

SENATE COMMITTEE SUBSTITUTE

FOR

SENATE BILL NO. 104

AN ACT

To repeal sections 67.1367, 67.2500, and 94.900, RSMo, and to enact in lieu thereof four new sections relating to local taxing jurisdictions.

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

Section A. Sections 67.1367, 67.2500, and 94.900, RSMo, are repealed and four new sections enacted in lieu thereof, to be known as sections 67.1367, 67.2500, 94.900, and 311.084, to read as follows:

67.1367. 1. (1) The governing body of the following counties may impose a tax as provided in this section:

(a) Any county of the third classification without a township form of government and with more than eighteen thousand but fewer than twenty thousand inhabitants and with a city of the fourth classification with more than eight thousand but fewer than nine thousand inhabitants as the county seat;

(b) Any county with more than seventeen thousand six hundred but fewer than nineteen thousand inhabitants and with a county seat with more than four thousand but fewer than five thousand fifty inhabitants; or

(c) Any county with more than seventeen thousand six hundred but fewer than nineteen thousand inhabitants and with a county seat with more than eight thousand but fewer than ten thousand inhabitants.

(2) The governing body of any county listed in subdivision (1) of this subsection may impose a tax on the charges for all sleeping rooms paid by the transient guests of hotels [or], motels, bed and breakfast inns, or

campground cabins situated in the county or a portion thereof, which shall be no more than six percent per occupied room or cabin per night, except that such tax shall not become effective unless the governing body of the county submits to the voters of the county at a state general or primary election, a proposal to authorize the governing body of the county to impose a tax pursuant to this section. The tax authorized by this section shall be in addition to the charge for the sleeping room and shall be in addition to any and all taxes imposed by law and the proceeds of such tax shall be used by the county solely for the promotion of tourism. Such tax shall be stated separately from all other charges and taxes.

2. The ballot of submission for the tax authorized in this section shall be in substantially the following form:

Shall _____ (insert the name of the county) impose a tax on the charges for all sleeping rooms paid by the transient guests of hotels **[and]**, motels, bed and breakfast inns, and campground cabins situated in _____ (name of county) at a rate of _____ (insert rate of percent) percent for the sole purpose of promoting tourism?

☐ YES

☐ NO

3. As used in this section, "transient guests" means a person or persons who occupy a room or rooms in a hotel **[or]**, motel, bed and breakfast inns, and campground cabins for thirty-one days or less during any calendar quarter.

4. Any county that imposed a tax on the charges for all sleeping rooms paid by the transient guests of hotels and motels under this section before August 28, 2025, may impose such tax upon the charges for all sleeping rooms or cabins paid by the transient guests of bed and breakfast inns and campgrounds under this section without requiring a

separate vote authorizing the imposition of such tax upon such charges for such bed and breakfast inns and campgrounds.

67.2500. 1. A theater, cultural arts, and entertainment district may be established in the manner provided in section 67.2505 by the governing body of any county, city, town, or village that has adopted transect-based zoning under chapter 89, any county described in this subsection, or any city, town, or village that is within such counties:

(1) Any county with a charter form of government and with more than two hundred fifty thousand but less than three hundred fifty thousand inhabitants;

(2) Any county of the first classification with more than ninety-three thousand eight hundred but fewer than ninety-three thousand nine hundred inhabitants;

(3) Any county of the first classification with more than one hundred eighty-four thousand but fewer than one hundred eighty-eight thousand inhabitants;

(4) Any county with a charter form of government and with more than six hundred thousand but fewer than seven hundred thousand inhabitants;

(5) Any county of the first classification with more than one hundred thirty-five thousand four hundred but fewer than one hundred thirty-five thousand five hundred inhabitants;

(6) Any county of the first classification with more than one hundred four thousand six hundred but fewer than one hundred four thousand seven hundred inhabitants;

(7) Any county of the first classification with more than eighty-three thousand but fewer than ninety-two thousand inhabitants and with a home rule city with more than seventy-six thousand but fewer than ninety-one thousand inhabitants as the county seat; or

(8) Any county that borders on or that contains part of a lake with at least one thousand miles of shoreline.

2. Sections 67.2500 to 67.2530 shall be known as the "Theater, Cultural Arts, and Entertainment District Act".

3. As used in sections 67.2500 to 67.2530, the following terms mean:

(1) "District", a theater, cultural arts, and entertainment district organized under this section;

(2) "Qualified electors", "qualified voters", or "voters", registered voters residing within the district or subdistrict, or proposed district or subdistrict, who have registered to vote pursuant to chapter 115 or, if there are no persons eligible to be registered voters residing in the district or subdistrict, proposed district or subdistrict, property owners, including corporations and other entities, that are owners of real property;

(3) "Registered voters", persons qualified and registered to vote pursuant to chapter 115; and

(4) "Subdistrict", a subdivision of a district, but not a separate political subdivision, created for the purposes specified in subsection 5 of section 67.2505.

