

HCS HB 600 -- COLLECTION OF TAXES (Cooper, 120)

This substitute makes various changes to the collection of various taxes by the Department of Revenue. The substitute:

(1) Requires every vendor or affiliate of a vendor seeking to contract to provide goods and services to the State of Missouri to collect and properly pay all sales and use taxes;

(2) Requires any amount of pension, annuity, or retirement allowance deducted for state individual income tax purposes to be included in the taxpayer's federal adjusted gross income and not otherwise deducted in the calculation of Missouri taxable income. Persons who are 100% disabled, as defined by federal law, are exempted from this provision;

(3) Requires all lottery and other gaming winnings to be included in Missouri nonresident adjusted gross income when the winnings are from a Missouri source;

(4) Allows the Director of the Department of Revenue to require the remittance of sales and use taxes and withholding taxes through an electronic funds payment system for employers and sellers who are required to file and pay on a quarter-monthly frequency;

(5) Includes court costs in excess of \$25 related to the State Supreme Court, Court of Appeals, or any circuit court of Missouri as amounts that can be offset against a refund of taxes owed to a taxpayer;

(6) Adds additional requirements on any article being traded in for the purpose of receiving a sales or use tax credit against a new article being purchased. The article being traded in must have originally had sales or use tax paid on it or have been specifically exempted from sales and use taxes by law. Grain and livestock raised or produced by a purchaser may be traded in on a motor vehicle or trailer used for agricultural use by the purchaser;

(7) Requires a tax clearance from the Department of Revenue prior to the issuance or renewal of any local government business license;

(8) Requires as a condition of employment with the state government that all state income taxes due be filed and paid by the employee;

(9) Requires all state income taxes due to be paid by members of the General Assembly, statewide elected officials, and members of

the judiciary; and

(10) Requires a tax clearance from the department prior to the issuance or renewal of any professional license granted by the state.

The substitute contains an emergency clause.

FISCAL NOTE: Estimated Net Income to General Revenue Fund of \$17,493,909 to Unknown in FY 2004, \$17,566,851 to Unknown in FY 2005, and \$17,565,733 to Unknown in FY 2006. Estimated Net Income to Various State Funds of Unknown in FY 2004, FY 2005, and FY 2006.