

FIRST REGULAR SESSION

HOUSE BILL NO. 190

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES FARES, ST. ONGE, BEHNEN, FRASER,
HOLAND (Co-sponsors), CROWELL, VILLA, DAUS, WILDBERGER, CAMPBELL, CRAWFORD,
JOHNSON (61) AND BYRD.

Read 1st time January 15, 2003, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

0512L.011

AN ACT

To repeal section 143.183, RSMo, and to enact in lieu thereof one new section relating to the taxation of nonresident professional athletes and entertainers.

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

Section A. Section 143.183, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 143.183, to read as follows:

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

(1) "Nonresident entertainer", a person residing or registered as a corporation outside this state who, for compensation, performs any vocal, instrumental, musical, comedy, dramatic, dance or other performance in this state before a live audience and any other person traveling with and performing services on behalf of a nonresident entertainer, including a nonresident entertainer who is paid compensation for providing entertainment as an independent contractor, a partnership that is paid compensation for entertainment provided by nonresident entertainers, a corporation that is paid compensation for entertainment provided by nonresident entertainers, or any other entity that is paid compensation for entertainment provided by nonresident entertainers;

(2) "Nonresident member of a professional athletic team", a [member of a] professional athletic team [residing] **member who resides** outside this state, including any active player, any player on the disabled list if such player is in uniform on the day of the game at the site of the game, and any other person traveling with and performing services on behalf of a professional

EXPLANATION — Matter enclosed in bold faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law. Matter in boldface type in the above law is new proposed language.

15 athletic team;

16 (3) "Personal service income" includes exhibition and regular season salaries and wages,
17 guaranteed payments, strike benefits, deferred payments, severance pay, bonuses, and any other
18 type of compensation paid to the nonresident entertainer or nonresident member of a professional
19 athletic team, but does not include prizes, bonuses or incentive money received from competition
20 in a livestock, equine or rodeo performance, exhibition or show;

21 (4) "Professional athletic team" includes, but is not limited to, any professional baseball,
22 basketball, football, soccer and hockey team.

23 2. Any person or entity who pays compensation to a nonresident entertainer shall deduct
24 and withhold from such compensation as a prepayment of tax, an amount equal to two percent
25 of the total compensation paid to the nonresident entertainer.

26 3. Any person or entity required to deduct and withhold tax pursuant to subsection 2 of
27 this section, shall, for each calendar quarter, on or before the last day of the month following the
28 close of such calendar quarter, remit the taxes withheld in such form or return as prescribed by
29 the director of revenue and pay over to the director of revenue or to a depository designated by
30 the director of revenue the taxes so required to be deducted and withheld.

31 4. Notwithstanding other provisions of this chapter to the contrary, the commissioner of
32 administration, for all taxable years beginning on or after January 1, 1999, but none after
33 December 31, [2008] **2015**, shall annually estimate the amount of state income tax revenues
34 collected pursuant to this chapter which are received from nonresident members of professional
35 athletic teams and nonresident entertainers. For fiscal year 2000, and for each subsequent fiscal
36 year for a period of [nine] **fifteen** years, sixty percent of the annual estimate of taxes generated
37 from the nonresident entertainer and professional athletic team income tax shall be allocated
38 annually to the Missouri arts council trust fund, and shall be transferred, subject to appropriation,
39 from the general revenue fund to the Missouri arts council trust fund established in section
40 185.100, RSMo, and any amount transferred shall be in addition to such agency's budget base
41 for each fiscal year. Notwithstanding other provisions of this section, the Missouri arts council
42 shall not be appropriated more than ten million dollars in any fiscal year. The director shall by
43 rule establish the method of determining the portion of personal service income of such persons
44 that is allocable to Missouri.

45 5. Notwithstanding the provisions of sections 186.050 to 186.067, RSMo, to the
46 contrary, the commissioner of administration, for all taxable years beginning on or after January
47 1, 1999, but for none after December 31, [2008] **2015**, shall estimate annually the amount of state
48 income tax revenues collected pursuant to this chapter which are received from nonresident
49 members of professional athletic teams and nonresident entertainers. For fiscal year 2000, and
50 for each subsequent fiscal year for a period of [nine] **fifteen** years, ten percent of the annual

51 estimate of taxes generated from the nonresident entertainer and professional athletic team
52 income tax shall be allocated annually to the Missouri humanities council trust fund, and shall
53 be transferred, subject to appropriation, from the general revenue fund to the Missouri
54 humanities council trust fund established in section 186.055, RSMo, and any amount transferred
55 shall be in addition to such agency's budget base for each fiscal year.

