

SECOND REGULAR SESSION

# HOUSE BILL NO. 1867

## 94TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVE SCAVUZZO.

Read 1st time January 24, 2008 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

3173L.02I

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### AN ACT

To repeal section 94.900, RSMo, and to enact in lieu thereof one new section relating to public safety sales taxes.

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

Section A. Section 94.900, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 94.900, to read as follows:

94.900. 1. The governing body of any city of the third classification with more than ten thousand eight hundred but less than ten thousand nine hundred inhabitants located at least partly within a county of the first classification with more than one hundred eighty-four thousand but less than one hundred eighty-eight thousand inhabitants, **or any city of the fourth classification with more than eight thousand nine hundred but fewer than nine thousand inhabitants**, is hereby authorized to impose, by ordinance or order, a sales tax in the amount of up to one-half of one percent on all retail sales made in such city which are subject to taxation under the provisions of sections 144.010 to 144.525, RSMo, for the purpose of improving the public safety for such city, including but not limited to expenditures on equipment, city employee salaries and benefits, and facilities for police, fire and emergency medical providers. The tax authorized by this section shall be in addition to any and all other sales taxes allowed by law, except that no ordinance or order imposing a sales tax pursuant to the provisions of this section shall be effective unless the governing body of the city submits to the voters of the city, at a county or state general, primary or special election, a proposal to authorize the governing body of the city to impose a tax.

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.

16           2. If the proposal submitted involves only authorization to impose the tax authorized by  
17 this section, the ballot of submission shall contain, but need not be limited to, the following  
18 language:

19           Shall the city of ..... (city's name) impose a citywide sales tax of ..... (insert  
20 amount) for the purpose of improving the public safety of the city?

21                           ☐ YES   ☐ NO

22

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

25

26 If a majority of the votes cast on the proposal by the qualified voters voting thereon are in favor  
27 of the proposal submitted pursuant to this subsection, then the ordinance or order and any  
28 amendments thereto shall be in effect on the first day of the second quarter immediately  
29 following the election approving the proposal. If a proposal receives less than the required  
30 majority, then the governing body of the city shall have no power to impose the sales tax herein  
31 authorized unless and until the governing body of the city shall again have submitted another  
32 proposal to authorize the governing body of the city to impose the sales tax authorized by this  
33 section and such proposal is approved by the required majority of the qualified voters voting  
34 thereon. However, in no event shall a proposal pursuant to this section be submitted to the voters  
35 sooner than twelve months from the date of the last proposal pursuant to this section.

36           3. All revenue received by a city from the tax authorized under the provisions of this  
37 section shall be deposited in a special trust fund and shall be used solely for improving the public  
38 safety for such city for so long as the tax shall remain in effect.

39           4. Once the tax authorized by this section is abolished or is terminated by any means, all  
40 funds remaining in the special trust fund shall be used solely for improving the public safety for  
41 the city. Any funds in such special trust fund which are not needed for current expenditures may  
42 be invested by the governing body in accordance with applicable laws relating to the investment  
43 of other city funds.

44           5. All sales taxes collected by the director of the department of revenue under this  
45 section on behalf of any city, less one percent for cost of collection which shall be deposited in  
46 the state's general revenue fund after payment of premiums for surety bonds as provided in  
47 section 32.087, RSMo, shall be deposited in a special trust fund, which is hereby created in the  
48 state treasury, to be known as the "City Public Safety Sales Tax Trust Fund". The moneys in the  
49 trust fund shall not be deemed to be state funds and shall not be commingled with any funds of  
50 the state. The provisions of section 33.080, RSMo, to the contrary notwithstanding, money in  
51 this fund shall not be transferred and placed to the credit of the general revenue fund. The

52 director of the department of revenue shall keep accurate records of the amount of money in the  
53 trust and which was collected in each city imposing a sales tax pursuant to this section, and the  
54 records shall be open to the inspection of officers of the city and the public. Not later than the  
55 tenth day of each month the director of the department of revenue shall distribute all moneys  
56 deposited in the trust fund during the preceding month to the city which levied the tax; such  
57 funds shall be deposited with the city treasurer of each such city, and all expenditures of funds  
58 arising from the trust fund shall be by an appropriation act to be enacted by the governing body  
59 of each such city. Expenditures may be made from the fund for any functions authorized in the  
60 ordinance or order adopted by the governing body submitting the tax to the voters.

61         6. The director of the department of revenue may authorize the state treasurer to make  
62 refunds from the amounts in the trust fund and credited to any city for erroneous payments and  
63 overpayments made, and may redeem dishonored checks and drafts deposited to the credit of  
64 such cities. If any city abolishes the tax, the city shall notify the director of the department of  
65 revenue of the action at least ninety days prior to the effective date of the repeal and the director  
66 of the department of revenue may order retention in the trust fund, for a period of one year, of  
67 two percent of the amount collected after receipt of such notice to cover possible refunds or  
68 overpayment of the tax and to redeem dishonored checks and drafts deposited to the credit of  
69 such accounts. After one year has elapsed after the effective date of abolition of the tax in such  
70 city, the director of the department of revenue shall remit the balance in the account to the city  
71 and close the account of that city. The director of the department of revenue shall notify each  
72 city of each instance of any amount refunded or any check redeemed from receipts due the city.

73         7. Except as modified in this section, all provisions of sections 32.085 and 32.087,  
74 RSMo, shall apply to the tax imposed pursuant to this section.

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