

FIRST REGULAR SESSION  
HOUSE COMMITTEE SUBSTITUTE FOR  
**HOUSE BILL NO. 624**  
**94TH GENERAL ASSEMBLY**

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Reported from the Special Committee on Rural Community Development March 13, 2007 with recommendation that House Committee Substitute for House Bill No. 624 Do Pass. Referred to the Committee on Rules pursuant to Rule 25(21)(f).

D. ADAM CRUMBLISS, Chief Clerk

1586L.04C

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**AN ACT**

To repeal sections 67.1360 and 144.030, RSMo, and to enact in lieu thereof eighteen new sections relating to taxation, with an emergency clause for a certain section.

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

Section A. Sections 67.1360 and 144.030, RSMo, are repealed and eighteen new sections enacted in lieu thereof, to be known as sections 67.997, 67.1016, 67.1360, 135.710, 137.092, 143.114, 143.128, 144.030, 251.600, 251.603, 251.605, 251.610, 251.615, 251.618, 251.621, 251.624, 251.627, and 251.630, to read as follows:

**67.997. 1. The governing body of any county of the third classification without a township form of government and with more than eighteen thousand one hundred but fewer than eighteen thousand two hundred inhabitants may impose, by order or ordinance, a sales tax on all retail sales made within the county which are subject to sales tax under chapter 144, RSMo. The tax authorized in this section shall not exceed one-fourth of one percent, and shall be imposed solely for the purpose of funding senior services and youth programs provided by the county. One-half of all revenue collected under this section shall be used solely to fund any service or activity deemed necessary by the senior service tax commission established in this section, and one-half of all revenue collected under this section shall be used solely to fund all youth programs administered by an existing county community task force. 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.**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

13           **2. No order or ordinance adopted under this section shall become effective unless**  
14 **the governing body of the county submits to the voters residing within the county at a state**  
15 **general, primary, or special election a proposal to authorize the governing body of the**  
16 **county to impose a tax under this section.**

17           **The question submitted for the tax authorized in this section shall be in**  
18 **substantially the following form:**

19           **Shall ..... (insert the name of the county) impose a sales tax at a rate of ..... (insert**  
20 **rate of percent) percent, with half of the revenue from the tax to be used solely to fund**  
21 **senior services provided by the county and half of the revenue from the tax to be used**  
22 **solely to fund youth programs provided by the county?**

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 immediately following notification to the department of revenue. 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 and such question is**  
30 **approved by a majority of the qualified voters voting on the question.**

31           **3. All revenue collected under this section by the director of the department of**  
32 **revenue on behalf of any county, except for one percent for the cost of collection which**  
33 **shall be deposited in the state's general revenue fund, shall be deposited in a special trust**  
34 **fund, which is hereby created and shall be known as the "Senior Services and Youth**  
35 **Programs Sales Tax Trust Fund", and shall be used solely for the designated purposes.**  
36 **Moneys in the fund shall not be deemed to be state funds, and shall not be commingled**  
37 **with any funds of the state. The director may make refunds from the amounts in the trust**  
38 **fund and credited to the county for erroneous payments and overpayments made, and may**  
39 **redeem dishonored checks and drafts deposited to the credit of such county. Any funds**  
40 **in the special trust fund which are not needed for current expenditures shall be invested**  
41 **in the same manner as other funds are invested. Any interest and moneys earned on such**  
42 **investments shall be credited to the fund.**

43           **4. The governing body of any county that has adopted the sales tax authorized in**  
44 **this section may submit the question of repeal of the tax to the voters on any date available**  
45 **for elections for the county. If a majority of the votes cast on the question by the qualified**  
46 **voters voting thereon are in favor of repeal, that repeal shall become effective on December**  
47 **thirty-first of the calendar year in which such repeal was approved. If a majority of the**  
48 **votes cast on the question by the qualified voters voting thereon are opposed to the repeal,**

49 then the sales tax authorized in this section shall remain effective until the question is  
50 resubmitted under this section to the qualified voters and the repeal is approved by a  
51 majority of the qualified voters voting on the question.

52       **5. Whenever the governing body of any county that has adopted the sales tax**  
53 **authorized in this section receives a petition, signed by ten percent of the registered voters**  
54 **of the county voting in the last gubernatorial election, calling for an election to repeal the**  
55 **sales tax imposed under this section, the governing body shall submit to the voters of the**  
56 **county a proposal to repeal the tax. If a majority of the votes cast on the question by the**  
57 **qualified voters voting thereon are in favor of the repeal, the repeal shall become effective**  
58 **on December thirty-first of the calendar year in which such repeal was approved. If a**  
59 **majority of the votes cast on the question by the qualified voters voting thereon are**  
60 **opposed to the repeal, then the sales tax authorized in this section shall remain effective**  
61 **until the question is resubmitted under this section to the qualified voters and the repeal**  
62 **is approved by a majority of the qualified voters voting on the question.**

63       **6. If the tax is repealed or terminated by any means, all funds remaining in the**  
64 **special trust fund shall continue to be used solely for the designated purposes, and the**  
65 **county shall notify the director of the department of revenue of the action at least thirty**  
66 **days before the effective date of the repeal and the director may order retention in the trust**  
67 **fund, for a period of one year, of two percent of the amount collected after receipt of such**  
68 **notice to cover possible refunds or overpayment of the tax and to redeem dishonored**  
69 **checks and drafts deposited to the credit of such accounts. After one year has elapsed after**  
70 **the effective date of abolition of the tax in such county, the director shall remit the balance**  
71 **in the account to the county and close the account of that county. The director shall notify**  
72 **each county of each instance of any amount refunded or any check redeemed from receipts**  
73 **due the county.**

74       **7. Each county imposing the tax authorized in this section shall establish a senior**  
75 **services tax commission to administer the portion of the sales tax revenue dedicated to**  
76 **providing senior services. Such commission shall consist of seven members appointed by**  
77 **the county commission. The county commission shall determine the qualifications, terms**  
78 **of office, compensation, powers, duties, restrictions, procedures, and all other necessary**  
79 **functions of the commission.**

67.1016. 1. The governing body of any county of the second, third, or fourth  
2 classification may impose, by order or ordinance, a tax on the charges for all sleeping  
3 rooms paid by the transient guests of hotels or motels or other establishments that provide  
4 lodging to transient guests situated in the county or a portion thereof. The tax shall be not  
5 more than one cent per occupied room per night, and shall be imposed solely for the

6 purpose of promoting tourism related activities in the county. The tax authorized in this  
7 section shall be in addition to the charge for the sleeping room and all other taxes imposed  
8 by law, and shall be stated separately from all other charges and taxes.

9       2. No such order or ordinance shall become effective unless the governing body of  
10 the county submits to the voters of the county at a state general, primary, or special  
11 election a proposal to authorize the governing body of the county to impose a tax under this  
12 section. If a majority of the votes cast on the question by the qualified voters voting  
13 thereon are in favor of the question, then the tax shall become effective on the first day of  
14 the second calendar quarter following the calendar quarter in which the election was held.  
15 If a majority of the votes cast on the question by the qualified voters voting thereon are  
16 opposed to the question, then the tax shall not become effective unless and until the  
17 question is resubmitted under this section to the qualified voters of the county and such  
18 question is approved by a majority of the qualified voters voting on the question.

19       3. All revenue generated by the tax shall be collected by the county collector of  
20 revenue, shall be deposited in a special trust fund, and shall be used solely for the  
21 designated purposes. If the tax is repealed, all funds remaining in the special trust fund  
22 shall continue to be used solely for the designated purposes. Any funds in the special trust  
23 fund that are not needed for current expenditures may be invested by the governing body  
24 in accordance with applicable laws relating to the investment of other county funds. Any  
25 interest and moneys earned on such investments shall be credited to the fund.

26       4. Upon adoption of the tax under this section, there shall be established in each  
27 county adopting the tax a "Tourism Commission", to consist of five members elected by  
28 the qualified voters of the county. Of the initial members elected, two shall hold office for  
29 one year, two shall hold office for two years, and one shall hold office for three years.  
30 Members elected after expiration of the initial terms shall be elected to a three-year term.  
31 Each member may be reelected. Vacancies shall be filled by appointment by the governing  
32 body of the county for the remainder of the unexpired term. The members shall not  
33 receive compensation for their services, but may be reimbursed for their actual and  
34 necessary expenses incurred in service of the tourism commission.

35       5. The governing body of any county that has adopted the tax authorized in this  
36 section may submit the question of repeal of the tax to the voters on any date available for  
37 elections for the county. If a majority of the votes cast on the proposal are in favor of  
38 repeal, that repeal shall become effective on December thirty-first of the calendar year in  
39 which such repeal was approved. If a majority of the votes cast on the question by the  
40 qualified voters voting thereon are opposed to the repeal, then the tax authorized in this  
41 section shall remain effective until the question is resubmitted under this section to the

42 **qualified voters of the county, and the repeal is approved by a majority of the qualified**  
43 **voters voting on the question.**

44 **6. Whenever the governing body of any county that has adopted the tax authorized**  
45 **in this section receives a petition, signed by a number of registered voters of the county**  
46 **equal to at least two percent of the number of registered voters of the county voting in the**  
47 **last gubernatorial election, calling for an election to repeal the tax imposed under this**  
48 **section, the governing body shall submit to the voters of the county a proposal to repeal the**  
49 **tax. If a majority of the votes cast on the question by the qualified voters voting thereon**  
50 **are in favor of the repeal, that repeal shall become effective on December thirty-first of the**  
51 **calendar year in which such repeal was approved. If a majority of the votes cast on the**  
52 **question by the qualified voters voting thereon are opposed to the repeal, then the tax shall**  
53 **remain effective until the question is resubmitted under this section to the qualified voters**  
54 **of the county and the repeal is approved by a majority of the qualified voters voting on the**  
55 **question.**

56 **7. As used in this section, "transient guests" means a person or persons who occupy**  
57 **a room or rooms in a hotel or motel or other establishment that provides lodging to**  
58 **transient guests for thirty-one days or less during any calendar quarter.**

67.1360. The governing body of:

2 (1) A city with a population of more than seven thousand and less than seven thousand  
3 five hundred;