56 6. Notwithstanding other provisions of section 182.812, RSMo, to the contrary, the
57 commissioner of administration, for all taxable years beginning on or after January 1, 1999, but
58 for none after December 31, [2008] **2015**, shall estimate annually the amount of state income tax
59 revenues collected pursuant to this chapter which are received from nonresident members of
60 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each
61 subsequent fiscal year for a period of [nine] **fifteen** years, ten percent of the annual estimate of
62 taxes generated from the nonresident entertainer and professional athletic team income tax shall
63 be allocated annually to the Missouri state library networking fund, and shall be transferred,
64 subject to appropriation, from the general revenue fund to the secretary of state for distribution
65 to public libraries for acquisition of library materials as established in section 182.812, RSMo,
66 and any amount transferred shall be in addition to such agency's budget base for each fiscal year.

67 7. Notwithstanding other provisions of [section] **sections 37.200 to 37.230**, RSMo, to
68 the contrary, the commissioner of administration, for all taxable years beginning on or after
69 January 1, 1999, but for none after December 31, [2008] **2015**, shall estimate annually the
70 amount of state income tax revenues collected pursuant to this chapter which are received from
71 nonresident members of professional athletic teams and nonresident entertainers. For fiscal year
72 2000, and for each subsequent fiscal year for a period of [nine] **fifteen** years, ten percent of the
73 annual estimate of taxes generated from the nonresident entertainer and professional athletic
74 team income tax shall be allocated annually to the Missouri public television broadcasting
75 corporation special fund, and shall be transferred, subject to appropriation, from the general
76 revenue fund to the Missouri public television broadcasting corporation special fund established
77 in [section] **sections 37.200 to 37.230**, RSMo, and any amount transferred shall be in addition
78 to such agency's budget base for each fiscal year; provided, however, that twenty-five percent
79 of such allocation shall be used for grants to public radio stations which were qualified by the
80 corporation for public broadcasting as of November 1, 1996. Such grants shall be distributed
81 to each of such public radio stations in this state after receipt of the station's certification of
82 operating and programming expenses for the prior fiscal year. Certification shall consist of the
83 most recent fiscal year financial statement submitted by a station to the corporation for public
84 broadcasting. The grants shall be divided into two categories, an annual basic service grant and
85 an operating grant. The basic service grant shall be equal to thirty-five percent of the total
86 amount and shall be divided equally among the public radio stations receiving grants. The

87 remaining amount shall be distributed as an operating grant to the stations on the basis of the
88 proportion that the total operating expenses of the individual station in the prior fiscal year bears
89 to the aggregate total of operating expenses for the same fiscal year for all Missouri public radio
90 stations which are receiving grants.

91 8. Notwithstanding other provisions of section 253.402, RSMo, to the contrary, the
92 commissioner of administration, for all taxable years beginning on or after January 1, 1999, but
93 for none after December 31, [2008] **2015**, shall estimate annually the amount of state income tax
94 revenues collected pursuant to this chapter which are received from nonresident members of
95 professional athletic teams and nonresident entertainers. For fiscal year 2000, and for each
96 subsequent fiscal year for a period of [nine] **fifteen** years, ten percent of the annual estimate of
97 taxes generated from the nonresident entertainer and professional athletic team income tax shall
98 be allocated annually to the Missouri department of natural resources Missouri historic
99 preservation revolving fund, and shall be transferred, subject to appropriation, from the general
100 revenue fund to the Missouri department of natural resources Missouri historic preservation
101 revolving fund established in section 253.402, RSMo, and any amount transferred shall be in
102 addition to such agency's budget base for each fiscal year. As authorized pursuant to subsection
103 2 of section 30.953, RSMo, it is the intention and desire of the general assembly that the state
104 treasurer convey, to the Missouri investment trust on January 1, 1999, up to one hundred percent
105 of the balances of the Missouri arts council trust fund established pursuant to section 185.100,
106 RSMo, and the Missouri humanities council trust fund established pursuant to section 186.055,
107 RSMo. The funds shall be reconveyed to the state treasurer by the investment trust as follows:
108 the Missouri arts council trust fund, [on] **no earlier than** January 2, 2009; and the Missouri
109 humanities council trust fund, [on] **no earlier than** January 2, 2009.