

FIRST REGULAR SESSION

SENATE BILL NO. 185

103RD GENERAL ASSEMBLY

INTRODUCED BY SENATOR CIERPIOT.

1303S.01I

KRISTINA MARTIN, Secretary

AN ACT

To amend chapter 144, RSMo, by adding thereto one new section relating to a sales and use tax exemption for certain broadband equipment.

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

Section A. Chapter 144, RSMo, is amended by adding thereto
2 one new section, to be known as section 144.812, to read as
3 follows:

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

3 (1) "Machinery and equipment used to provide broadband
4 communications service", includes, but is not limited to,
5 wires, cables, fiber, conduits, antennas, poles, switches,
6 routers, amplifiers, rectifiers, repeaters, receivers,
7 multiplexers, duplexers, transmitters, circuit cards,
8 insulating and protective materials and cases, power
9 equipment, backup power equipment, diagnostic equipment,
10 storage devices, customer premise equipment, modems,
11 software, cable modem termination system components and Wi-
12 Fi equipment, and other general central office or headend
13 and hub equipment, such as channel cards, frames, and
14 cabinets, or equipment used in successor technologies,
15 including items used to monitor, test, maintain, enable, or
16 facilitate qualifying equipment, machinery, ancillary
17 components, appurtenances, accessories, or other

18 infrastructure that is used in whole or in part to provide
19 broadband communications service;

20 (2) "Broadband communications service", internet
21 access as defined in 47 U.S.C. Section 151, note,
22 telecommunications service, video programming service, or
23 any combination thereof;

24 (3) "Broadband communications service provider", a
25 person engaged in the provision of broadband communications
26 service or an affiliate of such person;

27 (4) "Person", the same meaning as such term is defined
28 under section 144.010.

29 2. For all tax years beginning on or after January 1,
30 2026, in addition to the exemptions granted under the
31 provisions of section 144.030, there shall also be
32 specifically exempted from the provisions of sections
33 144.010 to 144.525, sections 144.600 to 144.746, and section
34 238.235; the provisions of any local sales tax law, as
35 defined in section 32.085; the computation of the tax
36 levied, assessed, or payable under sections 144.010 to
37 144.525, sections 144.600 to 144.746, and section 238.235;
38 and the provisions of any local sales tax law, as defined in
39 section 32.085, all sales, purchases, or use of machinery
40 and equipment used to provide broadband communications
41 service by a broadband communications service provider.

42 3. To qualify for the exemption provided under this
43 section, the broadband communications service provider shall
44 furnish to the seller a certificate in writing to the effect
45 that an exemption under this section is applicable to the
46 machinery and equipment used to provide broadband
47 communications service so purchased or used. The director
48 of revenue shall permit any such broadband communications
49 service provider to enter into a direct pay agreement with

50 the department of revenue, pursuant to which such provider
51 may pay directly to the department of revenue any applicable
52 sales and use taxes on such equipment.

53 4. No inference, implication, or presumption of
54 legislative construction shall be drawn or made by reason of
55 the adoption of this section with respect to subdivisions
56 (4) to (6) of subsection 2 of 144.030 or the qualification
57 for the exemptions provided therein. This subsection,
58 therefore, expresses the legislative intent that adoption of
59 this section shall have no impact on subdivisions (4) to (6)
60 of subsection 2 of 144.030 or, as clarified in those
61 subdivisions, the application of *Southwestern Bell Tel. Co.*
62 *v. Director of Revenue*, 78 S.W.3d 763 (Mo. banc 2002) and
63 *Southwestern Bell Tel. Co. v. Director of Revenue*, 182
64 S.W.3d 226 (Mo. banc 2005).

✓