4 (2) A county with a population of over nine thousand six hundred and less than twelve  
5 thousand which has a total assessed valuation of at least sixty-three million dollars, if the county  
6 submits the issue to the voters of such county prior to January 1, 2003;

7 (3) A third class city which is the county seat of a county of the third classification  
8 without a township form of government with a population of at least twenty-five thousand but  
9 not more than thirty thousand inhabitants;

10 (4) Any fourth class city having, according to the last federal decennial census, a  
11 population of more than one thousand eight hundred fifty inhabitants but less than one thousand  
12 nine hundred fifty inhabitants in a county of the first classification with a charter form of  
13 government and having a population of greater than six hundred thousand but less than nine  
14 hundred thousand inhabitants;

15 (5) Any city having a population of more than three thousand but less than eight  
16 thousand inhabitants in a county of the fourth classification having a population of greater than  
17 forty-eight thousand inhabitants;

18 (6) Any city having a population of less than two hundred fifty inhabitants in a county  
19 of the fourth classification having a population of greater than forty-eight thousand inhabitants;

- 20           (7) Any fourth class city having a population of more than two thousand five hundred  
21 but less than three thousand inhabitants in a county of the third classification having a population  
22 of more than twenty-five thousand but less than twenty-seven thousand inhabitants;
- 23           (8) Any third class city with a population of more than three thousand two hundred but  
24 less than three thousand three hundred located in a county of the third classification having a  
25 population of more than thirty-five thousand but less than thirty-six thousand;
- 26           (9) Any county of the second classification without a township form of government and  
27 a population of less than thirty thousand;
- 28           (10) Any city of the fourth class in a county of the second classification without a  
29 township form of government and a population of less than thirty thousand;
- 30           (11) Any county of the third classification with a township form of government and a  
31 population of at least twenty-eight thousand but not more than thirty thousand;
- 32           (12) Any city of the fourth class with a population of more than one thousand eight  
33 hundred but less than two thousand in a county of the third classification with a township form  
34 of government and a population of at least twenty-eight thousand but not more than thirty  
35 thousand;
- 36           (13) Any city of the third class with a population of more than seven thousand two  
37 hundred but less than seven thousand five hundred within a county of the third classification with  
38 a population of more than twenty-one thousand but less than twenty-three thousand;
- 39           (14) Any fourth class city having a population of more than two thousand eight hundred  
40 but less than three thousand one hundred inhabitants in a county of the third classification with  
41 a township form of government having a population of more than eight thousand four hundred  
42 but less than nine thousand inhabitants;
- 43           (15) Any fourth class city with a population of more than four hundred seventy but less  
44 than five hundred twenty inhabitants located in a county of the third classification with a  
45 population of more than fifteen thousand nine hundred but less than sixteen thousand inhabitants;
- 46           (16) Any third class city with a population of more than three thousand eight hundred  
47 but less than four thousand inhabitants located in a county of the third classification with a  
48 population of more than fifteen thousand nine hundred but less than sixteen thousand inhabitants;
- 49           (17) Any fourth class city with a population of more than four thousand three hundred  
50 but less than four thousand five hundred inhabitants located in a county of the third classification  
51 without a township form of government with a population greater than sixteen thousand but less  
52 than sixteen thousand two hundred inhabitants;
- 53           (18) Any fourth class city with a population of more than two thousand four hundred but  
54 less than two thousand six hundred inhabitants located in a county of the first classification

55 without a charter form of government with a population of more than fifty-five thousand but less  
56 than sixty thousand inhabitants;

57 (19) Any fourth class city with a population of more than two thousand five hundred but  
58 less than two thousand six hundred inhabitants located in a county of the third classification with  
59 a population of more than nineteen thousand one hundred but less than nineteen thousand two  
60 hundred inhabitants;

61 (20) Any county of the third classification without a township form of government with  
62 a population greater than sixteen thousand but less than sixteen thousand two hundred  
63 inhabitants;

64 (21) Any county of the second classification with a population of more than forty-four  
65 thousand but less than fifty thousand inhabitants;

66 (22) Any third class city with a population of more than nine thousand five hundred but  
67 less than nine thousand seven hundred inhabitants located in a county of the first classification  
68 without a charter form of government and with a population of more than one hundred  
69 ninety-eight thousand but less than one hundred ninety-eight thousand two hundred inhabitants;

70 (23) Any city of the fourth classification with more than five thousand two hundred but  
71 less than five thousand three hundred inhabitants located in a county of the third classification  
72 without a township form of government and with more than twenty-four thousand five hundred  
73 but less than twenty-four thousand six hundred inhabitants;

74 (24) Any third class city with a population of more than nineteen thousand nine hundred  
75 but less than twenty thousand in a county of the first classification without a charter form of  
76 government and with a population of more than one hundred ninety-eight thousand but less than  
77 one hundred ninety-eight thousand two hundred inhabitants;

78 (25) Any city of the fourth classification with more than two thousand six hundred but  
79 less than two thousand seven hundred inhabitants located in any county of the third classification  
80 without a township form of government and with more than fifteen thousand three hundred but  
81 less than fifteen thousand four hundred inhabitants;

82 (26) Any county of the third classification without a township form of government and  
83 with more than fourteen thousand nine hundred but less than fifteen thousand inhabitants;

84 (27) Any city of the fourth classification with more than five thousand four hundred but  
85 fewer than five thousand five hundred inhabitants and located in more than one county;

86 (28) Any city of the fourth classification with more than six thousand three hundred but  
87 fewer than six thousand five hundred inhabitants and located in more than one county;

88 (29) Any city of the fourth classification with more than seven thousand seven hundred  
89 but less than seven thousand eight hundred inhabitants located in a county of the first

90 classification with more than ninety-three thousand eight hundred but less than ninety-three  
91 thousand nine hundred inhabitants;

92 (30) Any city of the fourth classification with more than two thousand nine hundred but  
93 less than three thousand inhabitants located in a county of the first classification with more than  
94 seventy-three thousand seven hundred but less than seventy-three thousand eight hundred  
95 inhabitants; [or]

96 (31) Any city of the third classification with more than nine thousand three hundred but  
97 less than nine thousand four hundred inhabitants;

98 **(32) Any city of the fourth classification with more than three thousand eight**  
99 **hundred but fewer than three thousand nine hundred inhabitants and located in any**  
100 **county of the first classification with more than thirty-nine thousand seven hundred but**  
101 **fewer than thirty-nine thousand eight hundred inhabitants;**

102

103 may impose a tax on the charges for all sleeping rooms paid by the transient guests of hotels,  
104 motels, bed and breakfast inns and campgrounds and any docking facility which rents slips to  
105 recreational boats which are used by transients for sleeping, which shall be at least two percent,  
106 but not more than five percent per occupied room per night, except that such tax shall not  
107 become effective unless the governing body of the city or county submits to the voters of the city  
108 or county at a state general, primary or special election, a proposal to authorize the governing  
109 body of the city or county to impose a tax pursuant to the provisions of this section and section  
110 67.1362. The tax authorized by this section and section 67.1362 shall be in addition to any  
111 charge paid to the owner or operator and shall be in addition to any and all taxes imposed by law  
112 and the proceeds of such tax shall be used by the city or county solely for funding the promotion  
113 of tourism. Such tax shall be stated separately from all other charges and taxes.

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

2 (1) "Alternative fuels", any motor fuel at least seventy percent of the volume of  
3 which consists of one or more of the following:

4 (a) Ethanol;

5 (b) Natural gas;

6 (c) Compressed natural gas;

7 (d) Liquified natural gas;

8 (e) Liquified petroleum gas;

9 (f) Any mixture of biodiesel and diesel fuel, without regard to any use of kerosene;

10 (2) "Department", the department of natural resources;

11 (3) "Eligible applicant", a business entity that is the owner of a qualified  
12 alternative fuel vehicle refueling property;



13           (4) "Qualified alternative fuel vehicle refueling property", property in this state  
14 owned by a firm or corporation and used for storing alternative fuels and for dispensing  
15 such alternative fuels into fuel tanks of motor vehicles owned by such firm or corporation  
16 or private citizens.

17           2. For all tax years beginning on or after January 1, 2008, but before January 1,  
18 2011, any eligible applicant who installs and operates a qualified alternative fuel vehicle  
19 refueling property shall be allowed a credit against the tax otherwise due under chapter  
20 143, RSMo, excluding withholding tax imposed by sections 143.191 to 143.265, RSMo, or  
21 due under chapter 147, RSMo, or chapter 148, RSMo, for any tax year in which the  
22 applicant is constructing the refueling property. The credit allowed in this section per  
23 eligible applicant shall not exceed the lesser of twenty thousand dollars or twenty percent  
24 of the total costs directly associated with the purchase and installation of any alternative  
25 fuel storage and dispensing equipment on any qualified alternative fuel vehicle refueling  
26 property, which shall not include the following:

27           (1) Costs associated with the purchase of land upon which to place a qualified  
28 alternative fuel vehicle refueling property;

29           (2) Costs associated with the purchase of an existing qualified alternative fuel  
30 vehicle refueling property; or

31           (3) Costs for the construction or purchase of any structure.

32           3. The tax credits allowed by this section shall be claimed by the eligible applicant  
33 at the time such applicant files a return for the tax year in which the storage and  
34 dispensing facilities were placed in service at a qualified alternative fuel vehicle refueling  
35 property, and shall be applied against the income tax liability imposed by chapter 143,  
36 RSMo, chapter 147, RSMo, or chapter 148, RSMo, after all other credits provided by law  
37 have been applied. The cumulative amount of tax credits which may be claimed by eligible  
38 applicants claiming all credits authorized in this section shall not exceed the following  
39 amounts:

40           (1) In taxable year 2008, three million dollars;

41           (2) In taxable year 2009, two million dollars; and

42           (3) In taxable year 2010, one million dollars.

43           4. If the amount of the tax credit exceeds the eligible applicant's tax liability, the  
44 difference shall not be refundable. Any amount of credit that an eligible applicant is  
45 prohibited by this section from claiming in a taxable year may be carried forward to any  
46 of such applicant's two subsequent taxable years. Tax credits allowed under this section  
47 may be assigned, transferred, sold, or otherwise conveyed.

