

FIRST REGULAR SESSION

# HOUSE BILL NO. 564

## 95TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES SCAVUZZO (Sponsor) AND MOLENDORP (Co-sponsor).

1530L.011

D. ADAM CRUMBLISS, Chief Clerk

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### AN ACT

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

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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Section A. Section 94.900, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 94.900, to read as follows: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] **following cities may impose a tax as provided in this section:**

(1) 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] ;

(2) Any city of the fourth classification with more than eight thousand nine hundred but fewer than nine thousand inhabitants[.] ;

(3) **Any city of the fourth classification with more than two thousand six hundred but fewer than two thousand seven hundred inhabitants and located in any county of the first classification with more than eighty-two thousand but fewer than eighty-two thousand one hundred inhabitants.**

2. **The governing body of any city listed in subsection 1 of this section** 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,

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.

18 and facilities for police, fire and emergency medical providers. The tax authorized by this  
19 section shall be in addition to any and all other sales taxes allowed by law, except that no  
20 ordinance or order imposing a sales tax pursuant to the provisions of this section shall be  
21 effective unless the governing body of the city submits to the voters of the city, at a county or  
22 state general, primary or special election, a proposal to authorize the governing body of the city  
23 to impose a tax.

24 [2.] 3. If the proposal submitted involves only authorization to impose the tax authorized  
25 by this section, the ballot of submission shall contain, but need not be limited to, the following  
26 language:

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

29 ☐ YES ☐ NO

30 If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed  
31 to the question, place an "X" in the box opposite "NO".]

32 4. If a majority of the votes cast on the proposal by the qualified voters voting thereon  
33 are in favor of the proposal submitted pursuant to this subsection, then the ordinance or order and  
34 any amendments thereto shall be in effect on the first day of the second calendar quarter after the  
35 director of revenue receives notification of adoption of the local sales tax. If a proposal receives  
36 less than the required majority, then the governing body of the city shall have no power to  
37 impose the sales tax herein authorized unless and until the governing body of the city shall again  
38 have submitted another proposal to authorize the governing body of the city to impose the sales  
39 tax authorized by this section and such proposal is approved by the required majority of the  
40 qualified voters voting thereon. However, in no event shall a proposal pursuant to this section  
41 be submitted to the voters sooner than twelve months from the date of the last proposal pursuant  
42 to this section.

43 [3.] 5. All revenue received by a city from the tax authorized under the provisions of this  
44 section shall be deposited in a special trust fund and shall be used solely for improving the public  
45 safety for such city for so long as the tax shall remain in effect.

46 [4.] 6. Once the tax authorized by this section is abolished or is terminated by any means,  
47 all funds remaining in the special trust fund shall be used solely for improving the public safety  
48 for the city. Any funds in such special trust fund which are not needed for current expenditures  
49 may be invested by the governing body in accordance with applicable laws relating to the  
50 investment of other city funds.

51 [5.] 7. All sales taxes collected by the director of the department of revenue under this  
52 section on behalf of any city, less one percent for cost of collection which shall be deposited in  
53 the state's general revenue fund after payment of premiums for surety bonds as provided in

54 section 32.087, RSMo, shall be deposited in a special trust fund, which is hereby created, to be  
55 known as the "City Public Safety Sales Tax Trust Fund". The moneys in the trust fund shall not  
56 be deemed to be state funds and shall not be commingled with any funds of the state. The  
57 provisions of section 33.080, RSMo, to the contrary notwithstanding, money in this fund shall  
58 not be transferred and placed to the credit of the general revenue fund. The director of the  
59 department of revenue shall keep accurate records of the amount of money in the trust and which  
60 was collected in each city imposing a sales tax pursuant to this section, and the records shall be  
61 open to the inspection of officers of the city and the public. Not later than the tenth day of each  
62 month the director of the department of revenue shall distribute all moneys deposited in the trust  
63 fund during the preceding month to the city which levied the tax; such funds shall be deposited  
64 with the city treasurer of each such city, and all expenditures of funds arising from the trust fund  
65 shall be by an appropriation act to be enacted by the governing body of each such city.  
66 Expenditures may be made from the fund for any functions authorized in the ordinance or order  
67 adopted by the governing body submitting the tax to the voters.

68 [6.] 8. The director of the department of revenue may make refunds from the amounts  
69 in the trust fund and credited to any city for erroneous payments and overpayments made, and  
70 may redeem dishonored checks and drafts deposited to the credit of such cities. If any city  
71 abolishes the tax, the city shall notify the director of the department of revenue of the action at  
72 least ninety days prior to the effective date of the repeal and the director of the department of  
73 revenue may order retention in the trust fund, for a period of one year, of two percent of the  
74 amount collected after receipt of such notice to cover possible refunds or overpayment of the tax  
75 and to redeem dishonored checks and drafts deposited to the credit of such accounts. After one  
76 year has elapsed after the effective date of abolition of the tax in such city, the director of the  
77 department of revenue shall remit the balance in the account to the city and close the account of  
78 that city. The director of the department of revenue shall notify each city of each instance of any  
79 amount refunded or any check redeemed from receipts due the city.

80 [7.] 9. Except as modified in this section, all provisions of sections 32.085 and 32.087,  
81 RSMo, shall apply to the tax imposed pursuant to this section.

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