

SECOND REGULAR SESSION

HOUSE BILL NO. 1476

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE RICHARD.

Read 1st time February 12, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

4232L.011

AN ACT

To amend chapter 67, RSMo, by adding thereto one new section relating to a sales tax for economic development purposes.

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

Section A. Chapter 67, RSMo, is amended by adding thereto one new section, to be known as section 67.1303, to read as follows:

67.1303. 1. The governing body of any city, village, or county may impose, by order or ordinance, a sales tax on all retail sales made in the city, village, or county, which are subject to sales tax under chapter 144, RSMo. The tax authorized in this section shall not be more than one-half of one percent. The order or ordinance imposing the tax shall not become effective unless the governing body of the city, village, or county submits to the voters of the city, village, or county at a state general or primary election a proposal to authorize the governing body to impose a tax under this section. The tax authorized in this section shall be in addition to all other sales taxes imposed by law, and 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 city, village, or county) impose a sales tax at a rate of (insert rate of percent) percent for economic development purposes?

YES NO

If a majority of the votes cast on the question by the qualified voters voting thereon are in favor of the question, then the tax shall become effective on the first day of the second calendar quarter following the calendar quarter in which the election was held. If a

19 majority of the votes cast on the question by the qualified voters voting thereon are
20 opposed to the question, then the tax shall not become effective unless and until the
21 question is resubmitted under this section to the qualified voters and such question is
22 approved by a majority of the qualified voters voting on the question, provided that no
23 proposal shall be resubmitted to the voters sooner than twelve months from the date of the
24 submission of the last proposal.

25 3. No revenue generated by the tax authorized in this section shall be used for any
26 retail development project. At least twenty percent of the revenue generated by the tax
27 authorized in this section shall be used solely for projects directly related to long-term
28 economic development preparation, including, but not limited to, the following:

29 (1) Acquisition of land;

30 (2) Installation of infrastructure for industrial or business parks;

31 (3) Improvement of water and wastewater treatment capacity;

32 (4) Extension of streets;

33 (5) Providing matching dollars for state or federal grants;

34 (6) Marketing;

35 (7) Providing grants and low-interest loans to companies for job training,
36 equipment acquisition, site development, and infrastructure.

37

38 Not more than twenty-five percent of the revenue generated may be used annually for
39 administrative purposes, including staff and facility costs.

40 4. All revenue generated by the tax shall be deposited in a special trust fund and
41 shall be used solely for the designated purposes. If the tax is repealed, all funds remaining
42 in the special trust fund shall continue to be used solely for the designated purposes. Any
43 funds in the special trust fund which are not needed for current expenditures may be
44 invested by the governing body in accordance with applicable laws relating to the
45 investment of other city funds.

46 5. Any city, village, or county imposing the tax authorized in this section shall
47 establish an economic development tax board. Each county board shall consist of nine
48 members, and each city or village board shall consist of eleven members, to be appointed
49 as follows:

50 (1) Two members shall be appointed by the school boards whose districts are
51 included within any economic development plan or area funded by the sales tax authorized
52 in this section. Such members shall be appointed in any manner agreed upon by the
53 affected districts;

54 (2) One member shall be appointed, in any manner agreed upon by the affected

55 districts, to represent all other districts levying ad valorem taxes within the area selected
56 for an economic development project or area funded by the sales tax authorized in this
57 section, excluding representatives of the governing body of the city, village, or county;

58 (3) One member shall be appointed by the largest public school district in the city,
59 village, or county;

60 (4) In each city or village, five members shall be appointed by the chief elected
61 officer of the city or village, with the consent of the majority of the governing body of the
62 city or village, and in each county, five members shall be appointed by the governing body
63 of the county;

64 (5) In each city or village, two members shall be appointed by the governing body
65 of the county in which the city or village is located.

66

67 At the option of the members appointed by a city, village, or county, the members who are
68 appointed by the school boards and other taxing districts may serve on the board for a
69 term to coincide with the length of time an economic development project, plan, or
70 designation of an economic development area is considered for approval by the board, or
71 for the definite terms as provided in this subsection. If the members representing school
72 districts and other taxing districts are appointed for a term coinciding with the length of
73 time an economic development project, plan, or area is approved, such term shall terminate
74 upon final approval of the project, plan, or designation of the area by the governing body
75 of the city, village, or county. If any school district or other taxing jurisdiction fails to
76 appoint members of the board within thirty days of receipt of written notice of a proposed
77 economic development plan, economic development project, or designation of an economic
78 development area, the remaining members may proceed to exercise the power of the board.
79 Of the members first appointed by the city, village, or county, three shall be designated to
80 serve for terms of two years, three shall be designated to serve for a term of three years,
81 and the remaining members shall be designated to serve for a term of four years from the
82 date of such initial appointments. Thereafter, the members appointed by the city, village,
83 or county shall serve for a term of four years, except that all vacancies shall be filled for
84 unexpired terms in the same manner as were the original appointments.

85 6. The board, subject to approval of the governing body of the city, village, or
86 county, shall develop economic development plans, economic development projects, or
87 designations of an economic development area, and shall hold public hearings and provide
88 notice of any such hearings. The board shall vote on all proposed economic development
89 plans, economic development projects, or designations of an economic development area,
90 and amendments thereto, within thirty days following completion of the hearing on any

91 such plan, project, or designation, and shall make recommendations to the governing body
92 within ninety days of the hearing concerning the adoption of or amendment to economic
93 development plans, economic development projects, or designations of an economic
94 development area.

95 7. The board shall report at least annually to the governing body of the city, village,
96 or county on the use of the funds provided under this section and on the progress of any
97 plan, project, or designation adopted under this section.

98 8. The governing body of any city, village, or county that has adopted the sales tax
99 authorized in this section may submit the question of repeal of the tax to the voters on any
100 date available for elections for the city, village, or county. The ballot of submission shall
101 be in substantially the following form:

102 Shall (insert the name of the city, village, or county) repeal the sales tax imposed
103 at a rate of (insert rate of percent) percent for economic development purposes?

104 YES

NO

105

106 If a majority of the votes cast on the proposal are in favor of repeal, that repeal shall
107 become effective on December thirty-first of the calendar year in which such repeal was
108 approved. If a majority of the votes cast on the question by the qualified voters voting
109 thereon are opposed to the repeal, then the sales tax authorized in this section shall remain
110 effective until the question is resubmitted under this section to the qualified voters of the
111 city, village, or county, and the repeal is approved by a majority of the qualified voters
112 voting on the question.

113 9. Whenever the governing body of any city, village, or county that has adopted the
114 sales tax authorized in this section receives a petition, signed by ten percent of the
115 registered voters of the city, village, or county voting in the last gubernatorial election,
116 calling for an election to repeal the sales tax imposed under this section, the governing body
117 shall submit to the voters a proposal to repeal the tax. If a majority of the votes cast on the
118 question by the qualified voters voting thereon are in favor of the repeal, that repeal shall
119 become effective on December thirty-first of the calendar year in which such repeal was
120 approved. If a majority of the votes cast on the question by the qualified voters voting
121 thereon are opposed to the repeal, then the tax shall remain effective until the question is
122 resubmitted under this section to the qualified voters and the repeal is approved by a
123 majority of the qualified voters voting on the question.