48           **5. An alternative fuel vehicle refueling property, for which an eligible applicant**  
49 **receives tax credits under this section, which ceases to sell alternative fuel shall cause the**  
50 **forfeiture of such eligible applicant's tax credits provided under this section for the taxable**  
51 **year in which the alternative fuel vehicle refueling property ceased to sell alternative fuel**  
52 **and for future taxable years with no recapture of tax credits obtained by an eligible**  
53 **applicant with respect to such applicant's tax years which ended before the sale of**  
54 **alternative fuel ceased.**

55           **6. The director of revenue shall establish the procedure by which the tax credits in**  
56 **this section may be claimed, and shall establish a procedure by which the cumulative**  
57 **amount of tax credits is apportioned equally among all eligible applicants claiming the**  
58 **credit. To the maximum extent possible, the director of revenue shall establish the**  
59 **procedure described in this subsection in such a manner as to ensure that eligible**  
60 **applicants can claim all the tax credits possible up to the cumulative amount of tax credits**  
61 **available for the taxable year. No eligible applicant claiming a tax credit under this section**  
62 **shall be liable for any interest or penalty for filing a tax return after the date fixed for**  
63 **filing such return as a result of the apportionment procedure under this subsection.**

64           **7. Any eligible applicant desiring to claim a tax credit under this section shall**  
65 **submit the appropriate application for such credit with the department. The application**  
66 **for a tax credit under this section shall include any information required by the**  
67 **department. The department shall review the applications and certify to the department**  
68 **of revenue each eligible applicant that qualifies for the tax credit.**

69           **8. The department and the department of revenue may promulgate rules to**  
70 **implement the provisions of this section. Any rule or portion of a rule, as that term is**  
71 **defined in section 536.010, RSMo, that is created under the authority delegated in this**  
72 **section shall become effective only if it complies with and is subject to all of the provisions**  
73 **of chapter 536, RSMo, and, if applicable, section 536.028, RSMo. This section and chapter**  
74 **536, RSMo, are nonseverable and if any of the powers vested with the general assembly**  
75 **pursuant to chapter 536, RSMo, to review, to delay the effective date, or to disapprove and**  
76 **annul a rule are subsequently held unconstitutional, then the grant of rulemaking**  
77 **authority and any rule proposed or adopted after August 28, 2007, shall be invalid and**  
78 **void.**

79           **9. Pursuant to section 23.253, RSMo, of the Missouri sunset act:**

80           **(1) The provisions of the new program authorized under this section shall**  
81 **automatically sunset six years after the effective date of this section unless reauthorized by**  
82 **an act of the general assembly; and**

83 (2) If such program is reauthorized, the program authorized under this section  
 84 shall automatically sunset twelve years after the effective date of the reauthorization of this  
 85 section; and

86 (3) This section shall terminate on December thirty-first of the calendar year  
 87 immediately following the calendar year in which the program authorized under this  
 88 section is sunset.

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

2 (1) "Personal property", any house trailer, manufactured home, boat, vessel,  
 3 floating home, floating structure, airplane, or aircraft;

4 (2) "Rental or leasing facility", any manufactured home park, manufactured home  
 5 storage facility, marina or comparable facility providing dockage or storage space, or any  
 6 hangar or similar aircraft storage facility.

7 2. For all calendar years beginning on or after January 1, 2008, every owner of a  
 8 rental or leasing facility shall, by January thirtieth of each year, furnish the assessor of the  
 9 county in which the rental or leasing facility is located a list of the personal property  
 10 located at the rental or leasing facility on January first of each year. The list shall include:

11 (1) The name of the owner of the personal property;

12 (2) The owner's address and county of residency, if known;

13 (3) A description of the personal property located at the facility if the owner of the  
 14 rental or leasing facility knows of or has been made aware of the nature of such personal  
 15 property.

16 3. If the owner of a rental or leasing facility fails to submit the list by January  
 17 fifteenth of each year, or fails to include all the information required by this section on the  
 18 list, the valuation of the personal property that is not listed as required by this section and  
 19 that is located at the rental or leasing facility shall be assessed to the owner of the rental  
 20 or leasing facility.

21 4. The assessor of the county in which the rental or leasing facility is located shall  
 22 also collect a penalty as additional tax on the assessed valuation of such personal property  
 23 that is not listed as required by this section. The penalty shall be collected as follows:

Assessed valuation	Penalty
\$0 to \$1,000	\$10.00
\$1,001 to \$2,000	\$20.00
\$2,001 to \$3,000	\$30.00
\$3,001 to \$4,000	\$40.00
\$4,001 to \$5,000	\$50.00
\$5,001 to \$6,000	\$60.00

31	<b>\$6,001 to \$7,000</b>	<b>\$70.00</b>
32	<b>\$7,001 to \$8,000</b>	<b>\$80.00</b>
33	<b>\$8,001 to \$9,000</b>	<b>\$90.00</b>
34	<b>\$9,001 and above</b>	<b>\$100.00</b>

35       **5. The funds derived from the penalty collected under this section shall be**  
36 **disbursed proportionately to any taxing entity authorized to levy a tax on such personal**  
37 **property. No rental or leasing facility owner penalized under this section shall be subject**  
38 **to any penalty authorized in section 137.280 or 137.345 for the same personal property in**  
39 **the same tax year.**

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

2       **(1) "Motor vehicle", any self-propelled vehicle not operated exclusively upon**  
3 **tracks, except farm tractors;**

4       **(2) "Qualified hybrid motor vehicle", any motor vehicle licensed under chapter**  
5 **301, RSMo, and:**

6       **(a) Which meets the definition of new qualified hybrid motor vehicle in section**  
7 **30B(d)(3)(A) of the Internal Revenue Code of 1986, as amended;**

8       **(b) The original use of which commences with the taxpayer; and**

9       **(c) Which is acquired for use by the taxpayer and not for resale.**

10       **2. For the tax year beginning on January 1, 2008, any taxpayer who purchases a**  
11 **qualified hybrid vehicle shall be allowed to subtract from the taxpayer's Missouri adjusted**  
12 **gross income to determine Missouri taxable income, for the tax year in which the taxpayer**  
13 **purchases the vehicle, an amount equal to one thousand five hundred dollars or ten percent**  
14 **of the purchase price of the vehicle, whichever is less.**

15       **3. The director of revenue shall establish the procedure by which the deduction in**  
16 **this section may be claimed, and shall promulgate rules to provide for the submission of**  
17 **documents by the taxpayer proving the purchase price and date of the qualified hybrid**  
18 **motor vehicle and to implement the provisions of this section.**

19       **4. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo,**  
20 **that is created under the authority delegated in this section shall become effective only if**  
21 **it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if**  
22 **applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable**  
23 **and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo,**  
24 **to review, to delay the effective date, or to disapprove and annul a rule are subsequently**  
25 **held unconstitutional, then the grant of rulemaking authority and any rule proposed or**  
26 **adopted after August 28, 2007, shall be invalid and void.**

143.128. 1. For purposes of this section the term "E-85 gasoline" shall mean  
2 ethanol blended gasoline formulated with a minimum percentage of between seventy-five  
3 and eighty-five percent by volume of ethanol. For all tax years beginning on or after  
4 January 1, 2008, a taxpayer who purchases E-85 gasoline in a tax year shall be allowed to  
5 claim a tax credit against the tax otherwise due under this chapter, excluding sections  
6 143.191 to 143.265, in the following amounts:

7 (1) For calendar year 2008, the amount of the credit shall be equal to twenty-five  
8 cents per gallon of E-85 gasoline purchased by the taxpayer;

9 (2) For calendar years 2009 and 2010, the amount of the credit shall be equal to  
10 twenty cents per gallon of E-85 gasoline purchased by the taxpayer;

11 (3) For calendar year 2011 and each subsequent calendar year, the amount of the  
12 credit shall be equal to fifteen cents per gallon of E-85 gasoline purchased by the taxpayer.

13 2. The amount of credits claimed per taxpayer annually shall not exceed five  
14 hundred dollars. The minimum amount of tax credits a taxpayer may claim shall not be  
15 less than fifty dollars. A taxpayer shall claim the credit allowed by this section at the time  
16 such taxpayer files a return. In the event the amount of the tax credit provided under this  
17 section exceeds a taxpayer's income tax liability, no refund shall result, but such excess tax  
18 credits may be carried forward to any of the taxpayer's three subsequent tax years. The  
19 aggregate amount of tax credits which may be redeemed in any fiscal year shall not exceed  
20 five hundred thousand dollars. The tax credit shall be available regardless of whether the  
21 taxpayer opts to take a standard deduction. The department of revenue is authorized to  
22 adopt any rule or regulations deemed necessary for the effective administration of this  
23 section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo,  
24 that is created under the authority delegated in this section shall become effective only if  
25 it complies with and is subject to all of the provisions of chapter 536, RSMo, and if  
26 applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable  
27 and if any of the powers vested with the general assembly pursuant to chapter 536, RSMo,  
28 to review, to delay the effective date, or to disapprove and annul a rule are subsequently  
29 held unconstitutional, then the grant of rulemaking authority and any rule proposed or  
30 adopted after August 28, 2007, shall be invalid and void.

31 3. Pursuant to section 23.253, RSMo, of the Missouri sunset act:

32 (1) The provisions of the new program authorized under this section shall sunset  
33 automatically six years after the effective date of this section unless reauthorized by an act  
34 of the general assembly; and

35           **(2) If such program is reauthorized, the program authorized under this section**  
36 **shall sunset automatically twelve years after the effective date of the reauthorization of this**  
37 **section; and**

38           **(3) This section shall terminate on September first of the calendar year immediately**  
39 **following the calendar year in which the program authorized under this section is sunset.**

144.030. 1. There is hereby specifically exempted from the provisions of sections  
2 144.010 to 144.525 and from the computation of the tax levied, assessed or payable pursuant to  
3 sections 144.010 to 144.525 such retail sales as may be made in commerce between this state and  
4 any other state of the United States, or between this state and any foreign country, and any retail  
5 sale which the state of Missouri is prohibited from taxing pursuant to the Constitution or laws  
6 of the United States of America, and such retail sales of tangible personal property which the  
7 general assembly of the state of Missouri is prohibited from taxing or further taxing by the  
8 constitution of this state.

