

SECOND REGULAR SESSION
HOUSE COMMITTEE SUBSTITUTE FOR
HOUSE BILL NO. 1456
92ND GENERAL ASSEMBLY

Reported from the Committee on Local Government, March 9, 2004, with recommendation that the House Committee Substitute for House Bill No. 1456 Do Pass by Consent.

STEPHEN S. DAVIS, Chief Clerk

4192L.02C

AN ACT

To amend chapter 94, RSMo, by adding thereto one new section relating to transient guest taxes.

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

Section A. Chapter 94, RSMo, is amended by adding thereto one new section, to be
2 known as section 94.836, to read as follows:

**94.836. 1. The governing body of any city of the fourth classification with more
2 than six hundred but less than seven hundred inhabitants and located in any county of the
3 second classification with more than nineteen thousand seven hundred but less than
4 nineteen thousand eight hundred inhabitants or any city of the fourth classification with
5 more than two thousand two hundred but less than two thousand three hundred
6 inhabitants and located in any county of the third classification without a township form
7 of government and with more than twenty thousand but less than twenty thousand one
8 hundred inhabitants may impose a tax on the charges for all sleeping rooms paid by the
9 transient guests of hotels or motels situated in the city or a portion thereof, which shall be
10 not more than five percent per occupied room per night, except that such tax shall not
11 become effective unless the governing body of the city submits to the voters of the city at
12 a state general or primary election a proposal to authorize the governing body of the city
13 to impose a tax under this section. The tax authorized in this section shall be in addition
14 to the charge for the sleeping room and all other taxes imposed by law, and shall be stated
15 separately from all other charges and taxes.**

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

18 Shall (insert the name of the city) impose a tax on the charges for all sleeping

19 rooms paid by the transient guests of hotels and motels situated in (name of city) at a
20 rate of (insert rate of percent) percent for tourism purposes, including infrastructure
21 improvements?

22 YES NO

23

24 **If a majority of the votes cast on the question by the qualified voters voting thereon are in**
25 **favor of the question, then the tax shall become effective on the first day of the second**
26 **calendar quarter following the calendar quarter in which the election was held. If a**
27 **majority of the votes cast on the question by the qualified voters voting thereon are**
28 **opposed to the question, then the tax shall not become effective unless and until the**
29 **question is resubmitted under this section to the qualified voters of the city and such**
30 **question is approved by a majority of the qualified voters of the city voting on the question.**

31 **3. At least sixty-five percent of the revenue generated by the tax authorized in this**
32 **section shall be used by the city solely for tourism purposes, and not more than thirty-five**
33 **percent of the revenue generated may be used for infrastructure improvements. All**
34 **revenue generated by the tax shall be deposited in a special trust fund and shall be used**
35 **solely for the designated purposes. If the tax is repealed, all funds remaining in the special**
36 **trust fund shall continue to be used solely for the designated purposes. Any funds in the**
37 **special trust fund which are not needed for current expenditures may be invested by the**
38 **governing body in accordance with applicable laws relating to the investment of other city**
39 **funds.**

40 **4. The governing body of any city that has adopted the sales tax authorized in this**
41 **section may submit the question of repeal of the tax to the voters on any date available for**
42 **elections for the city. The ballot of submission shall be in substantially the following form:**

43 **Shall (insert the name of the city) repeal the sales tax imposed at a rate of**
44 **(insert rate of percent) percent for tourism purposes?**

45 YES NO

46

47 **If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall**
48 **become effective on December thirty-first of the calendar year in which such repeal was**
49 **approved. If a majority of the votes cast on the question by the qualified voters voting**
50 **thereon are opposed to the repeal, then the sales tax authorized in this section shall remain**
51 **effective until the question is resubmitted under this section to the qualified voters of the**
52 **city, and the repeal is approved by a majority of the qualified voters voting on the question.**

53 **5. Whenever the governing body of any city that has adopted the sales tax**
54 **authorized in this section receives a petition, signed by ten percent of the registered voters**

55 of the city voting in the last gubernatorial election, calling for an election to repeal the sales
56 tax imposed under this section, the governing body shall submit to the voters of the city a
57 proposal to repeal the tax. If a majority of the votes cast on the question by the qualified
58 voters voting thereon are in favor of the repeal, that repeal shall become effective on
59 December thirty-first of the calendar year in which such repeal was approved. If a
60 majority of the votes cast on the question by the qualified voters voting thereon are
61 opposed to the repeal, then the tax shall remain effective until the question is resubmitted
62 under this section to the qualified voters of the city and the repeal is approved by a
63 majority of the qualified voters voting on the question.

64 6. As used in this section, "transient guests" means a person or persons who occupy
65 a room or rooms in a hotel or motel for thirty-one days or less during any calendar
66 quarter.