94.900. 1. (1) The governing body of the following cities may impose a tax as provided in this section:

(a) Any city of the third classification with more than ten thousand eight hundred but less than ten thousand nine hundred inhabitants located at least partly within a county of the first classification with more than one hundred eighty-four thousand but less than one hundred eighty-eight thousand inhabitants;

(b) Any city of the fourth classification with more than four thousand five hundred but fewer than five thousand inhabitants;

(c) Any city of the fourth classification with more than eight thousand nine hundred but fewer than nine thousand inhabitants;

(d) Any home rule city with more than forty-eight thousand but fewer than forty-nine thousand inhabitants;

(e) Any home rule city with more than seventy-three thousand but fewer than seventy-five thousand inhabitants;

(f) Any city of the fourth classification with more than thirteen thousand five hundred but fewer than sixteen thousand inhabitants;

(g) Any city of the fourth classification with more than seven thousand but fewer than eight thousand inhabitants;

(h) Any city of the fourth classification with more than four thousand but fewer than four thousand five hundred inhabitants and located in any county of the first classification with more than one hundred fifty thousand but fewer than two hundred thousand inhabitants;

(i) Any city of the third classification with more than thirteen thousand but fewer than fifteen thousand inhabitants and located in any county of the third classification without a township form of government and with more than thirty-three thousand but fewer than thirty-seven thousand inhabitants;

(j) Any city of the fourth classification with more than three thousand but fewer than three thousand three hundred inhabitants and located in any county of the third classification without a township form of government and with more than eighteen thousand but fewer than twenty thousand inhabitants and that is not the county seat of such county;

(k) Any city with more than ten thousand but fewer than eleven thousand inhabitants and partially located in a

county with more than two hundred thirty thousand but fewer than two hundred sixty thousand inhabitants;

(l) Any city with more than four thousand nine hundred but fewer than five thousand six hundred inhabitants and located in a county with more than thirty thousand but fewer than thirty-five thousand inhabitants; **[or]**

(m) Any city with more than twelve thousand five hundred but fewer than fourteen thousand inhabitants and that is the county seat of a county with more than twenty-two thousand but fewer than twenty-five thousand inhabitants;

(n) Any village with more than four hundred thirty but fewer than four hundred eighty inhabitants and partially located in a county with more than forty thousand but fewer than fifty thousand inhabitants and with a county seat with more than two thousand but fewer than six thousand inhabitants;

(o) Any city with more than sixteen thousand but fewer than eighteen thousand inhabitants and located in more than one county;

(p) Any city with more than twelve thousand five hundred but fewer than fourteen thousand inhabitants and located in a county with more than twenty-two thousand but fewer than twenty-five thousand inhabitants and with a county seat with more than nine hundred but fewer than one thousand four hundred inhabitants;

(q) Any city with more than fifty-one thousand but fewer than fifty-eight thousand inhabitants and located in more than one county; or

(r) Any city with more than eight thousand but fewer than nine thousand inhabitants and that is the county seat of a county with more than nineteen thousand but fewer than twenty-two thousand inhabitants.

(2) The governing body of any city listed in subdivision (1) of this subsection is hereby authorized to impose, by ordinance or order, a sales tax in the amount of up to one-half of one percent on all retail sales made in such city which are subject to taxation under the provisions of sections 144.010 to 144.525 for the purpose of improving the public safety for such city, which shall be limited to expenditures on equipment, salaries and benefits, and facilities for police, fire and emergency medical providers. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales tax pursuant to the provisions of this section shall be effective unless the governing body of the city submits to the voters of the city, at a county or state general, primary or special election, a proposal to authorize the governing body of the city to impose a tax.

2. If the proposal submitted involves only authorization to impose the tax authorized by this section, the ballot of submission shall contain, but need not be limited to, the following language:

Shall the city of _____ (city's name) impose a citywide sales tax of _____ (insert amount) for the purpose of improving the public safety of the city?

☐ YES

☐ NO

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

If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal submitted pursuant to this subsection, then the ordinance or

order and any amendments thereto shall be in effect on the first day of the second calendar quarter after the director of revenue receives notification of adoption of the local sales tax. If a proposal receives less than the required majority, then the governing body of the city shall have no power to impose the sales tax herein authorized unless and until the governing body of the city shall again have submitted another proposal to authorize the governing body of the city to impose the sales tax authorized by this section and such proposal is approved by the required majority of the qualified voters voting thereon. However, in no event shall a proposal pursuant to this section be submitted to the voters sooner than twelve months from the date of the last proposal pursuant to this section.

3. All revenue received by a city from the tax authorized under the provisions of this section shall be deposited in a special trust fund and shall be used solely for improving the public safety for such city for so long as the tax shall remain in effect.