9           2. There are also specifically exempted from the provisions of the local sales tax law as  
10 defined in section 32.085, RSMo, section 238.235, RSMo, and sections 144.010 to 144.525 and  
11 144.600 to 144.761 and from the computation of the tax levied, assessed or payable pursuant to  
12 the local sales tax law as defined in section 32.085, RSMo, section 238.235, RSMo, and sections  
13 144.010 to 144.525 and 144.600 to 144.745:

14           (1) Motor fuel or special fuel subject to an excise tax of this state, unless all or part of  
15 such excise tax is refunded pursuant to section 142.824, RSMo; or upon the sale at retail of fuel  
16 to be consumed in manufacturing or creating gas, power, steam, electrical current or in furnishing  
17 water to be sold ultimately at retail; or feed for livestock or poultry; or grain to be converted into  
18 foodstuffs which are to be sold ultimately in processed form at retail; or seed, limestone or  
19 fertilizer which is to be used for seeding, liming or fertilizing crops which when harvested will  
20 be sold at retail or will be fed to livestock or poultry to be sold ultimately in processed form at  
21 retail; economic poisons registered pursuant to the provisions of the Missouri pesticide  
22 registration law (sections 281.220 to 281.310, RSMo) which are to be used in connection with  
23 the growth or production of crops, fruit trees or orchards applied before, during, or after planting,  
24 the crop of which when harvested will be sold at retail or will be converted into foodstuffs which  
25 are to be sold ultimately in processed form at retail;

26           (2) Materials, manufactured goods, machinery and parts which when used in  
27 manufacturing, processing, compounding, mining, producing or fabricating become a component  
28 part or ingredient of the new personal property resulting from such manufacturing, processing,  
29 compounding, mining, producing or fabricating and which new personal property is intended to  
30 be sold ultimately for final use or consumption; and materials, including without limitation,  
31 gases and manufactured goods, including without limitation, slagging materials and firebrick,

32 which are ultimately consumed in the manufacturing process by blending, reacting or interacting  
33 with or by becoming, in whole or in part, component parts or ingredients of steel products  
34 intended to be sold ultimately for final use or consumption;

35 (3) Materials, replacement parts and equipment purchased for use directly upon, and for  
36 the repair and maintenance or manufacture of, motor vehicles, watercraft, railroad rolling stock  
37 or aircraft engaged as common carriers of persons or property;

38 (4) Replacement machinery, equipment, and parts and the materials and supplies solely  
39 required for the installation or construction of such replacement machinery, equipment, and  
40 parts, used directly in manufacturing, mining, fabricating or producing a product which is  
41 intended to be sold ultimately for final use or consumption; and machinery and equipment, and  
42 the materials and supplies required solely for the operation, installation or construction of such  
43 machinery and equipment, purchased and used to establish new, or to replace or expand existing,  
44 material recovery processing plants in this state. For the purposes of this subdivision, a "material  
45 recovery processing plant" means a facility that has as its primary purpose the recovery of  
46 materials into a useable product or a different form which is used in producing a new product and  
47 shall include a facility or equipment which are used exclusively for the collection of recovered  
48 materials for delivery to a material recovery processing plant but shall not include motor vehicles  
49 used on highways. For purposes of this section, the terms "motor vehicle" and "highway" shall  
50 have the same meaning pursuant to section 301.010, RSMo. Material recovery is not the reuse  
51 of materials within a manufacturing process or the use of a product previously recovered. The  
52 material recovery processing plant shall qualify under the provisions of this section regardless  
53 of ownership of the material being recovered;

54 (5) Machinery and equipment, and parts and the materials and supplies solely required  
55 for the installation or construction of such machinery and equipment, purchased and used to  
56 establish new or to expand existing manufacturing, mining or fabricating plants in the state if  
57 such machinery and equipment is used directly in manufacturing, mining or fabricating a product  
58 which is intended to be sold ultimately for final use or consumption;

59 (6) Tangible personal property which is used exclusively in the manufacturing,  
60 processing, modification or assembling of products sold to the United States government or to  
61 any agency of the United States government;

62 (7) Animals or poultry used for breeding or feeding purposes;

63 (8) Newsprint, ink, computers, photosensitive paper and film, toner, printing plates and  
64 other machinery, equipment, replacement parts and supplies used in producing newspapers  
65 published for dissemination of news to the general public;

66 (9) The rentals of films, records or any type of sound or picture transcriptions for public  
67 commercial display;

68 (10) Pumping machinery and equipment used to propel products delivered by pipelines  
69 engaged as common carriers;

70 (11) Railroad rolling stock for use in transporting persons or property in interstate  
71 commerce and motor vehicles licensed for a gross weight of twenty-four thousand pounds or  
72 more or trailers used by common carriers, as defined in section 390.020, RSMo, solely in the  
73 transportation of persons or property in interstate commerce;

74 (12) Electrical energy used in the actual primary manufacture, processing, compounding,  
75 mining or producing of a product, or electrical energy used in the actual secondary processing  
76 or fabricating of the product, or a material recovery processing plant as defined in subdivision  
77 (4) of this subsection, in facilities owned or leased by the taxpayer, if the total cost of electrical  
78 energy so used exceeds ten percent of the total cost of production, either primary or secondary,  
79 exclusive of the cost of electrical energy so used or if the raw materials used in such processing  
80 contain at least twenty-five percent recovered materials as defined in section 260.200, RSMo.  
81 **There shall be a rebuttable presumption that the raw materials used in the manufacture**  
82 **of automobiles contain at least twenty-five percent recovered materials.** For purposes of this  
83 subdivision, "processing" means any mode of treatment, act or series of acts performed upon  
84 materials to transform and reduce them to a different state or thing, including treatment necessary  
85 to maintain or preserve such processing by the producer at the production facility;

86 (13) Anodes which are used or consumed in manufacturing, processing, compounding,  
87 mining, producing or fabricating and which have a useful life of less than one year;

88 (14) Machinery, equipment, appliances and devices purchased or leased and used solely  
89 for the purpose of preventing, abating or monitoring air pollution, and materials and supplies  
90 solely required for the installation, construction or reconstruction of such machinery, equipment,  
91 appliances and devices, and so certified as such by the director of the department of natural  
92 resources, except that any action by the director pursuant to this subdivision may be appealed to  
93 the air conservation commission which may uphold or reverse such action;

94 (15) Machinery, equipment, appliances and devices purchased or leased and used solely  
95 for the purpose of preventing, abating or monitoring water pollution, and materials and supplies  
96 solely required for the installation, construction or reconstruction of such machinery, equipment,  
97 appliances and devices, and so certified as such by the director of the department of natural  
98 resources, except that any action by the director pursuant to this subdivision may be appealed to  
99 the Missouri clean water commission which may uphold or reverse such action;

100 (16) Tangible personal property purchased by a rural water district;

101 (17) All amounts paid or charged for admission or participation or other fees paid by or  
102 other charges to individuals in or for any place of amusement, entertainment or recreation, games  
103 or athletic events, including museums, fairs, zoos and planetariums, owned or operated by a



104 municipality or other political subdivision where all the proceeds derived therefrom benefit the  
105 municipality or other political subdivision and do not inure to any private person, firm, or  
106 corporation;

107       (18) All sales of insulin and prosthetic or orthopedic devices as defined on January 1,  
108 1980, by the federal Medicare program pursuant to Title XVIII of the Social Security Act of  
109 1965, including the items specified in Section 1862(a)(12) of that act, and also specifically  
110 including hearing aids and hearing aid supplies and all sales of drugs which may be legally  
111 dispensed by a licensed pharmacist only upon a lawful prescription of a practitioner licensed to  
112 administer those items, including samples and materials used to manufacture samples which may  
113 be dispensed by a practitioner authorized to dispense such samples and all sales of medical  
114 oxygen, home respiratory equipment and accessories, hospital beds and accessories and  
115 ambulatory aids, all sales of manual and powered wheelchairs, stairway lifts, Braille writers,  
116 electronic Braille equipment and, if purchased by or on behalf of a person with one or more  
117 physical or mental disabilities to enable them to function more independently, all sales of  
118 scooters, reading machines, electronic print enlargers and magnifiers, electronic alternative and  
119 augmentative communication devices, and items used solely to modify motor vehicles to permit  
120 the use of such motor vehicles by individuals with disabilities or sales of over-the-counter or  
121 nonprescription drugs to individuals with disabilities;

122       (19) All sales made by or to religious and charitable organizations and institutions in  
123 their religious, charitable or educational functions and activities and all sales made by or to all  
124 elementary and secondary schools operated at public expense in their educational functions and  
125 activities;

126       (20) All sales of aircraft to common carriers for storage or for use in interstate commerce  
127 and all sales made by or to not-for-profit civic, social, service or fraternal organizations,  
128 including fraternal organizations which have been declared tax-exempt organizations pursuant  
129 to Section 501(c)(8) or (10) of the 1986 Internal Revenue Code, as amended, in their civic or  
130 charitable functions and activities and all sales made to eleemosynary and penal institutions and  
131 industries of the state, and all sales made to any private not-for-profit institution of higher  
132 education not otherwise excluded pursuant to subdivision (19) of this subsection or any  
133 institution of higher education supported by public funds, and all sales made to a state relief  
134 agency in the exercise of relief functions and activities;

135       (21) All ticket sales made by benevolent, scientific and educational associations which  
136 are formed to foster, encourage, and promote progress and improvement in the science of  
137 agriculture and in the raising and breeding of animals, and by nonprofit summer theater  
138 organizations if such organizations are exempt from federal tax pursuant to the provisions of the  
139 Internal Revenue Code and all admission charges and entry fees to the Missouri state fair or any

140 fair conducted by a county agricultural and mechanical society organized and operated pursuant  
141 to sections 262.290 to 262.530, RSMo;

