplies and lubricants used exclusively, solely,
317 and directly for producing crops, raising and feeding
318 livestock, fish, poultry, pheasants, chukar, quail, or for
319 producing milk for ultimate sale at retail, including field
320 drain tile; and

321 (c) One-half of each purchaser's purchase of diesel
322 fuel therefor which is:

- 323 a. Used exclusively for agricultural purposes;
324 b. Used on land owned or leased for the purpose of
325 producing farm products; and
326 c. Used directly in producing farm products to be sold
327 ultimately in processed form or otherwise at retail or in
328 producing farm products to be fed to livestock or poultry to
329 be sold ultimately in processed form at retail;

330 (23) Except as otherwise provided in section 144.032,
331 all sales of metered water service, electricity, electrical
332 current, natural, artificial or propane gas, wood, coal or
333 home heating oil for domestic use and in any city not within
334 a county, all sales of metered or unmetered water service
335 for domestic use:

336 (a) "Domestic use" means that portion of metered water
337 service, electricity, electrical current, natural,
338 artificial or propane gas, wood, coal or home heating oil,
339 and in any city not within a county, metered or unmetered
340 water service, which an individual occupant of a residential
341 premises uses for nonbusiness, noncommercial or
342 nonindustrial purposes. Utility service through a single or
343 master meter for residential apartments or condominiums,
344 including service for common areas and facilities and vacant
345 units, shall be deemed to be for domestic use. Each seller
346 shall establish and maintain a system whereby individual
347 purchases are determined as exempt or nonexempt;

348 (b) Regulated utility sellers shall determine whether
349 individual purchases are exempt or nonexempt based upon the
350 seller's utility service rate classifications as contained
351 in tariffs on file with and approved by the Missouri public
352 service commission. Sales and purchases made pursuant to
353 the rate classification "residential" and sales to and
354 purchases made by or on behalf of the occupants of
355 residential apartments or condominiums through a single or

356 master meter, including service for common areas and
357 facilities and vacant units, shall be considered as sales
358 made for domestic use and such sales shall be exempt from
359 sales tax. Sellers shall charge sales tax upon the entire
360 amount of purchases classified as nondomestic use. The
361 seller's utility service rate classification and the
362 provision of service thereunder shall be conclusive as to
363 whether or not the utility must charge sales tax;

364 (c) Each person making domestic use purchases of
365 services or property and who uses any portion of the
366 services or property so purchased for a nondomestic use
367 shall, by the fifteenth day of the fourth month following
368 the year of purchase, and without assessment, notice or
369 demand, file a return and pay sales tax on that portion of
370 nondomestic purchases. Each person making nondomestic
371 purchases of services or property and who uses any portion
372 of the services or property so purchased for domestic use,
373 and each person making domestic purchases on behalf of
374 occupants of residential apartments or condominiums through
375 a single or master meter, including service for common areas
376 and facilities and vacant units, under a nonresidential
377 utility service rate classification may, between the first
378 day of the first month and the fifteenth day of the fourth
379 month following the year of purchase, apply for credit or
380 refund to the director of revenue and the director shall
381 give credit or make refund for taxes paid on the domestic
382 use portion of the purchase. The person making such
383 purchases on behalf of occupants of residential apartments
384 or condominiums shall have standing to apply to the director
385 of revenue for such credit or refund;

386 (24) All sales of handicraft items made by the seller
387 or the seller's spouse if the seller or the seller's spouse
388 is at least sixty-five years of age, and if the total gross

389 proceeds from such sales do not constitute a majority of the
390 annual gross income of the seller;

391 (25) Excise taxes, collected on sales at retail,
392 imposed by Sections 4041, 4071, 4081, 4091, 4161, 4181,
393 4251, 4261 and 4271 of Title 26, United States Code. The
394 director of revenue shall promulgate rules pursuant to
395 chapter 536 to eliminate all state and local sales taxes on
396 such excise taxes;