4. Once the tax authorized by this section is abolished or is terminated by any means, all funds remaining in the special trust fund shall be used solely for improving the public safety for the city. Any funds in such special trust fund which are not needed for current expenditures may be invested by the governing body in accordance with applicable laws relating to the investment of other city funds.

5. All sales taxes collected by the director of the department of revenue under this section on behalf of any city, less one percent for cost of collection which shall be deposited in the state's general revenue fund after payment of premiums for surety bonds as provided in section 32.087, shall be deposited in a special trust fund, which is hereby

created, to be known as the "City Public Safety Sales Tax Trust Fund". The moneys in the trust fund shall not be deemed to be state funds and shall not be commingled with any funds of the state. The provisions of section 33.080 to the contrary notwithstanding, money in this fund shall not be transferred and placed to the credit of the general revenue fund. The director of the department of revenue shall keep accurate records of the amount of money in the trust and which was collected in each city imposing a sales tax pursuant to this section, and the records shall be open to the inspection of officers of the city and the public. Not later than the tenth day of each month the director of the department of revenue shall distribute all moneys deposited in the trust fund during the preceding month to the city which levied the tax; such funds shall be deposited with the city treasurer of each such city, and all expenditures of funds arising from the trust fund shall be by an appropriation act to be enacted by the governing body of each such city. Expenditures may be made from the fund for any functions authorized in the ordinance or order adopted by the governing body submitting the tax to the voters.

6. The director of the department of revenue may make refunds from the amounts in the trust fund and credited to any city for erroneous payments and overpayments made, and may redeem dishonored checks and drafts deposited to the credit of such cities. If any city abolishes the tax, the city shall notify the director of the department of revenue of the action at least ninety days prior to the effective date of the repeal and the director of the department of revenue may order retention in the trust fund, for a period of one year, of two percent of the amount collected after receipt of such notice to cover possible refunds or

overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one year has elapsed after the effective date of abolition of the tax in such city, the director of the department of revenue shall remit the balance in the account to the city and close the account of that city. The director of the department of revenue shall notify each city of each instance of any amount refunded or any check redeemed from receipts due the city.

7. Except as modified in this section, all provisions of sections 32.085 and 32.087 shall apply to the tax imposed pursuant to this section.

8. If any city in subsection 1 of this section enacts the tax authorized in this section, the city shall budget an amount to public safety that is no less than the amount budgeted in the year immediately preceding the enactment of the tax. The revenue from the tax shall supplement and not replace amounts budgeted by the city.

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

(1) "Common area", any area designated as a common area in a development plan for an entertainment district approved by the governing body of the county, city, town, or village; any area of a public right-of-way that is adjacent to or within the entertainment district; and any other area identified in the development plan;

(2) "Entertainment district", any area located in any county that borders on or that contains part of a lake with not less than one thousand miles of shoreline that:

(a) Is located in any city with more than one thousand nine hundred but fewer than two thousand one hundred fifty inhabitants and partially located in a county with more than twenty-two thousand but fewer than twenty-five thousand

inhabitants and with a county seat with more than one hundred but fewer than five hundred inhabitants; and

(b) Contains a combination of entertainment venues, bars, nightclubs, and restaurants;

(3) "Portable bar", any bar, table, kiosk, cart, or stand that is not a permanent fixture and can be moved from place to place.

2. Notwithstanding any other provisions of this chapter to the contrary, any person who possesses the qualifications required by this chapter, and who meets the requirements of and complies with the provisions of this chapter, may apply for, and the supervisor of alcohol and tobacco control may issue, an entertainment district special license to sell intoxicating liquor by the drink for retail for consumption dispensed from one or more portable bars within the common areas of the entertainment district until 3:00 a.m. on Mondays through Saturdays and from 6:00 a.m. on Sundays and until 1:30 a.m. on Mondays.

3. An applicant granted an entertainment district special license under this section shall pay a license fee of three hundred dollars per year.

4. Notwithstanding any other provision of this chapter to the contrary, on such days and at such times during the hours a license is allowed under this chapter to sell alcoholic beverages, persons may be allowed to leave licensed establishments located in portions of the entertainment district with an alcoholic beverage and enter upon and consume the alcoholic beverage within other licensed establishments and common areas located in portions of the entertainment district. No person shall take any alcoholic beverage or alcoholic beverages outside the boundaries of the entertainment district. At times when a person is allowed to consume alcoholic beverages dispensed

from portable bars and in common areas of all or any portion of the entertainment district, the entertainment district shall ensure that minors can be easily distinguished from persons of legal age buying alcoholic beverages.

5. Every licensee within the entertainment district shall serve alcoholic beverages in containers that display and contain the licensee's trade name or logo or some other mark that is unique to that license and licensee.

6. The holder of an entertainment district special license is solely responsible for alcohol violations occurring at its portable bar and in any common area.