142 (22) All sales made to any private not-for-profit elementary or secondary school, all sales  
143 of feed additives, medications or vaccines administered to livestock or poultry in the production  
144 of food or fiber, all sales of pesticides used in the production of crops, livestock or poultry for  
145 food or fiber, all sales of bedding used in the production of livestock or poultry for food or fiber,  
146 all sales of propane or natural gas, electricity or diesel fuel used exclusively for drying  
147 agricultural crops, natural gas used in the primary manufacture or processing of fuel ethanol as  
148 defined in section 142.028, RSMo, natural gas, propane, and electricity used by an eligible new  
149 generation cooperative or an eligible new generation processing entity as defined in section  
150 348.432, RSMo, and all sales of farm machinery and equipment, other than airplanes, motor  
151 vehicles and trailers. As used in this subdivision, the term "feed additives" means tangible  
152 personal property which, when mixed with feed for livestock or poultry, is to be used in the  
153 feeding of livestock or poultry. As used in this subdivision, the term "pesticides" includes  
154 adjuvants such as crop oils, surfactants, wetting agents and other assorted pesticide carriers used  
155 to improve or enhance the effect of a pesticide and the foam used to mark the application of  
156 pesticides and herbicides for the production of crops, livestock or poultry. As used in this  
157 subdivision, the term "farm machinery and equipment" means new or used farm tractors and such  
158 other new or used farm machinery and equipment and repair or replacement parts thereon, and  
159 supplies and lubricants used exclusively, solely, and directly for producing crops, raising and  
160 feeding livestock, fish, poultry, pheasants, chukar, quail, or for producing milk for ultimate sale  
161 at retail, including field drain tile, and one-half of each purchaser's purchase of diesel fuel  
162 therefor which is:

- 163 (a) Used exclusively for agricultural purposes;  
164 (b) Used on land owned or leased for the purpose of producing farm products; and  
165 (c) Used directly in producing farm products to be sold ultimately in processed form or  
166 otherwise at retail or in producing farm products to be fed to livestock or poultry to be sold  
167 ultimately in processed form at retail;

168 (23) Except as otherwise provided in section 144.032, all sales of metered water service,  
169 electricity, electrical current, natural, artificial or propane gas, wood, coal or home heating oil  
170 for domestic use and in any city not within a county, all sales of metered or unmetered water  
171 service for domestic use;

172 (a) "Domestic use" means that portion of metered water service, electricity, electrical  
173 current, natural, artificial or propane gas, wood, coal or home heating oil, and in any city not  
174 within a county, metered or unmetered water service, which an individual occupant of a  
175 residential premises uses for nonbusiness, noncommercial or nonindustrial purposes. Utility

176 service through a single or master meter for residential apartments or condominiums, including  
177 service for common areas and facilities and vacant units, shall be deemed to be for domestic use.  
178 Each seller shall establish and maintain a system whereby individual purchases are determined  
179 as exempt or nonexempt;

180 (b) Regulated utility sellers shall determine whether individual purchases are exempt or  
181 nonexempt based upon the seller's utility service rate classifications as contained in tariffs on file  
182 with and approved by the Missouri public service commission. Sales and purchases made  
183 pursuant to the rate classification "residential" and sales to and purchases made by or on behalf  
184 of the occupants of residential apartments or condominiums through a single or master meter,  
185 including service for common areas and facilities and vacant units, shall be considered as sales  
186 made for domestic use and such sales shall be exempt from sales tax. Sellers shall charge sales  
187 tax upon the entire amount of purchases classified as nondomestic use. The seller's utility  
188 service rate classification and the provision of service thereunder shall be conclusive as to  
189 whether or not the utility must charge sales tax;

190 (c) Each person making domestic use purchases of services or property and who uses any  
191 portion of the services or property so purchased for a nondomestic use shall, by the fifteenth day  
192 of the fourth month following the year of purchase, and without assessment, notice or demand,  
193 file a return and pay sales tax on that portion of nondomestic purchases. Each person making  
194 nondomestic purchases of services or property and who uses any portion of the services or  
195 property so purchased for domestic use, and each person making domestic purchases on behalf  
196 of occupants of residential apartments or condominiums through a single or master meter,  
197 including service for common areas and facilities and vacant units, under a nonresidential utility  
198 service rate classification may, between the first day of the first month and the fifteenth day of  
199 the fourth month following the year of purchase, apply for credit or refund to the director of  
200 revenue and the director shall give credit or make refund for taxes paid on the domestic use  
201 portion of the purchase. The person making such purchases on behalf of occupants of residential  
202 apartments or condominiums shall have standing to apply to the director of revenue for such  
203 credit or refund;

204 (24) All sales of handicraft items made by the seller or the seller's spouse if the seller or  
205 the seller's spouse is at least sixty-five years of age, and if the total gross proceeds from such  
206 sales do not constitute a majority of the annual gross income of the seller;

207 (25) Excise taxes, collected on sales at retail, imposed by Sections 4041, 4061, 4071,  
208 4081, 4091, 4161, 4181, 4251, 4261 and 4271 of Title 26, United States Code. The director of  
209 revenue shall promulgate rules pursuant to chapter 536, RSMo, to eliminate all state and local  
210 sales taxes on such excise taxes;

211           (26) Sales of fuel consumed or used in the operation of ships, barges, or waterborne  
212 vessels which are used primarily in or for the transportation of property or cargo, or the  
213 conveyance of persons for hire, on navigable rivers bordering on or located in part in this state,  
214 if such fuel is delivered by the seller to the purchaser's barge, ship, or waterborne vessel while  
215 it is afloat upon such river;

216           (27) All sales made to an interstate compact agency created pursuant to sections 70.370  
217 to 70.441, RSMo, or sections 238.010 to 238.100, RSMo, in the exercise of the functions and  
218 activities of such agency as provided pursuant to the compact;

219           (28) Computers, computer software and computer security systems purchased for use  
220 by architectural or engineering firms headquartered in this state. For the purposes of this  
221 subdivision, "headquartered in this state" means the office for the administrative management  
222 of at least four integrated facilities operated by the taxpayer is located in the state of Missouri;

223           (29) All livestock sales when either the seller is engaged in the growing, producing or  
224 feeding of such livestock, or the seller is engaged in the business of buying and selling, bartering  
225 or leasing of such livestock;

226           (30) All sales of barges which are to be used primarily in the transportation of property  
227 or cargo on interstate waterways;

228           (31) Electrical energy or gas, whether natural, artificial or propane, water, or other  
229 utilities which are ultimately consumed in connection with the manufacturing of cellular glass  
230 products or in any material recovery processing plant as defined in subdivision (4) of subsection  
231 2 of this section;

232           (32) Notwithstanding other provisions of law to the contrary, all sales of pesticides or  
233 herbicides used in the production of crops, aquaculture, livestock or poultry;

234           (33) Tangible personal property purchased for use or consumption directly or exclusively  
235 in the research and development of prescription pharmaceuticals consumed by humans or  
236 animals;

237           (34) All sales of grain bins for storage of grain for resale;

238           (35) All sales of feed which are developed for and used in the feeding of pets owned by  
239 a commercial breeder when such sales are made to a commercial breeder, as defined in section  
240 273.325, RSMo, and licensed pursuant to sections 273.325 to 273.357, RSMo;

241           (36) All purchases by a contractor on behalf of an entity located in another state,  
242 provided that the entity is authorized to issue a certificate of exemption for purchases to a  
243 contractor under the provisions of that state's laws. For purposes of this subdivision, the term  
244 "certificate of exemption" shall mean any document evidencing that the entity is exempt from  
245 sales and use taxes on purchases pursuant to the laws of the state in which the entity is located.  
246 Any contractor making purchases on behalf of such entity shall maintain a copy of the entity's

exemption certificate as evidence of the exemption. If the exemption certificate issued by the exempt entity to the contractor is later determined by the director of revenue to be invalid for any reason and the contractor has accepted the certificate in good faith, neither the contractor or the exempt entity shall be liable for the payment of any taxes, interest and penalty due as the result of use of the invalid exemption certificate. Materials shall be exempt from all state and local sales and use taxes when purchased by a contractor for the purpose of fabricating tangible personal property which is used in fulfilling a contract for the purpose of constructing, repairing or remodeling facilities for the following:

(a) An exempt entity located in this state, if the entity is one of those entities able to issue project exemption certificates in accordance with the provisions of section 144.062; or

(b) An exempt entity located outside the state if the exempt entity is authorized to issue an exemption certificate to contractors in accordance with the provisions of that state's law and the applicable provisions of this section;

(37) Tangible personal property purchased for use or consumption directly or exclusively in research or experimentation activities performed by life science companies and so certified as such by the director of the department of economic development or the director's designees; except that, the total amount of exemptions certified pursuant to this section shall not exceed one million three hundred thousand dollars in state and local taxes per fiscal year. For purposes of this subdivision, the term "life science companies" means companies whose primary research activities are in agriculture, pharmaceuticals, biomedical or food ingredients, and whose North American Industry Classification System (NAICS) Codes fall under industry 541710 (biotech research or development laboratories), 621511 (medical laboratories) or 541940 (veterinary services). The exemption provided by this subdivision shall expire on June 30, 2003;

(38) All sales or other transfers of tangible personal property to a lessor who leases the property under a lease of one year or longer executed or in effect at the time of the sale or other transfer to an interstate compact agency created pursuant to sections 70.370 to 70.441, RSMo, or sections 238.010 to 238.100, RSMo; [and]

(39) Sales of tickets to any collegiate athletic championship event that is held in a facility owned or operated by a governmental authority or commission, a quasi-governmental agency, a state university or college or by the state or any political subdivision thereof, including a municipality, and that is played on a neutral site and may reasonably be played at a site located outside the state of Missouri. For purposes of this subdivision, "neutral site" means any site that is not located on the campus of a conference member institution participating in the event; **and**

**(40) For fiscal year 2008, sales of new motor vehicles designed to operate on eighty-five percent ethanol fuel.**

251.600. Sections 251.600 to 251.630 shall be known and may be cited as the  
2 "Regional Economic Development District Law".