397 (26) Sales of fuel consumed or used in the operation
398 of ships, barges, or waterborne vessels which are used
399 primarily in or for the transportation of property or cargo,
400 or the conveyance of persons for hire, on navigable rivers
401 bordering on or located in part in this state, if such fuel
402 is delivered by the seller to the purchaser's barge, ship,
403 or waterborne vessel while it is afloat upon such river;

404 (27) All sales made to an interstate compact agency
405 created pursuant to sections 70.370 to 70.441 or sections
406 238.010 to 238.100 in the exercise of the functions and
407 activities of such agency as provided pursuant to the
408 compact;

409 (28) Computers, computer software and computer
410 security systems purchased for use by architectural or
411 engineering firms headquartered in this state. For the
412 purposes of this subdivision, "headquartered in this state"
413 means the office for the administrative management of at
414 least four integrated facilities operated by the taxpayer is
415 located in the state of Missouri;

416 (29) All livestock sales when either the seller is
417 engaged in the growing, producing or feeding of such
418 livestock, or the seller is engaged in the business of
419 buying and selling, bartering or leasing of such livestock;

420 (30) All sales of barges which are to be used
421 primarily in the transportation of property or cargo on
422 interstate waterways;

423 (31) Electrical energy or gas, whether natural,
424 artificial or propane, water, or other utilities which are
425 ultimately consumed in connection with the manufacturing of
426 cellular glass products or in any material recovery
427 processing plant as defined in subdivision (4) of this
428 subsection;

429 (32) Notwithstanding other provisions of law to the
430 contrary, all sales of pesticides or herbicides used in the
431 production of crops, aquaculture, livestock or poultry;

432 (33) Tangible personal property and utilities
433 purchased for use or consumption directly or exclusively in
434 the research and development of agricultural/biotechnology
435 and plant genomics products and prescription pharmaceuticals
436 consumed by humans or animals;

437 (34) All sales of grain bins for storage of grain for
438 resale;

439 (35) All sales of feed which are developed for and
440 used in the feeding of pets owned by a commercial breeder
441 when such sales are made to a commercial breeder, as defined
442 in section 273.325, and licensed pursuant to sections
443 273.325 to 273.357;

444 (36) All purchases by a contractor on behalf of an
445 entity located in another state, provided that the entity is
446 authorized to issue a certificate of exemption for purchases
447 to a contractor under the provisions of that state's laws.
448 For purposes of this subdivision, the term "certificate of
449 exemption" shall mean any document evidencing that the
450 entity is exempt from sales and use taxes on purchases
451 pursuant to the laws of the state in which the entity is
452 located. Any contractor making purchases on behalf of such

453 entity shall maintain a copy of the entity's exemption
454 certificate as evidence of the exemption. If the exemption
455 certificate issued by the exempt entity to the contractor is
456 later determined by the director of revenue to be invalid
457 for any reason and the contractor has accepted the
458 certificate in good faith, neither the contractor or the
459 exempt entity shall be liable for the payment of any taxes,
460 interest and penalty due as the result of use of the invalid
461 exemption certificate. Materials shall be exempt from all
462 state and local sales and use taxes when purchased by a
463 contractor for the purpose of fabricating tangible personal
464 property which is used in fulfilling a contract for the
465 purpose of constructing, repairing or remodeling facilities
466 for the following:

467 (a) An exempt entity located in this state, if the
468 entity is one of those entities able to issue project
469 exemption certificates in accordance with the provisions of
470 section 144.062; or

471 (b) An exempt entity located outside the state if the
472 exempt entity is authorized to issue an exemption
473 certificate to contractors in accordance with the provisions
474 of that state's law and the applicable provisions of this
475 section;

476 (37) All sales or other transfers of tangible personal
477 property to a lessor who leases the property under a lease
478 of one year or longer executed or in effect at the time of
479 the sale or other transfer to an interstate compact agency
480 created pursuant to sections 70.370 to 70.441 or sections
481 238.010 to 238.100;

482 (38) Sales of tickets to any collegiate athletic
483 championship event that is held in a facility owned or
484 operated by a governmental authority or commission, a quasi-
485 governmental agency, a state university or college or by the

