

CCS HCS SB 30 -- TAXATION

This bill changes the laws regarding taxation. In its main provisions, the bill:

(1) Establishes the Children's Services Protection Act which requires any city or county that has levied a sales tax for providing services to children in need to reimburse the community children's services fund the amount of tax revenue that is used for or diverted to any tax increment financing project approved or adopted after August 28, 2007;

(2) Authorizes Perry County to levy, upon voter approval, a sales tax of up to .25% to equally fund senior services and youth programs;

(3) Authorizes any second, third, or fourth classification county to impose, upon voter approval, a transient guest tax of one cent on all hotel or motel sleeping rooms within the county for the promotion of tourism within the county;

(4) Authorizes the City of Hollister to impose, upon voter approval, a transient guest tax of from 2% to 5% per room per night for the promotion of tourism;

(5) Adds county assessors to the list of county officials who must receive certified copies of the ordinances effecting a concurrent detachment and annexation of property between municipalities;

(6) Authorizes the City of Independence to impose, upon voter approval, a sales tax of up to 1% of gross retail receipts to be used for funding police services provided by the municipal police department;

(7) Increases, beginning January 1, 2008, from \$25,000 to \$27,500 the maximum income allowed to claim the senior citizen/disabled person property tax credit and increases from \$13,000 to \$14,300 the minimum base;

(8) Authorizes a refundable individual income tax credit, beginning January 1, 2008, for the amount of real property taxes paid on a homestead by surviving spouses of certain public safety officers who were killed in the line of duty;

(9) Requires, beginning January 1, 2008, operators of storage facilities to provide documentation including the owner's name, address, county of residence, and a description of the personal property to the county assessor where the rental or leasing facility is located for property tax purposes. The bill defines

"personal property" as any house trailer, manufactured home, boat, vessel, floating home or structure, airplane, or aircraft;

(10) Authorizes an exemption from the motor fuel tax for motor fuel sold for use by an interstate transportation authority, a city transit authority, or a city utilities board to operate a public mass transportation facility;

(11) Removes the solely in interstate commerce requirement for the state and local sales and use tax exemption for motor vehicles used by common carriers;

(12) Exempts from state and local sales and use tax the utilities used in the research and development of prescription pharmaceuticals consumed by humans or animals;

(13) Exempts from state and local sales and use tax tangible personal property and utilities used in the research and development of agricultural/biotechnology and plant genomics products;

(14) Authorizes an exemption from state sales and use tax for the cost of all utilities, chemicals, machinery, equipment, and materials used in the manufacturing, processing, compounding, mining, or production of a product; the processing of recovered materials; and the research and development of manufacturing, processing, compounding, mining, or producing a product;

(15) Authorizes an exemption from state and local sales and use tax on all purchases of tangible personal property, utilities, services, and other transactions made for fulfilling United States government defense contracts and all utilities, machinery, and equipment used directly in television or radio broadcasting;

(16) Authorizes an exemption from state and local sales and use tax for all purchases and leases of tangible personal property by any county, city, incorporated town, or village for industrial development under Chapter 100, RSMo, when the transaction is certified for the exemption by the Department of Economic Development;

(17) Authorizes an exemption from state and local sales and use tax for tangible personal property used for railroad infrastructure brought into Missouri for modification and then used outside the state;

(18) Requires a retail sales licensee to obtain, beginning January 1, 2009, a statement from the Department of Revenue verifying that no sales tax is owed before the issuance or renewal of any city or county occupation license or any state

license;

(19) Authorizes an exemption from state and local sales tax, beginning September 1, 2007, for the cost of temporarily using coin-operated amusement devices and removes the exemption for the purchase of the devices and parts. Coin-operated amusement devices include video, pinball, table, and redemption games;

(20) Reassigns the Monroe City R-I School District which is located in two counties to the county with the higher dollar value modifier as it is used for the school foundation formula;

(21) Authorizes the cities of Centerview and Kingsville to levy, upon voter approval, a tax of up to 35 cents on each \$100 of assessed valuation on taxable real property to fund the establishment of a community health district;

(22) Revises the definition of "community-based organization" to include any nonprofit corporation formed under Chapter 355 which the Department of Economic Development can approve to implement the Family Development Account Program;

(23) Requires the transit authority in St. Charles County to reimburse the county for the cost of an election to increase the transit authority's sales tax rate if the measure is approved by voters from the funds derived from the tax increase;

(24) Transfers from the Department of Economic Development to the Department of Public Safety the duty of certifying when a dry fire hydrant system meets the requirements to obtain an income tax credit and extends the expiration date of the credit from August 28, 2003, to August 28, 2010; and

(25) Allows a common carrier of household goods to file an application with the Highways and Transportation Commission for the approval of rates to reflect increases and decreases in its operational costs. The application process will be governed by the commission and will follow rules similar to the rate hearing procedures for utility companies. Beginning January 1, 2008, an intrastate carrier of household goods will be required to obtain Department of Transportation authority to operate in municipalities, between municipalities, and in commercial zones.

The provisions regarding the tax credit for taxes paid on a homestead by a surviving spouse will expire six years from the effective date.