251.603. As used in sections 251.600 to 251.630, the following terms shall mean:

2 (1) "Baseline year", the calendar year prior to the effective date of a resolution by  
3 the regional economic development district board approving a regional economic  
4 development project; provided, however, if economic activity taxes from businesses other  
5 than businesses locating in the regional economic development project area decrease in the  
6 regional economic development project area in the year following the year in which the  
7 resolution approving a regional economic development project is approved by a regional  
8 economic development district board, the baseline year may, at the option of the regional  
9 economic development district board approving the regional economic development  
10 project, be the year following the year of the adoption of the resolution approving the  
11 regional economic development project;

12 (2) "Board", a regional economic development district board created under the  
13 provisions of section 251.605;

14 (3) "Collecting officer", the officer of the municipality, county, or other taxing  
15 jurisdiction responsible for receiving and processing payments in lieu of taxes and  
16 economic activity taxes and the officer of the municipality, county, or other taxing  
17 jurisdiction responsible for receiving and processing local sales tax revenues collected by  
18 the director of revenue on behalf of such municipality, county, or other taxing jurisdiction;

19 (4) "County", any county of the state of Missouri and any city not within a county;

20 (5) "Economic activity taxes", the total additional revenue from taxes which are  
21 imposed by a municipality, county, or other taxing districts, and which are generated by  
22 economic activities within each regional economic development project area, which exceed  
23 the amount of such taxes generated by economic activities within such regional economic  
24 development project area in the baseline year; but excluding personal property taxes, taxes  
25 imposed on sales or charges for sleeping rooms paid by transient guests of hotels and  
26 motels, licenses, fees, special assessments, and any taxes imposed by the municipality,  
27 county, or other taxing district after the effective date of a resolution by a regional  
28 economic development district board approving a regional economic development project;

29 (6) "Gambling establishment", an excursion gambling boat as defined in section  
30 313.800, RSMo, and any related business facility including any real property  
31 improvements which are directly and solely related to such business facility, whose sole  
32 purpose is to provide goods or services to an excursion gambling boat and whose majority  
33 ownership interest is held by a person licensed to conduct gambling games on an excursion

34 gambling boat or licensed to operate an excursion gambling boat as provided in sections  
35 313.800 to 313.850, RSMo;

36 (7) "Governing body", a legislative body or other authority governing a city,  
37 county, or a city not within a county;

38 (8) "Obligations", bonds, loans, debentures, notes, special certificates, or other  
39 evidences of indebtedness issued by a regional economic development district, municipality,  
40 county, or commission, or other public entity authorized to issue such obligations under  
41 the regional economic development district law to carry out a regional economic  
42 development project or to refund outstanding obligations;

43 (9) "Payment in lieu of taxes", those revenues from real property in each regional  
44 economic development project area, which taxing districts would have received had the  
45 regional economic development district not adopted a regional economic development plan  
46 and which would result from levies made after the effective date of a resolution of the  
47 board approving a regional economic development project during the time the current  
48 equalized value of real property in such regional economic development project area  
49 exceeds the total equalized value of real property in such regional economic development  
50 project area during the baseline year until incremental tax financing for such regional  
51 economic development project area expires or is terminated under the provisions of the  
52 regional economic development district law;

53 (10) "Regional economic development area", an area designated by a regional  
54 economic development district board which shall have the following characteristics:

55 (a) It includes only those parcels of real property directly and substantially  
56 benefited by the proposed regional economic development plan;

57 (b) It will be improved by the regional economic development project;

58 (c) It is contiguous;

59 (d) It is not included in any other redevelopment plan or using any other tax  
60 increment financing program; and

61 (e) The board has declared development of the area is not likely to occur without  
62 benefit of the proposed regional economic development plan;

63 (11) "Regional economic development district", a district formed by agreement of  
64 two or more county or city governing bodies for the purpose of the economic development  
65 of such district, the boundaries of which may encompass all or any part of one or more  
66 entire counties and all or any part of one or more entire cities;

67 (12) "Regional economic development plan", the comprehensive program of a  
68 regional economic development district to improve a regional economic development area,  
69 thereby enhancing the tax bases of the taxing districts which extend into the regional

70 economic development area, through the reimbursement, payment, or other financing of  
71 regional economic development project costs in accordance with the regional economic  
72 development district law. The regional economic development plan shall conform to the  
73 requirements of section 251.621;

74 (13) "Regional economic development project", any regional economic  
75 development project within a regional economic development area which constitutes a  
76 major initiative in furtherance of the objectives of the regional economic development plan,  
77 and any such regional economic development project shall include a legal description of  
78 the area selected for such regional economic development project;

79 (14) "Regional economic development project area", the area located within a  
80 regional economic development area selected for a regional economic development project;

81 (15) "Regional economic development project costs", costs to the regional economic  
82 development plan or a regional economic development project, as applicable, which are  
83 expended on public property, buildings, or rights-of-ways for public purposes to provide  
84 infrastructure or support for a regional economic development project. Such costs shall  
85 only be allowed as an initial expense which, to be recoverable, shall be included in the costs  
86 of a regional economic development plan or regional economic development project,  
87 including any amendments thereto adopted by the board of the regional economic  
88 development district. Such infrastructure costs include, but are not limited to, the  
89 following:

90 (a) Costs of studies, appraisals, surveys, plans, and specifications;

91 (b) Professional service costs, including, but not limited to, architectural,  
92 engineering, legal, marketing, financial, planning, or special services;

93 (c) Property assembly costs, including, but not limited to, acquisition of land and  
94 other property, real or personal, or rights or interests therein, demolition of buildings, and  
95 the clearing and grading of land;

96 (d) Costs of rehabilitation, reconstruction, repair, or remodeling of existing public  
97 buildings and fixtures;

98 (e) Costs of construction of public works or improvements;

99 (f) Financing costs, including, but not limited to, all necessary expenses related to  
100 the issuance of obligations issued to finance all or any portion of the infrastructure costs  
101 of one or more regional economic development projects, and which may include capitalized  
102 interest on any such obligations and reasonable reserves related to any such obligations;

103 (g) All or a portion of a taxing district's capital costs resulting from any regional  
104 economic development project necessarily incurred or to be incurred in furtherance of the



objectives of the regional economic development plan, to the extent the board by written agreement accepts and approves such infrastructure costs; and

(h) Payments to taxing districts on a pro rata basis to partially reimburse taxes diverted by approval of a regional economic development project as approved by the board. In addition, any revenues of the regional economic development district may be expended on or used to reimburse any reasonable or necessary costs incurred or estimated to be incurred in furtherance of a regional economic development plan or a regional economic development project;

(16) "Resolution", a resolution enacted by the regional economic development district board;

(17) "Special allocation fund", the fund of the regional economic development district required to be established under section 251.618 which special allocation fund shall contain at least three separate segregated accounts into which payments in lieu of taxes are deposited in one account, economic activity taxes are deposited in a second account, and other revenues, if any, received by the regional economic development district for the purpose of implementing a regional economic development plan or a regional economic development project are deposited in a third account;

(18) "Taxing district's capital costs", those costs of taxing districts for capital improvements that are found by the regional economic development district to be necessary and to directly result from a regional economic development project; and

(19) "Taxing districts", any political subdivision of this state having the power to levy taxes if the future tax revenues of such district would be affected by the establishment of a regional economic development project.

**251.605. 1.** A regional economic development district may be established by two or more governing bodies in order to plan, formulate, develop, promote, fund, conduct or cause to be conducted, programs to encourage the economic development of the district. The governing bodies may establish such districts by enactment of identical ordinances or by mutual agreement of the governing bodies.

**2.** The qualifications, terms, and number of members of the regional economic development district board for each district shall be determined by the enacting ordinances or the mutual agreement of the governing bodies, except as provided in this subsection. Each governing body located in the regional economic development district shall have equal representation on the board. The chief executive officer of a county in the regional economic development district or mayor of a city in the regional economic development district shall appoint one resident each of such county or city to be on the board, and such officers shall jointly appoint one additional member to the board. The board shall select

14 a chairman, treasurer, and any other officers it deems necessary to conduct its business,  
15 and shall meet in open session at a time and place designated by the chairman in order to  
16 make policy and administer the activities of the district.

17 3. The regional economic development district shall be a public governmental body  
18 for the purposes of section 610.010, RSMo, and shall comply with the provisions of chapter  
19 610, RSMo.

251.610. The ordinances or mutual agreements which establish the district shall  
2 specify the powers of the board. The powers of the board shall not include the power of  
3 eminent domain. The powers of the board may include, but shall not be limited to, the  
4 following:

5 (1) Adoption of bylaws, rules and regulations for the conduct of its business;

6 (2) Maintenance of a principal office;

7 (3) The ability to sue and be sued;

8 (4) The creation of a regional economic development plan for a regional economic  
9 development district;

10 (5) The making and executing of leases, contracts, and other instruments necessary  
11 to exercise its powers;

12 (6) Contracting with cities and counties for services, and with firms, corporations,  
13 persons, and governmental agencies in the necessary performance of its duties;

14 (7) The employment of personnel;

15 (8) Application for and acceptance of local and federal grants and appropriations;

16 (9) Performance of site improvements within the regional economic development  
17 area;

18 (10) Entering into lease or lease-purchase agreements for any real or personal  
19 property necessary or convenient for the purposes of the regional economic development  
20 district;

21 (11) Borrowing money for regional economic development district purposes at such  
22 rates of interest as the district may determine;

23 (12) Issuance of bonds, notes, and other obligations, which may be secured by  
24 mortgage, pledge, assignment, or deed of trust of any or all of the property and income of  
25 the regional economic development district, subject to any restrictions provided in the  
26 regional economic development district law; except that the district shall not mortgage,  
27 pledge, or give a deed of trust on any real property or interests which it acquired from the  
28 state of Missouri or any agency or political subdivision thereof without the written consent  
29 of the state, agency or political subdivision from which it obtained the property;

30           (13) Submission of a regional economic development sales tax to district voters as  
31 provided in section 251.615; and

32           (14) Adoption of incremental tax financing as provided in section 251.618.

          251.615. 1. Any city or county that has agreed to form a regional economic  
2 development district created under the regional economic development district law which  
3 consists of all of one or more entire counties, all of one or more entire cities, or all of one  
4 or more entire counties and one or more entire cities which are totally outside the  
5 boundaries of those counties, may impose, by resolution of the governing body of the city  
6 or county, a sales tax on all retail sales made in the city or county which are subject to sales  
7 tax under chapter 144, RSMo, for the benefit of the regional economic development  
8 district. The sales tax may be imposed at a rate of one-eighth of one percent, one-fourth  
9 of one percent, three-eighths of one percent or one-half of one percent on the receipts from  
10 the sale at retail of all tangible personal property or taxable services at retail within any  
11 such city or county adopting such tax, if such property and services are subject to taxation  
12 by the state of Missouri under the provisions of sections 144.010 to 144.525, RSMo. The  
13 resolution imposing the tax shall not become effective unless the governing body of the city  
14 or county submits to the voters of the city or county at any citywide, county, or state  
15 general, primary, or special election a proposal to authorize the city or county to impose  
16 a tax under this section. The tax authorized in this section shall be in addition to all other  
17 sales taxes imposed by law and shall be stated separately from all other charges and taxes.