486 state or any political subdivision thereof, including a
487 municipality, and that is played on a neutral site and may
488 reasonably be played at a site located outside the state of
489 Missouri. For purposes of this subdivision, "neutral site"
490 means any site that is not located on the campus of a
491 conference member institution participating in the event;

492 (39) All purchases by a sports complex authority
493 created under section 64.920, and all sales of utilities by
494 such authority at the authority's cost that are consumed in
495 connection with the operation of a sports complex leased to
496 a professional sports team;

497 (40) All materials, replacement parts, and equipment
498 purchased for use directly upon, and for the modification,
499 replacement, repair, and maintenance of aircraft, aircraft
500 power plants, and aircraft accessories;

501 (41) Sales of sporting clays, wobble, skeet, and trap
502 targets to any shooting range or similar places of business
503 for use in the normal course of business and money received
504 by a shooting range or similar places of business from
505 patrons and held by a shooting range or similar place of
506 business for redistribution to patrons at the conclusion of
507 a shooting event;

508 (42) All sales of motor fuel, as defined in section
509 142.800, used in any watercraft, as defined in section
510 306.010;

511 (43) Any new or used aircraft sold or delivered in
512 this state to a person who is not a resident of this state
513 or a corporation that is not incorporated in this state, and
514 such aircraft is not to be based in this state and shall not
515 remain in this state more than ten business days subsequent
516 to the last to occur of:

517 (a) The transfer of title to the aircraft to a person
518 who is not a resident of this state or a corporation that is
519 not incorporated in this state; or

520 (b) The date of the return to service of the aircraft
521 in accordance with 14 CFR 91.407 for any maintenance,
522 preventive maintenance, rebuilding, alterations, repairs, or
523 installations that are completed contemporaneously with the
524 transfer of title to the aircraft to a person who is not a
525 resident of this state or a corporation that is not
526 incorporated in this state;

527 (44) Motor vehicles registered in excess of fifty-four
528 thousand pounds, and the trailers pulled by such motor
529 vehicles, that are actually used in the normal course of
530 business to haul property on the public highways of the
531 state, and that are capable of hauling loads commensurate
532 with the motor vehicle's registered weight; and the
533 materials, replacement parts, and equipment purchased for
534 use directly upon, and for the repair and maintenance or
535 manufacture of such vehicles. For purposes of this
536 subdivision, "motor vehicle" and "public highway" shall have
537 the meaning as ascribed in section 390.020;

538 (45) All internet access or the use of internet access
539 regardless of whether the tax is imposed on a provider of
540 internet access or a buyer of internet access. For purposes
541 of this subdivision, the following terms shall mean:

542 (a) "Direct costs", costs incurred by a governmental
543 authority solely because of an internet service provider's
544 use of the public right-of-way. The term shall not include
545 costs that the governmental authority would have incurred if
546 the internet service provider did not make such use of the
547 public right-of-way. Direct costs shall be determined in a
548 manner consistent with generally accepted accounting
549 principles;

550 (b) "Internet", computer and telecommunications
551 facilities, including equipment and operating software, that
552 comprises the interconnected worldwide network that employ
553 the transmission control protocol or internet protocol, or
554 any predecessor or successor protocols to that protocol, to
555 communicate information of all kinds by wire or radio;

556 (c) "Internet access", a service that enables users to
557 connect to the internet to access content, information, or
558 other services without regard to whether the service is
559 referred to as telecommunications, communications,
560 transmission, or similar services, and without regard to
561 whether a provider of the service is subject to regulation
562 by the Federal Communications Commission as a common carrier
563 under 47 U.S.C. Section 201, et seq. For purposes of this
564 subdivision, internet access also includes: the purchase,
565 use, or sale of communications services, including
566 telecommunications services as defined in section 144.010,
567 to the extent the communications services are purchased,
568 used, or sold to provide the service described in this
569 subdivision or to otherwise enable users to access content,
570 information, or other services offered over the internet;
571 services that are incidental to the provision of a service
572 described in this subdivision, when furnished to users as
573 part of such service, including a home page, electronic
574 mail, and instant messaging, including voice-capable and
575 video-capable electronic mail and instant messaging, video
576 clips, and personal electronic storage capacity; a home page
577 electronic mail and instant messaging, including voice-
578 capable and video-capable electronic mail and instant
579 messaging, video clips, and personal electronic storage
580 capacity that are provided independently or that are not
581 packed with internet access. As used in this subdivision,
582 internet access does not include voice, audio, and video

583 programming or other products and services, except services
584 described in this paragraph or this subdivision, that use
585 internet protocol or any successor protocol and for which
586 there is a charge, regardless of whether the charge is
587 separately stated or aggregated with the charge for services
588 described in this paragraph or this subdivision;

589 (d) "Tax", any charge imposed by the state or a
590 political subdivision of the state for the purpose of
591 generating revenues for governmental purposes and that is
592 not a fee imposed for a specific privilege, service, or
593 benefit conferred, except as described as otherwise under
594 this subdivision, or any obligation imposed on a seller to
595 collect and to remit to the state or a political subdivision
596 of the state any gross retail tax, sales tax, or use tax
597 imposed on a buyer by such a governmental entity. The term
598 tax shall not include any franchise fee or similar fee
599 imposed or authorized under sections 67.1830 to 67.1846 or
600 section 67.2689; Section 622 or 653 of the Communications
601 Act of 1934, 47 U.S.C. Section 542 and 47 U.S.C. Section
602 573; or any other fee related to obligations of
603 telecommunications carriers under the Communications Act of
604 1934, 47 U.S.C. Section 151, et seq., except to the extent
605 that:

606 a. The fee is not imposed for the purpose of
607 recovering direct costs incurred by the franchising or other
608 governmental authority from providing the specific
609 privilege, service, or benefit conferred to the payer of the
610 fee; or

611 b. The fee is imposed for the use of a public right-of-
612 way based on a percentage of the service revenue, and the
613 fee exceeds the incremental direct costs incurred by the
614 governmental authority associated with the provision of that
615 right-of-way to the provider of internet access service.

616 Nothing in this subdivision shall be interpreted as an
617 exemption from taxes due on goods or services that were
618 subject to tax on January 1, 2016;

619 (46) All purchases by a company of solar photovoltaic
620 energy systems, components used to construct a solar
621 photovoltaic energy system, and all purchases of materials
622 and supplies used directly to construct or make improvements
623 to such systems, provided that such systems:

624 (a) Are sold or leased to an end user; or

625 (b) Are used to produce, collect and transmit
626 electricity for resale or retail;

627 (47) All sales of diapers. For the purposes of this
628 subdivision, "diapers" shall mean absorbent garments worn by
629 infants or toddlers who are not toilet-trained or by
630 individuals who are incapable of controlling their bladder
631 or bowel movements;

632 (48) All sales of feminine hygiene products. For the
633 purposes of this subdivision, "feminine hygiene products"
634 shall mean tampons, pads, liners, and cups.

635 3. Any ruling, agreement, or contract, whether written
636 or oral, express or implied, between a person and this
637 state's executive branch, or any other state agency or
638 department, stating, agreeing, or ruling that such person is
639 not required to collect sales and use tax in this state
640 despite the presence of a warehouse, distribution center, or
641 fulfillment center in this state that is owned or operated
642 by the person or an affiliated person shall be null and void
643 unless it is specifically approved by a majority vote of
644 each of the houses of the general assembly. For purposes of
645 this subsection, an "affiliated person" means any person
646 that is a member of the same controlled group of
647 corporations as defined in Section 1563(a) of the Internal
648 Revenue Code of 1986, as amended, as the vendor or any other

649 entity that, notwithstanding its form of organization, bears
650 the same ownership relationship to the vendor as a
651 corporation that is a member of the same controlled group of
652 corporations as defined in Section 1563(a) of the Internal
653 Revenue Code, as amended."; and

654 Further amend the title and enacting clause accordingly.