18           2. The ballot of submission for the tax authorized in this section shall be in  
19 substantially the following form:

20           Shall the city or county of ..... (insert city or county name) impose a sales tax at  
21 the rate of ..... (insert amount) for economic development purposes?

22                               ☐ YES                               ☐ NO

23  
24 If you are in favor of the question, place an "X" in the box opposite "YES". If you are  
25 opposed to the question, place an "X" in the box opposite "NO".

26  
27 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in  
28 favor of the proposal, then the resolution and any amendments thereto shall be in effect.  
29 If a majority of the votes cast by the qualified voters voting are opposed to the proposal,  
30 then the governing body of the city or county shall have no power to impose the sales tax  
31 authorized by this section unless and until the proposal is resubmitted under this section  
32 and such proposal is approved by a majority of the qualified voters voting thereon.

33           **3. All sales taxes collected by the director of revenue under this section on behalf**  
34 **of any city or county for the benefit of a regional economic development district, less one**  
35 **percent for cost of collection which shall be deposited in the state's general revenue fund**  
36 **after payment of premiums for surety bonds as provided in section 32.087, RSMo, shall be**  
37 **deposited in a special trust fund, which is hereby created, to be known as the "Regional**  
38 **Economic Development District Sales Tax Trust Fund".**

39           **4. The moneys in the regional economic development district sales tax trust fund**  
40 **shall not be deemed to be state funds and shall not be commingled with any funds of the**  
41 **state. The director of revenue shall keep accurate records of the amount of money in the**  
42 **trust fund which was collected in each city or county imposing a sales tax under this**  
43 **section, and the records shall be open to the inspection of the board of the district, the**  
44 **governing body of the city or county, and the public.**

45           **5. Not later than the tenth day of each month, the director of revenue shall**  
46 **distribute all moneys deposited in the trust fund during the preceding month to the city or**  
47 **county which levied the tax. Such funds shall be distributed to the treasurer of the**  
48 **governing body of the city or county which shall deposit all such funds for the benefit of**  
49 **the district. All expenditures of funds arising from the regional economic development**  
50 **district sales tax trust fund shall be in accordance with the regional economic development**  
51 **district law.**

52           **6. The director of revenue may authorize the state treasurer to make refunds from**  
53 **the amounts in the trust fund and credited to any city or county for erroneous payments**  
54 **and overpayments made, and may redeem dishonored checks and drafts deposited to the**  
55 **credit of such city or county.**

56           **7. If any city or county abolishes the tax, the governing body of the city or county**  
57 **shall notify the director of revenue of the action at least ninety days prior to the effective**  
58 **date of the repeal, and the director of revenue may order retention in the trust fund, for**  
59 **a period of one year, of two percent of the amount collected after receipt of such notice to**  
60 **cover possible refunds or overpayment of the tax and to redeem dishonored checks and**  
61 **drafts deposited to the credit of such accounts. After one year has elapsed after the**  
62 **effective date of abolition of the tax in such district, the director of revenue shall remit the**  
63 **balance in the account to the city or county and close the account of that city or county.**  
64 **The director of revenue shall notify each city or county of each instance of any amount**  
65 **refunded or any check redeemed from receipts due the city or county.**

66           **8. Except as modified in and by this section, all provisions of sections 32.085 and**  
67 **32.087, RSMo, shall apply to the tax imposed under this section.**

68           **9. All revenue generated by the tax shall be deposited in a special trust fund and**  
69 **shall be used solely for the designated purposes. If the tax is repealed, all funds remaining**  
70 **in the special trust fund shall continue to be used solely for the designated purposes. Any**  
71 **funds in the special trust fund which are not needed for current expenditures may be**  
72 **invested by the city or county in accordance with applicable laws relating to the investment**  
73 **of other city or county funds.**

74           **10. The board shall consider regional economic development plans, regional**  
75 **economic development projects, or designations of a regional economic development**  
76 **district and shall hold public hearings and provide notice of any such hearings. The board**  
77 **shall vote on all proposed regional economic development plans, regional economic**  
78 **development projects, or designations of a regional economic development district, and**  
79 **amendments thereto, within thirty days following completion of the hearing on any such**  
80 **plan, project, or designation, and shall make the final determination on use and**  
81 **expenditure of any funds received from the tax imposed under this section.**

82           **11. Notwithstanding any other provision of law to the contrary, the regional**  
83 **economic development district sales tax imposed under this section when imposed within**  
84 **a special taxing district, including, but not limited to a tax increment financing district,**  
85 **neighborhood improvement district, or community improvement district, shall be excluded**  
86 **from the calculation of revenues available to such districts, and no revenues from any sales**  
87 **tax imposed under this section shall be used for the purposes of any such district unless**  
88 **approved by the regional economic development district board established under the**  
89 **regional economic development district law and the governing body of the city or county**  
90 **imposing the tax.**

91           **12. The board of the district shall make a report at least annually on the use of the**  
92 **funds provided under this section and on the progress of any plan, project, or area**  
93 **designation adopted under this section and shall make such report available to the public**  
94 **and the governing body of the city or county imposing the tax.**

95           **13. (1) No city or county imposing a sales tax under this section may repeal or**  
96 **amend such sales tax unless such repeal or amendment will not impair the district's ability**  
97 **to repay any liabilities which it has incurred, money which it has borrowed, or revenue**  
98 **bonds, notes, or other obligations which it has issued to finance any project or projects.**

99           **(2) Whenever the governing body of any city or county in which a regional**  
100 **economic development district sales tax has been imposed in the manner provided by this**  
101 **section receives a petition, signed by ten percent of the qualified voters of such city or**  
102 **county calling for an election to repeal such regional economic development district sales**  
103 **tax, the governing body shall, if such repeal will not impair the district's ability to repay**

any liabilities which it has incurred, money which it has borrowed, or revenue bonds, notes, or other obligations which it has issued to finance any project or projects, submit to the voters of such city or county a proposal to repeal the regional economic development district sales tax imposed under this section. If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor of the proposal to repeal the regional economic development district sales tax, then the resolution imposing the regional economic development district sales tax, along with any amendments thereto, is repealed. If a majority of the votes cast by the qualified voters voting thereon are opposed to the proposal to repeal the regional economic development district sales tax, then the resolution imposing the regional economic development district sales tax, along with any amendments thereto, shall remain in effect.

14. If any provision of the regional economic development district law or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or application of the regional economic development district law which can be given effect without the invalid provision or application, and to this end the provisions of the regional economic development district law are declared severable.

251.618. 1. A regional economic development district board, after adopting a regional economic development plan, may adopt incremental tax financing as set forth in this section for the purposes of the district by passing a resolution, however, incremental tax financing shall not be available for any retail projects. Upon the adoption of the first of any such resolutions, the treasurer of the board shall establish a special allocation fund for the regional economic development district.

2. Immediately upon the adoption of a resolution implementing incremental tax financing under subsection 1 of this section, the county assessor shall determine the total equalized assessed value of all taxable real property within such regional economic development district by adding together the most recently ascertained equalized assessed value of each taxable lot, block, tract, or parcel of real property within such regional economic development project area as of the date of the adoption of such resolution and shall provide to the treasurer of the board written certification of such amount as the total initial equalized assessed value of the taxable real property within such regional economic development district.

3. In each of the twenty-five calendar years following the adoption of a resolution adopting incremental tax financing for a regional economic development district under this section unless and until such incremental tax financing for such district is terminated by resolution of the regional economic development district board, the ad valorem taxes, and payments in lieu of taxes, if any, arising from the levies upon taxable real property in such

21 regional economic development project area by taxing districts at the tax rates determined  
22 in the manner provided in section 251.627 shall be divided as follows:

23 (1) That portion of taxes, penalties, and interest levied upon each taxable lot, block,  
24 tract, or parcel of real property in such regional economic development project area which  
25 is attributable to the initial equalized assessed value of each such taxable lot, block, tract,  
26 or parcel of real property in such regional economic development project area as certified  
27 by the county assessor in accordance with subsection 2 of this section plus an annual tax  
28 base adjustment equal to the percentage change in the general price level as measured by  
29 the consumers price index for all urban consumers for the United States, or its successor  
30 index, as defined and officially recorded by the United States Department of Labor, shall  
31 be allocated to and, when collected, shall be paid by the collecting authority to the  
32 respective affected taxing districts in the manner required by law in the absence of the  
33 adoption of incremental tax financing. For the purpose of determining the percentage  
34 change in the general price level, the treasurer of the regional economic development  
35 district board shall determine the consumer price index as defined herein for the preceding  
36 calendar year over the consumer price index for the calendar year immediately prior  
37 thereto;

38 (2) Payments in lieu of taxes attributable to the increase in the current equalized  
39 assessed valuation of each taxable lot, block, tract, or parcel of real property in the regional  
40 economic development project area and any applicable penalty and interest over and above  
41 the initial equalized assessed value of each such taxable lot, block, tract, or parcel of real  
42 property in such regional economic development project area as certified by the county  
43 assessor and as adjusted by the annual tax base adjustment as detailed in this section shall  
44 be allocated to and, when collected, shall be paid by the collecting officer of the  
45 municipality or county to the treasurer of the regional economic development district who  
46 shall deposit such payment in lieu of taxes into a separate segregated account for payments  
47 in lieu of taxes within the special allocation fund. Payments in lieu of taxes which are due  
48 and owing shall constitute a lien against the real property from which such payments in  
49 lieu of taxes are derived and shall be collected in the same manner as real property taxes,  
50 including the assessment of penalties and interest where applicable. The lien of payments  
51 in lieu of taxes may be foreclosed in the same manner as the lien of real property taxes. No  
52 part of the current equalized assessed valuation of each taxable lot, block, tract, or parcel  
53 of property in any such regional economic development project area attributable to any  
54 increase above the initial equalized assessed value of each such taxable lot, block, tract, or  
55 parcel of real property in such regional economic development project area as certified by  
56 the county assessor and as adjusted by the annual tax base adjustment as detailed in this

57 section shall be used in calculating the general state school aid formula provided for in  
58 section 163.031, RSMo, until incremental tax financing for such regional economic  
59 development project area expires or is terminated in accordance with the regional  
60 economic development district law;

61 (3) For purposes of this section, levies upon taxable real property in such regional  
62 economic development area by taxing districts shall not include the blind pension fund tax  
63 levied under the authority of article III, section 38(b) of the Missouri Constitution, the  
64 merchants' and manufacturers' inventory replacement tax levied under the authority of  
65 article X, subsection 2 of section 6 of the Missouri Constitution, the desegregation sales tax,  
66 or the conservation taxes.

67 4. In each of the twenty-five calendar years following the adoption of a resolution  
68 adopting incremental tax financing for a regional economic development project area  
69 under this section, unless and until incremental tax financing for such regional economic  
70 development project area is terminated in accordance with the regional economic  
71 development district law, fifty percent of the economic activity taxes from such regional  
72 economic development project area shall be allocated to and paid by the collecting officer  
73 of any such economic activity tax to the treasurer of the regional economic development  
74 district, who shall deposit such funds in a separate segregated account for economic  
75 activity taxes within the special allocation fund.

251.621. 1. A regional economic development plan shall set forth in writing a  
2 general description of the program to be undertaken to accomplish the regional economic  
3 development projects and related objectives and shall include, but need not be limited to:

4 (1) The name, street and mailing address, and phone number of the chairman of  
5 the regional economic development district board;

6 (2) The street address or other description of the location of the development site;

7 (3) The estimated regional economic development project costs;

8 (4) The anticipated sources of funds to pay such regional economic development  
9 project costs;

10 (5) Evidence of the commitments to finance such regional economic development  
11 project costs;

12 (6) The anticipated type and term of the sources of funds to pay such regional  
13 economic development project costs;

14 (7) The anticipated type and terms of the obligations to be issued;

15 (8) The most recent equalized assessed valuation of the property within the regional  
16 economic development project area;



17           (9) An estimate as to the equalized assessed valuation after the regional economic  
18 development project area is developed in accordance with a regional economic  
19 development plan;

20           (10) The general land uses to apply in the regional economic development area;

21           (11) A list of community and economic benefits to result from the regional economic  
22 development project;

23           (12) A list of all development subsidies that any business benefiting from public  
24 expenditures in the regional economic development area has previously received for the  
25 project, and the name of any other granting body from which such subsidies are sought;

26           (13) A list of all other public investments made or to be made by this state or units  
27 of local government to support infrastructure or other needs generated by the project for  
28 which funding under the regional economic development district law is being sought;

29           (14) A market study for the regional economic development area; and

30           (15) A certification by the regional economic development district board as to the  
31 accuracy of the regional economic development plan.

32           2. The regional economic development plan may be adopted by a regional economic  
33 development district in reliance on findings that a reasonable person would believe:

34           (1) The regional economic development area has not been subject to growth and  
35 development through investment by private enterprise and would not reasonably be  
36 anticipated to be developed without the implementation of one or more regional economic  
37 development projects and the adoption of incremental tax financing;

38           (2) The estimated dates of the completion of such regional economic development  
39 project and retirement of obligations incurred to finance regional economic development  
40 project costs which shall not be more than twenty-five years from the adoption of the  
41 resolution approving any regional economic development project, provided that no  
42 resolution approving a regional economic development project shall be adopted later than  
43 fifteen years from the adoption of the resolution approving the regional economic  
44 development plan;

45           (3) The development plan contains a cost-benefit analysis showing the economic  
46 impact of the regional economic development plan on any municipality, county, regional  
47 economic development district, and school districts that are at least partially within the  
48 boundaries of the regional economic development area. The analysis shall show the impact  
49 on the economy if the regional economic development projects are not built according to  
50 the regional economic development plan under consideration;

51           (4) The regional economic development plan does not include the initial  
52 development or redevelopment of any gambling establishment; and

53           (5) An economic feasibility analysis including a pro forma financial statement  
54 indicating the return on investment that may be expected without public assistance. The  
55 financial statement shall detail any assumptions made, a pro forma statement analysis  
56 demonstrating the amount of assistance required to bring the return into a range deemed  
57 attractive to private investors, which amount shall not exceed the estimated reimbursable  
58 project costs.

          251.624. 1. When all regional economic development project costs and all  
2 obligations issued to finance regional economic development project costs have been paid  
3 in full, the regional economic development district shall adopt a resolution terminating  
4 incremental tax financing for all regional economic development project areas.  
5 Immediately upon the adoption of such resolution, all payments in lieu of taxes, all  
6 economic activity taxes, and other net new revenues then remaining in the special  
7 allocation fund shall be deemed to be surplus funds; thereafter, the rates of the taxing  
8 districts shall be extended, and taxes shall be levied, collected, and distributed in the  
9 manner applicable in the absence of the adoption of incremental tax financing. Surplus  
10 payments in lieu of taxes shall be paid to the county collector who shall immediately  
11 thereafter pay such funds to the taxing districts in the regional economic development area  
12 selected in the same manner and proportion as the most recent distribution by the collector  
13 to the affected taxing districts of real property taxes from real property in the regional  
14 economic development area. Surplus economic activity taxes shall be paid to the taxing  
15 districts in the regional economic development area in proportion to the then current levy  
16 rates of such taxing districts that are attributable to such economic activity taxes. Any  
17 other funds remaining in the special allocation fund following the adoption of a resolution  
18 terminating incremental tax financing in accordance with this section shall be deposited  
19 to the general fund of the municipalities or counties that originally formed the regional  
20 economic development district in a pro rata amount determined by the regional economic  
21 development district board.

22           2. Upon the payment of all regional economic development project costs, retirement  
23 of obligations, and the distribution of any surplus funds under this section, the regional  
24 economic development district shall adopt a resolution dissolving the special allocation  
25 fund and terminating the designation of the regional economic development area as a  
26 regional economic development area.

27           3. Nothing in the regional economic development district law shall be construed as  
28 relieving property in such areas from paying a uniform rate of taxes, as required by article  
29 X, section 3 of the Missouri Constitution.

251.627. In each of the twenty-five calendar years following the adoption of a resolution adopting incremental tax financing for a regional economic development project area, unless and until incremental tax financing for such regional economic development project area is terminated by resolution of the regional economic development district board, then, in respect to every taxing district containing such regional economic development project area, the county clerk or any other official required by law to ascertain the amount of the equalized assessed value of all taxable property within such regional economic development project area for the purpose of computing any debt service levies to be extended upon taxable property within such regional economic development project area, shall in every year that incremental tax financing is in effect ascertain the amount of value of taxable property in such regional economic development project area by including in such amount the certified total initial equalized assessed value of all taxable real property in such regional economic development project area in lieu of the equalized assessed value of all taxable real property in such regional economic development project area. For the purpose of measuring the size of payments in lieu of taxes under the regional economic development district law, all tax levies shall then be extended to the current equalized assessed value of all property in the regional economic development project area in the same manner as the tax rate percentage is extended to all other taxable property in the taxing district.

251.630. 1. A regional economic development district may at any time authorize or issue revenue bonds for the purpose of paying all or any part of the cost of any regional economic development project. Every issue of such bonds shall be payable out of the revenues of the regional economic development district and may be further secured by other property of the regional economic development district which may be pledged, assigned, mortgaged, or a security interest granted for such payment, without preference or priority of the first bonds issued, subject to any agreement with the holders of any other bonds pledging any specified property or revenues. Such bonds shall be authorized by resolution of the regional economic development district, and if issued by the regional economic development district, shall bear such date or dates and shall mature at such time or times, but not in excess of twenty-five years, as the resolution shall specify. Such bonds shall be in such denomination, bear interest at such rate or rates, be in such form, either coupon or registered, be issued as current interest bonds, compound interest bonds, variable rate bonds, convertible bonds, or zero coupon bonds, be issued in such manner, be payable in such place or places, and subject to redemption as such resolution may provide notwithstanding the provisions of section 108.170, RSMo. The bonds may be sold

17 at either public or private sale at such interest rates, and at such price or prices as the  
18 regional economic development district board shall determine.

19       2. Any issue of regional economic development district bonds outstanding may be  
20 refunded at any time by the regional economic development district by issuing its  
21 refunding bonds in such amount as the regional economic development district may deem  
22 necessary. Such bonds may not exceed the amount sufficient to refund the principal of the  
23 bonds to be refunded together with any unpaid interest thereon and any premiums,  
24 commissions, service fees, and other expenses necessary to be paid in connection with the  
25 refunding. Any such refunding may be effected whether the bonds to be refunded then  
26 shall have matured or thereafter shall mature, either by sale of the refunding bonds and  
27 the application of the proceeds thereof to the payment of the bonds being refunded or by  
28 the exchange of the refunding bonds for the bonds being refunded with the consent of the  
29 holder or holders of the bonds being refunded. Refunding bonds may be issued regardless  
30 of whether the bonds being refunded were issued in connection with the same project or  
31 a separate project and regardless of whether the bonds proposed to be refunded shall be  
32 payable on the same date or different dates or shall be due serially or otherwise.

33       3. Bonds issued under this section shall exclusively be the responsibility of the  
34 regional economic development district payable solely out of regional economic  
35 development district funds and property as provided in the regional economic development  
36 district law and shall not constitute a debt or liability of the state of Missouri or any agency  
37 or political subdivision of the state. The regional economic development district shall not  
38 be obligated to pay such bonds with any funds other than those specifically pledged to  
39 repayment of the bonds. Any bonds issued by a regional economic development district  
40 shall state on their face that they are not obligations of the state of Missouri or any agency  
41 or political subdivision thereof other than the regional economic development district.

42       4. Bonds issued under this section, the interest thereon, or any proceeds from such  
43 bonds shall be exempt from taxation in the state of Missouri.

Section B. Because immediate action is necessary to meet an electoral deadline, the  
2 repeal and reenactment of section 67.1360 of section A of this act is deemed necessary for the  
3 immediate preservation of the public health, welfare, peace, and safety, and is hereby declared  
4 to be an emergency act within the meaning of the constitution, and the repeal and reenactment  
5 of section 67.1360 of section A of this act shall be in full force and effect upon its passage and  
6 approval.

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